

# ENI 1Q 2023 RESULTS

## Delivering on Performance and Strategy

APRIL 28, 2023



*Sail Away of Firenze FPSO to Côte d'Ivoire from Dubai*

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- Fluctuations in the prices of crude oil, natural gas, oil products and chemicals;
- Strong competition worldwide to supply energy to the industrial, commercial and residential energy markets;
- Safety, security, environmental and other operational risks, and the costs and risks associated with the requirement to comply with related regulation, including regulation on GHG emissions;
- Risks associated with the exploration and production of oil and natural gas, including the risk that exploration efforts may be unsuccessful and the operational risks associated with development projects;
- Uncertainties in the estimates of natural gas reserves;
- The time and expense required to develop reserves;
- Material disruptions arising from political, social and economic instability, particularly in light of the areas in which Eni operates;
- Risks associated with the trading environment, competition, and demand and supply dynamics in the natural gas market, including the impact under Eni take-or-pay long-term gas supply contracts;
- Laws and regulations related to climate change;
- Risks related to legal proceedings and compliance with anti-corruption legislation;
- Risks arising from potential future acquisitions; and
- Exposure to exchange rate, interest rate and credit risks.

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# 1Q 2023 | HIGHLIGHTS



## NATURAL RESOURCES

**DISCOVERED RESOURCES:** Around 200 Mboe, mainly from new discoveries in Cyprus, Mexico and Egypt

**E&P:** Production up >2% q/q; major gas development in Libya; sail away of FPSO for Baleine, Côte d'Ivoire

**CCS:** Significant step forward in the development of the Hynet NW CCS Project with receipt of grant from UK government

**PORTFOLIO:** Closing of bp's Algerian business acquisition and stake sale of Algeria-Italy gas pipeline to Snam

## ENERGY EVOLUTION

**SUSTAINABLE MOBILITY:** Company incorporation; 50% purchase of St. Bernard Biorefinery, enhanced supply of 100% HVO

**PLENITUDE:** Inaugurated 263 MW PV plant in the US; renewable pipeline expansion in Italy and UK

**CHEMICALS:** Announced Versalis' acquisition of Novamont

## FINANCIALS

**EBIT:** € 4.6 BLN, resilient E&P, strong GGP, Energy Evolution meeting expectations

**NET PROFIT:** € 2.9 BLN, resisting price impact by delivering quarter-on-quarter profit improvement

**CFFO:** € 5.3 BLN, excellent underlying cash conversion

**CAPEX:** € 2.2 BLN, maintaining capital discipline

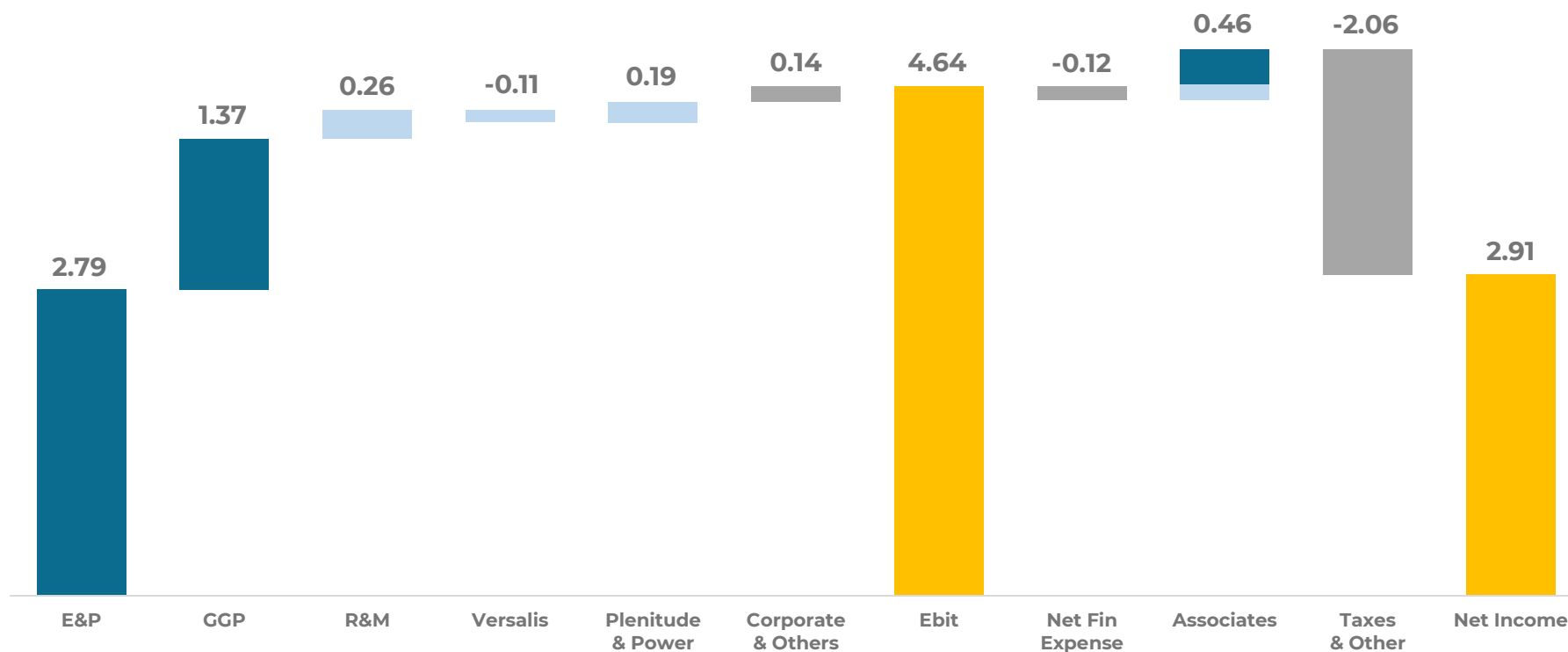
**LEVERAGE:** 14%, historically low providing strength and flexibility



# 1Q 2023 | EARNINGS OVERVIEW

CONFIRMING EXCELLENT 1Q 2023 RESULTS

€ BLN



EBIT is adjusted.

**E&P:** resilient profitability

in a weaker scenario

**GGP:** record quarterly EBIT  
on gas and LNG optimization

**R&M:** continuing capturing cycle

**VERSALIS:** challenged by lower demand

**PLENITUDE:** delivering growth trajectory

## ON TRACK ON KEY METRICS

GGP EBIT €1.37 BLN

Downstream EBIT pro forma € 0.31 BLN

Sustainable Mobility EBITDA € 0.20 BLN

Plenitude EBITDA pro forma € 0.23 BLN



CONTRIBUTIONS FROM  
ACROSS ALL MAJOR  
BUSINESSES

RESILIENT DELIVERY  
FROM UPSTREAM

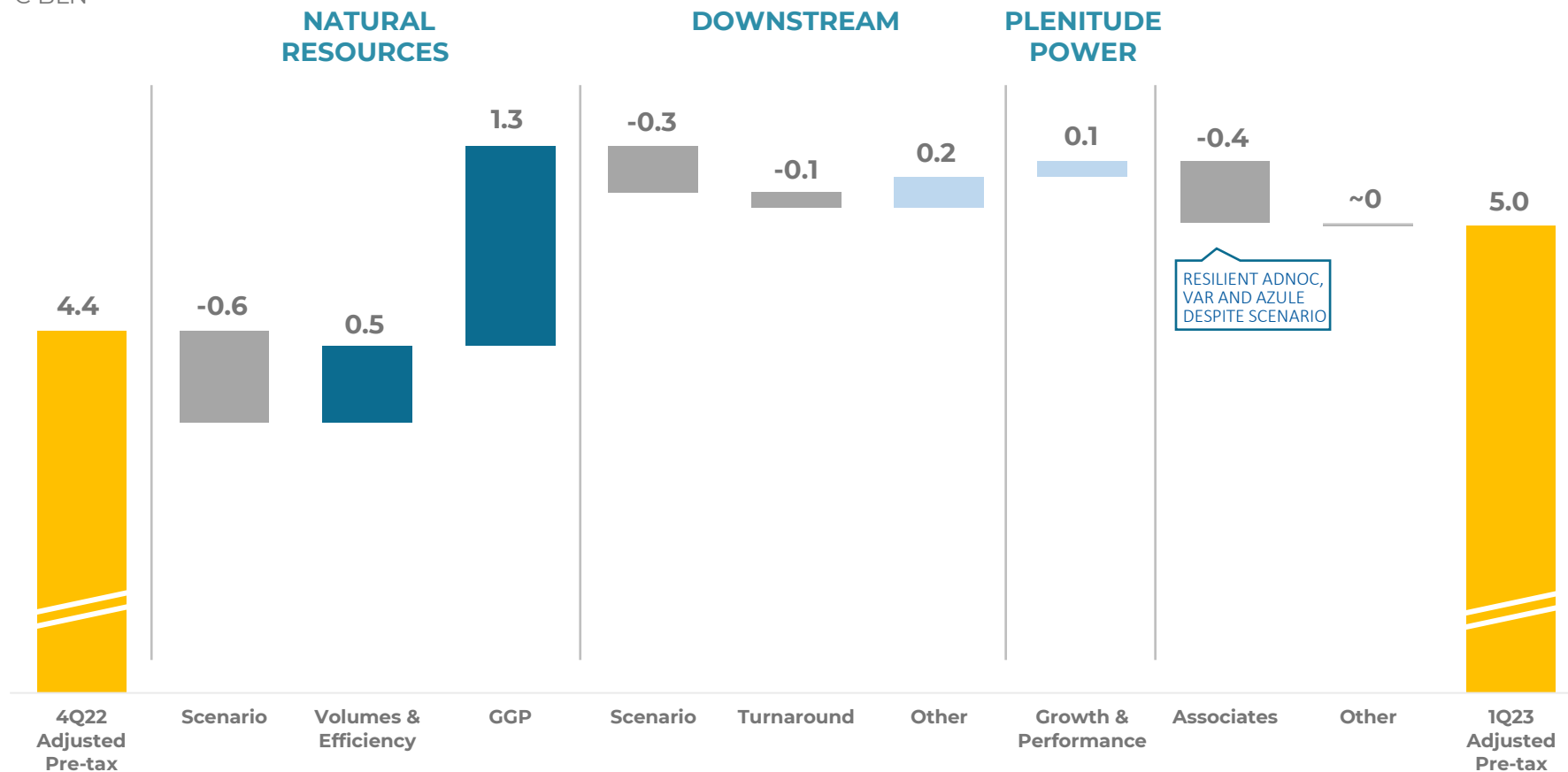
IMPROVED QUALITY  
AND SCALE OF GGP  
PROFITABILITY EVIDENT

DOWNSTREAM UNDERLYING  
PERFORMANCE IN LINE WITH  
OUTLOOK

# 1Q 2023 vs 4Q 2022 EARNINGS

RESISTING SCENARIO HEADWINDS TO DELIVER

€ BLN



**NET INCOME:** UP 17%, MORE THAN RESISTING PRICES

**ROACE:** 21% (1Y ROLLING)



## SCENARIO

LOWER PRICES  
(BRENT -8%, PSV -40%)

UNFAVORABLE FX IMPACT

HIGH DEGREE OF VOLATILITY

## BUSINESS PERFORMANCE

PRODUCTION REGULARITY  
AND COST DISCIPLINE

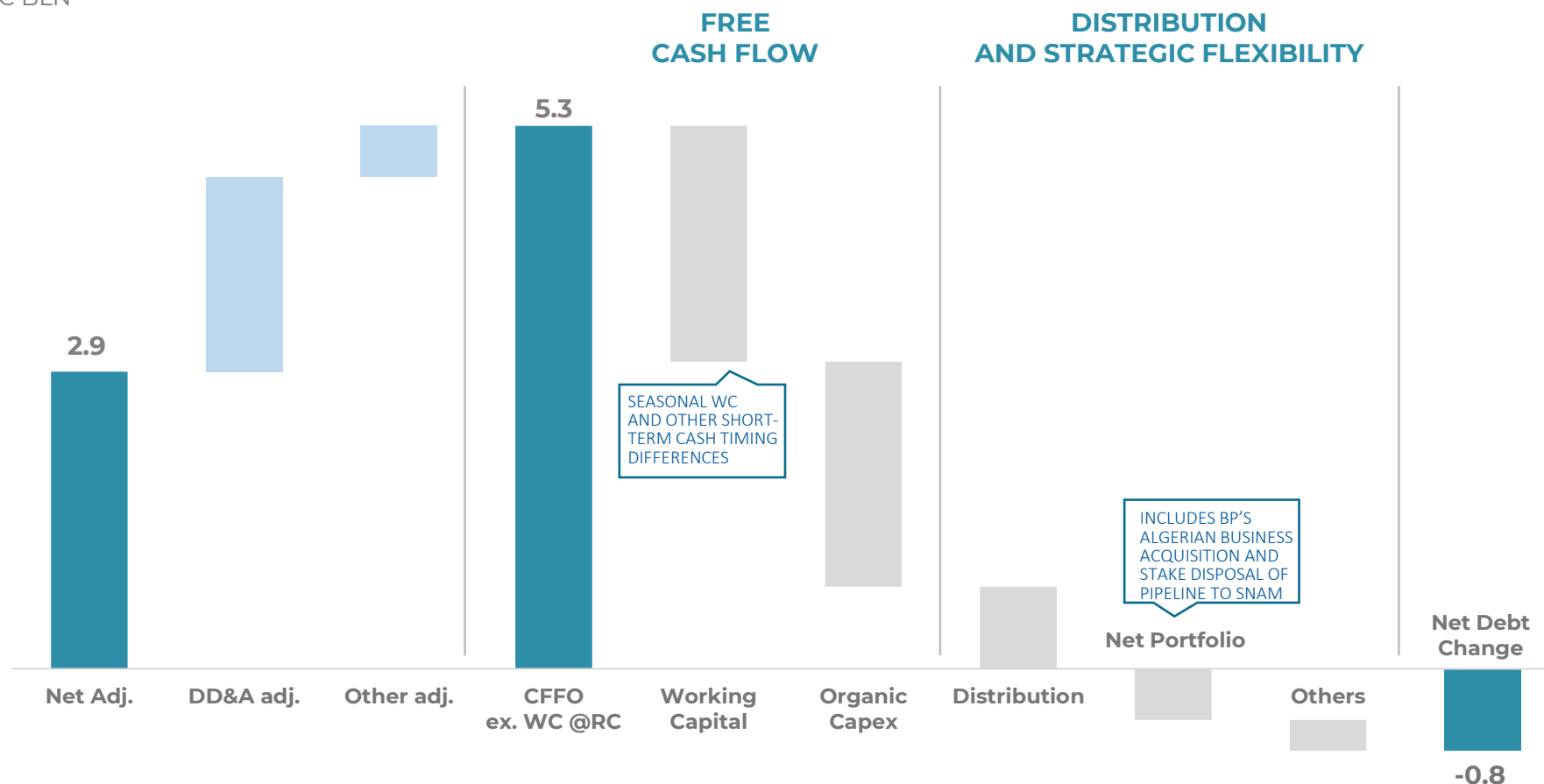
RE-SHAPED GGP  
IN CHANGED CONTEXT  
CAPTURES UPSIDES

CONTINUED PROGRESS  
IN ENERGY EVOLUTION

# 1Q 2023 | FINANCIAL STRENGTH

## PERFORMANCE AND FINANCIAL DISCIPLINE

€ BLN



**FY CFFO >16 BLN** DESPITE SCENARIO  
UNDERLYING PERFORMANCE

**LEVERAGE AT 14%**  
WITHIN 10-20% RANGE

**LIQUIDITY > € 19 BLN**  
HIGH LEVEL OF LIQUIDITY



### SIGNIFICANT CASH GENERATION

EXCELLENT CASH CONVERSION, CFFO COVERS CAPEX AND REMUNERATION

SEASONAL WORKING CAPITAL REQUIREMENTS TO REVERSE

### DISCIPLINED INVESTMENT

OPTIMIZED CAPEX LEVEL WITH NO IMPACT ON BUSINESS

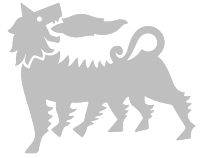
### BALANCED PORTFOLIO ACTIVITY

ADDING NEW ASSETS OFFSET BY PORTFOLIO RATIONALISATION

### EFFICIENT BALANCE SHEET

RETAINS FLEXIBILITY AND RESILIENCE

# 1Q 2023 | DELIVERY



## DELIVERY ON PERFORMANCE

### **PRODUCTION:**

1.66 Mboed (up >2% vs 4Q 2022),  
consistent with FY23 guidance (1.63-1.67 Mboed)

### **GGP EBIT:**

Confirmed strong EBIT outlook,  
highlights upside potential on base case

### **R&M:**

Results consistent with FY guidance  
in seasonally weaker quarter

### **EBIT:**

Improving vs FY guidance in constant scenario

### **CASHFLOW:**

Excellent financial performance and cash conversion

### **LEVERAGE:**

14% consistent with plan guided range,  
one of the lowest in recent years

## DELIVERY ON STRATEGY

### **FAST TIME TO MARKET:**

Important near-field exploration success in 1Q;  
Baleine confirmed 2023 start-up (less than 2 years from discovery)

### **SHIFTING TO GAS:**

Progressing production and portfolio mix towards 60% target at 2030

### **BUILDING BIO-REFINING SCALE:**

Agreed St. Bernard Biorefinery investment with start up in 1H 2023

### **TRANSFORMING CHEMICALS:**

Built leading bioplastic position through Versalis' acquisition of Novamont

### **ENHANCED AND SIMPLIFIED DISTRIBUTION:**

Seeking approval for up to €3.5bn from AGM in May with confirmed €2.2bn  
programme anticipated to start shortly after

# 2023 GUIDANCE



## GUIDANCE

PRODUCTION	1.63-1.67 MBOED	✓
DISCOVERED RESOURCES	700 MBOE	✓
GGP EBIT	€ 2 – 2.2 BLN	↑
PLENITUDE EBITDA <sup>1</sup>	> € 0.7 BLN	✓
DOWNSTREAM EBIT <sup>1</sup>	€ 1 – 1.1 BLN	✓ adjusted for FX
SUST. MOBILITY EBITDA <sup>1</sup>	> € 0.9 BLN	↑
EBIT	€ 12 BLN	↑ adjusted for scenario and FX
CFFO <sup>2</sup>	> € 16 BLN	↑ adjusted for scenario and FX
CAPEX	~ € 9.2 BLN <sup>3</sup>	✓ adjusted for FX
DIVIDEND	€ 0.94/SHARE	✓ first interim payment in September
BUYBACK	€ 2.2 BLN	✓

FOCUSING ON DELIVERY

GROWING BUSINESSES

GENERATING CASH

DISCIPLINED CAPEX

SHAREHOLDER DISTRIBUTION  
A PRIORITY

<sup>1</sup> Plenitude and Sustainable Mobility: EBITDA is pro-forma; Downstream: EBIT is pro-forma.

<sup>2</sup> Cash Flows are adjusted pre working capital at replacement cost and exclude effects of derivatives.

<sup>3</sup> Additional potential for lower capex from continued optimization efforts and flexibility.

Updated 2023 Scenario is: Brent 85 \$/bbl (unchanged), SERM 8 \$/bbl (from 7 \$/bbl), PSV 529 €/kmc (from 970 €/kmc) and average EUR/USD exchange rate: 1.08 (from 1.03)





# ANNEX

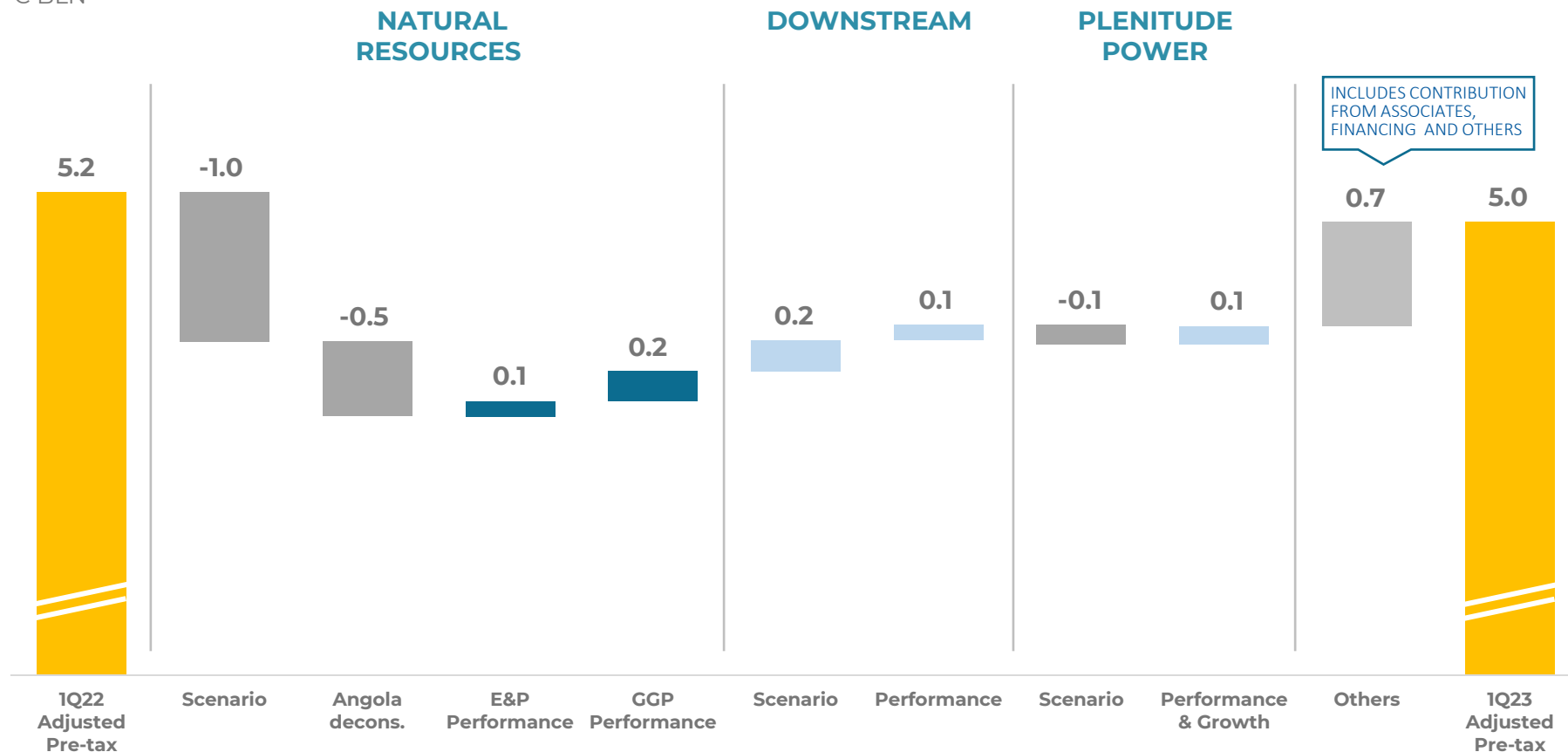


*St. Bernard Bioenergy in Chalmette, LA*

# 1Q 2023 vs 1Q 2022 EARNINGS

RESISTING SCENARIO HEADWINDS TO DELIVER

€ BLN



UPSTREAM HOLDING PRODUCTION AFTER CHALLENGES FACED IN 2022

GGP DELIVERING IMPROVEMENTS IN CONTEXT OF ABSENT RUSSIAN GAS

SCENARIO AND PERFORMANCE POSITIVE POINTS TO STRUCTURAL STEP-UP IN DOWNSTREAM PROFITABILITY

PLENITUDE DELIVERING GROWTH DESPITE VOLATILE MARKETS

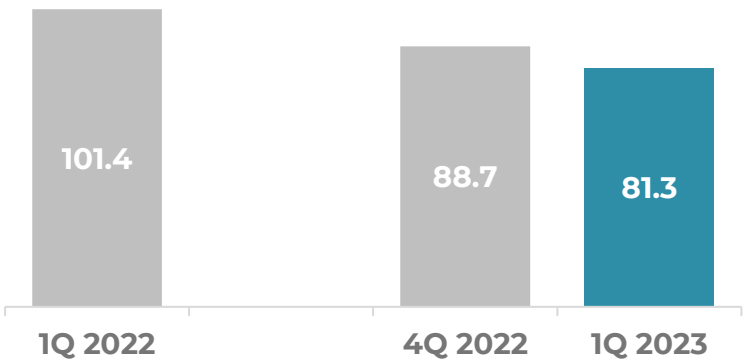
**ADJ PROFIT PRE-TAX:** NEARLY FLAT DESPITE FALL IN PRICES

**SHARES IN ISSUE:** 5.5% LOWER YEAR-ON-YEAR

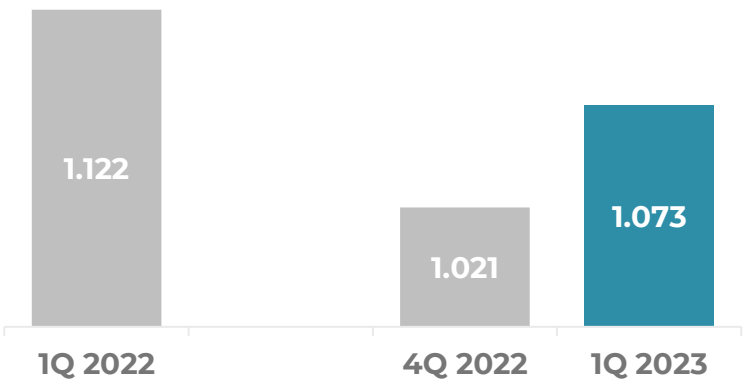
# MARKET SCENARIO



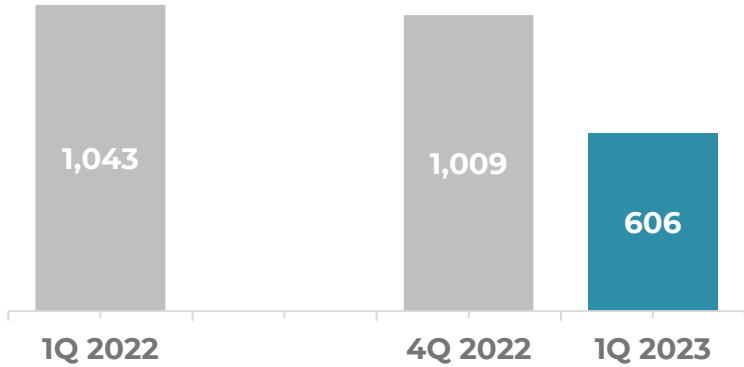
BRENT | \$/bbl



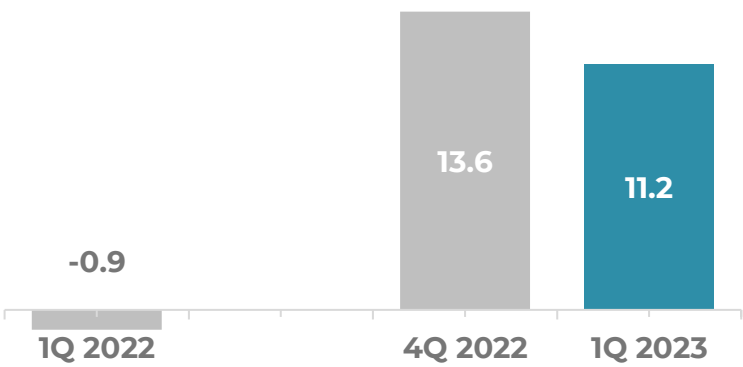
EXCHANGE RATE | €/€



PSV | €/kcm



STANDARD ENI REFINING MARGIN | \$/bbl



# SENSITIVITY 2023



SENSITIVITY 2023	EBIT ADJ (€ bln)	Net adj (€ bln)	CFFO before WC (€ bln)
Brent (1 \$/bbl)	0.18	0.13	0.13
European Gas Spot Upstream (1 \$/mmbtu)	0.15	0.12	0.13
Std. Eni Refining Margin (1 \$/bbl)	0.14	0.10	0.14
Exchange rate \$/€ (+0.05 \$/€)	-0.49	-0.28	-0.63

Brent sensitivity applies to liquids and oil-linked gas.

Sensitivity is valid for limited price variation.

For energy use purposes PSV variation of 1\$/MMBTU has an impact of -15 mln € on SERM calculation.