

# Eni 1H 2023 Results

Financial Delivery and Strategic  
Progression

JULY 28, 2023

*Baleine FPSO in Côte d'Ivoire*

# DISCLAIMER



This document contains forward-looking statements regarding future events and the future results of Eni that are based on current expectations, estimates, forecasts, and projections about the industries in which Eni operates and the beliefs and assumptions of the management of Eni. In addition, Eni's management may make forward-looking statements orally to analysts, investors, representatives of the media and others. In particular, among other statements, certain statements with regard to management objectives, trends in results of operations, margins, costs, return on capital, risk management and competition are forward looking in nature. Words such as 'expects', 'anticipates', 'targets', 'goals', 'projects', 'intends', 'plans', 'believes', 'seeks', 'estimates', variations of such words, and similar expressions are intended to identify such forward-looking statements. These forward-looking statements are not guarantees of future performance and are subject to risks, uncertainties, and assumptions that are difficult to predict because they relate to events and depend on circumstances that will occur in the future. Therefore, Eni's actual results may differ materially and adversely from those expressed or implied in any forward-looking statements. Factors that might cause or contribute to such differences include, but are not limited to, those discussed in Eni's Annual Reports on Form 20-F filed with the U.S. Securities and Exchange Commission (the "SEC") under the section entitled "Risk factors" and in other sections. These factors include but are not limited to:

- 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.

Any forward-looking statements made by or on behalf of Eni speak only as of the date they are made. Eni does not undertake to update forward-looking statements to reflect any changes in Eni's expectations with regard thereto or any changes in events, conditions or circumstances on which any such statement is based. The reader should, however, consult any further disclosures Eni may make in documents it files with or furnishes to the SEC and Consob.

# DELIVERY ON STRATEGY

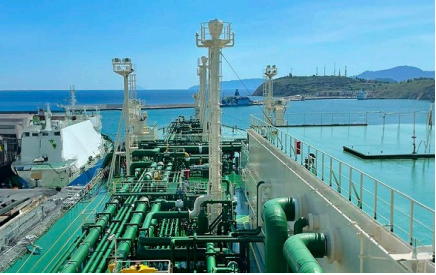
1H 2023 SIGNIFICANT STRATEGIC PROGRESS



NEPTUNE ACQUISITION



QUALITY RESOURCES DEVELOPMENT



RELIABLE LNG SUPPLY TO EUROPE



ST. BERNARD BIOREFINERY JV

## ENVIRONMENTAL SUSTAINABILITY



## ENERGY SECURITY

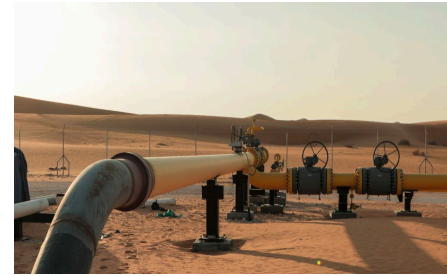


ENERGY MIX DIVERSIFICATION  
GEOGRAPHICAL DIVERSIFICATION  
DEPLOYMENT OF NEW TECHNOLOGIES  
GAS AS A BRIDGE ENERGY SOURCE  
NEW BUSINESS AND FINANCING MODELS  
TIME TO MARKET  
INTEGRATION



## AFFORDABILITY

REINFORCED GAS POSITION IN ALGERIA



INCREASED RES PORTFOLIO



SCALING UP AGRI-HUB DEVELOPMENT



NOVAMONT ACQUISITION



# A LONGER TERM PERSPECTIVE ON OUR PATH



## OUR LEGACY



## OUR PRESENT



FOCUS ON TIME TO MARKET  
REDUCED PROJECTS BREAK-EVEN  
DUAL EXPLORATION MODEL & PHASED DEVELOPMENT  
BALANCE RETURN AND RISKS WITH SHIFT TO GAS

## OUR FUTURE



RE-SHAPED EQUITY DRIVEN SOURCED MODEL  
LNG PORTFOLIO GROWTH  
FOCUS ON VALUE



BUILD OUT RENEWABLES AND E-MOBILITY BUSINESS  
LEVERAGE CUSTOMER BASE  
ADDRESS CUSTOMER EMISSIONS



FIRST MOVER IN BIOREFINING  
DEEP TECHNOLOGY AND KNOW-HOW DEVELOPED  
SUSTAINABLE MOBILITY LAUNCH

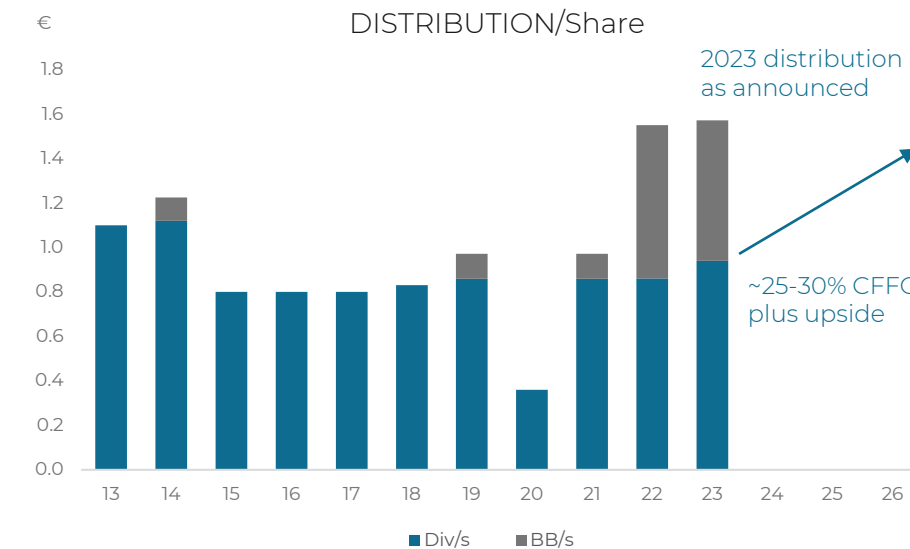
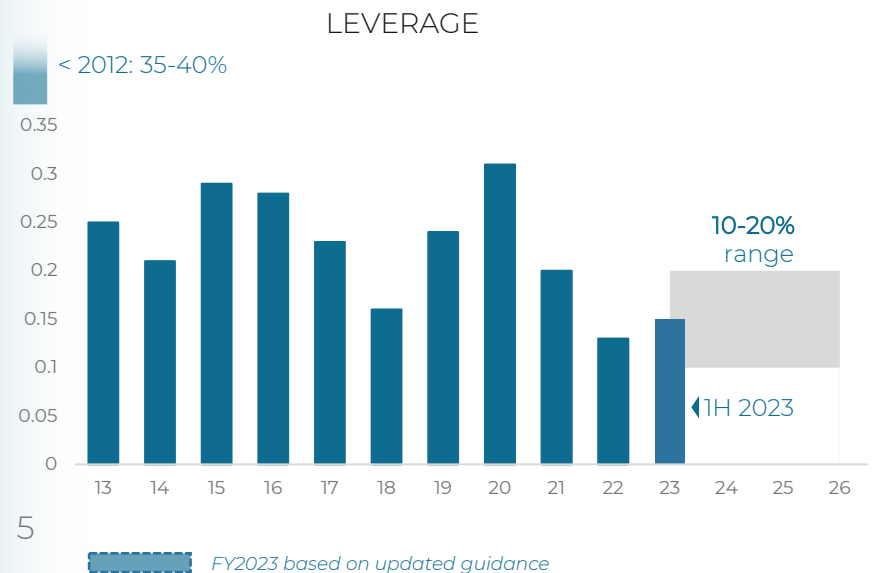
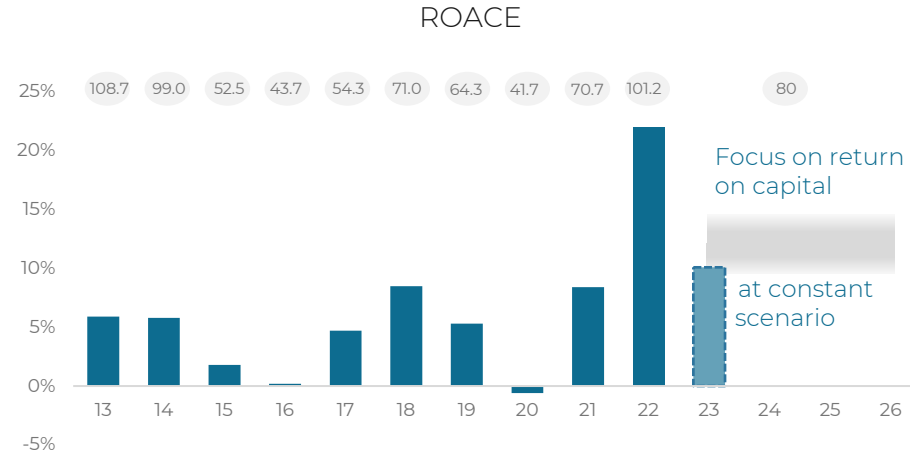
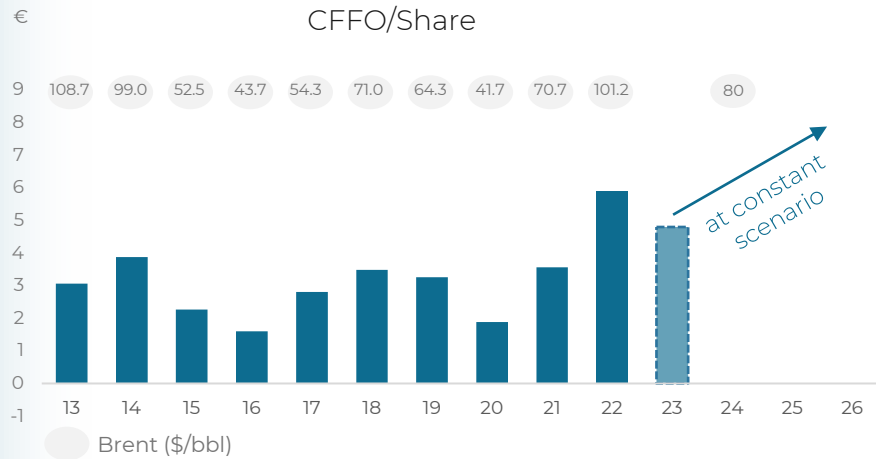


RESHAPING BUSINESS THROUGH DEVELOPMENT OF INNOVATIVE PROCESSES AND TECHNOLOGIES



# MORE RESILIENT, PROFITABLE COMPANY

## FINANCIAL IMPROVEMENT OVER THE LAST DECADE



ATTRACTIVE GROWING CASHFLOW FROM STREAMLINED BUSINESS AT CONSTANT PRICES

FOCUS ON ALLOCATION AND CAPITAL PRODUCTIVITY YIELDS HIGHER ROACE AT CONSTANT PRICES

HALVED LEVEL OF LEVERAGE ADDS TO RESILIENCE AND CAPACITY TO SEIZE OPPORTUNITY

UNDERPINNED ORGANICALLY FUNDED DISTRIBUTION TO THE HIGHEST LEVEL FOR THE COMPANY

DIVIDEND GROWS AS A FUNCTION OF PERFORMANCE IMPROVEMENT AND SHARES IN ISSUE

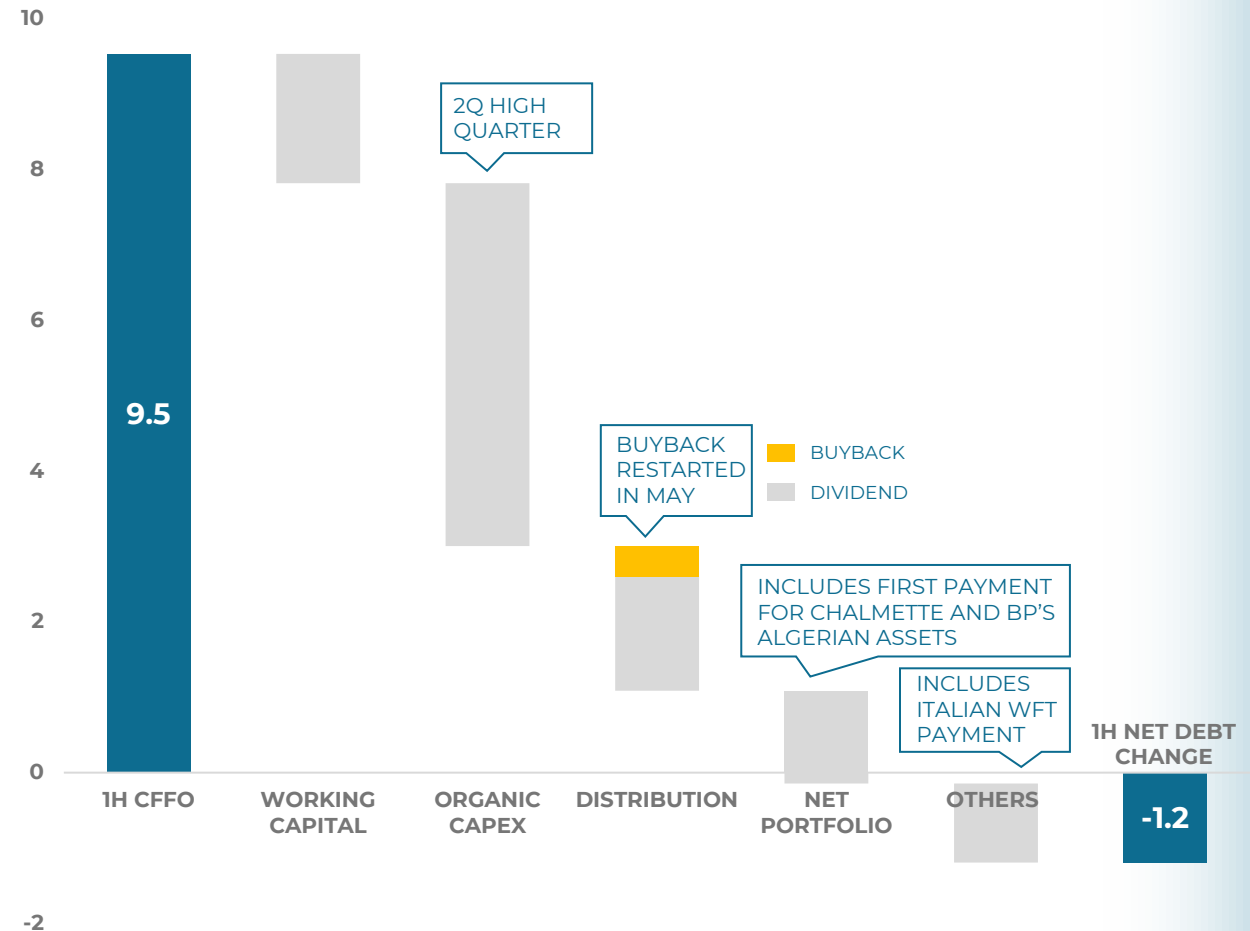
# 1H 2023 | GROUP RESULTS

CONFIRMING OUR FINANCIAL STRENGTH



<b>EBIT</b>	€ 8.0 BLN	RESILIENT IN A LOWER SCENARIO
<b>PROFIT FROM ASSOCIATES</b>	€ 0.9 BLN	CONFIRMS RELEVANCE OF OUR SATELLITE MODEL
<b>NET PROFIT</b>	€ 4.8 BLN	POSITIVE UNDERLYING PERFORMANCE
<b>CFFO</b>	€ 9.5 BLN	HIGH LEVEL OF CASH CONVERSION
<b>CAPEX</b>	€ 4.8 BLN	2Q ALIGNED WITH GUIDANCE, WILL COME DOWN IN 2H
<b>LEVERAGE</b>	15%	CONFIRMING STRONG BALANCE SHEET
<b>DIVIDEND &amp; BUYBACK</b>	€ 1.9 BLN	BUYBACK RESTARTED IN MAY DIVIDEND € 0.94/s FROM SEPT

## CASH FLOW RESULTS | € BLN

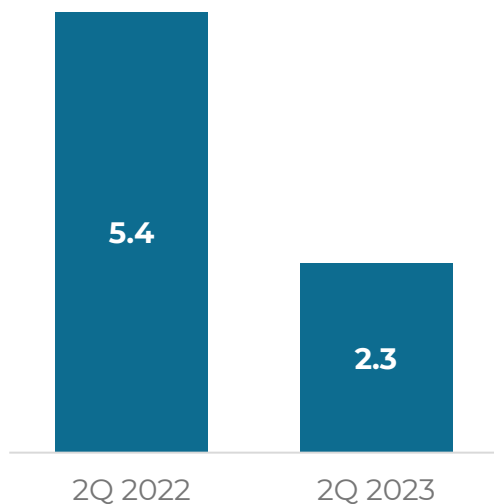


# NATURAL RESOURCES

## OUTPERFORMING SCENARIO

### E&P

ADJ. EARNINGS PRE-TAX | € BLN

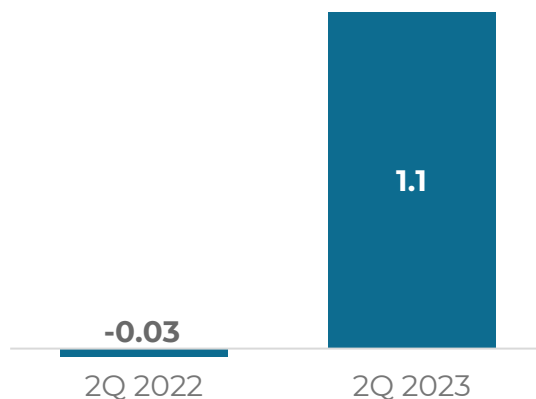


PRODUCTION **1.61 MBOED** IN 2Q  
+2% YOY DRIVEN BY RAMP-UP IN  
MOZAMBIQUE, MEXICO AND  
RECOVERED PRODUCTION IN  
KAZAKHSTAN

CONTINUOUS **FOCUS**  
**ON COST MANAGEMENT**

### GGP

ADJ. EARNINGS PRE-TAX | € BLN



DELIVERING ON **SUPPLY PORTFOLIO**  
**RELOAD**

POSITIVE CONTRIBUTION FROM  
**OPTIMIZATION AND TRADING**



### WEAKER SCENARIO

LOWER PRICES  
BRENT -31%, PSV -62%

### E&P

EBIT €2.1 BLN RESILIENT IN  
CONTEXT OF SCENARIO &  
HIGHER NON-CASH  
EXPLORATION EXPENSES

### GGP

BUSINESS RESILIENT TO  
ABSOLUTE GAS PRICE FALL

BENEFITS FROM  
CONTRACTUAL TRIGGERS,  
RENEGOTIATIONS AND  
SETTLEMENTS

1H EBIT € 2.5 BLN YTD  
EXCEEDING ORIGINAL  
GUIDANCE

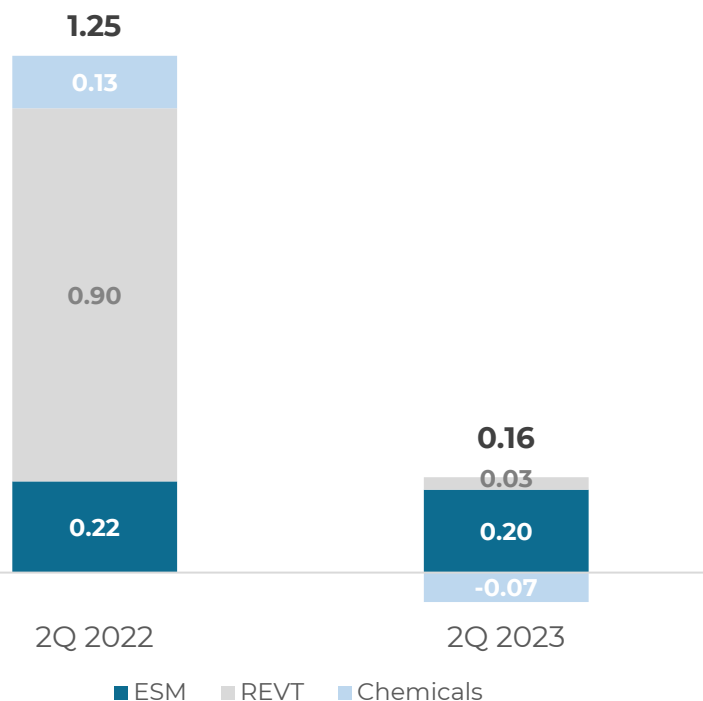
2023 GGP GUIDANCE RAISED  
TO € 2.7-3.0 BLN



# DOWNSTREAM

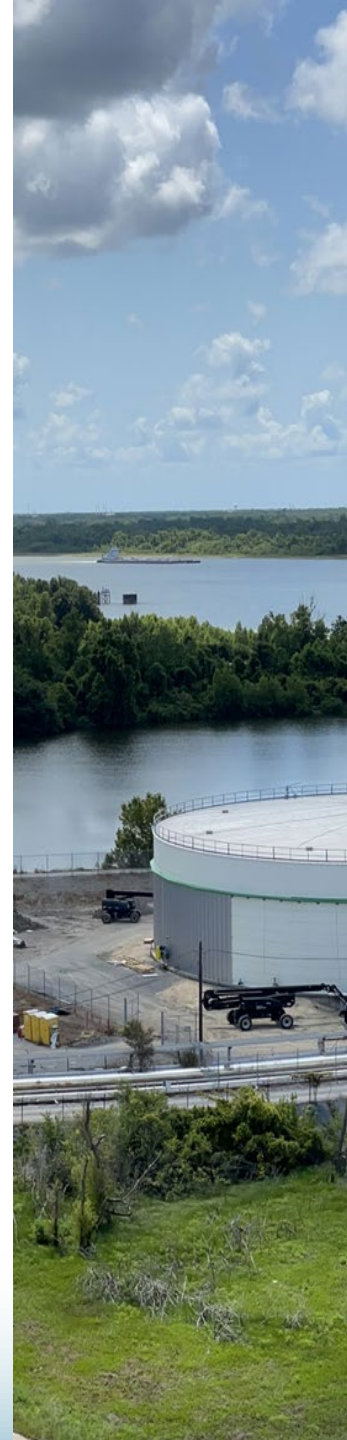
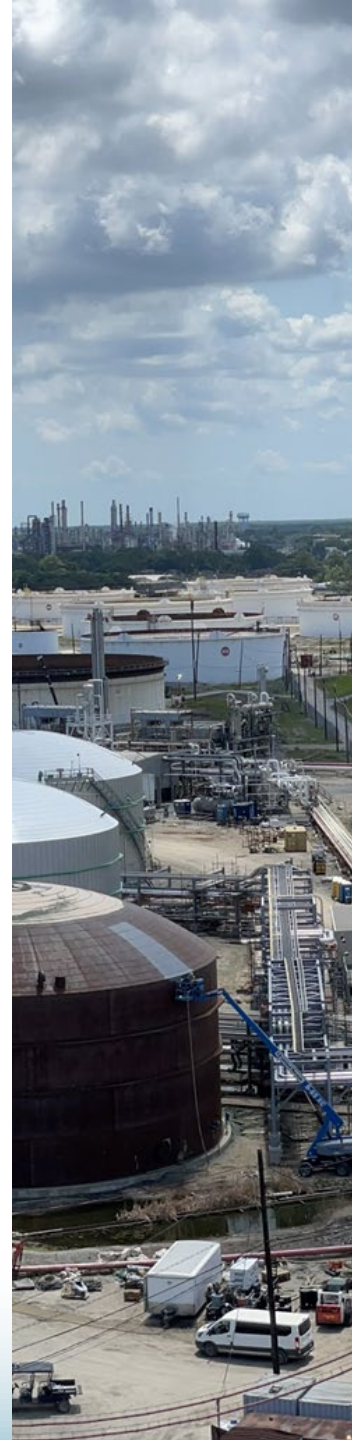
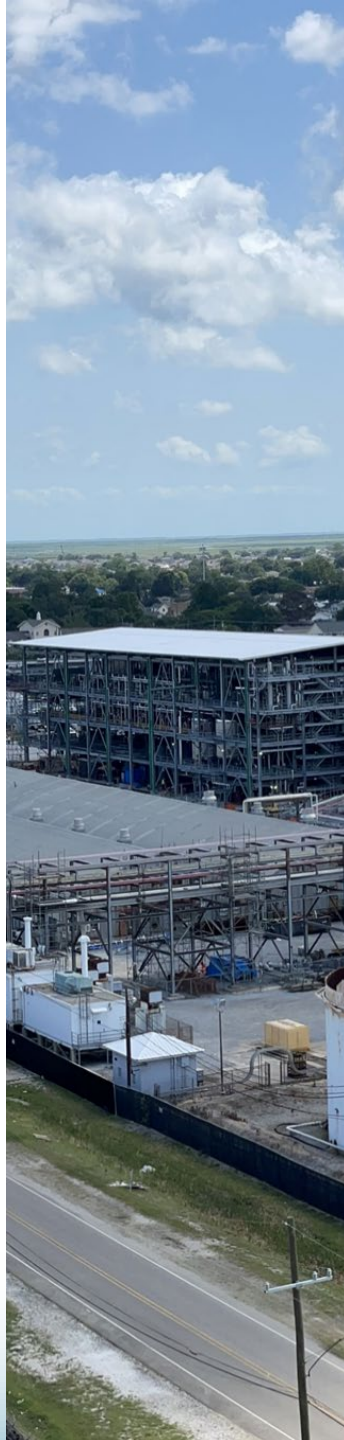
## CHALLENGED BY MACRO

ADJ. EBIT PRO FORMA | € BLN



### SUSTAINABLE MOBILITY

EBITDA €0.27 BLN



SCENARIO  
SERM 6.6 \$/BBL  
DOWN 62% vs 2Q 2022

GTR&M  
REFINING SERM IMPACTED BY  
LOWER CRACKS & OTHER  
MARKET DEVELOPMENTS NOT  
CAPTURED BY SERM PLUS  
LOWER UTILISATION DUE TO  
TURNAROUNDS

RESILIENT MARKETING

STRONG CONTRIBUTION  
FROM ADNOC

CLOSING OF ST. BERNARD  
BIOREFINERY TRANSACTION

CHEMICAL  
PERSISTING MARGIN  
COMPRESSION

NOVAMONT ACQUISITION  
AGREEMENT FINALISED\*

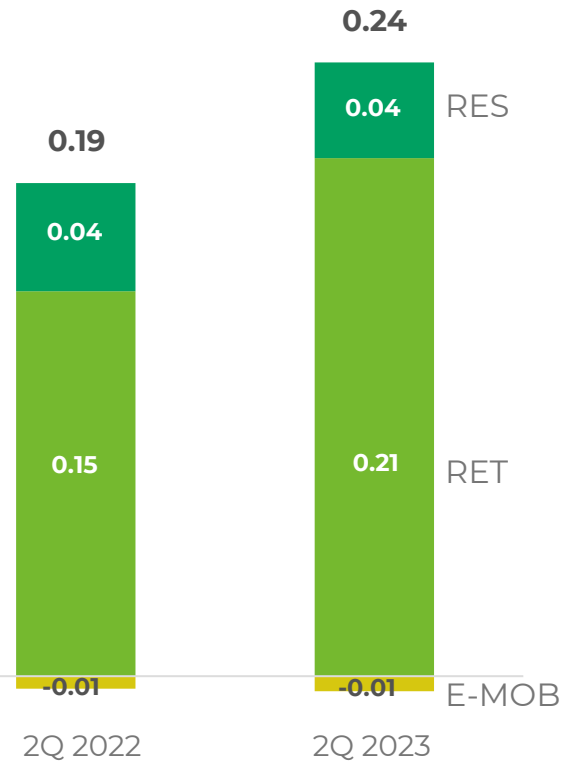
*\*subject to the customary conditions*



# PLENITUDE

## INTEGRATED BUSINESS MODEL DELIVERING VALUE

ADJ. EBITDA PRO FORMA | € BLN



### END OF 1H23 DATA

#### RENEWABLES

2.5 GW INSTALLED CAPACITY

#### RETAIL

>10 M CUSTOMERS

#### E-MOBILITY

17 k OWNED PUBLIC EV CPs

**ON TRACK  
VS FY23 GUIDANCE**



GROWING INSTALLED  
CAPACITY  
IN RES AND E-MOBILITY

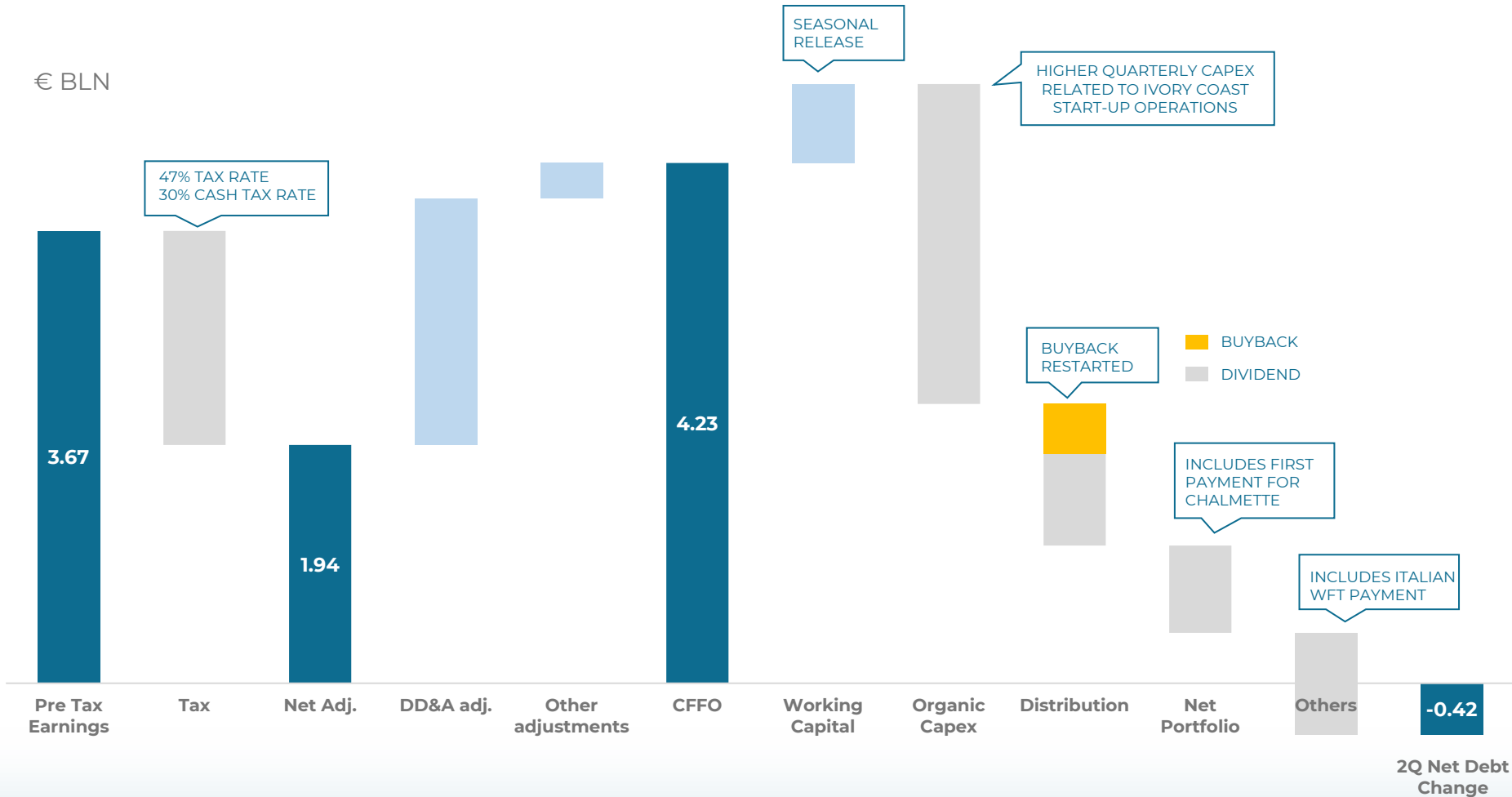
STRATEGIC AGREEMENTS  
IN TH:

- ✓ OFFSHORE WIND: SIMPLY BLUE AND GREENIT
- ✓ INTERNATIONAL RETAIL: KRAKEN
- ✓ E-MOBILITY: BMW AND IKEA

STRONG FINANCIAL  
PERFORMANCE  
DRIVEN BY BUSINESS  
INTEGRATION AND RETAIL

# 2Q 2023 RESULTS SUMMARY

## PRE-TAX TO CASHFLOW AND NET DEBT



HIGH LEVEL OF CASH CONVERSION

POSITIVE WORKING CAPITAL RELEASE AS SEASONAL EFFECTS REVERSE

CFFO MORE THAN COVERS CAPEX AND DISTRIBUTION

FUNDING OF BUYBACK, PORTFOLIO & WINDFALL TAX

NET DEBT € 8.2 BLN CONFIRMS A STRONG BALANCE SHEET WITH HISTORICAL LOW LEVEL OF LEVERAGE AT 15%

# CONCLUDING REMARKS

DELIVERING FINANCIAL RESULTS  
IN A WEAKER SCENARIO

SIGNIFICANT STEPS IN PROGRESSING STRATEGY

CONSISTENCY OF PURPOSE

ADVANCING VALUE OF BUSINESS AND DELIVERING  
ATTRACTIVE SHAREHOLDER RETURN



*SPARC building site in CFS - Devens, MA*



# ANNEX

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# 2023 GUIDANCE



## GUIDANCE

PRODUCTION	1.63-1.67 MBOED	✓ 1.63 Mboed in 3Q23
DISCOVERED RESOURCES	700 MBOE	✓
GGP EBIT	€ 2.7-3.0 BLN	↑
PLENITUDE EBITDA <sup>1</sup>	~ € 0.8 BLN	↑
DOWNSTREAM EBIT <sup>1</sup>	€ 0.8 BLN	reflecting market conditions not captured by SERM
SUST. MOBILITY EBITDA <sup>1</sup>	> € 0.9 BLN	✓
EBIT	€ 12 BLN	✓ underlying improvement of ~€2B
CFFO <sup>2</sup>	€ 15.5-16 BLN	✓ underlying improvement of €1-1.5B
CAPEX	< € 9.0 BLN	↓
DIVIDEND	€ 0.94/SHARE	✓ first interim payment in September
BUYBACK	€ 2.2 BLN	✓ commenced in Q2 with €0.4B in May/June
LEVERAGE	10%-20%	✓

SIGNIFICANT PROGRESS IN MEETING AND BEATING GUIDANCE EVEN AS SCENARIO SOFTER

FY EBIT AND CFFO REFLECTS NORMALISING GGP

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

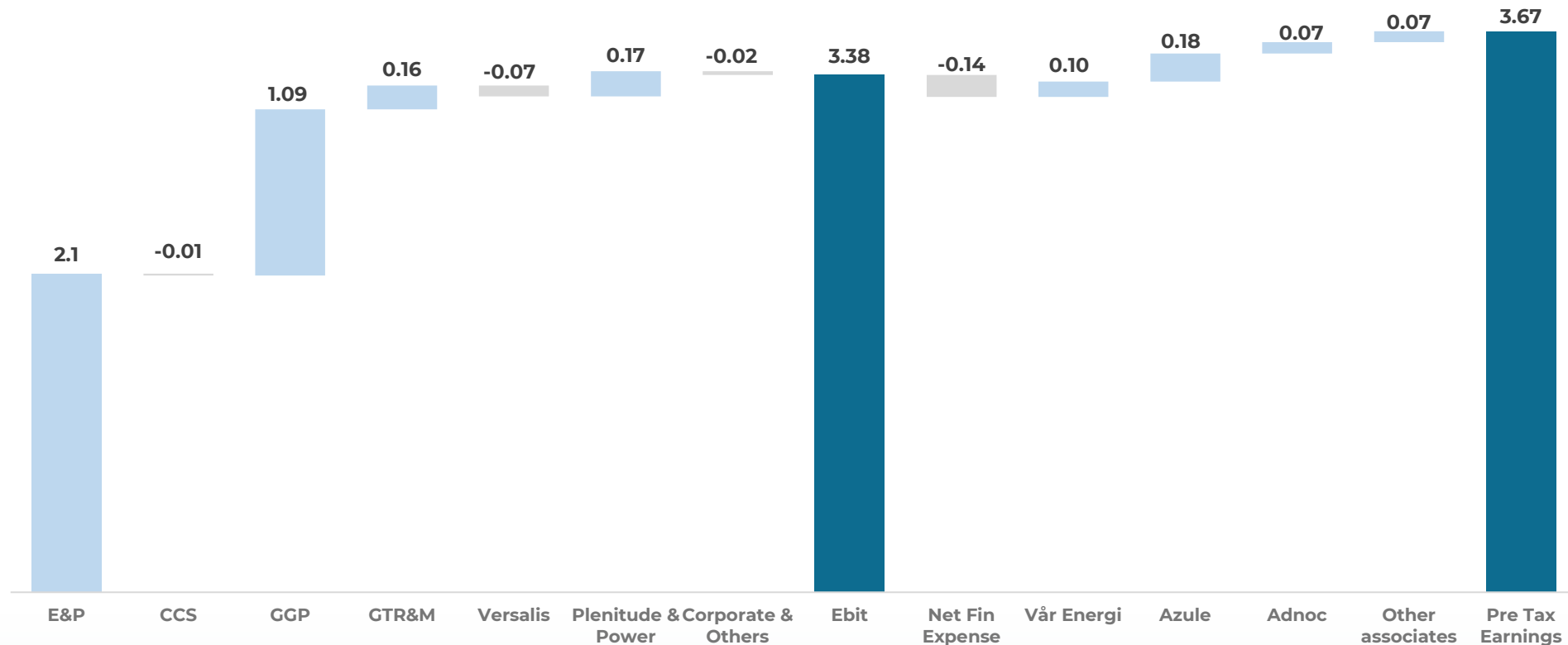
<sup>2</sup> Cash Flows are adjusted pre working capital at replacement cost and exclude effects of derivatives.

Updated 2023 Scenario is: Brent 80 \$/bbl (from \$85/bbl); SERM \$8/bbl (unchanged); PSV 484 €/kmc (from €529/kmc); and average EUR/USD exchange rate of 1.08 (unchanged)

# 2Q 2023 EARNINGS SUMMARY

## EBIT TO PRE-TAX RECONCILIATION

€ BLN



RESISTING SCENARIO  
HEADWINDS TO DELIVER

DIVERSITY IN CONTRIBUTION

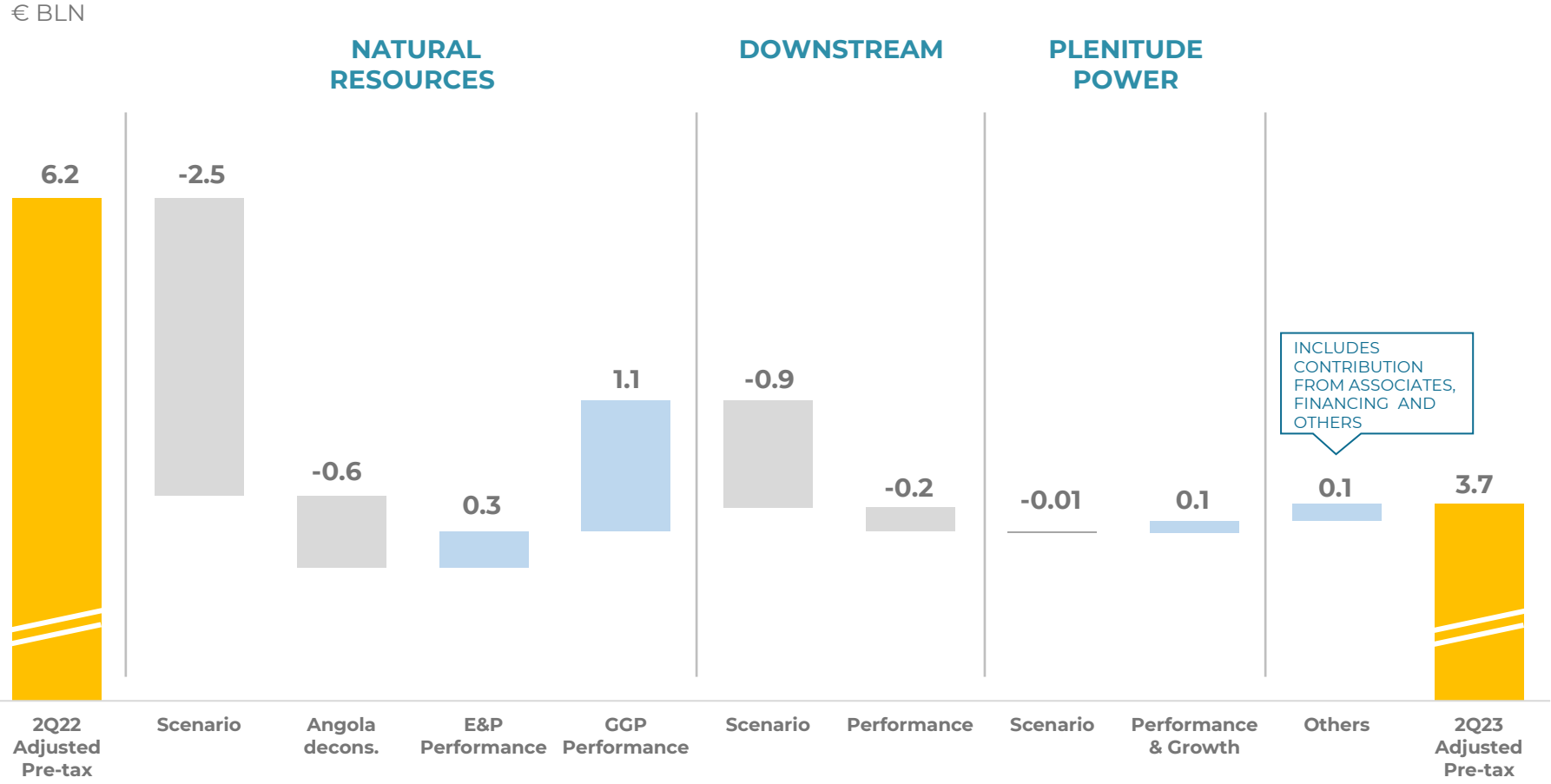
RESILIENT DELIVERY FROM  
UPSTREAM

GGP CONFIRMS QUALITY AND  
PERFORMANCE OF BUSINESS  
MODEL

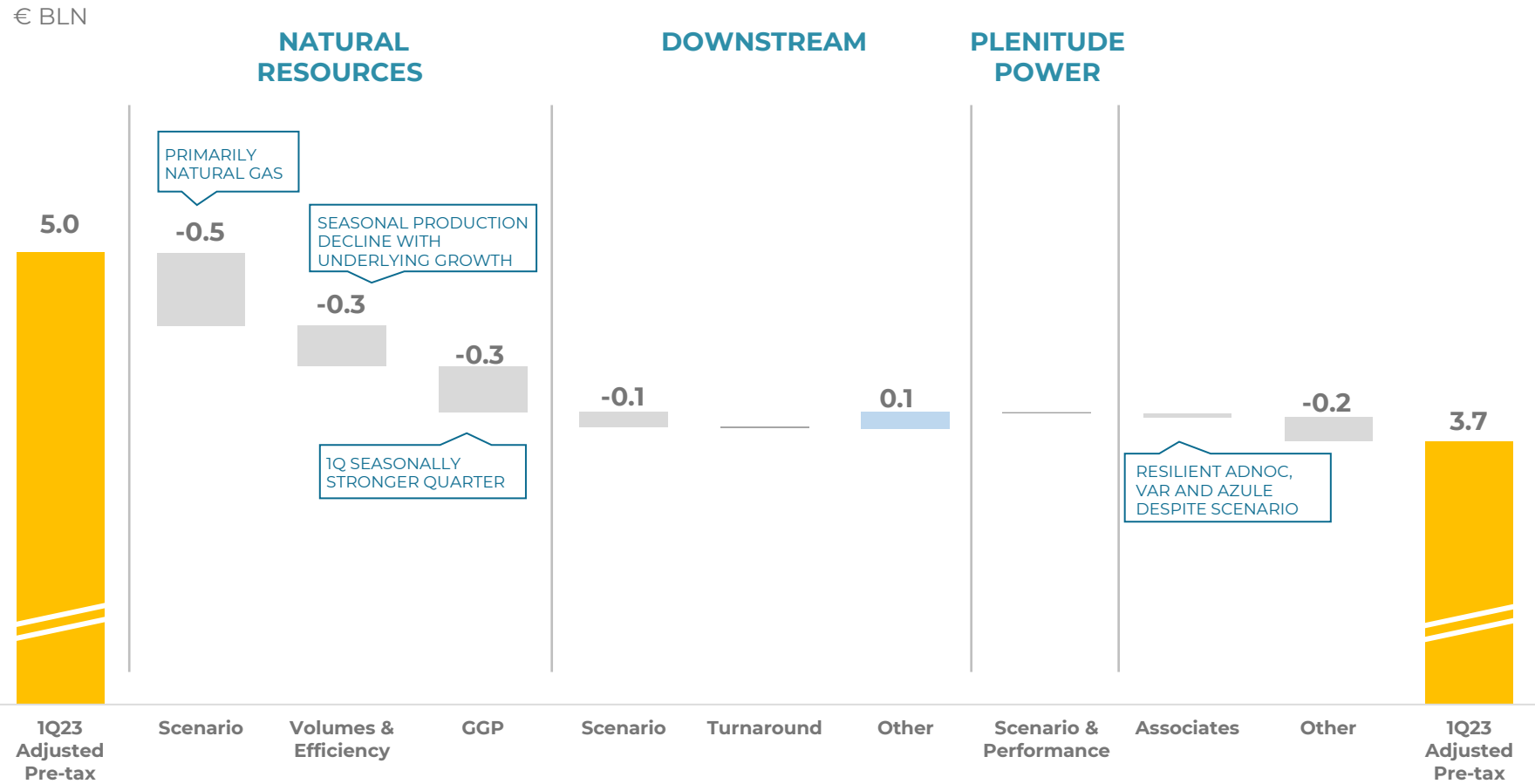
EMERGENCE OF PLENITUDE

SATELLITES AND ASSOCIATES  
INCREASINGLY IMPORTANT  
CONTRIBUTORS IN EARNINGS  
AND AS DIVIDEND PAYERS

# 2Q 2023 vs 2Q 2022 EARNINGS



# 2Q 2023 vs 1Q 2023 EARNINGS



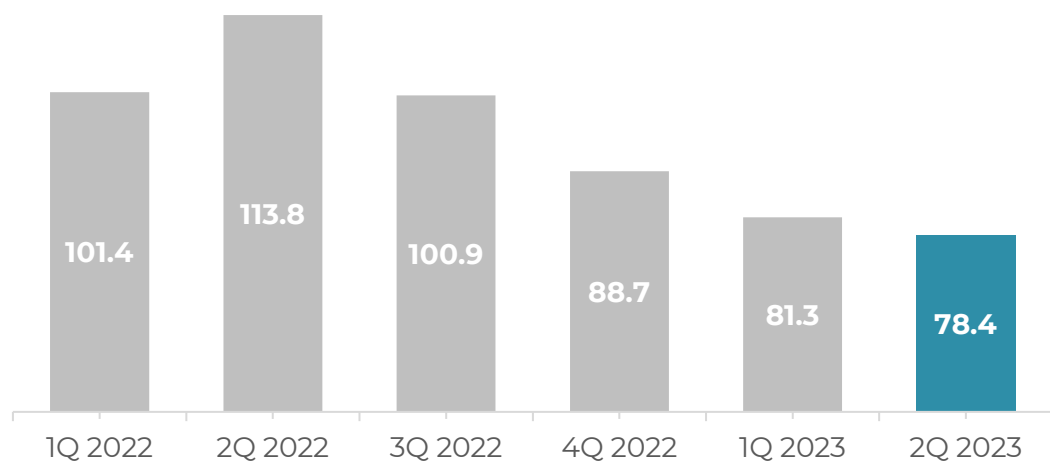
EARNINGS PRIMARILY IMPACTED BY FALL IN NATURAL GAS PRICES AND SEASONAL TRENDS BETWEEN 1Q AND 2Q



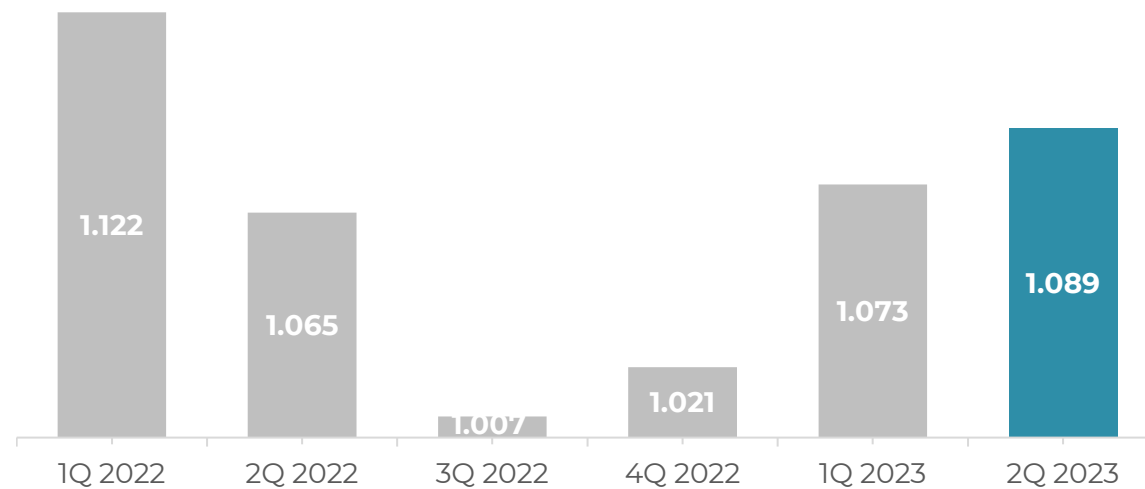
# 2Q MARKET SCENARIO



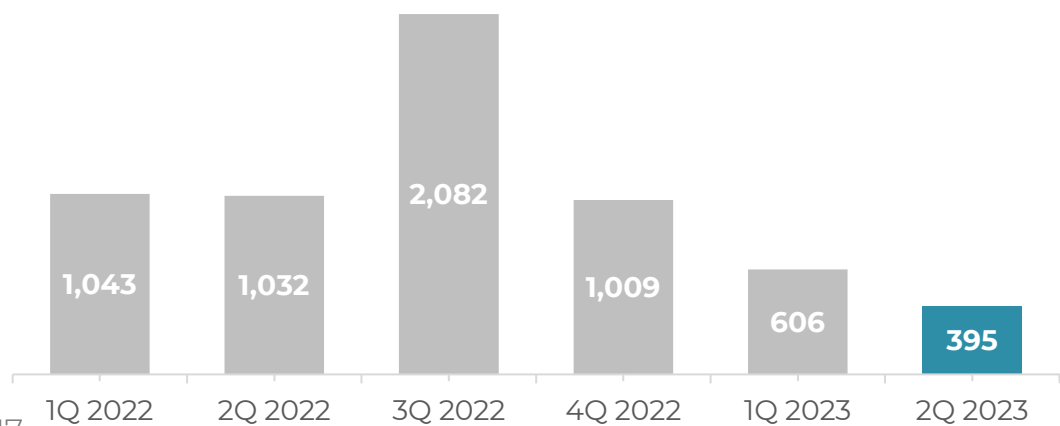
### BRENT | \$/bbl



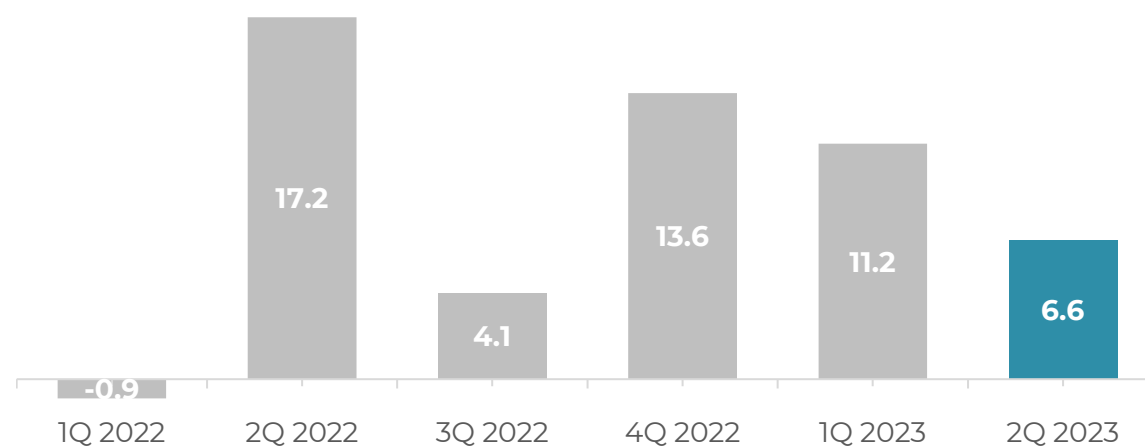
### EXCHANGE RATE | €/€



### PSV | €/kcm



### STANDARD ENI REFINING MARGIN | \$/bbl



# UPSTREAM KEY START-UPS IN THE PLAN [1/2]



COUNTRY	PROJECT	OPERATOR	W.I.	PRODUCTS	FID	START UP	PRODUCTION (KBOED) <sup>A</sup>
<b>ANGOLA</b> (Azule Energy)	Agogo West Hub Integrated	J	18%	Liquids	2022	2026 (FPSO)	175 (100%)
	NGC Quiluma & Mabuqueiro	J	19%	Gas	2021	2026	100 (100%)
<b>CONGO</b>	Congo LNG	Y	65%	Gas	2022	2023	123 (100%)
<b>EGYPT</b>	Melehia ph.2	Y	76%	Liquids/Gas	2022	2024 (Gas Plant)	37 (100%, Oil&Gas)
<b>INDONESIA</b>	Merakes East	Y	65%	Gas	2023	2025	15 (100%)
	Maha	Y	40%	Gas	2024	2026	34 (100%)
<b>ITALY</b>	Cassiopea	Y	60%	Gas	2018	2024	27 (100%)

# UPSTREAM KEY START-UPS IN THE PLAN [2/2]



COUNTRY	PROJECT	OPERATOR	W.I.	PRODUCTS	FID	START UP	PRODUCTION (KBOED) <sup>A</sup>
IVORY COAST	Baleine ph.1	Y	83%	Liquids/Gas	2022	2023	18 (100%)
	Baleine ph.2	Y	83%	Liquids/Gas	2022	2024	38 (100%)
LIBYA	A&E Structure	Y	50%	Gas	2023	2026 (Struct. A)	160 (100%)
NORWAY (Var Energi)	Balder X	N	58%	Liquids	2019	Q3 2024	>70 (100%) <sup>b</sup>
	Breidablikk	N	22%	Liquids	2020	2024	~62 (100%) <sup>c</sup>
	Johan Castberg	N	19%	Liquids	2017	2024	~190 (100%) <sup>c</sup>
UAE	Dalma Gas	N	25%	Gas	2019	2025	56 (100%)

<sup>a</sup> Average yearly production in peak year/at plateau

<sup>b</sup> Source: Var Energi Q1 2022 results (total Balder field production)

<sup>c</sup> Source: IPO prospect

Operatorship legend: Y (yes), N (no), J (joint)

# BIOREFINING KEY PROJECTS 2023-26



COUNTRY	PROJECT	W.I.	START UP	CAPACITY	STATUS	ADDITIONAL NOTES
<b>ITALY</b> (VENICE)	<b>Production capacity increase</b> from 360 to 560 kt/y  <b>Enhanced flexibility</b> to allow other biomass processing (incl. low bio ILUC)	100%	2024  Ph1 in 2023 Ph2 in 2027	560 kton/y	Firm	-
<b>ITALY</b> (VENICE & GELA)	<b>Product mix enrichment</b> to grow HVO diesel & biojet production	100%	2024-2025	~740 kton/y (Gela)	Firm	-
<b>ITALY</b> (LIVORNO)	<b>Building 3 new plants</b> for hydrogenated biofuel production	100%	2025	500 Kton/y	Firm	Biogenic feedstock pre-treatment unit, 500 kton/y ecofining™ plant and hydrogen plant
<b>MALAYSIA</b> (PENGERANG)	<b>New biorefinery under study</b> (flexible configuration to max SAF & HVO prod.)	Under eval.	FID by 2023, completion by 2025	650 kton/y (gross)	Under study	Strategic location (easy access to growing Asian markets)
<b>USA</b> CHALMETTE	<b>New biorefinery conversion</b> (expanding presence in North America)	50%	H1 2023	550 kton/y (equity)	Firm	Access to premium HVO and SAF market and ample bio-feedstock availability

# PLENITUDE KEY PROJECTS



Solar PV



Onshore Wind



Offshore Wind



Storage



COUNTRY	PROJECT	WORKING INTEREST	EQUITY INSTALLED CAPACITY (MW)	TECHNOLOGY	COMPLETION	YEARLY PRODUCTION (GWH)
SPAIN	Guillena & Caparacena	100%	380		2024	800
USA	Brazoria	100%	263		2022	450
USA	Guajillo	100%	200		2024	150
SPAIN	Orense	100%	100		2024	210
FRANCE	Samoussy	100%	90		2022	90
GREECE	Toumba	100%	80		2024	130
ITALY	Borgia, Corleone & Salandra	100%	65		2023-2024	100
KAZAKHSTAN	Shoulder	100%	50		2023	90
ITALY	Montalto & Castelvetrano	60%	65		2024	110
UK	Dogger Bank (A, B, C)	13%	470		2023-2026	2,100

# 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 \$/€)	-0.47	-0.26	-0.58

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.