

Compañía Española de Petróleos, S.A.

Financial Statements for the year
ended 31 December 2024 and
Directors' Report, together with
Independent Auditor's Report

*Translation of a report originally issued in
Spanish based on our work performed in
accordance with the audit regulations in force
in Spain. In the event of a discrepancy, the
Spanish-language version prevails.*

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INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS

To the Shareholders of Compañía Española de Petróleos, S.A.,

Opinion

We have audited the financial statements of Compañía Española de Petróleos, S.A. (the Company), which comprise the balance sheet as at 31 December 2024, and the income statement, statement of changes in equity, statement of total changes in equity, cash flow statement and notes to the financial statements for the year then ended.

In our opinion, the accompanying financial statements present fairly, in all material respects, the equity and financial position of the Company as at 31 December 2024, and its results and its cash flows for the year then ended in accordance with the regulatory financial reporting framework applicable to the Company (identified in Note 2.1 to the financial statements) and, in particular, with the accounting principles and rules contained therein.

Basis for Opinion

We conducted our audit in accordance with the audit regulations in force in Spain. Our responsibilities under those regulations are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We are independent of the Company in accordance with the ethical requirements, including those pertaining to independence, that are relevant to our audit of the financial statements in Spain pursuant to the audit regulations in force. In this regard, we have not provided any services other than those relating to the audit of financial statements and there have not been any situations or circumstances that, in accordance with the aforementioned audit regulations, might have affected the requisite independence in such a way as to compromise our independence.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Most Significant Audit Matters

The most significant audit matters are those matters that, in our professional judgement, were considered to be the most significant risks of material misstatement in our audit of the financial statements of the current period. These risks were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on those risks.

Assessment of the recoverability of the non-current investments in Group companies and associates

Description

As indicated in Note 9.3 to the accompanying financial statements, the balance of “Non-Current Investments in Group Companies and Associates”, amounting to EUR 3.156.813 thousand, in the Company’s balance sheet includes the net cost of the Company’s ownership interests in the share capital of its investees that are not listed on regulated markets. The aforementioned investments constitute the main item in the Company’s financial statements as at 31 December 2024.

Note 4.1 to the accompanying financial statements explains that at least at each reporting date the Company tests financial assets not measured at fair value through profit or loss for impairment. Objective evidence of impairment is considered to exist when the recoverable amount of the financial asset is lower than its carrying amount. Recoverable amount is the higher of fair value less costs of disposal and the present value of the future cash flows from the investment. The recoverable amount is determined by discounting the cash flows expected to be generated by the investees that will be available to the shareholders, when such cash flow calculation is available, which requires the use of judgements and significant estimates by management when determining the key assumptions established, including most notably the discount rates and perpetuity growth rates. Unless there is better evidence of the recoverable amount, it is based on the value of the equity of the investee, adjusted by the amount of the unrealised gains existing at the date of measurement.

Procedures applied in the audit

Our audit procedures to address this matter included reviewing the design and implementation of the relevant controls established to detect indications of impairment that would make it necessary to test the aforementioned ownership interests for impairment and performing tests to verify that the aforementioned controls operate effectively.

Also, we: i) analysed the methodology employed by the Company as the basis for estimating the impairment losses that should be recognised or reversed, as applicable, in relation to the ownership interests; and ii) replicated the calculations made by the Company in order to verify the accuracy of the measurements made by it.

Also, we checked the consistency of the main assumptions included in the future cash flow valuation models, mainly in relation to the free cash flow forecasts, considering the discount rates and perpetuity growth rates used by management, for which purpose we had the assistance of our internal valuation experts.

In addition, we analysed the reasonableness of the projected operating assumptions, evaluating the reasonableness of the future cash flow forecasts and their consistency with historical information on the investees and with information obtained from external sources.

Assessment of the recoverability of the non-current investments in Group companies and associates

Description

The measurement of these ownership interests was identified as a significant matter in our audit because of both the significant amount that the cost of the ownership interests represents in the context of the financial statements taken as a whole and the high degree of judgement that management has to use when measuring certain investments in Group companies and associates.

Procedures applied in the audit

In addition, we assessed and reviewed the audit work performed on the financial information of certain audited subsidiaries in order to obtain sufficient appropriate evidence of the measurement of these investments in the Company's financial statements.

Lastly, we verified that the disclosures provided in Notes 4.1 and 9.3 to the accompanying financial statements in connection with this matter were in conformity with those required by the applicable accounting regulations.

Assessment of the recoverability of deferred tax assets

Description

The Company's balance sheet as at 31 December 2024 includes deferred tax assets amounting to EUR 317.857 thousand, of which EUR 246.968 thousand relate to tax assets (mainly tax loss and tax credit carryforwards, as described in Note 15.6 to the financial statements), which will be recoverable in the context of the Spanish tax group headed by the Company.

At the end of the year Company management prepares financial models to assess the recoverability of the deferred tax assets recognised, taking into consideration new legislative developments and the most recently approved business plans.

We identified this matter as one of the most significant in our audit, since the preparation of these models requires a significant level of judgement, largely in connection with the projections of business performance, which affect the estimate made of the recoverability of the deferred tax assets.

Procedures applied in the audit

Our audit procedures included, among others, obtaining an understanding of, and reviewing, the Company's processes for assessing the recoverability of the deferred tax assets, including the revision of the design and implementation of the relevant controls established in respect of the data and assumptions used in the analysis, as well as tests to verify that the aforementioned controls operate effectively.

In addition, we reviewed the aforementioned financial models, including their clerical accuracy, that the key assumptions included in the business plans were adequately supported by the approved budgets and the reasonableness thereof based on the current circumstances of the tax group and the expectations as to their potential future performance, as well as the consistency of those financial models with those used in other areas of estimation, such as the impairment tests on the property, plant and equipment of the Group of which the Company is the parent. We also reviewed the tax legislation applicable to the deferred tax assets recognised. Also, we involved our internal experts from the tax area in the analysis of the reasonableness of the principal tax assumptions considered in relation to the treatment of the deductibility of impairment losses on the investments made in the Coastal Group.

Lastly, we evaluated whether Note 15.6 to the accompanying financial statements contained the disclosures required in this connection by the regulatory financial reporting framework applicable to the Company.

Other Information: Directors' Report

The other information comprises only the directors' report for 2024, the preparation of which is the responsibility of the Company's directors and which does not form part of the financial statements.

Our audit opinion on the financial statements does not cover the directors' report. Our responsibility relating to the directors' report, in accordance with the audit regulations in force, consists of:

- a) Solely checking that the non-financial information statement has been furnished as provided for in the applicable legislation and, if this is not the case, reporting this fact.
- b) Evaluating and reporting on whether the other information included in the directors' report is consistent with the financial statements, based on the knowledge of the entity obtained in the audit of those financial statements, as well as evaluating and reporting on whether the content and presentation of this section of the directors' report are in conformity with the applicable regulations. If, based on the work we have performed, we conclude that there are material misstatements, we are required to report that fact.

Based on the work performed, as described above, we observed that the information described in section a) above had been furnished as provided for in the applicable legislation and that the other information in the directors' report was consistent with that contained in the financial statements for 2024 and its content and presentation were in conformity with the applicable regulations.

Responsibilities of the Directors for the Financial Statements

The directors are responsible for preparing the accompanying financial statements so that they present fairly the Company's equity, financial position and results in accordance with the regulatory financial reporting framework applicable to the Company in Spain, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

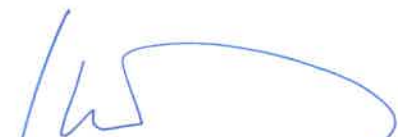
Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the audit regulations in force in Spain will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of our responsibilities for the audit of the financial statements is included in Appendix I to this auditor's report. This description, which is on the following pages, forms part of our auditor's report.

DELOITTE AUDITORES, S.L.

Registered in ROAC under no. S0692



Javier Medrano Domínguez

Registered in ROAC under no. 22.892

24 February 2025

Appendix I to our auditor's report

Further to the information contained in our auditor's report, in this Appendix we include our responsibilities in relation to the audit of the financial statements.

Auditor's Responsibilities for the Audit of the Financial Statements

As part of an audit in accordance with the audit regulations in force in Spain, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the use by the directors of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the entity's directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

From the significant risks communicated with the entity's directors, we determine those risks that were of most significance in the audit of the financial statements of the current period and are therefore the most significant assessed risks.

We describe those risks in our auditor's report unless law or regulation precludes public disclosure about the matter.

FINANCIAL STATEMENTS

Compañía Española de Petróleos, S.A.
for the year ended 31 December 2024

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Compañía Española de Petróleos, S.A.

Balance Sheet at 31 December 2024 and 2023

Assets	Notes	2024	2023
Non-current assets		5,894,112	5,214,327
Intangible assets	6	109,511	79,117
Concesiones		58	61
Patents		15,573	12,175
Goodwill		40	80
Computer software		93,707	66,649
Other intangible assets		133	152
Property, plant and equipment	7	1,954,060	1,937,856
Land and buildings		114,162	111,944
Plant and machinery		1,296,640	1,380,523
Property, plant and equipment in the course of construction and advance payments		543,258	445,389
Investments in Group companies and associates	9.3, 18	3,156,813	2,745,703
Equity instruments	9.3	3,156,813	2,745,703
Non-current financial assets	9.1	30,942	26,003
Equity instruments		1,935	1,931
Loans to third parties		4,455	625
Derivatives	10	8,570	13,853
Other financial assets		15,982	9,594
Deferred tax assets	15.6	317,857	425,648
Non-current payables	9.1	324,929	—
Current assets		6,140,116	5,562,346
Non-current assets held for sale	9.3	33,019	—
Inventories	11	1,797,360	1,704,065
Goods for resale		113,035	202,695
Raw materials		759,547	568,883
Finished goods		914,897	920,983
By-products, waste and recovered materials		5,391	11,242
Advances to suppliers		4,490	262
Trade and other receivables		2,041,065	2,574,616
Trade receivables for sales and services	9.1, 22.2	820,754	1,017,888
Trade receivables, group companies	9.1, 18.2	1,175,496	1,527,866
Other debtors	9.1, 22.2	30,284	6,771
Personnel	9.1	2,559	2,251
Current tax assets	15	(804)	3,506
Public entities	15	12,776	16,334
Currents investment in Group Companies and associates	9.1, 18.2	799,695	924,193
Loans to third parties		759,458	918,216
Derivatives	10	27,633	1,047
Other financial assets		12,604	4,930
Currents financial assets	9.1	81,126	49,942
Derivatives	10	60,854	30,139
Other financial assets		20,272	19,803
Currents prepayments and accrued income		10,039	5,234
Cash and cash equivalents		1,377,812	304,296
Cash		247,995	88,506
Short-term highly-liquid investments		1,129,817	215,790
Total assets		12,034,228	10,776,673

The accompanying Notes 1 to 23 are an integral part of this Balance Sheet at 31 December 2024

Compañía Española de Petróleos, S.A.

Balance Sheet at 31 December 2024 and 2023

€ Thousands

Shareholder's Equity and Liabilities	Notes	2024	2023
Shareholder's Equity	12	2,419,120	2,541,106
Shareholder's Equity		2,400,704	2,527,017
Registered share capital		268,175	268,175
Share premium		351,581	351,581
Reserves			
Legal reserves		53,605	53,605
Other reserves	12.2	2,077,870	2,251,662
Treasury shares	12.4	(1,748)	(1,540)
Prior year losses		(396,466)	—
Profit (loss) for the year		47,687	(396,466)
Adjustments for changes in value	10, 12.5	17,554	9,807
Grants, donations or gifts and legacies received	12.6	862	4,282
Non-current liabilities		4,320,915	3,130,157
Long-term provisions	13	284,655	394,013
Long-term debts	14	2,351,470	1,295,270
Bank borrowings	14.1	1,879,922	1,204,532
Derivatives	10, 14.1	131,025	84,491
Other financial liabilities	14.1	340,523	6,247
Payable to group companies and associates	14.1, 18.2	1,635,695	1,389,190
Deferred tax liabilities	16.7	34,981	46,298
Non-current accruals and deferred income		14,114	5,386
Current liabilities		5,294,193	5,105,410
Short-term provisions	13	173,194	205,540
Short-term debts	14.1	209,679	278,622
Bank borrowings	14.1	97,771	127,931
Derivatives	10	43,129	51,260
Other financial liabilities		68,779	99,431
Payable to group companies and associates	14.1, 18.2	2,068,052	1,858,818
Trade and other payables		2,843,164	2,762,430
Suppliers	14.1	299,245	252,306
Suppliers, group companies and associates	14.1, 18.2	1,236,967	1,076,652
Other payables	14.1	1,058,257	1,247,259
Personnel	14.1	76,035	67,932
Current tax liabilities	15.1	10,268	—
Public entities, other	15.1	155,390	118,281
Advances from customers	14.1	7,002	—
Total shareholder's equity and liabilities		12,034,228	10,776,673

The accompanying Notes 1 to 23 are an integral part of this Balance Sheet at 31 December 2024

Compañía Española de Petróleos, S.A.

Income Statement for the year ended 31 December 2024 and 2023

		€ Thousands	
	Notes	2024	2023
Continuing Operations			
Revenue	17.1	21,277,736	21,708,809
Changes in inventories of finished goods and work in progress		(18,323)	(75,885)
Own work capitalised	6, 7	29,603	30,796
Procurements	17.2	(16,842,718)	(18,007,070)
Other operating income		25,750	35,831
Non-core and other current operating income		24,396	24,858
Income-related grants transferred to profit or loss		1,354	10,973
Personnel expenses		(380,099)	(350,982)
Wages, salaries and similar expenses	17.4	(297,591)	(278,668)
Employee benefit costs	17.4	(80,724)	(71,590)
Provisions		(1,784)	(724)
Other operating expenses		(4,005,203)	(4,007,917)
External Services		(1,399,948)	(1,446,671)
Taxes other than income taxes	17.5	(2,371,603)	(2,293,440)
Losses, impairment and change in operating allowances		1,280	(720)
Other current operating expenses		(234,932)	(267,086)
Amortization/Depreciation	6, 7	(277,066)	(284,963)
Allocation of non-financial fixed asset and other grants	12.6	188,523	206,542
Overprovisions		67,876	807
Impairment and gain or loss on disposal of non-current assets		(5,487)	14,142
Gains or losses on disposals and other		(5,487)	14,142
Other gains or losses	17.6	(22,654)	10,986
Operating profit / (loss)		37,938	(718,904)
Finance Income		269,500	323,437
From investments in equity instruments		142,527	139,875
Group companies and associates	9.3, 18.1	142,509	139,479
Third parties		18	396
From marketable securities and other financial instruments		126,973	183,562
Group companies and associates	18.1	57,261	130,252
Third parties		69,712	53,310
Finance Costs		(313,508)	(391,807)
On debts to Group companies and associates	18.1	(130,765)	(223,496)
On debts to third parties		(173,936)	(161,870)
Interest cost relating to provisions	13	(8,807)	(6,441)
Change in fair value of financial instruments		8,472	45,380
Trading portfolio and other		8,472	45,380
Exchange losses	16	(31,583)	43,668
Impairment and gains or losses on disposals of financial instruments		84,261	75,085
Impairment and other losses	9.3, 17.7	(35,174)	74,970
Gains or losses on disposals and other	17.8	119,435	115
Financial profit / (Loss)		17,142	95,763
Profit / (Loss) before tax		55,080	(623,141)
Income tax (expense)/benefit	15.4	(7,393)	226,675
Profit / (Loss) for the year		47,687	(396,466)

Notes 1 to 23 of the Notes to the Financial Statements form an integral part of the Profit and Loss Statement for 2024

Compañía Española de Petróleos, S.A.

Statement of changes in equity for the year ended 31 December 2024 and 2023

€ Thousands

Statement of recognised income and expense	Notes	2024	2023
Profit/Loss per income statement (I)		47,687	(396,466)
Income and expenses recognised directly in equity			
Net (losses)/gains on cash flow hedges	10	447,447	312,298
Grants, donations or gifts and legacies received	12.6	183,963	209,395
Tax effect	15.3	(157,853)	(130,423)
Total income and expenses recognised directly in equity (II)		473,558	391,270
Transfer to income statement			
Net (losses)/gains on cash flow hedges	10	(437,118)	(349,659)
Grants, donations or gifts and legacies received	12.6	(188,523)	(206,542)
Tax effect	15.3	155,231	139,050
Total transfers to income statement (III)		(470,410)	(417,151)
Total statement of recognised income and expense (I+II+III)		50,835	(422,347)

Notes 1 to 23 of the Notes to the Financial Statements are an integral part of the Statement of Revenue and Expenditure corresponding to financial year 2024

Compañía Española de Petroleos, S.A.

Statement of total changes in Equity for the year ended 31 December 2024 and 2023

€ Thousands

	Share Capital	Share Premium	Reserves	Treasury shares (Note 12.4)	Prior year losses	Profit / Loss for the Year	Adjust- ments for changes in value	Grants, Donations or Gifts and Bequests Received	Total
Closing balance 2022	268,175	351,581	2,807,876	(1,892)	(785,279)	1,119,230	37,827	2,143	3,799,661
Adjusted balance at beginning 2023	268,175	351,581	2,807,876	(1,892)	(785,279)	1,119,230	37,827	2,143	3,799,661
Total recognised income and expense	—	—	—	—	—	(396,466)	(28,020)	2,139	(422,347)
Transactions with shareholders or owners	—	—	(850,681)	352	—	—	—	—	(850,329)
Share capital increase	—	—	—	—	—	—	—	—	—
Dividends paid (-)	—	—	(850,329)	—	—	—	—	—	(850,329)
Transactions with treasury shares (net)	—	—	(352)	352	—	—	—	—	—
Other changes in equity	—	—	348,072	—	785,279	(1,119,230)	—	—	14,121
Closing balance 2023	268,175	351,581	2,305,267	(1,540)	—	(396,466)	9,807	4,282	2,541,106
Adjusted balance at beginning 2024	268,175	351,581	2,305,267	(1,540)	—	(396,466)	9,807	4,282	2,541,106
Total recognised income and expense	—	—	—	—	—	47,687	7,747	(3,420)	52,014
Transactions with shareholders or owners	—	—	(184,296)	(208)	—	—	—	—	(184,504)
Dividends paid (-) (Note 12.3)	—	—	(184,504)	—	—	—	—	—	(184,504)
Transactions with treasury shares (net)	—	—	208	(208)	—	—	—	—	—
Other changes in equity	—	—	10,504	—	(396,466)	396,466	—	—	10,504
Closing balance 2024	268,175	351,581	2,131,475	(1,748)	(396,466)	47,687	17,554	862	2,419,120

Notes 1 to 23 of the Notes to the Financial Statements form an integral part of the Statement of Changes in Equity corresponding to financial year 2024

Compañía Española de Petroleos, S.A.

Cash flow statement for the year ended 31 December 2024 and 2023

€ Thousands

	Notes	2024	2023
Cash flow from operating activities (I)		1,059,321	1,822,211
Profit/Loss for the year before tax	15.4	55,080	(623,141)
Adjustment to result		38,846	(76,531)
Depreciation and amortization charge	6, 7	277,066	284,963
Impairment losses		(20,636)	(131,116)
Changes in provisions		33,220	210,099
Recognition of grants in P&L	12.6	(188,523)	(206,542)
Gains/Losses on derecognitions and disposals of non-current assets		5,487	(14,142)
Gains/Losses on derecognitions and disposals of financial instruments		(119,435)	(115)
Finance income		(269,500)	(323,437)
Finance costs		304,701	385,367
Exchange differences	16	7,987	(63,790)
Changes in fair value of financial instruments		(8,472)	(45,380)
Other income and expenses		16,951	(172,438)
Operating working capital		1,070,367	2,280,820
Inventories	11	(40,497)	895,223
Trade and other receivables		855,789	1,758,245
Other current assets		187,089	1,279,227
Trade and other payables		194,602	(337,412)
Other current liabilities		(126,616)	(1,314,463)
Other cash flows from operating activities		(104,972)	241,063
Interest paid		(294,308)	(409,640)
Dividends received		134,853	142,567
Interest received		115,371	172,245
Income tax (paid) / collected		(44,229)	343,214
Other payments (proceeds)		(16,659)	(7,323)
Cash flow from investing activities (II)		(1,191,989)	(594,936)
Payment for investment		(1,526,448)	(650,810)
Group companies and associates		(766,292)	(334,608)
Intangible assets		(44,308)	(33,978)
Property, plant and equipment		(381,944)	(279,793)
Other financial assets		(333,904)	(2,431)
Proceeds from disposals		334,459	55,874
Group companies and associates		332,810	—
Property, plant and equipment		—	52,468
Other financial assets		1,649	3,406
Cash flow from financing activities (III)		1,202,539	(1,088,824)
Proceeds and payments on issued		1,387,198	(238,495)
Issued bank borrowing		1,314,391	152,493
Issued Other debts		1,692	3,446
Repaid of bank borrowing		(660,705)	(389,606)
Repaid of other debts		(12,128)	(4,828)
Dividends in return on other equity instruments paid		(184,505)	(850,329)
Dividends		(184,505)	(850,329)
Effect on exchange rate changes (IV)		3,645	(259)
Net increase/decrease in cash and cash equivalents (I+II+III+IV)		1,073,516	138,192
Cash and cash equivalents at beginning of year		304,296	166,104
Cash and cash equivalents at end of year		1,377,812	304,296

Notes 1 to 23 of the Notes to the Financial Statements are an integral part of the Cash Flow Statement corresponding to financial year 2024

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Notes to the Financial Statements for the year-ended 31 December 2024

Compañía Española de Petróleos, S.A.

1. Company activities

1.1 Corporate information

Compañía Española de Petróleos, S.A. (hereinafter “the Company”) was incorporated on 26 September 1929, for an indefinite period of time, with registered address at Paseo de la Castellana, 259 A, 28046 Madrid (Spain). It is entered in the Madrid Trade Registry, Volume 588 of the Companies Book, Sheet 35, Page M-12689, and its Tax Identification Number is A-28003119.

The Company shares are mainly held by two shareholders: “Cepsa Holding, LLC,” owner of shares representing 61.36% of the share capital, a company incorporated in the United Arab Emirates and ultimately controlled by Mubadala Investment Company, PJSC (“MIC”), and the company “Matador Bidco, S.À.R.L.,” owner of shares representing the remaining 38.41% of the share capital, a company incorporated in Luxembourg and ultimately controlled by The Carlyle Group, Inc. (See **Note 12.1**).

The Company engages in all kinds of extraction, industrial, commercial, corporate and promotion activities connected mainly with oil and gas, in solid, liquid, and gaseous form in Spain and abroad; the production of compound and synthetic oil, petrochemical, chemical, and other derivative materials; all types of mineral and hydrocarbon deposits, underground structures, rock, mineral, and geological resources, and on a complementary basis, any other raw materials, substances, products, energy, or waste that are related to, connected with, a substitute for, derive from, or complement the above. The Company also carries out the above activities through the incorporation of or ownership of shares in other companies with similar or identical corporate purposes.

The Company is the parent company of a Group of subsidiaries and is required under current legislation to prepare consolidated financial statements separately. The consolidated Financial Statements of the Group for 2023 were approved by the Directors in a meeting of the Board of Directors on 7 March 2024, approved at the Annual General Meeting on 8 March 2023 without amendment, and duly filed with the Commercial Registry of Madrid. The consolidated financial statements for 2023 are expected to be prepared by the Board of Directors on 24 February 2024 and to be approved without changes by the Annual General Meeting.

In October 2024, the company announced the launch of its new brand, Moeve, as a result of its transformation, derived from the Positive Motion strategy, to become the benchmark for sustainable energy and mobility. The change from the Cepsa brand to Moeve will be carried out gradually, as will the change of company name, which will be implemented during the 2025 financial year.

Company operations

Note 9.3 describes the incorporation of new companies during the year 2024 and 2023, the acquisition and selling of stakes in group companies, as well as capital increases and decreases and dissolutions.

1.2 Regulatory framework

The Company's activities, whether carried out in Spain or in other countries, are subject to numerous regulations. Any changes that may arise in applicable legislation can affect the framework in which these activities are carried out and therefore the profits generated by the Company's operations.

The hydrocarbons sector, in which the Company operates, is basically regulated by Law 34/1998, of 7 October on the Oil and Gas Sector (“LSH”), amended by Law 11/2013 of 26 July and Law 8/2015 of 21 May, which regulates certain measures to support entrepreneurship and stimulate growth and tax and non-tax measures related to exploration, research and

development of hydrocarbons, respectively. In addition, amendments were made by Royal Decree-Law 8/2023, of 27 December (incorporating measures to combat fraud in the hydrocarbon sector).

In December 2022, Law 38/2022, of 17 December, was published, establishing the temporary energy levy. This legislation stipulates that the levy would be classified as a non-tax public payment and would be applied in 2023 and 2024 to the primary electricity, natural gas, fuel and liquefied petroleum gas distributors whose net turnover exceeded specific thresholds. Additionally, the levy would be collected from companies with a certain turnover from the production of crude oil, natural gas, coal mining or oil refining. The rate was set at 1.2% of the net turnover derived from these activities in Spain during the 2022 and 2023 tax years, adjusted for specific income items, including the Hydrocarbon Tax.

Law 7/2024 of 20 December incorporates a supplementary tax to guarantee a minimum global level of Corporate Tax for multinational groups and large national groups. It also introduces other measures relevant to the Group, such as the repeal of the temporary energy tax in its 14th Final Provision, and the reinstatement as of 1 January 2024 of certain tax measures originally included in RDL 3/2016, which were declared unconstitutional by the Constitutional Court, under matters reserved to the Law grounds. Moreover, an amendment of the legislation and regulations pertaining to the Value Added Tax (VAT) regime has been instituted with a view to mitigating fraudulent activities within the hydrocarbon sector. This amendment requires the provision of a guarantee or advance payment of VAT before removing goods from a bounded warehouse unless the operator is certified as reliable. Furthermore, these operators must to be included in the Immediate Information System (IIS).

Law 18/2014 of 15 October established a National Energy Efficiency Fund in Spain, to which wholesale petroleum product operators, wholesale liquefied petroleum gas operators, natural gas supply companies and electricity supply companies must contribute annually, with the consequent economic impact on these business areas. Royal Decree 36/2023, of 24 January, which establishes a system of Energy Saving Certificates (hereinafter ESCs), provided the National Energy Efficiency Fund (NEEF) system with a flexibility system for compliance based on the development of ESCs. This means that obligated parties could reduce their direct financial contribution to the FNEE by delivering ESCs to the system, from certified final energy consumption reduction measures. In 2024, the Company has benefited from this flexibility mechanism by making use of ESCs.

Petroleum products

In the fuel sector, the fourth additional provision of Law 8/2015, dated 21 May, establishes limitations on the expansion of gas station networks belonging to wholesale operators with a provincial market share of more than 30 percent.

The price of petroleum products is liberalized, and with the exception of packaged LPG of more than 8 kg and less than 20 kg with a tare weight exceeding 9 kg, which is subject to maximum retail prices, segment not operated by the Company.

Royal Decree-Law 8/2023, of 27 December, amends the LHS to prohibit the supply between retail distributors as well as the supply from retail distributors to wholesale operators. It also grants access to liquid hydrocarbon facilities not only to wholesale operators but also to other agents in the supply chain, including retail distributors.

Supervisory body

Pursuant to Law 3/2013, dated 4 June creating the Spanish National Markets and Competition Commission (CNMC), the CNMC supervises and controls the energy sector in general and hydrocarbons in particular.

Royal Decree-Law 1/2019, of 11 January, transfers powers to the CNMC, with the aim to adapting its purview to the requirements derived from community law in relation to Directives 2009/72/EC and 2009/73/EC of the European Parliament and of the Council of 13 July 2009 concerning common rules for the internal market in electricity and natural gas.

In 2024, the processing of the bill to re-establish the National Energy Commission as an independent regulatory body for the ecological transition process began. This necessitates the establishment of an autonomous regulator and supervisor with enhanced specialisation, autonomy and a more extensive scope of action. The bill proposes the decarbonisation of the Spanish energy system as a new objective, in addition to the existing traditional functions of the regulator.

Pursuant to Additional Provision Nine of Law 3/2013, of 4 June, the Ministry of Ecological Transition and the Demographic Challenge (MITECO) supervises the acquisition of shareholdings in the energy sector. According to this law, the acquirer must inform MITECO of the acquisition of shares in companies or by companies that carry out activities (among others) in the hydrocarbon sector, as well as the acquisition of strategic assets in the energy sector.

Refining as the main activity in its Energy Parks

The Group's activities are subject to numerous national and regional regulations that apply to all the activities carried out in our energy parks, starting with Law 34/1998, of 7 October, on the Hydrocarbons Sector.

In industrial matters, Law 21/1992, of 16 July 1992, on Industry, and Royal Decree 2085/1994, of 20 October 1994, approving the Regulation of Petroleum Installations, which includes the Complementary Technical Instructions (ITC) MI-IP 01 "Refineries" and MI-IP 02 "Petroleum Liquid Storage Installations".

With regard to applicable environmental legislation, it is worth highlighting, among other regional regulations, Royal Legislative Decree 1/2016, of 16 December, which approves the revised text of the Law on Integrated Pollution Prevention and Control, Law 26/2007, of 23 October, on Environmental Responsibility, and Law 21/2013, of 9 December, on Environmental Impact Assessment. In the area of Energy and Climate, Law 1/2005, of 9 March, is particularly relevant, as it regulates the greenhouse gas emission allowance trading scheme and imposes reporting obligations and associated emission costs. During 2024, the process of updating Law 1/2005 has begun through the national transposition of the updates to Directive 2003/87/EC from which it derives. This reflects the Union's increased ambition, as well as the extension of the trading scheme to other sectors.

Royal Legislative Decree 2/2011, of 5 September, which approves the Consolidated Text of the Law on State Ports and the Merchant Navy, regulates the activities carried out in our Energy Parks and their marine terminals with the different Port Authorities in the Ports that are the responsibility of the General State Administration. The current text is undergoing review by the Congress of Deputies.

Minimum security stocks

The LSH establishes obligations to maintain minimum security stocks that affect petroleum products and natural gas, given their special importance for maintaining regular economic activity.

Royal Decree 1716/2004 of 23 July 2004, subsequently amended by Royal Decree 1766/2007 of 28 December 2007, regulates the obligation to maintain minimum security stocks in the oil, LPG and natural gas sectors, as well as the operation of the Corporation of Strategic Reserves of Petroleum Products (CORES in Spanish).

According to the aforementioned Royal Decree, the minimum security stock obligation for petroleum products, excluding LPG, is 92 days of sales corresponding to the previous 12 months, but has been reduced since the beginning of the conflict in Ukraine, being temporarily set at 84.2 days by virtue of Order TED /725/2022 of 27 July.

For LPG, the obligation is 20 days of sales or consumption in the previous 12 months.

Royal Decree 376/2022 of 17 May, in its Third Additional Provision, includes the functions of verification and inspection and the annual report on the use of biofuels for transport purposes into the functions of CORES, as established by Order ITC/2877/2008 of 9 October.

Climate change and energy transition

Law 7/2021 on Climate Change and Energy Transition is the general framework to ensure Spain's compliance with the objectives of the Paris Agreement, to facilitate the decarbonisation of the Spanish economy and its transition to a circular model that guarantees the rational use of resources, as well as adapt to climate change and implement a model of sustainable development.

Within the framework of the Law, the following main lines of action are worth highlighting: the objective of a fleet of passenger cars and light commercial vehicles without direct CO2 emissions by the year 2050 and a wide deployment of the recharging system for electric vehicles.

In accordance with Regulation 2018/1999 of 11 December 2018 on the Governance of the European Union's Energy and the Climate Action, the revision of the Comprehensive National Energy and Climate Plan (PNIEC) 2023-2030 was published in September 2024. The PNIEC establishes a roadmap of objectives up to 2030 in terms of energy and climate, in alignment with the Union's Fit for 55 package. The Plan outlines a national target scenario for 2030, which includes a 32% reduction in emissions compared to 1990, a contribution of 81% renewable generation in the energy mix, the installation of 12 GW of electrolyzers and the production of 20TWh of biogas, as well as an increase in the use of advanced and synthetic fuels in the transport sector above the targets established at EU level.

In line with the Union's ambition of achieving climate neutrality by 2050, the Long-Term Strategy 2050 was published in November 2020 under the same governance scheme.

With regard to the promotion of renewable energy in transport, many regulations related to the penetration of renewable fuels in the sector will come together in 2024. In 2024, Order TED/728/2024, of 15 July, was published, implementing the mechanism for the promotion of biofuels and other renewable fuels for transport purposes, establishing targets for 2025, limits on certain raw materials, as well as anti-fraud measures in the reporting of this renewable energy.

Furthermore, Royal Decree-Law 6/2022 has transposed Article 7 bis of Directive 98/70/EC of the European Parliament and of the Council of 13 October 1998 relating to the quality of petrol. It also amends Council Directive 93/12/EEC (FQD Directive), establishing a new mandatory target of a 6 per cent reduction in the life-cycle greenhouse gas intensity of transport per unit of fuel and energy supplied in transport. This compliance obligation will be extended to 2025, until it is repealed by the transposition of the current Directive on the promotion of energy from renewable sources.

The Directive was updated under the umbrella of Fit for 55, with the publication of Directive 2023/2413 of 18 October 2023 amending Directive (EU) 2018/2001, Regulation (EU) 2018/1999 and Directive 98/70/EC with regard to the promotion of energy from renewable sources and repealing Council Directive (EU) 2015/652. The consultative process for transposition at the national level has begun in 2024, a process of great relevance in the development of the Company's Strategy given that it is the framework with a 2030 horizon for the development of renewable energies.

In 2023, two relevant regulations were approved: Regulation (EU) 2023/24052, of 18 October 2023, on ensuring a level playing field for sustainable aviation fuel (ReFuelEU Aviation), and Regulation 2023/1805, of 13 September 2023, on the use of renewable and low-carbon fuels in maritime transport, which also amends Directive 2009/16/EC (FuelEU Maritime). The initial compliance deadline is 2025, although the Group has been preparing during 2024 for a first report in 2025 and for these obligations to be met with sustainable aviation fuel (SAF) and advanced and hydrogen-derived fuels in maritime. This preparedness is driven by the likely direct impact on the Group as a supplier and the need to respond to market demands.

In 2024, the Gas Package, which is derived from the Fit for 55 Package, was published. It is governed by Directive (EU) 2024/1788 of 13 June 2024 on common rules for the internal markets in renewable gas, natural gas and hydrogen, amending Directive (EU) 2023/1791 and repealing Directive 2009/73/EC, as well as Regulation (EU) 2024/1789 of 13 June 2024 on the internal markets in renewable gas, natural gas and hydrogen and amending Regulations (EU) No 1227/2011, (EU) 2017/1938, (EU) 2019/942 and (EU) 2022/869 and Decision (EU) 2017/684 and repealing Regulation (EC) No 715/2009.

These are the common rules for the internal markets in renewable gas, natural gas and hydrogen and reform the current EU gas legislation. The new rules will contribute to the transition towards the use of renewable and low-carbon gases, in particular hydrogen, in the energy system, with a view to achieving the EU's decarbonisation objectives. The national ambition set out in the NECP for 2030 of 12 GW of electrolyzers and 20 TWh of biogas production makes this Gas Package vital for the deployment of these new energy and economic vectors.

At both national and European level, measures to mitigate the effects of climate change and promote the energy transition are reflected in regulations relating to the environment and the protection of natural resources, promoting the circular economy and the use of resources.

Specifically, in 2022, the State Legislative Framework, Law 7/2022 of 8 April on Waste and Contaminated Soil for a Circular Economy, will enter into force, establishing the waste hierarchy and extended producer responsibility, as well as the objectives to be achieved in

accordance with the European Union's Fit for 55 package. In 2025, the State Waste Management Framework Plan 2024-2035 was published as an instrument for the development of waste policies and management plans covering the entire national territory. All of this, together with the above-mentioned Law 1/2005 of 9 March, which regulates the system of trading in greenhouse gas emission allowances and imposes reporting obligations and associated emission costs, has a direct impact on the company's strategy and requires the achievement of certain targets in order to achieve climate neutrality.

2. Basis for the Financial Statements

2.1. Regulatory framework for financial reporting applicable to the Company

The financial statements have been prepared by the Board of Directors in accordance with the regulatory financial reporting framework applicable to the Company, which is set out in:

- a) The Spanish Code of Commerce, the Consolidated Text of the Capital Companies Act and all other Spanish corporate laws.
- b) The Spanish National Chart of Accounts approved by Royal Decree 1514/2007, amended by Royal Decree 602/2016 and Royal Decree 1/2021 and its sector-specific adaptations.
- c) The enforceable rules adopted by the Spanish Accounting and Audit Institute (Instituto de Contabilidad y Auditoría de Cuentas - ICAC) implementing the Spanish National Chart of Accounts and its complementary rules.
- d) All other applicable Spanish accounting legislation.

2.2. Non-mandatory accounting principles applied

The Board have prepared these financial statements taking into account all the mandatory accounting principles and standards that have a material effect on these financial statements.

Accordingly, there are no significant mandatory accounting principles that have been excluded from application. No non-mandatory accounting principles have been applied.

2.3. True and fair view

The accompanying financial statements, have been prepared from the Company's accounting records, are presented in accordance with the regulatory financial reporting framework applicable to the Company, and, in particular the accounting principles and criteria set out therein, so as to present fairly, in all material respects, the financial position of the Company and the results of its operations and its cash flows for the related year. These financial statements are presented in thousands of euros unless otherwise stated.

These financial statements, which have been approved by the Board of Directors of the Company, will be submitted to shareholders for approval at the Annual General Meeting at its meeting on 25 February 2025. It is expected that they will be approved without any changes. The 2023 Financial Statements were approved without modification at the AGM held on 8 March 2024.

2.4. Critical aspects of the assessment and estimation of uncertainty

In preparing the accompanying financial statements, the Directors have made estimates were made by the Company's directors in order to measure certain assets, liabilities, income, expenses and commitments reported herein.

These estimates principally relates to:

- The determination of the recoverable amount for the purpose of calculating impairment losses on certain assets, such as intangible assets, property, plant and equipment, and investments in subsidiaries and associated and interests in joint ventures (see **Note 4.1**).

- The useful lives of property, plant and equipment and intangible assets (see **Notes 6 and 7**).
- When the fair values of financial assets and financial liabilities recognised in the Balance Sheet cannot be determined from quoted prices in active markets, their fair values are determined using alternative valuation techniques including Discounted Cash Flow models. The inputs to these models are derived from observable markets where possible, but where it is not possible, some judgement is required to establish fair values. Judgment is applied to inputs such as liquidity risk, credit risk (own and counterparty) and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments (see **Notes 9, 14 and 22**).
- The calculation of the valuation of inventories (see **Note 11**).
- The assessment of possible outcomes of legal claims and contingencies, for which the Company relies on the opinions of its legal advisors. These opinions are based on their best professional judgement and take into account the situation at the time of the judicial proceedings, as well as the accumulated legal experience in relation to the various matters in question. As the outcome is ultimately determined by the courts, it may differ from these estimates (see **Note 13**).
- Similarly, with respect to tax and legal provisions, the assessment of the possible outcome of claims and contingencies is based on the opinions of the Company's legal and tax advisors, taking into account the situation at the time of the legal proceedings as well as their past experience (see **Note 13**).
- Likewise, judgements and estimates are made in respect of environmental remediation costs and provisions, using current information on costs and expected remediation plans. Most decommissioning events are not expected to occur in the near future and the precise requirements that have to be met when the event occurs are uncertain. Decommissioning technologies and costs are constantly changing, as are political, environmental, safety and public expectations (see **Note 13**).
- The calculation of income taxes and the recognition of deferred tax assets. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which they can be utilised. The realisation of deferred tax assets requires management to make significant judgements, both in estimating the amount of the benefits and the timing of their realisation (see **Note 15**).

These financial statements reflect the Group's Positive Motion strategy to be a company aligned with the objectives of the Paris Climate Summit and those of Sustainable Development of the United Nations. In this regard, the Company has taken into account the impacts of climate change and the decarbonisation of the economy in the definition of accounting estimates and judgements.

Although these estimates have been made on the basis of the best information available at the end of 2023, future events may require these estimates to be adjusted (upwards or downwards) in future years, if necessary prospectively.

2.5. Comparative information

There were no significant changes in accounting estimates or accounting policies in 2024 with respect to the criteria applied in 2023.

The information contained in these Financial Statements for the year ended 31 December 2023 is presented solely for the purpose of comparison with the information for the period ended 31 December 2024. There are no operations or transactions that have been accounted for using different accounting policies that could lead to differences in the interpretation of the comparative figures between the two periods.

In course of preparing these financial statements, no material errors were detected that would have resulted in a restatement of the amounts included in the 2024 financial statements.

2.6. Grouping of items

Certain items on the face of the Balance Sheet, the Income Statement, the Statement of Changes in Shareholders' Equity and the Statement of Cash Flows have been grouped

together for ease of reference, although the related notes provide disaggregated information where material.

3. Appropriation of profits

The proposed appropriation of profits for the year ending 31 December 2024, which has been prepared by the Directors of the Company and will be submitted to the Annual General Meeting for approval, is as follows:

€ Thousands	
	2024
To offset prior year losses	47,687
Total applied	47,687

4. Rules for recognition and measurement

The Company has prepared its Financial Statements for 2024 in accordance with the valuation rules established by the Spanish National Chart of Accounts. In general, the rules specific to a Balance Sheet or Income Statement heading are described in the Note corresponding to that item. Rules of a more general nature, or rules that apply to several items, are described below:

4.1. Measurement of impairment of fixed assets: goodwill, intangible assets, property, plant, and equipment, and investments in group and associates companies, and other financial assets

The Company reviews its intangible assets, property, plant and equipment, investments in subsidiaries and associates and other financial assets for impairment yearly and whenever there is an indication that an asset may be impaired. In addition, and in all cases, goodwill is tested for impairment at year-end.

In both cases, the recoverable amount of the different types of assets is estimated as described below.

A) INTANGIBLE AND PROPERTY, PLANT AND EQUIPMENT

Those assets that, when grouped together, are able to generate cash inflows that are largely independent of the cash inflows from other assets are grouped into cash-generating units ⁽¹⁾ (CGU). The grouping of assets into different CGUs is based on professional judgment and takes into account, among other things, the business segments and geographical areas in which the Company operates.

The Company's CGU is called Energy Solutions, which includes the Energy Parks, Mobility & New Commerce and Commercial & Clean Energies businesses, which are considered to be a single CGU due to the interdependencies that exist throughout the economic process.

At the end of each reporting period, the Company assesses whether there is any indication that an asset or cash-generating unit, including those to which goodwill or other intangible assets have been allocated, may be impaired and, if so, whether any impairment loss has been incurred that reduces the recoverable amount of the assets below its carrying amount.

B) INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES

At appropriate intervals, and in any case at year-end, the Company tests financial assets representing investments in subsidiaries and associated for impairment. An impairment loss is recognised when the recoverable amount of the financial asset is less than its carrying

¹ A cash-generating unit (CGU) is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets.

amount. According to accounting standards, the recoverable amount is the higher of an investment's fair value less costs to sell and the present value of the future cash flows expected to be received from the investment. In the absence of better evidence of the recoverable amount, the equity of the investee, adjusted for unrealised gains existing at the valuation date, is used.

When analysing the future cash flows in investee companies in the gas and electricity sector that have cogeneration or combined cycle plants, because each plant has an individual remuneration from the Spanish government, in accordance with current legislation, each of these plants constitutes a separate cash-generating unit (CGU).

C) OTHER FINANCIAL ASSETS

Whenever there is objective evidence of impairment, and at least at each financial year end, the Company tests financial assets that are not carried at fair value for impairment. Objective evidence of impairment exists when the recoverable amount of a financial asset is less than its carrying amount. If this is the case, an impairment loss is recognised in the Income Statement.

In the case of equity instruments measured at fair value with changes through equity, an impairment loss is presumed to exist when the market price has fallen by 40% or one and a half years without a recovery. Impairment is recognised in the Income Statement.

With regard to the impairment of trade and other receivables, the Company recognises an impairment loss when the due date of the receivable is exceeded by six months, when legal proceedings are initiated by the Company's legal department to resolve the collection or when the customer is in a legal situation of insolvency.

Impairment test procedure

To perform the above impairment test, the carrying amount of a cash-generating unit is determined as follows:

- a) Assets: the carrying amount of only those assets that are directly attributed, or can be allocated on a reasonable and consistent basis, to the CGU and that generate the future cash inflows used in determining the CGU's value in use;
- b) Liabilities: the carrying amount of a recognised liability is not included unless the recoverable amount of the CGU cannot be determined without taking into account this liability.

The recoverable amount of each CGU or asset is determined as the higher of the value in use and the fair value less costs of disposal or other manner of disposal that would be obtained from the assets associated with the cash-generating unit.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset, using assumptions consistent with the Group's 2025 Budget as approved by the Board of Directors, and the long-term plan.

These cash flow projections cover the next five years and a residual value appropriate to each CGU or asset, calculated by applying a constant expected growth rate of between 0% and 2.4%, based on the expected long-term CPI and the expected growth of the country (GDP) specific to each business under review. For the purpose of calculating residual values, only maintenance investments and, where applicable, renewal investments necessary to maintain the productive capacity of the assets or CGUs are taken into account.

Assessment of investments in Exploration and Production segment

The valuation of the Company's investments in subsidiaries and associated in the Exploration and Production (Upstream) segment is based on cash flow projections covering the economically productive life of the oil and gas fields limited by the termination of permits, agreements or operating contracts. The general principles used to determine the variables that most significantly affect the cash flows of this business line are described below:

Oil and gas sales prices

The estimated crude oil prices used to project the cash flows of each asset are those used in the Group's 2025 Budget and long-term plan. These estimates are based on assessments made by international agencies and other market participants. The pathway has been

developed using on macroeconomic, financial and market information and available analysts forecasts, and considers energy transition and decarbonisation scenarios that are consistent with the objectives of the different Climate Summits.

For the purpose of mitigating the impact of oil price fluctuations, the Company used a sensitivity analysis of different price curves in its impairment analysis. As mentioned above, the Group has considered two scenarios for future prices:

- Scenario 1 (weighted at 75%), the prices considered are 75 USD per barrel in 2025, with growth of approximately 3% over the following three years. This is followed by a similar period of stability until 2031, at which point a fall in prices is expected until 2038. After this, prices are expected to rise at an average rate of 2%. The price of Brent crude oil is used as the base price, and the remaining international prices are calculated using differentials.
- Scenario 2 (weighted at 25%): Based on the price curves published by peer-reviewed analysts ⁽²⁾ with a Brent price curve between 77 and 82 dollars per barrel for the period 2025 to 2030, after which prices increase annually with the same CPI as used in Scenario 1.

Reserves and production schedules

A long-term development plan is prepared for each asset, which includes an annual production profile. This production profile incorporates probable reserves and, where appropriate, best estimates of contingent resources, weighted by associated risk factors. The Company's Reserves and Contingent Resources Evaluation Procedure follows the guidelines established by the Society of Petroleum Engineers (SPE), the American Society of Petroleum Geologists (AAPG), the World Petroleum Council (WPC), the Society of Petroleum Evaluation Engineers (SPEE), and the Society of Exploration Geophysicists (SEG) in March 2007, which were revised in November 2011 and June 2018, and is known as the "SPE-PRMS" (Petroleum Resources Management System). The process for determining reserves takes into account, among other things: estimates of the volume of oil and natural gas in place, recovery factors, price forecasts assumptions and estimates of costs and investments.

The reserves are audited annually by the Group's internal experts, who are independent of the Exploration and Production area. In addition, the reserves are certified every two years by independent specialist firms. The last external certification of Reserves was carried out during the first half of 2024 on the reserves as of 31 December 2023. This audit did not generate significant differences in the aggregate of 2P reserves with those recorded in the Group. Next external audit is planned to be performed in the second quarter of 2024.

Operating costs and capital expenditure

For Exploration and Production assets, the development plan prepared for each asset considers the investment required to produce the estimated reserves and resources. For both capital expenditure and operating costs, an inflation rate is used, where applicable, depending on the country in which the asset is located, in accordance with current supply contracts and the Group's best estimate.

Discount rate

For the purpose of calculating the present value of these cash flows in the test of impairment, they are discounted at a rate equal to the weighted average cost of capital (WACC) adjusted for country risk, taking into account the business risk specific to each asset or CGU.

The parameters used to determine the above rates are as follows:

- Risk-free rate: normalised government bond yield corresponding to each geographical area or country. For dollar flows, the yield on the 20-year US Treasury bond at the end of December 2024 is used; for euro flows, the yield on the 20-year German sovereign bond at the close of December 2024 is taken.
- Equity risk premium: For flows in dollars, an ERP of 5.00% will be used, and for flows in euros, an ERP of 5.50% will be used, both recommended by the Kroll, Inc. consulting methodology for each territory.

² Analysts considered are Wood Mackenzie, JP Morgan, Barclays, Société Generale, Citi, IHS, Morgan Stanley, and the US Energy Information Administration.

- Country risk premium depending on the location of the asset.
- Beta: Calculated based on the average of comparable companies for each business, deleveraged and re-leveraged according to a defined capital structure for each sector.
- Average cost of debt: Calculated as the sum of the risk-free rate, an average spread (calculated as the difference between the average cost of debt observed for a group of integrated companies in the O&G sector and the yield on 20-year U.S. or German government bond) and, where applicable, the country risk premium.
- Capital structure: Equity-to-debt ratio defined for each business, generally 25% debt and 75% equity.

These discount rates have been calculated taking in account the local currencies of the cash-generating units.

All data used in the calculation are obtained from reputable external sources with a solid track record.

The discount rates used in the countries where assets or CGUs in 2024 and 2023 are as follows:

Business Unit	2024	2023
Energy Solutions	6% - 8.5%	7% - 9%
Exploration&Production	12% - 15%	10,5% -12,5%

These analyses have affected some of the figures used by management in the valuation of investments in subsidiaries and associates.

Sensitivity analysis

For those assets or CGUs for which the Company performs an impairment test, the Company assesses whether reasonably possible changes in the key assumptions used to determine the recoverable amount would have a material effect on the financial statements. For those assets and CGUs where the recoverable amount exceeds the carrying amount by a significant percentage, such changes are not considered to be material. For those assets or CGUs where the difference is below this threshold, the Company performs a sensitivity analysis of the recoverable amount of those assets or CGUs to changes it considers reasonably foreseeable.

The investee companies for which the Company has recognised impairment provisions or reversals in 2024 and 2023 do not show sensitivity to standardised variations in the discount rate (+/- 0.5%) in the price of crude oil (+/- 10%) or in the exchange rate (+/- 0.05 \$/€) that would give rise to the recognition of a provision or reversal other than that accounted for (see **Note 9.3**).

Recognition of impairment

If the recoverable amount of a tangible or intangible asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount is reduced to the recoverable amount and an impairment loss is recognised in the Income Statement under **Impairment and gain or losse on disposal of non-current assets**.

If an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit), except for goodwill, is increased to the revised estimate of its recoverable amount through the Income Statement, but such increased carrying amount does not exceed the carrying amount that would have been determined if no impairment loss had been recognised for the asset (or cash-generating unit) in prior years.

Impairment losses in subsidiaries and associates, impairment losses are measured as the difference between the carrying value of the investment and its recoverable amount. The recoverable amount is the higher of an investment's fair value less costs to sell and the present value of future cash flows from the investment. The calculation of future cash flows considers all the CGUs into which the investee may be organised.

In the absence of better evidence of the recoverable amount of investments in subsidiaries and associates, the recoverable amount is the investee's equity, adjusted for any unrealised gains existing at the measurement date and including any goodwill arising at the Company on the acquisition of the investment. Therefore, the key assumptions used in the valuation of

equity instruments and the related sensitivity analyses are the same as those described above.

Impairment losses are recognised as an expense in the Income Statement under **Impairment and gains or losses on disposals of financial instruments** in the Income Statement.

4.2. Current and non-current items

The Company considers current assets to be:

- those associated with the normal operating cycle, which is generally considered to be one year,
- those other assets whose maturity, disposal or realisation is expected to occur in the short term after the Balance Sheet date,
- financial assets held for trading, excluding financial derivatives with a settlement period of more than one year, and
- cash and cash equivalents.

Assets that do not meet these criteria are classified as non-current.

Similarly, current liabilities are:

- those associated with the normal operating cycle,
- financial liabilities held for trading, with the exception of financial derivatives with a settlement period of more than one year, and
- in general, all liabilities that mature or are settled in the short term.

Otherwise, they are classified as non-current.

4.3. Statement of Cash Flows

The Company reports cash flows from operating activities using the so-called “indirect method”, whereby it first presents Profit or loss before tax in the Income Statement for the period, which is then adjusted for the effects of non-cash transactions and accruals made during the period, as well as for profit or loss items related to with cash flows from operating activities classified as investing or financing activities.

5. Business Combinations

ACCOUNTING POLICIES

Business combinations with third parties outside the Group are accounted for using the acquisition method by first determining the acquisition date and then measuring the cost of the combination, whereby the identifiable assets acquired and liabilities assumed are measured at their fair values at that date.

Goodwill or bargain purchase gain on a business combination is measured as the difference between the fair value of the assets acquired and liabilities assumed and the consideration given, all as at the acquisition date.

The consideration is determined at the acquisition date by aggregating the following:

- *The fair value of the assets transferred, the liabilities incurred or assumed, and the equity instruments issued.*
- *The fair value of any contingent consideration, which is dependent on future events or the fulfilment of predetermined conditions.*

Expenses relating to the issue of equity instruments or financial liabilities given in exchange for the assets acquired are not included in the cost of the combination.

Similarly, fees paid to legal advisers or other professionals services involved in the combination and any costs incurred internally for these services are not included in the cost of the combination. These amounts are recognised directly in the Income Statement.

In the exceptional event that the combination results in a bargain purchase gain, this will be recognised as income in the Income Statement.

If, at the Balance Sheet date of the year in which the combination takes place, the valuation processes necessary to apply the acquisition method described above cannot be completed, this accounting is considered provisional; these provisional values may be adjusted over the period necessary to obtain the required information, which in no case may not exceed one year. The effects of adjustments made during this period are accounted for retrospectively by restating comparative information if necessary.

Subsequent changes in the fair value of the contingent consideration are adjusted and recognised in the Income Statement, unless the consideration has been classified as equity, in which case subsequent changes in its fair value are not recognised.

Business combinations with subsidiaries and associates

In the case of a non-monetary contribution to a subsidiary where the object is a business, the equity investment in the contributor is measured at the carrying amount of the assets and liabilities comprising the business, as defined in the accounting standard on business combinations.

For mergers, demergers, and non-cash contributions involving a business, as defined by in accounting standard on business combinations, the following criteria are applied:

- In transactions between subsidiaries involving the parent company of the group or the parent company of a subgroup and its subsidiary, directly or indirectly, the elements constituting the acquired business shall be valued at the amount that would correspond to them in the consolidated financial statements of the group or subgroup, once the transaction has been carried out, in accordance with the Consolidated Financial Statement Preparation Standard set out in the Code of Commerce.*
- In the case of transactions between other subsidiaries, the assets and liabilities of the transaction are valued in the individual financial statements at their carrying amounts prior to the transaction.*
- Any difference that may arise in the accounting records as a result of the application of the above criteria shall be recorded under a reserve.*
- Interests in other enterprises shall not be considered as enterprises in their own right.*

On 22 February 2024, the Company concluded the agreement signed in February 2023 with "Bio-Oils Energy", a biofuels company of the "Apical" Group, to collaborate in order to enhance the value creation process for second-generation biofuels (FAME, HVO and SAF) through their involvement in 'Cepsa Bioenergía San Roque, S.L.' and its investee companies.

The agreements have been formalized through:

- the acquisition by "Cepsa Bioenergía San Roque, S.L.", a wholly owned subsidiary of the Company, of 100% of the shares in "Bio Oils Huelva, S.L.U." and "Bio Waste Trading, S.L.U." from the "Apical" Group; and simultaneously,
- the sale by the Company to the Apical Group of 45% of its stake in Cepsa Bioenergía San Roque, S.L. The Company retains a 55% stake in this company.

During the 2024 financial year, the Company acquired control of the Ballenoil Group's network of service stations, a benchmark in the low-cost segment, which closed the year with more than 233 automated service stations through the purchase of 100% of the shares of 'Ballenoil S.A.', the Group's parent company.

On 23 December 2024, the Company, on behalf of the Group, formalised an agreement signed with 'Exolum' for joint collaboration on the logistics management project in La Rábida (Huelva) and in the area of the Granadilla concession. This agreement led to the incorporation of two companies:

- Polionuba, S.L. for the logistical management of crude oil and products in La Rábida (Huelva) incorporated by the Company.
- Gracelog, S.L. for the logistical management of crude oil and products in the Port of Granadilla (Tenerife) incorporated by the Group company 'Petróleos de Canarias, S.A.' (PETROCAN).

The Company contributes the tangible assets located in the La Rábida Energy Park to the company 'Polionuba, S.L.' and the company 'Petróleos de Canarias, S.A.' (PETROCAN) contributed its tangible assets in the Port of La Granadilla to the company 'Gracelog, S.L.'. In a single operation, Exolum acquired 75.5% of Polionuba and Gracelog from the Company and PETROCAN, respectively, for the value agreed between both parties. On the same date, PETROCAN sold its remaining stake in the company 'Gracelog, S.L.' (24.5%) to the Company.

These transactions are part of the Group's strategic growth plan, as outlined in the Positive Motion business strategy.

In 2023, the Company consolidated its electricity generation activities into several subsidiaries by selling its combined cycle and cogeneration assets to the company “Generación Carteia, S.L.U.”.

6. Intangible assets

ACCOUNTING POLICIES

Intangible assets are initially recognised at cost. They are subsequently stated at cost less the corresponding accumulated amortisation and, if appropriate, any impairment losses (see Note 4.1). These assets are amortised over their useful lives.

Research and Development costs

The Company recognises research costs incurred during the year as an expense in the Income Statement.

Patents, licences, trademarks and similar rights

This account includes the amounts paid to acquire ownership or the right to use the various forms of intellectual property, or the costs of registering intellectual property developed by the Company. They are amortised at the same rate as the industrial units to which they relate (between 7 and 45 years).

the Company owns registered trademarks and industrial designs, which it uses in some of its commercial transactions. These assets are amortised over the period in which they are expected to generate economic benefits for the company. For this purpose, where the useful life cannot be reliably estimated, they are amortised over a period of 10 years, subject to any special rules that may exist, which is the period used by the Company.

Goodwill

Goodwill is recognised as an asset when its value is identified as a result of an acquisition in a business combination. Goodwill is tested for impairment at least annually, in accordance with the method described below and, if necessary, an impairment loss is recognised.

Impairment losses recognised for goodwill are not reversed in subsequent periods.

Computer software

the Company records in this account the costs incurred in the acquisition and development of computer software, including website development costs. Maintenance costs for computer software are charged to the Income Statement in the year in which they are incurred.

Computer software is amortised on a straight-line basis over a maximum period of 5 years.

Other intangible assets

Surface rights are amortised in accordance with the agreements concluded for this type of operation (between 7 and 45 years).

Also included are licences and management contracts with useful lives of up to 50 years.

Other intangible assets are amortised on a straight-line basis over a maximum of five years.

The main changes during 2024 and 2023 are as follows:

Intangible assets

€ Thousands

	Balance at 01.01.2024	Additions or charges for the year	Transfers	Retirement s or disposals	Balance at 31.12.2024
2024					
Assets					
Concessions	122	—	—	—	122
Patents and licences	58,431	5,492	(283)	(828)	62,812
Goodwill	399	—	—	—	399
Computer software	263,763	40,460	3,348	(44)	307,527
Other intangible assets	571	—	—	—	571
Total	323,286	45,952	3,065	(872)	371,431
Accumulated amortisation and impairment losses					
Concessions	(61)	(3)	—	—	(64)
Patents and licences	(46,256)	(983)	—	—	(47,239)
Goodwill	(319)	(40)	—	—	(359)
Computer software	(197,114)	(16,706)	—	—	(213,820)
Other intangible assets	(419)	(19)	—	—	(438)
Total	(244,169)	(17,751)	—	—	(261,920)
Net intangible assets	79,117	28,201	3,065	(872)	109,511

Intangible assets

€ Thousands

	Balance at 01.01.2023	Additions or charges for the year	Transfers	Retire- ments or disposals	Balance at 31.12.2023
2023					
Assets					
Concessions	58	—	64	—	122
Patents and licences	51,746	6,701	—	(16)	58,431
Goodwill	399	—	—	—	399
Computer software	235,879	28,184	(282)	(18)	263,763
Other intangible assets	571	—	—	—	571
Total	288,653	34,885	(218)	(34)	323,286
Accumulated amortisation and impairment losses					
Concessions	(58)	(3)	—	—	(61)
Patents and licences	(45,169)	(1,087)	—	—	(46,256)
Goodwill	(279)	(40)	—	—	(319)
Computer software	(181,647)	(15,483)	—	16	(197,114)
Other intangible assets	(400)	(19)	—	—	(419)
Total	(227,553)	(16,632)	—	16	(244,169)
Net intangible assets	61,100	18,253	(218)	(18)	79,117

In 2024, additions for environmental and renewable energy projects (bios and hydrogen) amounting to EUR 5,492 thousand (2023: EUR 6,701 thousand) were recorded under **Patents and licences**.

Under **Computer software**, the acquisitions incorporated to update the computer media to the most recent versions on the market are recorded. In 2024 and 2023, EUR 10,401 thousand and EUR 12,510 thousand, respectively, were recorded as additions to intangible assets, mainly relating to personnel expenses and other items, basically related to software applications developed in those years, with an offsetting entry under the heading **Own work capitalised** in the accompanying Income Statement.

At 2024 and 2023 year-end, the Company had fully amortised intangible assets that were still in use worth EUR 221,287 and EUR 202,742 thousand respectively, mainly due to Computer Software.

At year-end 2024 and 2023, the Company has no intangible assets that are subject to guarantees or other circumstances of a material nature affecting such assets.

At year-end 2024 and 2023, the Company had firm purchase commitments for intangible asset of EUR 1,006 thousand and EUR 987 thousand, respectively.

No impairment was recognised in 2024 and 2023.

The Company's policy is to take out insurance policies to cover the potential risks to which its various intangible assets are exposed.

7. Property, plant & equipment

ACCOUNTING POLICIES

Other items of property, plant and equipment

Property, plant and equipment are initially recognised at cost. This cost includes the purchase price and certain capitalised costs: labour costs and other items directly related to the assets incurred until they are brought into service. It also includes, where appropriate, the present value of the estimated decommissioning costs to be incurred by the Company when the assets are retired.

For assets that take more than one year to get ready for use, capitalised costs include borrowing costs incurred before the asset is ready for use and that relate to loans or other specific or general external financing directly attributable to the acquisition or construction of the asset.

Costs of expansion, modernisation or improvements that increase productivity, capacity or efficiency or extend the useful lives of the assets are capitalised as additions to assets; repairs, servicing and maintenance are expensed in the year incurred. Retirement of assets and items is accounted for by derecognition of such assets and their accumulated depreciation.

Work carried out by the Company on its own fixed assets is stated at accumulated cost, which is the sum of external costs plus internal costs, determined on the basis of internal consumption of materials, direct labour and general production overheads.

Items acquired before to 31 December 1996 are carried at cost, revalued and adjusted where necessary in accordance with the relevant legislation.

In accordance with Lay 16/2012 of 27 December, the Company decided to revalue certain qualifying items of property, plant and equipment items in its Balance Sheet. The items concerned were buildings and technical installations located in Algeciras and Huelva, whose revalued value did not exceed their market value at the time of calculation.

the Company depreciates property, plant and equipment on a straight-line basis, using annual depreciation rates calculated on the basis of the years of estimated useful life of each asset, as follows:

Depreciation of other property, plant and equipment	Years of useful life
Buildings and other structures	33 to 50
Complex and specialized plants	12 to 33
Machinery, other installations, fixtures and furnishings	10 to 15
Other items	4 to 20

Environmental investments

Environmental investments are those whose primary purpose is to minimise environmental impact and to protect and improve the environment, including the reduction or elimination of future pollution resulting from the Company's operations.

Finance leases

For finance leases where the Company is the lessee, the cost of the leased assets is recognised in the Balance Sheet in accordance with the nature of the leased asset and, simultaneously, a liability is recognised. The amount recognised is the lower of the fair value of the leased asset and the present value at the inception of the lease of the agreed minimum lease payments, including the purchase option when there are no reasonable doubts it will be exercised. Contingent rents, service charges and taxes payable by the lessor are not included in this calculation. The yearly finance charge under the contract is recognised in the Income Statement as it accrues using the effective interest method. Contingent rents are recognised as an expense in the year in which they are incurred.

Assets recognised for this type of transaction are depreciated using criteria similar to those applied to property, plant and equipment as a whole, based on their nature.

Tank heel inventory

The volume of crude oil and products held in stock at the bottom of tanks below the point of discharge is not considered part of the operating inventory, but rather a fixed asset inherent in the company's operations. As such, it should be recorded as Property, plant and equipment - Technical installations.

This volume of crude oil and product remains part of the fixed assets as long as it is stored in the tank bottoms. When a tank is emptied for inspection or repair, the entire contents are transferred to other tanks, discharged into the production system or shipped for sale.

At this point, the volume considered to be the tank bottom is also removed and sent to the appropriate use and destination. In the case of crude oil, some of this volume is discarded as it is not suitable for production. In the case of products, the tank bottom is generally considered to be in its entirety.

This crude and product transferred from inventories at the time of first recognition was valued at the cost of inventories at the time of transfer (1 January 2020). It is considered a non-depreciable asset, except for the portion of crude oil estimated to be discarded when at the tank is emptied (generally 10% of the tank bottom volume). The value corresponding to this disposable volume is depreciated on a straight-line basis over the expected period between tank overhauls, estimated at 15 years for crude oil tanks and 20 years for product tanks.

When the tank is emptied, the value of the tank heel volume that is not scrapped is transferred back to inventory at historical cost. At that time, the difference between the net book value of the tank bottom and the value transferred to inventory is recognised as a profit or loss in the Income Statement.

Thereafter, when a decommissioned tank is brought back into service, the volume of crude oil or product corresponding to the tank bottom is calculated at the inventory cost on the day of transfer and a new transfer from inventories to property, plant and equipment is recorded.

Finally, for impairment purposes, the value of these tank heels is included as part of the assets corresponding to the Energy Solutions CGU.

The main changes during 2024 and 2023 are as follows:

Property, plant and equipment

€ Thousands

2024	Balance at 01.01.2024	Additions or charges for the year	Transfers	Retirements or disposals	Balance at 31.12.2024
Assets					
Land and buildings	115,114	—	2,698	(54)	117,758
Plant and machinery	6,160,101	3,005	188,469	(111,347)	6,240,228
Furniture	5,385	—	189	—	5,574
Computer hardware	32,700	—	2,469	(37)	35,132
Transport equipment	351	—	—	—	351
Other property, plant and equipment	8,613	—	606	(33)	9,186
Works in progress	445,389	402,735	(197,496)	(107,370)	543,258
Total	6,767,653	405,740	(3,065)	(218,841)	6,951,487
Accumulated depreciation and impairment losses					
Land and buildings	(2,991)	(426)	—	—	(3,417)
Plant and machinery	(4,693,764)	(255,287)	—	91,641	(4,857,410)
Furniture	(4,246)	(423)	—	—	(4,669)
Computer hardware	(28,214)	(2,517)	—	31	(30,700)
Transport equipment	(320)	(12)	—	—	(332)
Other property, plant and equipment	(2,814)	(650)	—	11	(3,453)
Total	(4,732,349)	(259,315)	—	91,683	(4,899,981)
Accumulated depreciation					
Plant and machinery	(179)	—	—	—	(179)
Land and buildings	(97,269)	—	—	2	(97,267)
Total	(97,448)	—	—	2	(97,446)
Net items of property, plant and equipment	1,937,856	146,425	(3,065)	(127,156)	1,954,060

Property, plant and equipment

€ Thousands

2023	Balance at 01.01.2023	Additions or charges for the year	Transfers	Retire- ments or disposals	Balance at 31.12.2023
Assets					
Land and buildings	- 114,099	—	1,015	—	115,114
Plant and machinery	- 6,206,487	970	162,946	(210,302)	6,160,101
Furniture	- 5,319	—	66	—	5,385
Computer hardware	- 28,437	—	4,436	(173)	32,700
Transport equipment	- 351	—	—	—	351
Other property, plant and equipment	- 8,950	—	188	(525)	8,613
Works in progress	- 300,197	327,232	(168,433)	(13,607)	445,389
Total	- 6,663,840	328,202	218	(224,607)	6,767,653
Accumulated depreciation and impairment losses					
Land and buildings	- (2,636)	(355)	—	—	(2,991)
Plant and machinery	- (4,591,195)	(264,481)	—	161,912	(4,693,764)
Furniture	- (3,846)	(400)	—	—	(4,246)
Computer hardware	- (25,838)	(2,466)	—	90	(28,214)
Transport equipment	- (308)	(12)	—	—	(320)
Other property, plant and equipment	- (2,558)	(617)	—	361	(2,814)
Total	- (4,626,381)	(268,331)	—	162,363	(4,732,349)
Accumulated depreciation					
Land and buildings	- (179)	—	—	—	(179)
Plant and machinery	- (97,270)	—	—	1	(97,269)
Total	- (97,449)	—	—	1	(97,448)
Net items of property, plant and equipment	- 1,940,010	59,871	218	(62,243)	1,937,856

Additions

The additions of tangible assets made in 2024 and 2023, which amount to EUR 405,740 and EUR 328,202 thousand, respectively, corresponding to investments in the energy park units aimed at expanding, improving and making production processes more flexible, such as investments for maintenance shutdowns in San Roque and La Rábida, the replacement of the Torre Arenillas polyduct in La Rábida; CO2 reduction projects in La Rábida and San Roque, as well as the acquisition of catalysts for the two energy parks. In general, improvements have been made to industrial facilities to minimise environmental impact and increase safety in the course of activities.

Own expense capitalization

Work performed by the Company for its own fixed assets is recognised at the cost of manufacture, including, where applicable, financial, personnel and other expenses incurred during the construction period; expenses of this nature, which have been charged to PPE during 2024 and 2023, amounting to EUR 19,202 thousand and EUR 18,286 thousand, respectively, and have been credited to Own work capitalised in the accompanying income statement according to their nature.

Disposals, derecognitions, and reductions

In 2024, the main highlights are the catalytic converters removed for renewal for EUR 14,147 thousand (2023: EUR 45,261 thousand) and, to a lesser extent, the equipment replaced in multi-year maintenance shutdowns for EUR 30,386 thousand (2023: EUR 52,352 thousand) and the transfer to Inventories corresponding to the value of permanent inventory in tanks, for an amount of EUR 14,487 thousand (EUR 11,670 thousand, transferred from Inventories to Fixed Assets in 2023).

In the 2024 financial year, material assets located in the La Rábida Energy Park were contributed to the company 'Polionuba, S.L.' for the amount of EUR 89,404 thousand, after recognising a loss for these assets of EUR 4,522 thousand. In addition, assets were delivered to the company 'Cepsa Bioenergía San Roque, S.L.' for the amount of EUR 17,618 thousand (see **Notes 5, 7 and 9.3**).

In the 2023 financial year, assets located in the La Rábida Energy Park were sold to the company 'Generación Carteia, S.L.U.' for the amount of EUR 48,467 thousand (see **Note 5**).

Impairment

No impairment charges or reversals were made in 2024 and 2023.

Breakdown of land and buildings value

The Company owns properties whose net book value, separately from the building and the land, at the end of the financial year 2024 and 2023 is:

	€ Thousands	
Investment property	2024	2023
Land	101,764	101,818
Buildings	12,398	10,126
Total	114,162	111,944

Fully amortized non-current assets

At 31 December 2024 and 2023, fully depreciated property, plant, and equipment still in use amounting to EUR 3,269,715 and EUR 3,069,409 thousand respectively, mainly due to Plant and machinery.

Subsidies applied to investments

At year-end 2024, the balances of subsidies received and intended for technical installations at Energy Parks, pending transfer to the Income Statement, are as follows:

- Granted by the Ministry of Industry, Tourism, and Trade amounting to EUR 71 thousand (EUR 286 thousand at year-end 2023),
- Granted by the Ministry of Economy amounting to EUR 141 thousand (EUR 197 thousand at year-end 2023).

These grants are transferred to the Income Statement on the basis of the depreciation of the related fixed assets (see **Note 12.6**).

Purchase commitments

At year-end 2024, the Company had firm commitments to purchase certain assets assigned to Property, Plant, and Equipment for an amount of EUR 68,807 thousand (EUR 48,279 thousand at year-end 2023). These commitments correspond mostly to projects in La Rábida, San Roque and Algeciras, as well as to improvements in industrial facilities to minimize environmental impact and increase efficiency.

Balance sheet restatement

The Company, pursuant Act 16/2012, of 27 December, restated its Property, plant, and equipment at 31 December 2014, by EUR 128,036 thousand.

In 2024 and 2023, the additional depreciation charges resulting from the above-mentioned revaluation of assets amounts to EUR 808 thousand and EUR 1,150 thousand, respectively. Disposals of revalued assets removed from the inventory were recorded in the amount of Eur 774 thousand in 2024 and EUR 192 thousand in 2023.

Other

the Company has been granted administrative concessions by the Spanish State for the use of berthing facilities, access and adjacent areas of the ports of Algeciras, which are due to revert in 2027, and in La Rábida, between 2027 and 2061. For the similar facilities in the Santa Cruz de Tenerife port, the Energy Park in Tenerife facilities are due to revert to the State in 2027, while those in the East dock have been extended until 2041.

the Company management expects all the concessions at the expiry date. Furthermore, the concessions are being being adequately maintained and the related cost will have been depreciated in full for accounting purposes during the concession period.

At 2024 year-end, the Company had no property, plant, and equipment assets subject to guarantees or any other circumstance of a substantive nature affecting such assets.

At year-end 2024, all property, plant, and equipment assets are assigned to operating facilities.

the Company's policy is to take out insurance policies to cover the possible risks to which the various items of property, plant, and equipment are subject.

8. Leases

MEASUREMENT CRITERIA

Leases are classified as finance leases when the terms of the lease transfer substantially all the risks and rewards of ownership of the leased asset are transferred to the lessee (see **Note 7**). All other leases are classified as operating leases.

For operating leases in which the Company is either the lessor or the lessee, income and expenses arising from operating leases are recognised in the Income Statement in the year in which are incurred.

Any receivable or payable at the inception of an operating lease is treated as an advanced payment or receivable and is recognised in the Income Statement over the lease term as the risks or rewards of ownership of the leased asset are transferred or received.

In addition, where the Company is the lessor, the cost of the leased asset is recognised in the Balance Sheet in accordance with its nature, increased by the amount of costs directly attributable to the lease. These costs are recognised as an expense over the lease term using the same criteria as for the recognition of lease income.

8.1. Operating leases: lessee

Set out below is a breakdown of assets under operating leases and the future amounts payable at 31 December 2024 and 2023:

Lease contracts - Maturities						€ Thousands
2024	Building	Plant	Transport equipment	Computer hardware	Others	Total
Lease payments payable						
2025	16,428	5,724	12,695	—	2,632	37,480
2026	14,350	2,114	4,918	—	3,369	24,751
2027	10,723	402	1,123	—	66	12,315
2028	1,443	393	935	—	—	2,771
2029	1,261	231	—	—	—	1,492
Other maturities	36,335	329	—	—	—	36,665
Future payments	80,540	9,193	19,672	—	6,067	115,472
Contingent rent recognised in income	4,261	2,934	25,143	43	2,345	34,727

Lease contracts - Maturities						€ Thousands
2023	Building	Plant	Transport equipment	Computer hardware	Others	Total
Lease payments payable						
2024	16,153	5,673	18,429	38	6,139	46,432
2025	14,471	2,143	8,218	—	218	25,050
2026	11,326	161	4,893	—	190	16,570
2027	2,181	88	1,123	—	66	3,458
2028	1,313	79	935	—	—	2,327
Other maturities	25,383	404	—	—	—	25,787
Future payments	70,828	8,548	33,598	38	6,612	119,624
Contingent rent recognised in income	4,118	3,386	28,186	196	1,481	37,368

8.2. Operating leases: lessor

At year-end 2024 and 2023, the Company had no contracts in which it was the lessor.

9. Financial Assets

ACCOUNTING POLICIES

Classification

The Company's financial assets are classified in the following categories:

Financial Assets at Amortized Cost, which include all financial assets, even those admitted to trading on an organised market, where the Company holds the investment for the purpose of receiving cash flows arising from the performance of the contract, and whose contractual terms give rise, at specified dates, to cash flows that are solely collections of principal and interest on the principal amount outstanding.

They are generally included in this category:

- i) Trade receivables: Arising from the sale of goods or the rendering of services for commercial transactions with deferred payment, and
- ii) Non-trade receivables: Resulting from loans or credits granted by the Company for which the amount to be collected is fixed or determinable.

Financial Assets at Fair Value Through Equity: This category includes financial assets whose contractual terms give rise to cash flows at specified dates that are solely collections of principal and interest on the amount of principal outstanding, and which are not held for trading or classified in the previous category. Investments in equity instruments that are irrevocably designated by the entity on initial recognition are also included in this category, provided they are not held for trading and are not required to be measured at cost.

Financial Assets at Cost: This category includes the following investments: a) equity instruments of Group companies, joint ventures and associates; b) equity instruments whose fair value cannot be reliably measured and the derivatives underlying these investments; c) hybrid financial assets whose fair value cannot be reliably measured, unless the conditions for recognition at amortised cost are met; d) investments in joint ventures and similar arrangements; e) participating loans with contingent interest; f) financial assets that should be classified in the following category but whose fair value cannot be reliably measured.

Companies in which the Company has a controlling interest are considered to be subsidiaries, while associates are companies over which the Company exerts significant influence. The category of joint ventures includes entities over which control is shared with one or more other shareholders by virtue of an agreement.

Financial assets at Fair Value Through Profit or Loss: Includes financial assets held for trading and those financial assets that are not classified in any of the above categories. Also included in this category are financial assets that the Company has elected to designate as at fair value through profit or loss on initial recognition that would otherwise be included in another category, because such designation eliminates or significantly reduces a measurement inconsistency or accounting asymmetry that would otherwise exist.

Initial measurement

Financial assets are initially recognised at the fair value of the consideration given. In addition, directly attributable transaction costs are capitalised, with two exceptions.

Transaction costs directly attributable to assets carried at fair value through profit or loss are recognised in the income statement for the year.

In the case of equity investments in Group companies that give control over the subsidiary, fees paid to legal advisors or other In the case of investments in Group companies that result in control of the subsidiary, fees paid to legal or other professional advisers in connection with the acquisition of the investment are expensed as incurred.

Subsequent valuation

Financial assets carried at amortised cost are measured at amortised cost and interest accrued using the effective interest method is recognised in the income statement.

Financial assets included in the fair value through equity category are carried at fair value, without deduction of any transaction costs that may be incurred on disposal. Changes in fair value are recognised directly in equity until the financial asset is derecognised or impaired, at which time the amount so recognised is transferred to the Income Statement.

Financial assets at fair value through profit or loss are carried at fair value and the result of changes in fair value are recognised in the Income Statement.

Financial assets at cost are carried at cost less any accumulated impairment losses. Impairment is measured as the difference between the carrying amount and the recoverable amount, the latter being the higher of fair value less costs to sell and the present value of future cash flows from the investment. In the absence of better evidence of the recoverable amount of investments in equity instruments, the equity of the investee is used, adjusted for the unrealised gains existing at the measurement date, net of the tax effect.

the Company derecognises financial assets when the rights to the cash flows from the related financial asset expire or have been transferred and substantially all the risks and rewards of ownership have been transferred. Examples of such transactions are: outright sales of assets, factoring of trade receivables where the company retains no credit or interest rate risk, sales of financial assets under repurchase agreements at fair value or securitisation of financial assets where the transferor does not retain any subordinated financing or provide any collateral or assume any other type of risk.

Conversely, on transfers of financial assets where substantially all the risks and rewards of ownership are retained, the Group does not derecognise the financial assets and recognises a financial liability for the consideration received. Examples include: bill discounting, recourse factoring, sales of financial assets with repurchase agreements at a fixed price or at the sale price plus interest, and securitisations of financial assets where the transferor retains subordinated financing or other guarantees that absorb substantially all of the expected losses.

9.1. Breakdowns by valuation categories of financial assets

9.1.1. Long-term financial assets

The carrying value of Non-current financial assets are classified for valuation purposes in the following categories at the end of 2024 and 2023:

Long-term	Categories	Notas	Classes				€ Thousands	
			Equity instruments		Credits/others		Total	
			2024	2023	2024	2023	2024	2023
	Financial assets valued at amortized cost		—	—	20,437	10,219	20,437	10,219
	Financial assets valued at cost		1,935	1,931	324,929	—	326,864	1,931
	Derivatives	10	—	—	8,570	13,853	8,570	13,853
	Total		1,935	1,931	353,936	24,072	355,871	26,003

At the end of 2024 and 2023, **Financial assets valued at amortized cost** consist mainly of bank arrangement fees of EUR 12,584 thousand (2023 : EUR 5,570 thousand), and long-term guarantees provided for the rental of buildings for EUR 2,275 thousand (EUR 2,283 thousand in 2023).

Financial assets valued at cost concerning equity instruments mainly include the fair value of permanent investments in unlisted companies that are not investments in subsidiaries and associates. In addition, in 2024 a credit to group subsidiaries is included for price adjustments in bilateral transactions for the acquisition of energy products. The balancing entry appears in the Short-term debts section.

At 31 December 2024 and 2023 there were no firm non-current sales commitments to third parties.

There were no changes arising from impairment losses during 2024 and 2023.

The breakdown, by maturity, of **Non-current financial assets** as at 31 December 2024 and 2023 is as follows:

Long-term financial maturities		€ Thousands					
		Maturing in					Total
2024	Notes	2026	2027	2028	2029	Subsequent years	
Financial assets valued at amortized cost		6,582	2,640	2,648	2,054	6,513	20,437
Financial assets valued at cost		324,929	—	—	—	1,935	326,864
Derivatives	10	630	—	6,432	—	1,508	8,570
Total		332,141	2,640	9,080	2,054	9,956	355,871
		Maturing in					Total
2023	Notes	2025	2026	2027	2028	Subsequent years	
Financial assets valued at amortized cost		3,986	2,377	12	69	3,775	10,219
Financial assets valued at cost		—	—	—	—	1,931	1,931
Derivatives	10	2,371	—	—	8,968	2,514	13,853
Total		6,357	2,377	12	9,037	8,220	26,003

9.1.2. Short-term financial assets

The carrying amounts of Trade and other receivables, Currents investment in Group Companies and associates and Currents financial assets are mainly credits and derivatives, amounting at year-end 2024 and 2023:

Short-term	Categories	Notes	€ Thousands	
			Total	
			2024	2023
	Financial assets valued at amortized cost		2,821,427	3,497,725
	Derivatives	10	88,487	31,186
	Total		2,909,914	3,528,911

The fair value of these derivative financial instruments has been estimated by discounting the related cash flows using interest rates and foreign exchange rates prevailing at the date of the Balance Sheet and incorporating spreads appropriate to the credit risk of each instrument. For some derivative instruments, the market value provided by the financial institutions is used as a supplementary reference (see **Note 10**).

9.2. Impairment adjustments arising from credit risk

For each class of financial assets, the changes arising from impairment losses or reversal recognised in this section during 2024 and 2023 were as follows:

Current financial instruments		€ Thousands		
		Impairment as of 01.01.2024	Impairment/ (Reversal) during 2024	Accumulated as of 31.12.2024
2024				
	Trade receivable for sales and services	22,145	(2,907)	19,238
	Loans to third parties	908	—	908
	Total	23,053	(2,907)	20,146

		€ Thousands		
		Impairment as of 01.01.2023	Impairment/ (Reversal) during 2023	Accumulated as of 31.12.2023
2023				
	Trade receivable for sales and services	28,253	(6,108)	22,145
	Loans to third parties	9,967	(9,059)	908
	Total	38,220	(15,167)	23,053

9.3. Equity instruments

A) Information about Group companies and associates

The main information relating to Group companies and associates at 2024 and 2023 year-end is as follows:

2024	Movements of the period	Ownership %	Recognized Cost	(Impairment) and Reversal for the year (Note 18.6)	Accumulated impairment	Net investment	Dividends received
ASFALTOS ESPAÑOLES, S.A.		50%	17,869	—	—	17,869	—
BALLENOIL	A	100%	130,100	—	—	130,100	—
CEPSA ALGERIE, S.L.		100%	308,420	—	—	308,420	—
CEPSA BIOENERGIA SAN ROQUE, S.L.U.	CI	55%	99,267	691	(845)	98,422	—
CEPSA TREASURY SAU	CI	100%	100,060	—	—	100,060	—
CEPSA COLOMBIA, S.A.		100%	175,870	28,525	(80,926)	94,944	—
CEPSA PERU, S.A.U.	CR	100%	68,639	(4,234)	(68,635)	4	—
CEPSA COMERCIAL PETROLEO, S.A.U.	CI	100%	821,203	—	—	821,203	—
COASTAL ENERGY KBM SDN BHD	D	70%	—	76,836	—	—	—
CEPSA E.P. ABU DHABI, S.L.U.		100%	382,471	—	—	382,471	—
CEPSA EP ESPAÑA, S.L.U.	CI	100%	50,251	(22,000)	(50,251)	—	—
CEPSA GAS Y ELECTRICIDAD, S.A.U.		100%	124,887	—	—	124,887	—
CEPSA GAS COMERCIALIZADORA S.A.		70%	24,941	—	—	24,941	—
CEPSA INTERNATIONAL, B.V.		100%	36,634	—	—	36,634	—
CEPSA MARINE FUELS	CI	100%	31,632	—	(31,494)	138	—
CEPSA (RHOUE EL ROUNI), S.L.U.		100%	36,007	—	—	36,007	6,157
GENERACIÓN CARTEIA SL		100%	91,052	—	—	91,052	—
CEPSA EXPLORACIÓN Y PRODUCCIÓN SL	CI	100%	29,684	(4,276)	(21,894)	7,790	—
CEPSA PORTUGUESA PETRÓLEOS S.A.		100%	65,592	—	—	65,592	16,063
CEPSA QUIMICA, S.A.		100%	554,984	—	—	554,984	—
CEPSA SURINAME, S.L.U.	HFS	100%	—	(18,194)	—	—	—
CEPSA TRADING	CR	100%	761	—	—	761	93,069
CMD AEROPUERTOS CANARIOS		60%	12,946	—	—	12,946	4,512
COASTAL ENERGY COMPANY, S.L.U.	CR	100%	16,285	—	—	16,285	—
MITRA BETA, S.L.U.	CI	100%	14,622	(6,571)	(6,571)	8,051	—
MITRA DELTA, S.L.U.	CI	100%	12,697	—	—	12,697	—
MITRA GAMMA, S.L.U.	CI	100%	16,147	(4,399)	(4,399)	11,748	—
PETROLEOS DE CANARIAS S.A.		100%	40,721	—	—	40,721	—
POLIONUBA, S.A.	A/D	24.5%	27,729	—	—	27,729	—
TERMINAL PUERTO TARTESSOS, S.A.	CI	50%	23,750	—	—	23,750	—
Other investments (40 companies)		—	130,120	(4,025)	(23,513)	106,607	22,708
Total			3,445,341	42,353	(288,528)	3,156,813	142,509

A: Addition / CI: Capital increase / CR: Equity reduction / D: Derecognition / HFS: Assest held for sale

Table I (in the final pages of these explanatory notes) contains a breakdown of companies holding significant direct ownership interests in the Company at 31 December 2024, a breakdown of their equity and information on their activity. A breakdown of the companies in which the Company has an indirect shareholding is also included in Table II.

At 31 December 2024 none of the Group companies were listed on a stock exchange.

It should be noted that there were no changes in control during the 2024 financial year.

Main changes in 2024:

Ballenoil Group

On 12 June 2007, the Group acquired control of the Ballenoil Group, which operates in the low-cost fuel retailing sector in Spain, through the purchase of 100% of the shares of Ballenoil S.A., the parent company of the Group.

Polionuba

On 23 December 2007, the Company sold its interest in Polionuba to Exolum in accordance with the agreement signed between the two companies.

Exploration and production assets in Latin America

At the Board meeting held on 30 May 2024, the Board was authorised to initiate the process of disposing of certain exploration and production assets in Latin America.

The transactions have not yet been completed and consequently the Company's financial interest in 'Cepsa Suriname S.L.U.' has been removed from the balance sheet heading by nature and transferred to **Non-current assets held for sale**.

Gasib

In the financial year 2024, as part of its transformation strategy, the company finalised the sale of 100% of its subsidiaries 'GASIB Sociedad Ibérica de Gas Licuado, S.L.U.' and 'Gasib - Sociedade Ibérica de Gás Liquefeito, Lda' to the company 'Abastible', leader in the liquefied gas sector in Chile, Colombia, Ecuador and Peru and a subsidiary of the multinational natural resources and energy conglomerate 'Empresas Copec'.

During the 2024 financial year, there have been capital increases amounting to EUR 542,043 thousand, mainly in the following companies: “Cepsa Comercial Petróleo, S.A.U.” for an amount of EUR 279,000 thousand; “Cepsa Treasury, S.A.U.” for an amount of EUR 100,000 thousand; “Cepsa Bioenergía San Roque, S.L.U.” for an amount of EUR 81,468 thousand; “Cepsa EP España, S.L.U.” for an amount of EUR 22,000 thousand and “Terminal Puerto Tartessos, S.A.” for an amount of EUR 18,750 thousand.

In the 2024 financial year, there have been reductions in equity amounting to EUR 107,131 thousand, mainly corresponding to the companies “Cepsa Perú, S.A.U.” (EUR 55,066 thousand) and “Coastal Energy Company, S.L.U.” (EUR 38,108 thousand).

Equity Instruments

€ Thousands

2023		Owner- ship %	Recogni- zed Cost	(Impair- ment) and Reversal for the year (Note 18.6)	Accumula- ted impair- ment	Net invest- ment	Dividends received
	ASFALTOS ESPAÑOLES, S.A.	50 %	17,869	—	—	17,869	—
	CEPSA ALGERIE, S.L.	100 %	288,654	—	—	288,654	—
	CEPSA (RHOUE EL ROUNI), S.L.U.	CR	32,149	—	—	32,149	—
	CEPSA AVIACIÓN, S.A.	CR	12,978	—	—	12,978	—
	CEPSA COLOMBIA, S.A.	CR	173,654	28,509	(109,453)	64,201	—
	CEPSA COMERCIAL PETROLEO, S.A.U.	A	548,998	—	—	548,998	—
	CEPSA E.P. ABU DHABI, S.L.U.	CR	360,908	—	—	360,908	—
	CEPSA EP ESPAÑA, S.L.U.	100 %	28,251	(2,312)	(28,251)	—	—
	CEPSA GAS Y ELECTRICIDAD, S.A.U.	100 %	124,887	10,934	—	124,887	—
	CEPSA GAS COMERCIALIZADORA S.A.	70 %	24,941	—	—	24,941	4,781
	CEPSA INTERNATIONAL, B.V.	CR	36,634	49,874	—	36,634	—
	CEPSA MARINE FUELS, DMCC	CI	31,600	(1,171)	(31,494)	106	—
	CEPSA PERU, S.A.U.	CR	121,081	4,817	(64,401)	56,680	—
	CEPSA PORTUGUESA PETRÓLEOS S.A.	100 %	65,592	—	—	65,592	17,951
	CEPSA QUIMICA, S.A.	CR	554,444	—	—	554,444	—
	CEPSA SURINAME, S.L.U.	100 %	137,257	(5,380)	(96,094)	41,163	—
	MITRA GAMMA, S.L.U.	CI	13,647	—	—	13,647	—
	CMD AEROPUERTOS CANARIOS, S.L.	60 %	12,946	—	—	12,946	5,102
	COASTAL ENERGY COMPANY, S.L.U.	100 %	51,191	—	—	51,191	—
	COASTAL ENERGY KBM SDN BHD	70 %	77,479	(1,667)	(76,836)	643	1,336
	GASIB SOCIEDAD IBÉRICA DE GAS LICUADO, S.L.U.	CR	143,870	—	—	143,870	—
	GENERACION CARTEIA, S.L.U.	CI	91,052	—	—	91,052	—
	CEPSA BIOENERGIA SAN ROQUE, S.L.U.	CI	32,486	1,565	(1,536)	30,950	—
	CEPSA EXPLORACION Y PRODUCCION, S.L.	100 %	17,618	(3,352)	(17,618)	—	—
	PETRÓLEOS DE CANARIAS, S.A.	100 %	40,721	—	—	40,721	—
	CEPSA TRADING, S.A.U	CR	6,754	—	—	6,754	85,933
	Otras participaciones (40 sociedades)	— %	143,212	(6,847)	(19,487)	123,725	24,376
Total			3,190,873	74,970	(445,170)	2,745,703	139,479

A: Addition / CI: Capital increase / CR: Equity reduction / D: Derecognition /
HFS: Assest held for sale

Main changes in 2023:

Registration of the company 'Cepsa Sustainable Fuels, S.L.' for the sum of EYR 10 thousand.

Deregistration of the company 'Propel-Productos de Petroleo LDA' for the sum of EUR 44 thousand due to its sale to the group company 'Cepsa Portuguesa Petróleos, S.A.'. In addition, the company "Mopu Holdings (Singapore) PTE. LTD" was deregistered for the amount of EUR 163,891 thousand, although the shareholding had been almost completely written off.

During the 2023 financial year, capital increases were carried out in several companies amounting to EUR 164,090 thousand, mainly in "Generación Carteia, S.L.U." amounting to EUR 85,314 thousand and "Cepsa Bioenergía San Roque, S.L.U." amounting to EUR 24,483 thousand. Likewise, capital increases were carried out in several renewable energy business companies amounting to EUR 51,200 thousand.

In the 2023 financial year, there were reductions in equity amounting to EUR 1,605,734 thousand, corresponding mainly to the companies "Cepsa EP Abu Dhabi, S.L." amounting to EUR (1,216,886) thousand; "Cepsa International, B.V." amounting to EUR 165,624 thousand; "Cepsa (Rhoude El Rouni) Limited" for an amount of EUR 129,447 thousand; "Cepsa Peru, S.A." for an amount of EUR 43,380 thousand and "Cepsa Colombia, S.A." for an amount of EUR 31,697 thousand.

Fair value hedge

In 2024 and 2023, the Company performed fair value hedge accounting on its equity instruments in Group companies and associates as detailed below:

Hedge on equity instruments	€ Thousands	
	2024	2023
CEPSA ALGERIE, S.L.	(18,397)	(10,410)
CEPSA (RHOUE EL ROUNI) S.L.U.	(3,858)	(6,028)
CEPSA COLOMBIA, S.A.	(2,217)	(2,372)
CEPSA E.P. ABU DHABI, S.L.U.	(21,563)	(14,141)
CEPSA INTERNATIONAL B.V.	—	(2,272)
CEPSA PERU, S.A.U.	(2,624)	(2,994)
COASTAL ENERGY COMPANY, S.L.U.	(3,202)	(1,825)
COASTAL ENERGY KBM SDN BHD	(41)	(72)
Total	(51,901)	(40,114)

Impairment

In 2024 and 2023, the necessary impairment losses/gains have been recorded to adjust the cost of equity investments in subsidiaries and associated to their recoverable amount. Where applicable, cash flows have been calculated using the assumptions described in **Note 4.1**. The impairments and reversals of impairments recorded are mainly due to the impact of the recovery in oil product prices and demand on the equity of subsidiaries.

The amount of impairment recognised in 2024 is EUR 63,699 thousand (2023: EUR 20,729 thousand), and the amount of reversal is EUR 28,525 thousand (2023: EUR 95,699 thousand).

10. Derivative financial instruments

ACCOUNTING POLICIES

the Company uses derivative financial instruments to hedge the risks to which its activities, operations, and forecast cash flows are exposed. The main risks are related to changes in foreign exchange rates, interest rates and commodity prices. As part of these activities, the Company enters into hedging transactions.

For these financial instruments to qualify for hedge accounting, they are designated as such as soon as they are entered into and the hedging relationship is documented. The Company also assesses, on initial recognition and on a regular basis (at least at each reporting date), whether the hedging relationship is effective, i.e. whether changes in the fair value or cash flows of the hedged item (attributable to the hedged risk) are expected to be almost entirely offset prospectively by changes in the hedging instrument.

The Company applies the following types of hedges, which are accounted for as described below:

- **Fair value hedges:** Changes in the fair value of the hedging instrument and the hedged item that are attributable to the hedged risk, are recognised in the Income Statement.
- **Cash flow hedges:** In this type of hedge, the portion of the gain or loss on the hedging instrument that is determined to be an effective hedge is recognised temporarily in equity. It is recognised in the Income Statement in the same period as the change in value of the hedged item. However, if the hedge of a forecast transaction that results in the recognition of a non-financial asset or liability, the amounts recognised in equity are included in the cost of the asset or liability when it is acquired or assumed.

Hedge accounting is discontinued when the hedging instrument expires, is sold, terminated or exercised, or when it no longer meets the criteria for hedge accounting. At that time, any cumulative gain or loss on the hedging instrument that has been recognised in equity remains in equity until the forecast transaction occurs. When the hedged transaction is no longer expected to occur, the net cumulative gain or loss recognised in equity is transferred to the Income Statement.

In the normal course of business, the Company has contracts for the purchase and sale of crude oil and natural gas. These contracts are entered into and maintained for the purpose of meeting anticipated physical requirements for crude oil and natural gas in accordance with periodic estimates of hydrocarbon purchases and sales, which are monitored on a systematic basis and adjusted where necessary by physical delivery when necessary. They are therefore "own-use" contracts.

In accordance with the risk management policies described in **Note 22**, the Company uses derivative financial instruments to hedge the foreign exchange rates, interest rate, and commodity price risks on future cash flows.

The types of derivatives typically used are forward contracts for foreign exchange risk, swaps for interest rate risk and futures and swaps for commodity price risk. The established operating limits and the hedging methods are approved by the Group management and are monitored in accordance with the separation of execution and control functions.

The following derivatives have not been designated as hedging for accounting purposes, as they do not meet all the requirements to qualify for hedge accounting, established under Spanish GAAP. At 2024 and 2023 year-end, the characteristics of the Company's derivative financial instruments not designated as hedging instruments were as follows:

Not designated as hedging instruments

		€ Thousands		Notional or contractual value
	Notes	Asset	Liability	
2024				
Currency forward	9.2, 15.1	60,470	(322)	1,156,640
Currency forward Group Companies	15.1, 19.2	—	(13)	32,692
Product swaps Group Companies	9.1, 19.2, 15.1	—	(75,874)	1,322,428
Total		60,470	(76,209)	2,511,760

			€ Thousands	
			Notional or contractual value	
			Fair value	
2023	Notes	Asset	Liability	
Currency forward	9.2, 15.1	3,407	(31,906)	1,487,357
Currency forward Group Companies	15.1, 19.2	211	(532)	38,932
Product swaps Group Companies	9.1, 19.2, 15.1	8,785	(39,811)	1,355,161
Total		12,403	(72,249)	2,881,450

The notional or contractual amounts of the settled contracts do not reflect the actual risk assumed by the Company, as these amounts only constitute the basis on which the derivative's settlement calculations of the derivative have been made.

The final maturity of the aforementioned forwards foreign exchange contracts is 19 May 2025 and their impact on the Income Statement, due to the valuation, is EUR 60,148 thousand in 2024 and negative EUR 28,499 thousand in 2023.

The final maturity date of the above mentioned product swaps is April 2031 and their on the Income Statement, due to the valuation, is a positive/negative amount of EUR 75,874 thousand in 2024 and a positive amount of EUR 31,026 thousand in 2023.

On the other hand, at the end of financial years 2024 and 2023, the following financial instruments are documented as fair value hedges:

Fair value hedges

€ Thousands

2024	Notes	Fair value		Notional or contractual value
		Asset	Liability	
Cross currency Swap	9.1	—	(93,406)	847,314
Total		—	(93,406)	847,314

2023	Notes	Fair value		Notional or contractual value
		Asset	Liability	
Interest rate swap	9.1, 15.1	11,026	—	361,991
Cross currency Swap	9.1	—	(60,753)	1,028,552
Total		11,026	(60,753)	1,390,543

At year-end 2024 and 2023, the following derivatives are documented as cash flow hedges:

Cash flow hedges

€ Thousands

2024	Notes	Cash Flow Hedges		Notional or contractual value
		Asset	Liability	
Interest rate swap	9	8,953	(4,552)	801,061
Product swaps Group Companies	9.1, 15.1, 19,2	27,634	(6,274)	2,032,741
Total		36,587	(10,826)	2,833,802

2023	Notes	Cash Flow Hedges		Notional or contractual value
		Asset	Liability	
Interest rate swap	9	20,774	(3,279)	820,796
Cross currency Swap	15	—	—	—
Product swaps Group Companies	9.1, 15.1, 19,2	836	(6,071)	84,103
Total		21,610	(9,350)	904,899

These instruments are used to hedge the interest on loans denominated in US dollars, for the same notional amount. The fair value of these derivative financial instruments at 31 December 2024, net of their tax effect, is recorded as an increase in equity, under the heading Adjustments for changes in value, with a positive balance of EUR 17,554 thousand at the end of 2024, and a positive balance of EUR 9,807 thousand at 31 December 2023.

11. Inventory

ACCOUNTING POLICY

Inventories are stated at the lower of acquisition or production cost and net realisable value. Trade discounts, rebates obtained, other similar items and interest included in the nominal amount of the payables are deducted in the determination of cost.

Production cost includes direct material and, where applicable, direct labour costs, production overheads and the depreciation of non-current asset used in the production process. In general, production overheads and depreciation incurred during the period are fully allocated to costs, but when there is a significant reduction in the energy parks utilisation as a result of a relevant event (under-utilisation), the portion of the cost corresponding to the under-utilization of the production units is not allocated to costs.

Net realisable value is the estimated selling price less all estimated costs of completion and costs incurred in marketing, sales and distribution.

The Company values its inventories using the weighted average cost method.

When the net realisable value of inventories is less than their acquisition (or production) cost, the Company makes appropriate write-downs and recognises them as an expense in the income statement.

For refined products, due to the complexity of allocating production costs to each product, costs are allocated in proportion to the selling price of the corresponding products (isomargin method).

Greenhouse gas emission allowances

In accordance with the commitments made by the European Union to reduce greenhouse gas emissions under the Kyoto Protocol and, consequently, the various EU and national regulations issued to regulate them, the company must deliver, by 30 September of the following year, a number of CO₂ emission allowances equivalent to the emissions produced and verified during the year.

These emission allowances held by the Company to meet the delivery obligations for its greenhouse gas emissions are classified as Inventories in accordance with the provisions of Royal Decree 602/2016 amending the Spanish National Chart of Accounts.

In this regard, the greenhouse gas emission allowances are recorded as Goods for resale. The valuation is as follows:

a) Purchased allowances are valued at the purchase price.

b) Allowances received free of charge under the Emissions Trading Scheme are valued at the market price prevailing at the beginning of the year to which they relate, with an offsetting entry for an official capital grant, which is recognised in the income statement at the rate at which the cost of the emissions associated with the allowances received free of charge is accrued.

Emission allowances are derecognised when they are surrendered, transferred to third parties or meet the conditions for expiry (see **Note 21**).

The carrying amount of the allowances is adjusted to fair value if the fair value of the allowances is lower than the carrying amount.

Depending on whether the allowances are vested or received from the government, the following would apply:

- For acquired allowances, a provision for inventory impairment, or
- For of allowances received, an adjustment is made to the value of the commercial inventory. With the rights received, to correct the value of the commercial inventory. In this case, the value of government capital grants is also adjusted, with an offsetting entry in the Income Statement under Allocation of non-financial fixed asset and other grants (see **Notes 12.6 and 21**).

The obligation to deliver emission allowances for CO₂ emissions made during the year is recognised when the greenhouse gas emissions are made. These costs are recognised in the Income Statement under the heading Greenhouse gas emission expenses within Other operating expenses, with a counter entry in a short-term provision, provision for greenhouse gas emission allowances, which is reversed when the corresponding emission allowances are delivered.

The unit value assigned to the emissions is determined by considering:

- a) First, the book value at which the emission allowances received free of charge are recorded.
- b) Secondly, the weighted average cost of the remaining allowances in the inventory.
- c) Finally, if necessary, by the most recent estimate of the cost of acquiring the remaining allowances.

The breakdown of inventories at 31 December 2024 and 2023 is as follows:

	€ Thousands	
Inventories	2024	2023
Goods for resale (includes CO2 & AU - Absorption Units)	113,034	202,694
Raw materials	667,281	485,697
Materials and other inventories	92,266	83,186
By-products and recovered materials	5,391	11,242
Refined finished products	914,897	974,570
Advances to suppliers	4,491	263
Impairment of inventories	—	(53,587)
Total	1,797,360	1,704,065

In accordance with the Resolution of the Directorate-General for Energy Policy and Mining of 30 March 2009, the Company, as an operator authorised to distribute petroleum products in Spain, is required to maintain minimum security stocks of certain products equivalent to 42.2 days of average sales made on the domestic market during the previous 12 months, excluding sales to other wholesalers, which are monitored and controlled by the Corporación de Reservas Estratégicas (CORES). Management believes that it has complied with this obligation in years 2024 and 2023.

During the financial year 2024, EUR 14,487 thousand, representing the value of the annual change in the permanent inventory in tanks was reclassified from Inventories - Crudes, and Finished Products to PPE - Other property, plant and equipment (EUR 11,670 thousand in 2023 from Inventories - Crudes, and Finished Products to PPE - Other property, plant and equipment) (see **Note 7**).

The movement in impairment losses on Inventories in the accompanying Balance Sheet for the years 2024 and 2023 was as follows:

	€ Thousands				
Impairment inventories	Balance at 01.01.2024	Additions for the year	Reversal	Disposal o additions	Balance at 31.12.2024
2024					
Impairment of raw materials and finished products	53,587	—	(53,587)	—	—
Total	53,587	—	(53,587)	—	—

	€ Thousands				
Impairment inventories	Balance at 01.01.2023	Additions for the year	Reversal	Disposal o additions	Balance at 31.12.2023
2023					
Impairment of raw materials and finished products	98,052	53,587	(98,052)	—	53,587
Impairment of other inventories (Note 17.2)	5,572	—	(5,572)	—	—
Total	103,624	53,587	(103,624)	—	53,587

During the financial years 2024 and 2023, net impairment losses on raw materials and finished goods of EUR 53,587 thousand (reversal) and EUR 44,465 thousand (reversal), respectively, were recognised. These amounts are included in the Income Statement in the line **Changes in inventories of finished goods and work in progress**.

Finally, the heading Impairment of other inventories includes the impairment of spare parts and miscellaneous materials of the Company's energy parks, which remained unchanged in 2024 and amounted to EUR 5,572 thousand (reversal) in 2023.

At year end of 2024 and 2023, the Company had no inventory purchase commitments.

At the end of 2024 and 2023 the Company had leased short-term inventories to third parties for 37,347 Mt and 53,379 Mt, respectively.

12. Equity

MEASUREMENT CRITERIA

An equity instrument represents a residual interest in the equity of a company after deducting all its liabilities.

Equity instruments issued by the Company are recognised in Equity at the amount received, net of issue costs.

Treasury shares acquired by the Company during the year are recognised directly as a reduction in Equity, measured at the amount of the consideration given in exchange. Gains and losses arising from the purchase, sale, issue or redemption of own equity instruments are recognised directly in Equity, and no gain or loss is recognised in the Income Statement.

12.1. Share capital and share premium

At the end of 2024, the share capital amounted to EUR 268,175,000, represented by 536,350,000 registered shares of 0.50 euros par value each, of the same class and series, fully subscribed and paid up.

At 31 December 2024, the ownership of the Company's shares corresponds mainly to two shareholders:

- Cepsa Holding, LLC, a company incorporated in the United Arab Emirates and ultimately controlled by Mubadala Investment Company, PJSC, holds shares representing 61.36% of the share capital.
- Matador Bidco, S.A.R.L., a company incorporated in Luxembourg and ultimately controlled by The Carlyle Group, Inc. holds shares representing 38.41% of the share capital.

The Spanish Capital Companies Act expressly permits the use of the balance of the Share premium account to increase the share capital and does not impose any specific restrictions on the availability of the balance. During the financial years 2024 and 2023, the balance of that account, which amounts to EUR 351,581 thousand, did not undergone any change.

At the date of preparation of these financial statements and notes, these percentages had not changed.

12.2. Reserves

A) Legal reserve

Under the Spanish Capital Companies Act, 10% of the net profit for each year must be transferred to the legal reserve until this reserve reaches at least 20% of the share capital. This reserve may be used to increase the share capital by that part of the balance of the reserve which exceeds 10% of the increased share capital. In addition to the above and until the legal reserve exceeds 20% of the share capital, it may only be used to offset losses if there are not sufficient other reserves available for this purpose.

At 31 December 2024, the Company's legal reserve is fully funded amounting to EUR 53,605 thousand.

B) Breakdown of other reserves

The breakdown other reserves for 2024 and 2023 is as follows:

Other reserves	€ Thousands	
	2024	2023
Voluntary reserves	1,862,102	2,036,103
Reserve for shares or equity interests of the parent company	1,749	1,540
Special reserves goodwill	997	997
Special revaluation reserves	212,571	212,571
Differences by capital adjustment to euros	451	451
Total	2,077,870	2,251,662

Voluntary reserve

The reduction in this heading in 2024 is mainly due to the distribution of dividends charged to reserves (see **Note 12.3**).

Revaluation reserve

This reserve, which amounts to EUR 212,571 thousand, corresponds to the revaluations carried out under the 1979 State Budget Law 1/1979, 1981 State Budget Law 74/1980, Royal Decree-Law 7/1996, of 7 June and Royal Decree-Law 16/ 2012 on the revaluation of assets.

The entire balance of the aforementioned revaluations relating to State Budget Law 1/1979 and State Budget Law 74/1980, amounting to EUR 15,896 thousand and EUR 16,602 thousand, respectively, may be transferred to unrestricted voluntary reserves.

The balance of the Revaluation reserve, Royal Decree-Law 7/1996 of 7 June amounting to EUR 58,438 thousand, continues to be subject to the restrictions contained in the legal regulations under which it was created. In this respect, it can be used, without accrual of taxes, to offset losses from prior year and to increase capital.

As from 1 January 2007 (i.e., ten years after the date of the balance sheet date on which this asset revaluation was recognised), the balance of this reserve may be transferred to unrestricted reserves, provided that the monetary surplus has been realised. This surplus will be deemed to have been realised in the extent that it has been depreciated for accounting purposes or when the revalued assets have been transferred or written-off from the accounts. If the balance of this account is used in a manner other than that provided for in Royal Decree-Law 7/1996, it would be subject to tax.

The revaluation reserve under Royal Decree-Law 16/2012 has a balance of EUR 121,635 thousand at 31 December 2023. Pursuant to Article 9.10 of the aforementioned Law, the balance of the reserve may be used to eliminate negative accounting results and increase the share capital after the three-year verification period. After 31 December 2022, it may also be used as a freely distributable reserve. However, this third use can only be effective if the revalued assets have been fully depreciated, transferred or written off, in a process similar to that described above for the revaluation reserve.

12.3. Dividends

Approved in 2024

On 31 May 2024, the General Shareholders' Meeting approved the distribution of a dividend charged to voluntary reserves amounting to EUR 184,504 thousand, at the rate of 0.344 euros per share. This dividend was paid on 31 May 2024.

Approved in 2023

On 15 March 2023, the General Meeting of Shareholders approved the distribution of a dividend charged to Voluntary Reserves in the amount of EUR 578,185 thousand, at a rate of EUR 1.08 per share. This dividend was paid on 16 March 2023.

On 25 April 2023, the General Meeting of Shareholders approved the distribution of a second dividend out of Voluntary Reserves in the amount of EUR 272,143 thousand, at a rate of EUR 0.51 per share. This dividend was paid on 26 April 2023.

12.4. Treasury shares

At the end of 2024, the Company held 155,915 treasury shares. These shares represent 0.03% of the share capital and their average acquisition price of EUR 11.2 per share.

At 31 December 2023, the Company held 137,361 treasury shares.

The treasury shares correspond to new shares, from capital increases carried out during 2021, acquired by the Company in order to give greater flexibility to its shareholding structure.

12.5. Other adjustments for changes in value

The breakdown by nature of the other valuation adjustments in 2024 and 2023 was the following:

Other adjustments for changes in value		€ Thousands	
	Notes	2024	2023
Hedging transactions		23,405	13,076
Tax effect of hedging transactions		(5,851)	(3,269)
Total	10	17,554	9,807

12.6. Subsidies, donations, and bequests received

ACCOUNTING POLICIES

The Company accounts for grants, donations and legacies received from third parties other than shareholders using the following criteria:

- a) *Non-refundable grants, donations and capital legacies:* These are measured at the fair value of the amount granted or the asset received, depending on whether they are monetary or non-monetary in nature, and are recognised in Equity and subsequently released to the Income Statement in proportion to the depreciation expense recognised for the subsidised items during the period or, where applicable, upon their disposal or impairment.
- b) *Refundable grants:* To the extent that they are refundable, they are recognised as a liability.
- c) *Operating grants:* These are recognised as income when they are granted, unless they are intended to finance operating losses of future financial years, in which case they are recognised in those financial years. If they are granted to finance specific expenses, they are recognised when the expenses are incurred.

The information on grants received by the Company, which form part of Equity, net of the tax effect, as well as the profit or loss recognised in the Income Statement from these grants, for the years 2024 and 2023, is as follows:

Grants

2024

		€ Thousands			
Agency	Notes	Scope	Balance at 01.01.2024	Increases	Decreases and transfer to income
Grants Received					
Ministry of Tourism and Trade	7	Central Government	286	—	(215)
Ministry of Economy and Finance	7	Central Government	197	—	(56)
Ministry of the Environment and Rural and Marine Affairs	21	Central Government	3,899	183,909	(187,808)
Andalusia Autonomous Government		Autonomous Region	1,329	—	(444)
European Commission		European Government	—	54	—
Total gross grants			5,711	183,963	(188,523)
Total tax effect			(1,429)	(45,991)	47,131
Total grants net of the tax effect			4,282	137,972	(141,392)

2023

€ Thousands

Agency	Notes	Scope	Balance at 01.01.2023	Increases	Decreases and transfer to income	Balance at 31.12.2023
Grants Received						
Ministry of Tourism and Trade		Central Government	829	—	(543)	286
Ministry of Economy and Finance		Central Government	256	—	(59)	197
Ministry of the Environment and Rural and Marine Affairs	21	Central Government	—	209,395	(205,496)	3,899
Andalusia Autonomous Gov.		Autonomous Region	1,773	—	(444)	1,329
Total gross grants			2,858	209,395	(206,542)	5,711
Total tax effect			(715)	(52,349)	51,635	(1,429)
Total grants net of the tax effect			2,143	157,046	(154,907)	4,282

The Company considers that all the requirements to ensure that the grants received are not refundable have been met.

13. Provisions and contingencies

ACCOUNTING POLICY

In preparing the financial statements, the directors of the Company distinguish between:

- a) Provisions: credit balances which cover present obligations arising from past events, the settlement of which is likely to result in an outflow of resources, but the amount and/or timing of which is uncertain.
- b) Contingent liabilities: possible obligations that might arising from past events, the future realisation of which depends on the occurrence or non-occurrence of one or more future events beyond the control of the Company.

The financial statements include all the provisions where it is considered more likely than not that the obligation will have to be settled. Contingent liabilities are not recognised in the Financial Statements, but rather are disclosed in the notes, unless they are considered to be remote.

Provisions are measured at the present value of the best possible estimate of the amount required to settle or transfer the obligation, taking into account available information about the event and its consequences, with adjustments arising from the discounting of such provisions being recognised as a financial expense as incurred.

Compensation receivable from a third party on settlement of an obligation is recognised as an asset when there is no doubt that such compensation will be received, unless there is a legal relationship whereby part of the risk has been externalised and the Company is not liable, in which case the compensation is taken into account in estimating the amount of any provision.

The breakdown of the non-current provisions in the accompanying Balance Sheet and of the main changes therein in 2024 is as follows:

Long-Term provisions

€ Thousands

2024	Notes	Balance at 01.01.2024	Additions	Transferred to Current	Revaluation increases	Amounts used	Balance at 31.12.2024
Long-term employee benefit obligations		80,534	10,852	(2,805)	330	(2,961)	85,950
Environmental contingencies	19	52,251	601	—	—	(682)	52,170
Other provisions		261,228	31,210	—	8,477	(154,380)	146,535
Total		394,013	42,663	(2,805)	8,807	(158,023)	284,655

The breakdown of the current provisions in the accompanying Balance Sheet and of the main changes in 2024 is as follows:

Short-term provisions		€ Thousands				
2024	Notes	Balance at 01.01.2024	Additions	Transferred to Current	Amounts used	Balance at 31.12.2024
Provision for Greenhouse Gas Emissions	21	199,007	167,253	—	(199,185)	167,075
Provision for decommissioning and retirement	—	576	—	—	—	576
Short-term employee benefit obligations	—	5,957	—	2,805	(3,219)	5,543
Total	21	205,540	167,253	2,805	(202,404)	173,194

A) Provisions for employee benefit obligations

ACCOUNTING POLICY

The Company has the following pension commitments and obligations to its employees and their beneficiaries:

Non-current defined contribution remuneration

Commitments covered through employment pension plans: These establish the right of participants to receive retirement benefits or, where applicable, death or disability benefits, in accordance with the terms of the plans. They are structured as hybrid plans, with defined contribution plans for the retirement contingency, to which the Sponsoring Entity makes periodic contributions, and defined benefit plans for the death or disability contingency, which the Pension Plan covers through an annually renewable policy arranged with an Insurance Entity under which the Sponsoring Entity agrees to make the corresponding contributions to the Pension Plan. Therefore, these contingencies must be treated as if the scheme were a defined contribution plan. The accrued amount of the liability assumed by the Sponsoring Entity is covered each year with the annual contribution, which is recognized in the Income Statement under "Personnel expenses".

Capitalization and Life insurance: This is a defined contribution obligation instrumented by an insurance policy that establishes the right of the insured parties to receive retirement benefits or, where applicable, death or disability benefits. It is an instrument for the contributions made by the Policyholder Company, as a supplement to the Pension Plan, or because the commitment assumed with the personnel exceeds the maximum contribution limits to the pension plans. The contributions made are recorded under "Staff Costs" in the Income Statement.

Life annuity for retired staff: These are commitments prior to the formalisation of the Pension Plans, establishing the right of staff or their beneficiaries to receive supplements to their social security pension benefits in the event of retirement, death or permanent disability. This commitment is fully externalized through insurance policies. The contributions made, due to changes in the insured group, variations in the commitments insured in these policies or revaluation due to the CPI, are recognized in the Income Statement under "Personnel expenses".

Adjustments arising from the obligations are recognised as income or expense in the year in which they arise.

Long and short-term defined benefit remuneration

There is a commitment to a certain group of employees to pay a lifelong financial compensation resulting from the discontinuation of the Commissary services. An actuarial study is carried out each year based on life expectancy tables (PEMF2000) with a discount rate of 1.5% and an expected salary increase of 0.25%, and the change is recognised in the Income Statement. The annual accrual of the personnel liabilities and the financial effect of the discounting of the funds are recorded under Personnel Expenses and Financial Expenses.

The employees of the Company are entitled to receive a gift from the Company in the form of medals for long service and recognition of value. In the specific case of the La Rábida Energy Park, its employees are also entitled to receive payments/benefits in kind based on years of service. An actuarial study is carried out annually and actuarial gains and losses are recognised as expenses or income, as appropriate.

The Company recognises the present value of the defined benefit obligation, net of the fair value of any plan assets and any unrecognised past service cost on the liability side of the balance sheet under the heading Long-Term Provisions - Long-Term Employee Benefit Obligations.

I. Non-current defined contribution remuneration

During 2024 and 2023, the Company has recognised the following amounts as an expense for defined contribution commitments included under **Personnel Expenses** in the Income Statement:

Long-term defined contribution obligations		€ Thousand	
	Notes	2024	2023
Retirement (Pension Plan)		5,569	5,943
Life Insurance		5,528	4,613
Total	17.4	11,097	10,556

II. Non-current defined benefit remuneration

The provisions recognised in the balance sheet in respect of these commitments as at December 2024 and 2023 amounted to EUR 85,950 thousand and EUR 80,534 thousand, respectively.

The provisions were calculated by discounting the expected flow of payments until retirement date at a rate of 1.71%. The average payment period for this group was 2.7 years.

III. Restructuring provisions

In 2014, three processes of collective redundancy procedures were carried out in the company's work centres in Madrid, the Gibraltar-San Roque Energy Park and the La Rábida Energy Park. The dismissals took place gradually over the course of 2014, except in the case of Huelva, which took place in February 2015.

With respect to the short-term provisions for the same item, no obligations have been paid in the financial year 2024. The ending balance at 31 December 2024 amounts to EUR 2,737 thousand.

B) Environmental provisions

The Company has made provisions for the remediation of possible risk of gradual soil contamination, which have been charged to Other Operating Expenses in the Income Statement and quantified on the basis of internal estimates and technical studies. In addition, the Company has taken out insurance policies to cover the third party liability that might arise from sudden accidental contamination and gradual contamination.

The Company has a provision for environmental risks and liabilities, the balance of which, at 31 December 2023 was EUR 52,251 thousand. The movements in 2024 were as follows: an increase of EUR 601 thousand, and a release of EUR 682 thousand, with a balance at 31 December 2024 of EUR 52,170 thousand. No increases due to financial updating have been recorded in 2024.

The above provision, which is partially covered by insurance policies in force, is intended to cover the costs of the progressive remediation of soil contamination.

C) Other non-current provisions

The breakdown of the changes in 2024 and the balances at each year-end are as follows:

Other provisions - Year 2023		€ Thousands			
	Balance at 01.01.2024	Changes for the year	Revaluation increases	Amounts used	Balance at 31.12.2024
Provision for taxes	118,829	24,179	6,727	(90,494)	59,241
Provision for third-party liability	8,073	—	—	(493)	7,580
Provisions for other expenses	68,699	7,031	827	(58,798)	17,759
Provision for decommissioning	65,627	—	923	(4,595)	61,955
Total	261,228	31,210	8,477	(154,380)	146,535

Provisions for taxes

The Provision for taxes includes the provisions made by the Company during the year to cover its tax risks arising from tax assessments signed in disagreement. The amount used during the year corresponds to the reversal of excess provisions credited to the Income Statement, mainly due to the recalculation of accrued interest and the reassessment of the expected amount of obligations, when certain assessments were settled down in the Company's favour (see **Note 15.4**).

In 2024, EUR 90,494 thousand has been applied to its purpose, mainly related to the payment of certain tax assessments concerning years 2005-2008.

Provisions for other expenses

In the chapter Other expenses, provisions have been made to cover the liability of capital contributions in the company 'Cepsa EP España, S.L', with negative equity at the end of 2024, for EUR 6,745 thousand. The amount of applications for the year, totalling EUR 58,798 thousand, corresponds to cancellations with a credit to income for excess provisions made in 2023 to cover the liability of capital contributions of several Cepsa Exploration y Production companies with negative equity.

Provision for decommissioning

At the beginning of 2022, the company announced the start of the processes for the decommissioning of the Tenerife Energy Park. This project involves the gradual dismantling of the different units of the refinery and the subsequent soil remediation, two of the fundamental steps towards achieving the objectives of Santa Cruz Verde 2030 (SCV2030). The movements in 2024 were: financial update of EUR 923 thousand and depreciation of EUR 4,595 thousand, with a balance at 31 December 2024 of EUR 61,562 thousand.

The directors of the Company believe that the provisions recorded in the accompanying balance sheet adequately cover the litigation, arbitration and other risks described in this note and therefore do not expect any liabilities to arise from them other than those recorded.

Given the nature of the risks covered by these provisions, it is not possible to determine a reasonable schedule of payment dates, if any.

The decommissioning of some gas centres was planned for 2024, but will finally take place in 2025.

D) GREENHOUSE GAS EMISSION PROVISIONS

In the financial year 2024, a Short-term provision was accrued to cover the delivery to the government of the emission rights corresponding to the year 2025. Similarly, the rights corresponding to the emissions made in 2023 were delivered to the European Union and the balance of short-term provision was reversed for the amount corresponding to these rights.

14. Debt (Long- and short-term)

MEASUREMENT CRITERIA

Financial liabilities assumed or incurred by the Company are classified in the following valuation categories:

a) Financial liabilities at amortised cost: accounts liabilities of the Company arising from the purchase of goods or services in the normal course of business and liabilities arising from loan or credit transactions entered into by the Company that have no commercial substance and are not derivative instruments, .

These liabilities are initially measured at the fair value of the consideration received, adjusted for the directly attributable transaction costs. These liabilities are subsequently measured at amortised cost.

b) Financial Liabilities at Fair Value Through the Income Statement

Derivative financial liabilities are measured at fair value using the same criteria as for financial assets at fair value through Income Statement described in the previous section.

Upon initial recognition, transaction costs directly attributable to liabilities at fair value through profit or loss are recognised in the Income Statement.

Subsequent measurement: Financial liabilities at fair value through profit or loss are remeasured to fair value and changes in fair value are recognised in the Income Statement.

Assets and liabilities are presented separately in the Balance Sheet and are presented at their net amount only when the company has an enforceable right to set off the recognised amounts and, in addition, intends to settle the amounts on a net basis or to realise the asset and settle the liability simultaneously.

The Company derecognises financial liabilities when the obligation underlying the liability ceases to exist.

14.1. Breakdown by category of financial liabilities

The carrying amounts of long-term debt and short-term debt and payable to group companies and associates at year-end 2024 and 2023 are classified for valuation purposes in the following categories:

Long-term financial instruments

€ Thousands

Classes	Bank borrowings and finance leases		Other financial instruments		Total	
	2024	2023	2024	2023	2024	2023
Financial liabilities at amortized cost	1,879,922	1,204,532	1,976,218	1,395,437	3,856,140	2,599,969
Derivatives	—	—	131,025	84,491	131,025	84,491
Total	1,879,922	1,204,532	2,107,243	1,479,928	3,987,165	2,684,460

Short-term financial instruments

€ Thousands

Classes	Bank borrowings and finance leases		Other financial instruments		Total	
	2024	2023	2024	2023	2024	2023
Financial liabilities at amortized cost	97,771	127,931	4,801,047	4,595,795	4,898,818	4,723,726
Derivatives	—	—	49,417	57,863	49,417	57,863
Total	97,771	127,931	4,850,464	4,653,658	4,948,235	4,781,589

The breakdown, by maturity, of Long-term Debt at 31 December 2024 and 2023 is as follows:

Long term debts

€ Thousands

2024	Maturing in					Total
	2026	2027	2028	2029	Rest	
Bank Borrowings	155,446	218,411	233,748	454,116	818,201	1,879,922
Derivatives	71,344	—	49,047	—	10,634	131,025
Other financial liabilities	325,882	769	631	519	12,722	340,523
Total	552,672	219,180	283,426	454,635	841,557	2,351,470

2023	Maturing in					Total
	2025	2026	2027	2028	Rest	
Bank Borrowings	149,767	543,742	200,832	236,621	73,570	1,204,532
Derivatives	14,789	54,351	—	15,351	—	84,491
Other financial liabilities	1,065	925	633	481	3,143	6,247
Total	165,621	599,018	201,465	252,453	76,713	1,295,270

14.2. Financing costs and lines

In 2024, the Company continued to actively manage its financial debt, renegotiating existing banking transactions and entering into new ones with the aim of extending the maturity of its debt and reducing its refinancing risk. Similarly, in order to further improve its long-term liquidity, the Group has also made use of its liquidity lines. In this sense, and as has been the case since it was signed in 2014, the Company obtained the unanimous agreement of the syndicate of banks participating in its EUR 2 billion revolving credit facility to extend its maturity by one year. Following the agreement of the 18 participating banks, the maturity of this operation has been fixed at September 2028, which significantly improves the quality of Group's liquidity. At the date of this report, no amounts have been drawn under this syndicated credit facility.

Among the new operations, a second syndication with 13 financial institutions and a volume of EUR 1 billion should be highlighted, which includes a loan of EUR 300 million (linked to the same sustainability indicators as the syndicated loan mentioned above) and a revolving credit line of EUR 700 million. The EUR 700 million will support sustainable energy and energy transition projects, in line with our Positive Motion strategy.

In the first half of 2024 two new loans (for a total of EUR 435 million) were signed with the European Investment Bank (EIB) and the Official Credit Institute (ICO) for two projects included in the company's Positive Motion strategy.

In the area of sustainability, within the ESG indicators included in its EUR 2 billion revolving credit facility, the company reported compliance with the two sustainability indicators (CO₂) and the gender diversity indicator, to which it has committed to various entities through bilateral financing and the aforementioned syndicated loan.

From a cost perspective, the average annual interest rates recorded for the total financing (both covered and uncovered by derivatives, cross-currency swaps or interest rate swaps), both long and short, were 4.16% and 3.60% in EUR and 3.12% and 2.82% in USD in 2024 and 2023 respectively.

Overall, the total financing registered an average annual cost of 3.73% in 2024 and 3.18% in 2023.

As at 31 December 2024 and 2023, the Company had committed but undrawn credit lines with various banks amounting to more than €3,855,491 thousand and €3,404,100 thousand, respectively (see Note 22).

As of 31 December 2024, and throughout the 2024 financial year, the Company has not been subject to any financial ratios as it holds the status of a company with an external rating, which it is expected to maintain throughout 2025.

14.3. Average supplier payment terms

In accordance with the requirement established by the Third Additional Provision of Law 15/2010, of 5 July, as amended in turn by Law 31/2014, of 3 December, the new requirement established by Law 18/2022, of 28 September and by the Resolution of the ICAC of 29 January 2016, on the information to be included in the Annual Financial Statements regarding the average payment period to suppliers in commercial transactions, the data on payments made and payments outstanding, as well as the ratios related to these figures are as follows:

Average supplier payment period	Days	
	2024	2023
Average period for payment to suppliers	12	15
Ratio of paid transactions	12	15
Ratio of outstanding payment transactions	11	7

	€ Thousands	
	2024	2023
Total payments made	25,504,141	25,757,908
Total payments pending	1,069,750	882,849
Total payments made in less than maximum legal term	25,043,163	24,624,863
Percentage of total payments made	98%	96%

	Number of invoices	
	2024	2,023
Total number of invoices paid in less than maximum legal term	127,255	116,601
Total number of invoices paid	148,414	139,083
Percentage of total number of invoices paid	86%	83%

The maximum legal term for payment to suppliers established in the transitory provisions of Law 15/2010 (as amended through the second final provision of Law 31/2014) is 60 days.

15. Tax matters

MEASUREMENT CRITERIA

Income Tax expense or income comprises the part relating to current tax and the part relating to deferred tax.

Current tax is the amount that the Company accrues as a result of income tax assessments relating to a financial year. Tax credits and other tax benefits, excluding withholding taxes and prepayments, and tax losses carried forward from previous years that are actually used in the current year, result in a lower amount of current tax charge.

Deferred tax expense or income relates to the recognition and reversal of deferred tax assets and liabilities. Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes, as well as on unused tax losses and unused tax credits. These amounts are recognised by applying to the corresponding temporary difference or credit the tax rate at which they are expected to be recovered or settled.

Deferred tax liabilities are recognised for all taxable temporary differences, except those arising from the initial recognition of goodwill or other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit and is not a business combination.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the deferred tax asset can be utilised.

Deferred tax assets and liabilities arising from transactions that are charged or credited directly to Equity are also recognised with an offsetting entry in Equity.

Deferred tax assets are reviewed at each balance sheet date and adjusted if there is any doubt as to their future recoverability. Unrecognised deferred tax assets are also reassessed at each balance sheet date and are recognised to the extent that it becomes probable that they will be recoverable against future taxable profits.

15.1. Current Balances with Government Bodies

The breakdown of current tax balances receivable from and payable to State Tax Administration Authority at 2024 and 2023 year-end is as follows:

	€ Thousands	
Receivables	2024	2023
Income tax refundable	2,108	6,589
IGIC refundable	10,486	14,059
Other	(622)	(808)
Total	11,972	19,840

	€ Thousands	
Payables	2024	2023
Income tax payable	10,268	—
VAT payable	138,425	97,110
Social Security payable	4,945	4,289
Other	12,020	16,882
Total	165,658	118,281

Since 2010, the Company has complied in Spain with the Code of Good Tax Practices approved by the plenary session of the Forum of Large Companies set up at the request of the State Tax Administration Authority.

The Company files consolidated corporate income tax returns as the parent company of tax Group number 4/89. In this respect, the main balances receivable from and payable to Group companies for the years 2024 and 2023 are as follows:

	€ Thousands	
Amounts receivable (payable)	2024	2023
COASTAL ENERGY COMPANY	(6,243)	1,156
CEDIPSA, CIA. ESPAÑOLA DISTRIBUIDORA DE PETROLEOS, S.A.	2,898	(284)
CEPSA COMERCIAL PETROLEO, S.A.U.	(2,215)	205
CEPSA TRADING, S.A.U.	585	7,322
GASIB SOCIEDAD IBERICA DE GAS, S.A.	—	2,413
RESSA, S.A.U.	157	161
CEPSA ALGERIE, S.L.	155	40
CEPSA EP ABU DHABI, S.L.	149	1,066
CEPSA QUIMICA, S.A.	(248)	(895)
CEPSA GAS Y ELECTRICIDAD, S.A.U.	(448)	(2,851)
Other Companies	2,917	(1,254)
Total	(2,293)	7,079

15.2. Reconciliation of accounting result with the tax base

The reconciliation of the Company's accounting pre-tax profit and the tax basis for Spanish Income Tax purposes for 2024 and 2023 is as follows:

Reconciliation of accounting results and tax base

Reconciliation of accounting results and tax base					€ Thousands
2024	Statement of income		Income and expenses recognised directly in equity		Total
Accounting profit for the year (after tax)	—	47,687	—	3,148	50,834.5
	Increases	Decreases	Increases	Decreases	
Income tax	7,393	—	—	2,622	10,015
Individual permanent differences	208,712	(274,117)	—	—	(65,405)
Individual temporary differences					
Arising in the year	27,974	—	—	(631,409)	(603,435)
Arising in prior years	44,859	(10,466)	625,640	—	660,033
Tax base	288,938	(236,896)	625,640	(625,640)	52,043

					€ Thousands
2023	Statement of income		Income and expenses recognised directly in equity		Total
Accounting profit for the year (after tax)	—	(396,466)		(25,881)	(422,347)
	Increases	Decreases	Increases	Decreases	
Income tax	—	(226,675)	—	(8,627)	(235,302)
Individual permanent differences	205,480	(407,487)	—	—	(202,007)
Individual temporary differences					
Arising in the year	31,834	(43,618)	—	(521,693)	(533,477)
Arising in prior years	76,591	(14,717)	556,201	—	618,075
Tax base	313,905	(1,088,963)	556,201	(556,201)	(775,058)

The permanent differences arise mainly from non-deductible expenses and non-taxable income. The most significant differences are mainly due to:

- net reversal of impairments on equity instruments (see **Note 9.3**),
- dividends received (see **Note 9.3**)
- windfall tax (see **Note 17.5**)

Temporary differences are essentially due to deferred income and expenses that will be tax deductible in subsequent periods. The most significant differences are mainly due to:

- non-deductible impairment losses on fixed assets,
- non-deductible provisions for risks and expenses,

- the application of Law 4/2008, which provides for unlimited depreciation while maintaining employment,
- the application of Royal Decree 13/2010, which regulates unlimited depreciation without maintenance of employment, and
- the application of Law 16/2012, which regulates the revaluation of balance sheets and the 70% limit on depreciation deductions.

15.3. Taxes recorded in equity

The breakdown of the taxes recorded directly in equity in 2024 and 2023 is as follows:

Taxes recognized in equity		€ Thousands		
2024		Increases	Decreases	Total
Deferred taxes				
Arising in the year				
Grants		45,991	—	45,991
Other - cash flow hedge		111,862	—	111,862
Arising in prior year				
Grants		—	47,131	(47,131)
Other - cash flow hedge		—	108,100	(108,100)
Total deferred taxes		157,853	155,231	2,622
Total taxes recognized directly in equity		157,853	155,231	2,622

		€ Thousands		
2023		Increases	Decreases	Total
Deferred taxes				
Arising in the year				
Grants		52,349	—	52,349
Other - cash flow hedge		78,075	—	78,075
Arising in prior year				
Grants		—	51,636	(51,636)
Other - cash flow hedge		—	87,415	(87,415)
Total deferred taxes		130,424	139,051	(8,627)
Total taxes recognised directly in equity		130,424	139,051	(8,627)

15.4. Reconciliation of the accounting result and income tax expense

The reconciliation between the Profit / (Loss) before tax for the year and Income Tax expense (on profit) during 2024 and 2023 is as follows:

Reconciliation between accounting income and expense for Corporation Tax (BASE - QUOTA)		€ Thousands	
		2024	2023
Recorded profit (before tax)		55,080	(623,141)
Permanent differences		(65,405)	(202,007)
Income Tax rate 25%		(2,581)	(206,287)
Tax credits applied			
Double taxation		(69)	(99)
R+D+i and other		(6,471)	(9,149)
Tax expense adjustment		7,377	(3,097)
Tax inspections		26,325	—
Deferred taxes adjustment		(17,188)	(8,043)
Total tax expense / (income)		7,393	(226,675)

In calculating the corporate income tax expense, R&D&I deductions and other tax incentives have been taken into account, in accordance with the applicable regulations.

In the column relating to 2024, the tax expense regularisation includes the expense corresponding to the difference between the Revenue recorded for the Corporate Income Tax in 2023 and that corresponding to the final settlement for 2023, amounting to EUR 7,377 thousand, mainly due to deductions that were finally credited in the final settlement.

For the years 2024 and 2023, the heading Deferred tax adjustment mainly includes the adjustment of the deferred tax asset derived from impairment of the portfolio, in the part corresponding to foreign subsidiaries, which represents an income of EUR 17,115 thousand in the year 2024, and an income of EUR 8,142 thousand in the year 2023.

15.5. Breakdown of Corporate Tax

The breakdown of the corporate tax expense for 2024 and 2023 is as follows:

	€ Thousands	
	2024	2023
Current tax		
Continuing operations	40,173	(206,110)
Deferred tax		
Continuing operations	(32,780)	(20,565)
Total tax expense / (income)	7,393	(226,675)

15.6. Deferred tax assets

The breakdown of the balance of this account as at the close of 2024 and 2023 is as follows:

	€ Thousands	
Temporary differences (Deferred tax assets)	2024	2023
Non-current assets (Depreciation / amortisation and other)	365	1,449
Impairment of investments in subsidiaries and associates	11,274	10,794
Other provisions	50,145	44,842
Tax loss carryforwards	243,287	322,823
Deductions pending application	3,681	34,431
Other	9,105	11,309
Total deferred tax assets	317,857	425,648

The heading **Impairment of investments in subsidiaries and associates** mainly includes the tax credit generated by the impairment of the investment in foreign subsidiaries.

At 31 December 2024, the Company has tax loss carryforwards of EUR 243,287 thousand (EUR 322,823 thousand for 2023). These tax credits have been recognised in the Balance Sheet in both years as it is considered probable that these credits will be utilised based on the best estimate of the Company's future results.

In the Official State Gazette of 21 December 2024, Law 7/2024, of 20 December, was published, extending for 2004 and 2025 the temporary limitation whereby only 50% of the individual tax losses corresponding to each and every one of the entities making up the tax group may be included in the tax base of the tax group. The amount of individual tax loss carryforwards not included in the tax base of the tax consolidation group will be integrated, in equal parts, in the ten tax periods starting from the period following that in which they were generated.

In addition, with effect from 1 January 2024, the aforementioned law reintroduces the 25% limit on the offset of tax losses and the 50% limit on the application of the international double taxation deduction.

Likewise, as at 31 December 2024, the Company has tax credits of EUR 3,681 thousand (EUR 34,431 thousand for 2023), which will be applied to the income tax of the tax group, almost all of which correspond to the Company. In accordance with the current regulations, double taxation relief is not subject to a statute of limitations. All other tax credits are generally subject to a 15-year statute of limitations, which are expected to be fully utilised based on the profit forecasts for the coming years, as set out in the long-term plan.

In application of Law 20/1991 of 7 June 1991, Canary Islands Tax Law, Article 94.1.a, Deductions for Investment in the Canary Islands, the following deductions for new fixed assets in the Canary Islands are pending application:

- Investments 2020 EUR 8,044 thousand; deduction EUR 2,011 thousand.
- Investments 2021 EUR 303 thousand; deduction EUR 76 thousand.
- Investments 2022 EUR 378 thousand; deduction EUR 95 thousand.
- Investments 2023 EUR 245 thousand; deduction EUR 61 thousand.

These investments should remain in use at the Company for either five years (three years in the case of movable assets) or their useful life, whichever is shorter.

15.7. Deferred tax liabilities

The breakdown of the balance of this account as at the close of 2024 and 2023 is as follows:

Temporary differences (Deferred tax liabilities)	€ Thousands	
	2024	2023
Investments new non-current assets	14,742	25,578
Tax credit	1,778	2,570
Grants, donations	289	1,429
Other	18,172	16,721
Total deferred tax liabilities	34,981	46,298

Deferred tax liabilities on Investments new non-current assets include the effect of unrestricted depreciation under Law 4/2008, due to the commissioning of the assets concerned for the expansion of the La Rábida Energy Park. They also include the assets subject to unrestricted depreciation as per Royal Decree Law 13/2010.

The eleventh additional provision of the Spanish Corporate Tax Law applied to unrestricted depreciation with the maintenance of employment and its reversal was:

	2024	2023
Depreciation for the period	(35,761)	(65,875)

The mandatory requirements of the above-mentioned Eleventh Additional Provision, applicable at the Balance Sheet date have been complied with.

The unrestricted depreciation and its reversal which are not dependent on the maintenance of employment in 2024 and 2023 amounted to EUR 4,740 thousand and EUR 6,152 thousand, respectively.

15.8. Years pending checks and inspections

Under current legislation, taxes cannot be considered definitively as finally paid until the tax returns have been audited by the tax authorities or the four-year statute of limitations period has expired.

There are tax assessments for various taxes, including Corporate Income Tax, for which the Company has filled appeals with the relevant courts. Full provision has been made for the amounts of these assessments and for interest on arrears up to the end of 2024, which meet the requirements to be considered a probable risk (see **Note 13**).

The inspection and investigation activities for corporation tax for the financial years 2017 to 2020 and VAT, Personal Income Tax and Non-Resident Income Tax from June 2018 to December 2020 of the Tax Group, initiated on 4 July 2022, concluded in September 2024, without any significant liabilities having arisen other than those recorded in the attached Financial Statements. Likewise, the 2021 financial year and subsequent years remain open to inspection.

The Company files VAT returns as part of the VAT Group number 2800/08.

In the opinion of the Board of Directors of the Company, the management of the Company and its tax advisors, transactions with related parties are carried out at market values,

transfer prices are adequately supported and it is considered that there are no significant risks in this respect that could lead to significant liabilities for the Company in the future.

The Official State Gazette of 28 December 2022 published Law 38/2022, of 27 December, establishing the temporary energy tax. This Law, which came into force on the day following its publication, established that the levy was a non-taxable public benefit and would be levied in 2023 and 2024 on the main electricity, natural gas, fuel and liquefied petroleum gas operators whose net turnover exceeds certain thresholds, as well as on companies with a certain turnover from crude oil, natural gas, coal mining or oil refining activities. Its amount would be equal to 1.2% of the net turnover derived from the aforementioned activities carried out in Spain in the years 2022 and 2023, respectively, adjusted for the amount of certain revenue items, including, among others, the tax on hydrocarbons.

In addition, Law 38/2022 introduced a time limit according to which only 50% of the individual tax losses corresponding to each and every one of the entities making up the tax group may be included in the taxable income of the tax group. The amount of the individual tax losses not included in the tax base of the tax consolidation group will be included, in equal parts, in the ten tax periods beginning on or after 1 January 2024.

In the Official State Gazette of 21 December 2024, Law 7/2024, of 20 December, was published which extends this time limit to 2024 and 2025, as well as the integration in equal parts, in the ten tax periods starting from 1 January 2025, of individual tax losses not included in the tax base of the tax consolidation group. Law 7/2024, of 20 December, published in the Official State Gazette (BOE) on 21 December, repealed this temporary levy with effect from the day following its publication in the Official State Gazette.

The amount of tax losses generated by the Company in 2023 that will not be included in the tax return for that year is EUR 374,460 thousand. In the 2024 financial year, one-tenth of this negative tax base will be included, amounting to EUR 37.446 thousand.

16. Foreign currency

ACCOUNTING POLICIES AND MEASUREMENT

The functional currency of the Company is the euro. Therefore, transactions in currencies other than the euro are considered as "foreign currency transactions" and are recorded at the exchange rates prevailing at the dates on which they are entered into, with exchange rate differences arising at the dates these transactions are settled being recognised in the Income Statement.

At year-end, monetary assets and liabilities denominated in foreign currencies are translated at the exchange rate at the closing date. Any resulting gains or losses are recognised directly in the Income Statement in the year in which they arise.

Non-monetary items measured at historical cost are translated at the exchange rate prevailing at the date of the transaction.

The breakdown of balances and transactions in foreign currencies, mainly in US dollars, valued at the year-end exchange rates and average exchange rates for the years 2024 and 2023, is as follows:

	€ Thousands	
Currency balances	2024	2023
Trade and other receivables	732,843	567,236
Loans to group companies and third parties	55,613	53,184
Other long and short term financial assets	139,746	127,121
Trade and other payables	1,470,217	932,411
Long and short term bank borrowings and loans to group companies	1,026,956	1,447,574
Other financial liabilities	(7,384)	(2,234)
Sales	7,803,342	7,009,198
Purchases	15,639,796	14,749,790
Services provided	47,968	503,282
Services received	231,949	541,138
Finance income	326,026	134,114
Finance expense	383,502	197,521

The gains (losses) on foreign currencies recorded in the Income Statement for 2024 and 2023, by class of financial instrument, are as follows:

Exchange differences financial instruments	€ Thousands		
	Transac- tions settled in the year	Balances pending maturity	Total
2024			
Financial Assets			
Loans	3,609	(8,953)	(5,344)
Other	1,662	54,766	56,428
Fair value hedge	—	51,901	51,901
Total	5,271	97,714	102,985
Financial Liabilities			
Bank debt	(21,225)	(1,921)	(23,146)
Debt securities and other liabilities	(6,666)	(46,992)	(53,658)
Other	(454)	(57,310)	(57,764)
Total	(28,345)	(106,223)	(134,568)

Exchange differences financial instruments	€ Thousands		
	Transac- tions settled in the year	Balances pending maturity	Total
2023			
Financial Assets			
Loans	4,732	75,410	80,142
Other	(11,863)	(2,633)	(14,496)
Fair value hedge	—	(472)	(472)
Total	(7,131)	72,305	65,174
Financial Liabilities			
Bank debt	(15,506)	(57,157)	(72,663)
Debt securities and other liabilities	(2,193)	35,000	32,807
Other	4,189	14,161	18,350
Total	(13,510)	(7,996)	(21,506)

17. Revenue and expenses

ACCOUNTING POLICIES AND MEASUREMENT

Income and expenses are recognised on an accrual basis accrual principle, i.e., when the actual flow of the goods or services occurs, irrespective of when the related cash or cash equivalents are generated.

Revenue from the sale of goods and the rendering of services is measured at the cash amount received or, where applicable, at the fair value of the consideration received or expected to be received, which, unless there is evidence to the contrary, is the agreed price less any discounts, taxes, and interest included in the face amount of the receivable. The best estimate of the variable consideration is included in the measurement of revenue when it is considered highly probable that the consideration will not reverse (NOTE: an exception is made for royalty agreements based on sales or use).

Revenue is recognised when (or as) control over the promised goods or services is transferred to the customer.

Revenue recognised over time for goods or services for which control is not transferred at a single point in time is measured by reference to the stage of completion at the balance sheet date, provided that reliable information is available to measure the stage of completion. Otherwise, revenue is recognised only to the extent of costs incurred that are expected to be recovered in the future.

Revenue arising from obligations to perform at a specific date is recognised at that date, with the costs incurred to day to render the goods or services recognised as inventories.

Revenue from the sale of crude oil is recognised when the relevant potential risks and rewards of ownership and control of the crude oil have been transferred, which occurs when title passes to the buyer. This generally occurs when the product is physically delivered in a vessel, pipeline or other delivery mechanism.

Revenues from the production of crude oil, where the Company participates with other producers, is recognised based on the working interest and the terms and conditions of the production sharing contracts.

Based on the ICAC Resolution of 10 February 2021, which sets out standards for the recognition of revenue from the supply of goods and the rendering of services, the Group applies "agent" accounting for certain transactions that meet at least the following criteria: (i) the Group is not primarily responsible for fulfilling the obligation to provide the goods or services; (ii) the Group has no inventory risk before and after the transfer of control to the customer; and (iii) there is no effective ability to determine selling prices, except for a brokerage commission margin.

Sales and purchase exclude the value of transactions involving the exchange of goods of a similar nature with other operators, which are accounted for in similar manner to swaps (see below).

As a result of the legal framework applicable to companies operating in the oil and gas sector, the excise tax levied on products in this sector is recorded as selling price and cost of goods sold in the Income Statement, under the headings Net sales and Other operating expenses, respectively. .

Swaps

An asset swap is defined as the acquisition of tangible or intangible assets in exchange for the delivery of other non-monetary assets or a combination of these with monetary assets.

In general, in an exchange transaction of a commercial nature, the asset received is measured at the fair value of the asset given up plus, where applicable, any monetary consideration given in exchange. Valuation differences arising on derecognition of the asset given in exchange are recognised in the Income Statement.

A swap is considered to be of a commercial nature if the configuration of the cash flows of the asset received differs (in terms of risk, timing and amount) from the configuration of the cash flows of the asset given up or if the present value of the after-tax cash flows of the company's activities affected by the exchange is changed as a result of the transaction.

If the exchange is not of a commercial nature, the asset received is measured at the lower of the carrying amount of the asset given up plus, where applicable, any cash consideration given in exchange, subject to a limit of the fair value of the asset received.

Termination benefits

Under current legislation, the Company is required to pay termination payments to those employees whose employment is terminated certain conditions. Therefore, severance payments that can be reasonably quantified are recognised as an expense in the year in which the decision to terminate the employment is made.

Environmental expenses

Expenditure incurred to prevent, reduce or remedy damage to the environment, understood as the natural environment, as well as expenditure arising from environmental obligations, is considered to be environmental expenditure. (See **Note 19**)

17.1. Revenues from the delivery of goods and provision of services

The breakdown of Revenue in 2024 and 2023 by business category and geographical market is as follows:

	€ Thousands	
Activities	2024	2023
Hydrocarbon derived products *	19,600,453	19,716,244
Petrochemical derived products	994,750	994,743
Gas and power	512,127	845,622
Services Provided	170,406	152,200
Total	21,277,736	21,708,809

* Includes special taxes on hydrocarbon consumption. See the Profit and Loss account under "Operating Costs".

	€ Thousands	
Product Sales	2024	2023
Spain	17,783,997	18,072,251
Rest European Union	1,250,076	1,279,053
Middle East	73,965	60,662
Africa	948,900	871,521
Rest of the world	1,220,798	1,425,322
Total	21,277,736	21,708,809

In 2024 and 2023, revenue from the exchange of goods arranged with other operators, which is not included in Revenue, amounted to EUR 1,610,515 thousand and EUR 1,709,341 thousand, respectively, and is considered to be an exchange of assets of a similar nature and value and activities as an agent.

At 31 December 2024 there were no buy-back commitments for inventories.

17.2. Procurement

The breakdown of the balances of **Goods consumed** and **Raw materials and other materials consumed** in 2024 and 2023 is as follows:

	€ Thousands	
Procurements	2024	2023
Goods consumed		
Purchases	641,783	1,987,916
Changes in inventories	86,900	(5,216)
Total	728,683	1,982,700
Raw materials and other materials consumed		
Purchases	16,277,717	15,873,197
Changes in inventories	(182,563)	135,884
Total	16,095,154	16,009,081
Other external expenses		
Other external expenses	18,881	20,861
Raw materials impairment		
Raw materials impairment	—	(5,572)
Total	16,842,718	18,007,070

17.3. Breakdown of purchases based on source

Details of purchases and related expenses incurred by the Company in 2024 and 2023, by source, are as follows:

	€ Thousands	
Breakdown of purchases by origin	2024	2023
National	2,475,890	3,509,572
Intra-Community	875,071	1,205,915
Import	13,587,420	13,166,487
Total	16,938,381	17,881,974

17.4. Personnel expenses and social security costs

The breakdown of Wages, salaries and similar expenses and Employee benefit costs headings in 2024 and 2023 is as follows:

		€ Thousands	
Wages, salaries and employee benefits	Notes	2024	2023
Wages and salaries		297,591	278,668
Employer social security costs		51,760	46,957
Pension contributions and provisions to pension allowances	14	11,097	10,556
Other employee benefit costs		17,867	14,077
Total		378,315	350,258

In 2021, the Board of Directors approved a long-term incentive plan linked to the achievement of certain targets set by the Group. The settlement of the plan with the participants may be formalised through the delivery of a number of shares and/or amounts in cash. In the case of vesting, the settlement would be made by the parent company to all Group participants, although the cost of the plan would be borne by each of the subsidiaries receiving the services of the plan participants.

In order to make the best estimate of the amount to be settled, as these are non-market terms, as defined in IFRS 2, the different variables involved in determining the settlement value are periodically reassessed:

- The expected settlement date of the plan.
- The number of participants who will satisfy the vesting conditions.
- The extent to which the target is achieved, using models based on discounted future cash flows.

During 2024, the company has recognised an expense in respect of this plan of EUR 23,092 million. The Directors estimate that 66% of this amount will be paid in shares. There were no payments to participants or vesting in 2024.

17.5. Taxes other than income taxes

The breakdown of in the Income Statement of 2024 and 2023 is as follows:

	€ Thousands	
Taxes other than income taxes	2024	2023
Special Taxes	2,222,108	2,125,572
Other taxes	40,385	18,785
Windfall tax	109,110	149,083
Total	2,371,603	2,293,440

In the line **Windfall tax** the amount calculated on sales in 2023 is shown in 2024 (in the column corresponding to 2023 it was calculated on sales in 2022). This tax was paid in February and September 2024. This tax was repealed in 2025.

17.6. Other profit / (loss)

The breakdown of Other profit / (loss) in the Income Statement of 2024 and 2023 is as follows:

Other gains/(losses)	€ Thousands			
	2024		2023	
	Expenses	Income	Expenses	Income
Expenses and compensation for accidents	3,273	256	2,292	2,481
Environmental contingencies	(20)	—	(748)	—
Penalties and fines	900	1	302	—
For litigation and other disputes	(52)	—	700	—
Indemnity for loss of profits	14,059	256	—	14,059
Exceptional income from definitive allowances	—	—	—	6
Other indemnities	—	105	—	126
Exceptional income and other expenses	5,168	—	4,270	1,130
Total	23,328	674	6,816	17,802

17.7. Impairment and losses

This heading includes the net variation in the impairment of equity instruments in the 2024 and 2023 financial years amounting to EUR 35,174 thousand (impairment) and EUR 74,970 thousand (reversal) respectively (see **Note 9.3**).

17.8. Gains or losses on disposals and other

The breakdown of **Gains or losses on disposals and others** in 2024 and 2023 financial years amounted to EUR 119.435 and EUR 115 thousand respectively mainly due to the sale of the two GASIB companies and the expense for the sale of Cepsa Bioenergía San Roque .

18. Related party transactions and balances

ACCOUNTING POLICY AND MEASUREMENT

the Company conducts all its transactions with related parties at market prices. Transfer prices are also adequately documented and the Company's Directors believe that there are no significant risks in this regard that could give rise to material liabilities in the future.

However, in the event of a merger, demerger, or contribution in kind of a business, the constituent elements of the acquired business are valued at the amount corresponding to the business after the transaction has been completed in the consolidated Financial Statements of the Group or sub-group.

18.1. Group companies, associates and related party transactions

The Company enters into transactions with related parties on an arm's length basis.

Sales to related parties are due to the fact that the Company generally markets its products through subsidiaries and associates. Purchases correspond to the supply of crude oil and products for the production process managed by subsidiaries and associates. Similarly, services received represent the invoicing of various services (fees, royalties, expenses, technical services, personnel, etc.) by subsidiaries and associated.

With regard to loans with Group companies, the average annual interest rate applied by the Company to loans granted to subsidiaries in 2024 and 2023 was similar to the average cost of its external financing for the same type of operations (see **Note 14**).

Loans to companies including long-term investments in subsidiaries and associates, included in the accompanying balance sheet, consist of credit account agreements with maturities of between 12 and 36 months, which are renewable.

The breakdown of related party transactions during 2024 and 2023 is as follows:

Results balances with group companies

			€ Thousands		
2024	P/L chapter	Notes	Other Group Companies	Associates and Other	Other related parties
Purchases	Procurements		(15,521,780)	(19,067)	—
Sales	Revenue		10,837,850	46,908	—
Services provided	Revenue		147,952	2,244	22
Services received	External Services		(601,868)	(1,738)	(9,091)
Net result of hedging	Non-core and other current operating income		(12,530)	—	—
Interest paid	Finance cost - Interest cost relating to provisions		(130,765)	—	—
Interest collected	Finance Income - From marketable securities and other financial instruments		57,261	—	—
Dividends	Finance Income - From investments in equity instruments	9.3	141,759	750	—
Other income	Other operating income		1,254	—	—
Other financial income (exchange differences and trading portfolio)	Exchange losses		(2,538)	—	—
Total			(5,083,405)	29,097	(9,069)

			€ Thousands		
2023	P/L chapter	Notes	Other Group Companies	Associates and Other	Other related parties
Purchases	Procurements		(14,972,730)	(21,140)	—
Sales	Revenue		10,933,153	52,136	—
Services provided	Revenue		129,091	1,390	38
Services received	External Services		(602,148)	(1,814)	—
Net result of hedging	Non-core and other current operating income		(60,166)	—	—
Interest paid	Finance cost - Interest cost relating to provisions		(223,496)	—	—
Interest collected	Finance Income - From marketable securities and other financial instruments		130,252	—	—
Dividends	Finance Income - From investments in equity instruments	9.3	139,479	—	—
Other income	Other operating income		950	—	—
Other financial income (exchange differences and trading portfolio)	Exchange losses		2,417	—	—
Total			(4,523,198)	30,572	38

In addition, Other Financial Results mainly include exchange differences and trading portfolio results from transactions with Group and associated companies, amounting to positive EUR 3,057 thousand and EUR 519 thousand, respectively.

18.2. Balances with related parties

At the end of 2024 and 2023, the Company held the following balances with related parties:

Balances with group companies

€ Thousands

2024	Notes	Other group company	Associates and other	Other related parties	Total
Non-current financial assets and investments		3,109,408	47,405	—	3,156,813
Equity instruments	9.3	3,109,408	47,405	—	3,156,813
Trade receivables	9.1	1,170,162	5,292	42	1,175,496
Current financial assets and investments	9.1	798,945	750	—	799,695
Loans to third parties		759,458	—	—	759,458
Derivatives	10	27,633	—	—	27,633
Other financial assets		11,854	750	—	12,604
Bank borrowings	15	(1,635,695)	—	—	(1,635,695)
Current payables	10, 15.1	(2,068,052)	—	—	(2,068,052)
Trade payables	15	(1,236,627)	(296)	(9,135)	(1,246,058)
Total		138,141	53,151	(9,093)	182,199

€ Thousands

2023	Notes	Other group company	Associates and other	Other related parties	Total
Non-current financial assets and investments		2,717,048	28,655	—	2,745,703
Equity instruments	9.3	2,717,048	28,655	—	2,745,703
Trade receivables	9.1	1,524,806	3,060	—	1,527,866
Current financial assets and investments	9.1	924,193	—	—	924,193
Loans to third parties		918,216	—	—	918,216
Derivatives	10	1,047	—	—	1,047
Other financial assets		4,930	—	—	4,930
Bank borrowings	15	(1,389,190)	—	—	(1,389,190)
Current payables	10, 15.1	(1,858,814)	(4)	—	(1,858,818)
Trade payables	15	(1,076,898)	246	—	(1,076,652)
Total		841,145	31,957	—	873,102

In 2024 and 2023, dividends of EUR 184,504 thousand and EUR 850,329 thousand respectively were distributed to the shareholders (see **Note 12.3**).

In 2024 and 2023, the Long-term Debt heading mainly includes the balance of the book credit with “Cepsa Finance, S.A.U.” the Group company dedicated to raising funds on the international markets, in particular through the issuance of bonds.

18.3. Remuneration of directors and senior executives

In 2024 the remuneration of the members of the Board of Directors accrued in the Consolidated Group was EUR 6,278 million in fixed and variable remuneration (EUR 5,001 million in 2023), EUR 2,865 million in board fees (EUR 2,748 million in 2023) and EUR 724 million for other items in both years. The increase in remuneration for the 2024 financial year is mainly due to the increase in variable remuneration, linked to the Group's improved results and a higher average number of directors during the year.

The Groups Directors and Officers liability insurance policy was renewed for 12 months on 14 December 2024, with a total annual net premium of EUR 197 thousand for the entire Group. This amount is paid by the Company as the policyholder and cannot be broken down by individuals, as apart from covering Directors and Officers, it also covers all those employees who make decisions on behalf of the company.

Directors who do not perform executive functions only receive board fees, which totalled EUR 2,640 million in 2024 (EUR 2,523 million in 2023).

Information regarding conflict-of-interest situations of members of the Board of Directors:

In accordance with Article 229 of the Spanish Companies Act, the members of the Company's Board of Directors who have adopted and issued these consolidated Annual Accounts have disclosed potential conflicts of interest in relation to their positions as executives or directors in other companies operating in the same energy sector as the Company. The said directors have confirmed, by means of letters addressed to the Secretary of the Board dated 10 February 2025, the following potential conflicts of interest:

Mr. Ahmed Yahia

During the 2024 financial year, Mr. Yahia was CEO of Direct Investments at Mubadala Investment Company PJSC and Chairman of NOVA Chemicals, both companies with interests in the energy sector, confirming, as of the date of his letter, that he no longer holds either of these positions. Mr. Yahia is currently CEO of MGX, a company that does not operate in the energy sector.

During the 2024 financial year, he abstained from the deliberations and voting on the proposal to enter into a contract between the Company and a subsidiary of Mubadala Investment Company PJSC, as it was considered a related-party transaction. This abstention was duly recorded in the minutes of the relevant meeting.

Mr. Martialis Quirinus Henricus van Poecke

Mr. Van Poecke currently holds the position of Chairman of Carlyle International Energy Partners (CIEP), an investment fund associated with The Carlyle Group and dedicated to the energy sector, and with respect to other positions in companies with activities in the energy sector, he is a Director of: (i) BSOG Holding Activity SRL; (ii) Discover Exploration Ltd.; (iii) Neptune Energy Germany Holdings B.V.; (iv) Varo Energy B.V.; and (v) Flamingo (Jersey) Limited. He is also the majority shareholder and Chairman of the Supervisory Board of ONE-Dyas B.V.

During the 2024 financial year, he abstained from the deliberations and voting on the proposals relating to: (i) the conclusion of contracts between the Company and subsidiaries of The Carlyle Group; and (ii) the authorisation of an asset purchase and sale transaction with a subsidiary of The Carlyle Group, as both transactions are considered related-party transactions. These abstentions were duly recorded in the minutes of the corresponding meeting.

Mr. Maarten Wetselaar

Mr. Wetselaar is currently an independent director of SSE plc, a company with interests in the energy sector.

During the 2024 financial year, he abstained from voting on the resolutions relating to (i) the approval of the fulfilment of the objectives for the 2023 financial year and establishment of the objectives for the 2024 financial year; (ii) the approval of his remuneration package for the 2024 financial year and (iii) the approval of a Strategic Retention Plan for key executives. These abstentions have been duly reflected in the corresponding Minutes.

Mr. James Robert Maguire

Mr. Maguire currently holds the position of Managing Director and Co-Head of Carlyle International Energy Partners (CIEP), an investment fund associated with The Carlyle Group and with interests in the energy sector, and with respect to other positions in companies with activities in the energy sector, he is a Director of (i) BSOG Holding Activity S.R.L.; (ii) CIEP Epoch NewCo 1 Ltd. (iii) Mazarine Energy B.V.; (iv) Neptune Energy Germany Holdings B.V.; and (v) Flamingo (Jersey) Limited.

During the 2024 financial year, he abstained from the deliberations and voting on the proposals relating to: (i) the conclusion of contracts between the Company and subsidiaries of The Carlyle Group; and (ii) the authorisation of an asset purchase and sale transaction with a subsidiary of The Carlyle Group, as both transactions were considered related-party transactions. These abstentions were duly recorded in the Minutes of the corresponding meeting.

Ms. Maria Soraya Sáenz de Santamaría Antón

Ms. Sáenz de Santamaría has confirmed that from the date of her appointment on July 24, 2024, until the date of her letter, neither she nor any related person was involved in any situation of direct or indirect conflict with the interests of the Company.

Mr. Marwan Naim Salem Nijmeh

Mr. Nijmeh currently holds the position of Group Chief Legal Officer at Abu Dhabi National Oil Company (ADNOC), a company with interests in the energy sector.

During the 2024 financial year, he abstained from the deliberations and voting on the proposal to enter into a contract between the Company and a subsidiary of Mubadala Investment Company PJSC, as it was considered a related-party transaction. This abstention was duly recorded in the Minutes of the relevant meeting.

Mr. Saeed Mohamed Hamad Fares Almazrouei

Mr. Almazrouei currently holds the position of Managing Director and CEO of Abu Dhabi Investment Council (ADIC), an entity controlled by Mubadala Investment Company PJSC, a company operating in the energy sector.

During the 2024 financial year, he abstained from the deliberations and voting on the proposal to enter into a contract between the Company and a subsidiary of Mubadala Investment Company PJSC, as it was considered a related-party transaction. This abstention was duly recorded in the Minutes of the relevant meeting.

Mr. Angel Corcóstegui Guraya

Mr. Corcóstegui has confirmed that during the financial year ending on 31 December 2024 and up to the date of his letter, neither he nor any related person was involved in any situation of direct or indirect conflict with the interests of the Company.

Notwithstanding this, during the 2024 financial year, he abstained from the deliberations and voting due to a potential conflict of interest on a proposal to enter into a supply contract with a company that is a competitor of an entity in which he indirectly holds a minority stake. This abstention was duly recorded in the minutes of the corresponding meeting.

Mr. Jacob Schram

Mr. Schram has confirmed that during the financial year ended December 31, 2024 and up to the date of his letter, neither he nor any related person was involved in any situation of direct or indirect conflict with the interests of the Company, apart from what he already disclosed upon his appointment as Director on October 27, 2022, related to his controlling interest in the company Schanjem AS, an entity that provides consulting services to the Company.

Mr. Gregory Mark Nikodem

Mr. Nikodem currently holds the position of Managing Director with responsibility for energy investments at The Carlyle Group and is a Director of Nouryon, a company dedicated to the chemical sector.

During the 2024 financial year, he abstained from the deliberations and voting on the proposals relating to: (i) the conclusion of contracts between the Company and subsidiaries of The Carlyle Group; and (ii) the authorization of an asset purchase and sale transaction with a subsidiary of The Carlyle Group, as both transactions were considered related-party transactions. These abstentions were duly recorded in the Minutes of the corresponding meeting.

Mr. Abdulla Mohamed Ismail Ibrahim Shadid

Mr. Shadid currently holds the position of Director of the Energy and Sustainability Unit in the Private Equity platform at Mubadala Investment Company PJSC, a company operating in the energy sector.

During the 2024 financial year, he abstained from the deliberations and voting on the proposal to enter into a contract between the Company and a subsidiary of Mubadala Investment Company PJSC, as it was considered a related-party transaction. This abstention was duly recorded in the Minutes of the relevant meeting.

Mr. Luca Molinari

Mr. Molinari currently holds the position of Deputy CEO of the Private Equity platform at Mubadala Investment Company PJSC, a company with interests in the energy sector. Apart from the above, he has confirmed that neither he nor any related person were involved in any other situation of direct or indirect conflict with the interests of the Company.

Outgoing Directors

On 8 March 2024, and on the occasion of her resignation from her position as director, Ms. Alyazia Ali Alkuwaiti stated that neither she nor any related person was involved in a situation of direct or indirect conflict with the interests of the Company until that date, except for those she had previously declared in relation to her positions in other companies in the energy sector: Executive Director of UAE Industries at Mubadala Investment Company PJSC and board member of OMV and Mubadala Energy.

On 1 October 2024, upon his resignation from his position as director, Mr. Dani Dweik stated that neither he nor any related person were involved in a situation of direct or indirect conflict with the interests of the Company up to that date, except for those he had previously declared in relation to his positions in other companies in the energy sector: Executive Director of the Industrial and Business Services, Energy and Sustainability and Mubadala Performance Partners units within the Direct Investment Platform of Mubadala Investment Company PJSC and board member of NOVA Chemicals.

At the date that the Annual Financial Statements were formulated, no other direct or indirect conflicts of interest have been reported.

During 2024 and 2023, the average number of members of the Board of Directors was 11 and 10, respectively while as at 31 December 2024 there were 12 directors (11 men and 1 woman), as well as the non-director Secretary and Deputy Secretary.

The average number of Officers (corresponding to the members of the Management Committee, irrespective of the type of employment relationship they have) is 11 persons in 2024 and 10 in 2023, with 7 men and 4 women as at 31 December 2024.

Remuneration in 2024 to Officers who are not executive directors of the Group amounted to EUR 16,334 million (EUR 16,031 million in 2023) in respect of fixed and variable remuneration and EUR 1,234 million (EUR 2,957 million in 2023) for other items. Managerial personnel receive an annual fixed and variable remuneration payment. Variable remuneration is calculated as a percentage of fixed remuneration, with said percentage being conditional upon the level of achievement of the objectives established for the year. These objectives, which are subject to measurement and control systems, are determined on the basis of the earnings of the Consolidated Group, occupational safety rates, ESG ratings, CO2 emissions and operating aspects of the business, such as the execution of projects pursuant to established criteria relating to price, quality and deadlines, as well as individual performance.

18.4. Group structure

the Company is the parent company of the Group. The Group organises and manages its business through the following segments:

- **Energy Solutions** includes the supply and refining of crude oil into petroleum products and their export, the sale of production surpluses, trading activities, the generation of electricity and steam, activities closely linked to production processes, and sales to industrial customers. It also includes the distribution and marketing of hydrocarbon products.
- **Chemicals** includes the manufacture, distribution, and sale of petrochemicals and oleochemicals.
- **Exploration and Production** includes the exploration, development, and production of crude oil and natural gas reserves.

Finally, figures for corporate functions performed by the parent company are reported under "Non-business", which is not a business segment.

19. Environmental information

At the end of 2024 and 2023 the Company had the following significant items of property, plant and equipment used to minimize the environmental impact and to protect and improve the environment, classified in accordance with their use:

	2024			2023		
	Gross carrying amount	Accumulated Depreciation	Net carrying amount	Gross carrying amount	Accumulated Depreciation	Net carrying amount
Environment - Fixed Assets						
Water	122,665	(89,498)	33,167	110,141	(87,287)	22,854
Air	370,522	(282,891)	87,631	345,472	(271,138)	74,334
Waste	66,669	(12,161)	54,508	105,400	(9,858)	95,542
Soil/Ground water	12,327	(4,164)	8,163	11,211	(3,548)	7,663
Other/Noise	221,158	(30,042)	191,116	126,300	(26,995)	99,305
Total	793,341	(418,756)	374,585	698,524	(398,826)	299,698

The expenses incurred in 2024 and 2023 (including in-house resources), and expenditure for the purpose of protecting and improving the environment, by use, were as follows:

	Expenses		Investments	
	2024	2023	2024	2023
Environment - Expenses				
Water	18,326	16,630	12,785	7,811
Air	39,423	35,708	17,533	14,253
Waste	3,919	4,111	54,767	52,097
Soil/Ground water	552	1,544	1,117	1,279
Other/Noise	2,685	4,046	121,280	51,507
Total	64,905	62,039	207,482	126,947

Investments of an environmental nature have been identified for the purposes of this classification, in accordance with the definition contained in the ICAC Resolution approving standards for the recognition, measurement and disclosure of environmental issues in Financial Statements.

In order to achieve Sustainable Development, the Company has established programmes for the continuous improvement of its production processes, the reduction of effluents, the elimination of discharges and the management of waste. In order to achieve this objective, the Company has implemented and maintains an Environmental Management System, a tool that makes it possible the above-mentioned commitments to legal compliance and continuous improvement to be materialised. Investments in the environment reflect the commitment acquired through the environmental objectives.

The main environmental assets that the Company has recorded under the heading of Technical installations are: sulphur recovery plants, amine and acid water treatment plants, liquid effluent treatment plants (physico-chemical and biological) and technical improvements made to production plant equipment to achieve greater energy efficiency and reduce CO₂ and NO_x emissions.

Management does not anticipate any contingencies arising from as a result of its actions in this area. However, it has taken out insurance policies to cover the risks that may arise from its activities, except for soil contamination, which is the only contingency not covered by the insurance policies. the Company has therefore made a provision totalling EUR 52,170 thousand and EUR 52,251 thousand as 31 December 2024 and 2023, respectively (see **Note 13.B**).

20. Other disclosures

20.1. Personnel

The average number of employees in 2024 and 2023, by category, was as follows:

Average staff	Number of persons	
	2024	2023
Directors	1	1
Senior Management	11	11
Management	73	71
Technical personnel and other managers	1,806	1,671
Specialists/Assistants	898	908
Total	2,789	2,662

The headcount as of 31 December 2024, by category and gender, was as follows:

Categories	Number of persons	
	Men	Women
Directors	1	—
Senior Management	7	4
Management	49	23
Technical personnel and other managers	1,316	537
Specialists/Assistants	763	130
Total	2,136	694

The average number of employees as of 31 December 2024 and 2023 of people with a disability higher than or equal to 33%, by category, is the following:

Categories	Number of persons	
	2024	2023
Technical personnel and other managers	15	13
Specialists/Assistants	8	6
Total	23	19

20.2. Audit Fees

During 2024 and 2023, the valuation of the audit and other services provided by the Company's auditor or a company related to the auditor by control, common ownership or management was as follows:

Other Information - Audit Fees	€ Thousands	
	2024	2023
Audits of accounts	611	521
Other verification services	346	276
Other services	191	357
Total	1,148	1,154

20.3. Off-balance sheet agreements

Guarantees issued to third parties and other contingent liabilities

At 31 December 2024 and 2023, the Company, as parent Company of the group, had provided guarantees to various entities mainly to secure financing for Group companies in connection with supply contracts. The breakdown of these guarantees is as follows:

	€ Thousands	
Endorsements	2024	2023
Bank guarantees to public authorities as a result of Company's business activities	338,531	333,816
As a result of financial transactions of Group subsidiaries	2,767,148	2,600,371
Other guarantees	395,824	292,069
Total	3,501,503	3,226,256

As regards 2024:

- Bank guarantees includes EUR 441 thousand related to subsidized loans granted to Public Entities, which are already included in the liabilities side of the Company's Balance Sheet.
- Financial transactions of Group subsidiaries. Of these operations, EUR 2,242,851 thousand already included in the liabilities side of the Balance Sheet of the Group's subsidiaries.
- Other guarantees include letters of credit for EUR 187,486 thousand, guarantees to other entities for EUR 208,325 thousand and guarantees in foreign currencies.

the Company management does not believe that any unforeseen liabilities potentially arising from the guarantees provided at 31 December 2024 would have a material effect.

Non-current firm commitments of the Company at year-end 2024 and 2023 are as follows:

Purchase commitments - Medgaz							€ Thousands
2024	2025	2026	2027	2028	2029	Rest	Total
Gas Transportation	51,209	52,233	53,278	54,344	55,431	70,759	337,254

							€ Thousands
2023	2024	2025	2026	2027	2028	Rest	Total
Gas Transportation	50,205	51,209	52,233	53,278	54,344	126,190	387,459

The Company has purchase commitments for natural gas with “Sonatrach” which have been assigned in full to “Cepsa Gas Comercializadora, S.A.”. It should be noted that the contract provides for the possibility for the parties to review the applicable price, which is binding if either party so requests.

21. Greenhouse gas emission allowances

In order to comply with the recent EU commitments to reduce greenhouse gas emissions by 55% by 2030 compared to 1990 levels, as reflected in the European Climate Law of 30 June 2021, several EU and national regulations have been issued for the new 2021-2030 compliance period, such as Law 9/2020 and Royal Decree 1089/2020. The preliminary free allocation rights were published by the government in July 2021.

The allowances assigned to the Company were as follows:

Rights assigned - CO2				Thousands of MT
	2021	2022	2023	2024
Assigned allowance	2,860	2,514	2,514	2,513

The free allocation of allowances in each year is valued at the market price at the time of the allocation, which is €73.17/Mt in 2024, and €83.30/Mt in 2023.

At year-end 2024, the market price of emission allowances was €71.48/MT for EUA'S allowances.

The changes in 2024 and 2023 were as follows:

Rights assigned - Movements

€ Thousands

	Greenhouse gas emission allowances (Thousands of MT)	Inventories (Note 11)	Grants (Note 12.6)	Provisions for current contingencies (Note 13)
Balance at 31.12.2023	2,674	202,694	3,899	199,007
Assignments without consideration	2,513	183,909	183,909	—
Additions/period provisions	144	12,517	—	172,689
Disposals	(2,609)	(199,185)	(160,089)	(199,185)
Sales / disposals	(850)	(51,091)	—	—
Unreversed impairment loss	—	(35,885)	(27,719)	(5,436)
Balance at 31.12.2024	1,872	112,959	—	167,075

Rights assigned - Movements

€ Thousands

	Greenhouse gas emission allowances (Thousands of MT)	Inventories (Note 11)	Grants (Note 12.6)	Provisions for current contingencies (Note 13)
Balance at 12.31.2022	2,949	189,763	—	197,183
Assignments without consideration	2,514	209,395	209,395	—
Additions/period provisions	260	21,763	—	215,461
Disposals	(3,030)	(201,681)	(202,244)	(201,681)
Sales / disposals	(19)	(1,338)	—	—
Unreversed impairment loss	—	(15,208)	(3,252)	(11,956)
Balance at 12.31.2023	2,674	202,694	3,899	199,007

The value of CO₂ emission allowances allocated free of charge under the Emissions Trading Scheme recorded in the year 2024 amounts to EUR 183,909 thousand, equivalent to 2,513 thousand tonnes. In addition, allowances have been bought and sold.

Additions reflected in the table of changes in 2024 include compliance deliveries, as well as purchases of allowances to "Cepsa Gas y Electricidad, S.A.U."

Disposals in the 2024 changes table include the delivery of CO₂ allowances (see **Note 11**).

The value of the emissions made is recorded in the Income Statement under the heading **Other operating expenses**, while the corresponding provision is recognised as an offsetting entry under the heading Short-term provision to cover the delivery of the emission allowances to the Administration for each financial year. The estimated emissions in 2024 and 2023 are 2,700 thousand ton with a value of EUR 167,253 thousand and 2,647 thousand ton with a value of EUR 211,056 thousand, respectively.

The application of the grant for the allowances allocated free of charge, which is included in Grants, donations and bequests received (see **Note 12.6**), results in the Allocation of non-financial fixed asset and other grants in the Income Statement, according to the rate of emissions.

During 2025 the allowances corresponding to the emissions made in 2024 will be surrendered to the European Union and the amount corresponding to these allowances will be derecognised from inventories and the short-term provision.

Management does not expect any contingencies to arise from its actions in this area.

22. Corporate risks management policy

22.1. Main risks associated with the Company's activity

The Company operates in an environment characterised by a number of external factors, changes in which could affect the manner in which operations are conducted and the results obtained.

Specifically, the Company is exposed to the following risks deriving from the use of financial instruments:

- Credit risk
- Liquidity risk
- Market risk

This note provides information on the Company's exposure to each of these risks, the objectives, policies and processes for measuring and managing risk, and the management of capital. Additional quantitative disclosures are provided below.

22.2. Risk management model

The Board of Directors, through the Audit, Compliance, Ethics, and Risks Committee, and other specialised committees, together with the heads of the relevant business units, regularly oversees and monitors the risks and, where appropriate, adjusts the risk profile to prevailing circumstances.

CREDIT RISK

Credit risk is generally defined as the risk of financial loss to which the Company is exposed when it grants commercial or financial credit to a third party and the third party fails to meet its obligations, typically due to liquidity or solvency problems. The Group is exposed to credit risk in its trading and financing activities, including deposits with banks and financial institutions, foreign currency transactions and the trading in financial instruments.

Trade payables: The Group has no significant concentration of credit risk on trade payables as they are spread over a large number of customers and other counterparties. A significant portion of these balances arise from oil product logistics exchanges and trading activities, which are well collateralised and represent very significant amounts.

In order to manage this risk, the Group has IT systems for the comprehensive and automated processing of both external and internal data. This information, together with the application of scoring models and the assessment of risk analysts, is used to classify counterparties according to their credit risk and to establish a credit limit for each of them. In certain cases, either due to accumulation or non-acceptance of risk, the Group transfers the risk of non-payment by certain counterparties to third parties by arranging bank guarantees or credit insurance policies.

The Group also has a number of internal policies and procedures, which are regularly updated, governing the management of credit risk globally and for each business. These rules cover, among other things, the setting of credit limits, the monitoring and control of these limits, the determination of the most appropriate collection instruments, the guarantees to be requested in the event of excessive or unacceptable risk, the measures to be taken in the event of non-payment in order to recover amounts due, etc.

On the basis of the parameters relating to the creditworthiness of customers and their payment behaviour included in the credit analysis system, the customer portfolio can be classified as follows:

- High quality: Preferred customers, customers with excellent rating and financial capacity, customers with prepayment or secured payment terms.
- Medium quality: Medium-sized customers with a good reputation and financial capacity, but with history of slow payment.
- Low quality: New customers with no credit history, customers with a history of late payment and weak financial capacity.

The breakdown of this analysis for the years 2024 and 2023, is as follows:

Credit quality

2024	Notes	High quality	Medium quality	Low quality	Total
Trade receivables for sales and services and Other debtor		787,674	62,778	586	851,038
Trade receivables, group companies	18	1,500,425	—	—	1,500,425
Personnel		2,559	—	—	2,559
Cash and cash equivalents		1,377,812	—	—	1,377,812
Total		3,668,470	62,778	586	3,731,834

Credit quality

2023	Notes	High quality	Medium quality	Low quality	Total
Trade receivables for sales and services and Other debtor		931,541	91,217	1,901	1,024,659
Trade receivables, group companies	18	1,527,866	—	—	1,527,866
Personnel		2,251	—	—	2,251
Cash and cash equivalents		304,296	—	—	304,296
Total		2,765,954	91,217	1,901	2,859,072

In addition, trade receivables are monitored on an ageing basis which helps to mitigate the risk of bad debts. The maturities of unimpaired trade and other receivables for the financial years 2024 and 2023 are as follows:

	€ Thousands	
Debt - Maturities	2024	2023
Not past due	839,876	993,785
0-30 days past due	3,013	24,052
31-90 days past due	6,753	4,880
91-180 days past due	3,009	2,535
More than 180 days past due	946	1,658
Total	853,597	1,026,910

In addition, credit insurance is in place to cover the risk of non-payment of part of the overdue debt for which no provision has been made. Guarantees are also in place to cover another part of the overdue debt.

In order to mitigate the credit risk arising from treasury and financial debt positions, the Company only works with highly solvent financial institutions of recognised prestige at national and international standing. In this respect, the counterparty risk and the contracting of investments and financial instruments are analysed.

LIQUIDITY RISK

Liquidity risk relates to the Company's ability to meet all of its current and foreseeable obligations, to refinance its credit operations and obtain new financing at reasonable market rates in order to meet the financial needs required for the proper conduct of its business.

The Company monitors its financial position on an ongoing basis by preparing short-term cash forecasts and long-term financial planning, which is included in both the budget and the strategic plan.

In this context, the Company pursues a conservative financial policy whereby it maintains available amounts in cash and other liquid instruments, as well as undrawn committed credit lines, sufficient to cover debt maturities for a period of more than 4 years without the need to access the markets for new financing or refinancing of existing lines.

The Company periodically assesses the concentration of risk associated with the refinancing of its debt on a recurring basis and has concluded that it is low.

The maturities of the existing financial liabilities at 31 December 2024 are analysed in the attached tables:

Liquidity risk

€ Thousands

2024	0 - 3 months	3 - 12 months	2 years	3 years	4 years	5 years	>5 years	Total
Debts								
Suppliers and Other payables	1,357,502	—	—	—	—	—	—	1,357,502
Suppliers, group companies and associates	1,236,967	—	—	—	—	—	—	1,236,967
Total debts	2,594,469	—	—	—	—	—	—	2,594,469
Borrowings								
In Currency US Dollar	—	32,284	128,540	140,090	32,284	93,147	144,383	570,728
In Currency Euro	39,400	26,087	26,906	78,321	201,464	360,969	673,818	1,406,965
Total borrowings	39,400	58,371	155,446	218,411	233,748	454,116	818,201	1,977,693
Derivative instruments liabilities								
Derivative instruments liabilities	23,379	19,750	71,344	—	49,047	—	10,634	174,154
Other liabilities								
Other financial liabilities	—	68,779	327,587	2,654	2,202	1,958	6,122	409,302
Public entities, payables	165,658	—	—	—	—	—	—	165,658
Payable to group companies and associates	1,720,609	347,443	496,377	—	395,370	—	743,948	3,703,747
Other payables	83,037	—	—	—	—	—	—	83,037
Total other liabilities	1,969,304	416,222	823,964	2,654	397,572	1,958	750,070	4,361,744
Total liquidity risk	4,626,552	494,343	1,050,754	221,065	680,367	456,074	1,578,905	9,108,060

MARKET RISK

This is the risk that the fair value of future cash flows from a financial instrument will fluctuate because of changes in market prices. The Company is exposed to various types of market risk (commodity price risk, foreign exchange risk, interest rate risk) that affect its financial results. The main market risks inherent in the oil sector arise from fluctuations in the price of crude oil and its derivatives, the refining margin and the exchange rate.

The Company monitors its exposure to market risk through ongoing sensitivity analysis. For each of the market risk factors listed below, a table shows the sensitivity of the Company's net income to the factors to which the financial instruments are exposed is shown.

The estimates made represent the impact of both favourable and unfavourable changes. The impact on profit or loss is estimated on the basis of the financial instruments held by the Company at the end of each year.

Financial instruments exposed to market risk include financial assets at fair value through profit or loss, available-for-sale financial assets, derivative financial instruments, short-term deposits, loans and other financial instruments.

Exchange rate risk

The risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in the exchange rates in which the Company operates. The Company's exposure to foreign exchange risk relates primarily to import and export activities (where revenues or expenses are denominated in a currency other than the Company's functional currency) and the translation of the financial statements of foreign subsidiaries.

The Company's earnings are exposed to fluctuations in the exchange rates of the currencies in which it operates. The foreign currency with the most significant exposure is the US dollar. The Company follows a hedging policy in order to minimise the impact on both results and equity.

As at 31 December 2024 and 2023, the Company's debt with credit institutions denominated in dollars, including euro debt swapped into dollars through cross currency swaps, amounted to the equivalent of EUR 2,590 million and EUR 2,432 million, respectively (see Note 14). Of the dollar-denominated debt and currency swaps, 32% is designated as hedge accounting, mainly fair value hedges (USD 816 million) (see **Note 10**).

The sensitivity of the financial instruments held by the Company to the foreign exchange risk resulting from the appreciation or depreciation of the euro against the US dollar, after taking into account the accounting hedges in place at year-end 2024 and 2023, is shown below:

	€ Thousands	
Effect of fluctuations in the euros against the U.S. dollar	2024	2023
Impact on profit or loss after taxes		
+0,05 USD/EUR	95.10	64.50
-0,05 USD/EUR	(80.13)	(70.62)

Commodity price risk

The Company's operations are exposed to the development of certain commodity prices quoted on international markets, including the price of oil and natural gas, the price of oil products, the price of the electricity pool, the price of emission rights, etc. The high degree of vertical integration, which has increased in recent years, enables the Company to mitigate the cyclical effects and their impact on results.

Oil price fluctuations also have an impact on the Refining and the Marketing businesses, unlike the impact on the Exploration and Production business, the magnitude of which depends, among many other factors, on the speed with which changes in commodity prices are passed on to the international and local markets for finished product.

Exposure to all these prices is monitored on an ongoing basis, and in certain cases, the Company enters into financial derivatives in order to reduce its exposure to price fluctuations. These derivatives therefore provide an economic hedge of earnings, although they are not always designated as hedges for accounting purposes (see **Note 10**).

Interest rate risk

The exposure to interest rate risk is mainly related to floating rate borrowings, mainly EU Euribor and USD Term Sofr. the Company's policy is to manage its debt portfolio with the objective of minimising the cost of debt.

In order to manage and mitigate this risk, the Company, where appropriate, obtains fixed rate financing or enters into interest rate hedges through financial derivatives (see **Note 10**).

The sensitivity analysis excludes all fixed rate financial instruments which are carried at amortised cost as well as those floating rate borrowings which, through derivative transactions, have an overall effect similar to the fixing of a fixed rate. Both currency and commodity price derivatives are not included in the sensitivity analysis below as they are not considered to be exposed to interest rate risk.

The following table shows the sensitivity of the Company's interest expense to reasonably possible changes in interest rates, assuming all other variables remain unchanged, for the financial years 2024 and 2023:

	€ Thousands	
	2024	2023
Interest rate variations effect	Income statement	
Impact on profit or loss after taxes		
+50 bps	(3.42)	3.27
-50 bps	3.42	(3.27)

ENVIRONMENTAL RISKS

The Group has a 'Health, Safety, Environment and Quality Policy' that aims to ensure the protection of the environment in the development of its activities. It covers aspects such as reducing of consumption and impact on the atmosphere, climate, marine environment, soil, groundwater, noise levels and biodiversity. It also serves as the basis for implementing the organisation's Environmental Management System in accordance with the main applicable standards.

The Group has an Environmental Management System, audited and reviewed annually by an independent third party. In addition, 92% of the production facilities are certified under various Environmental Management systems (ISO 14001, ISO 50001, EMAS, etc.). This ensures

compliance with applicable legislation and helps reduce the impact of activities, facilities, products and services in a transparent manner, in line with stakeholders expectations.

There are technical teams in each business unit that control and manage all environmental aspects related to it and ensure compliance with regulatory requirements and maximum reduction of impacts. Likewise, at corporate level, there is another technical team specializing in each of the environmental vectors that establishes the general policies, guidelines and procedures to be followed in the different business units.

The Company has technical teams in each business unit that control and manage all the environmental aspects related to it, ensuring compliance with legal requirements and the maximum reduction of impacts. Similarly, at corporate level, there is another technical team specialising in each of the environmental vectors to support the different business units.

the Company applies the precautionary principle, as set out in the Rio Declaration on the Environment in our activities through the following measures:

- Risk Identification, assessment and minimisation.
- Audit programmes.
- Environmental Impact Assessments (EIA).
- Due diligence in the procurement and acquisition processes of industrial equipment.
- Material Safety Data Sheets for all products.
- Impact management, such as in the marine environment, where the Company is very active in establishing plans, protocols and exercises aimed at preventing marine pollution.

22.3. Capital management

the Company's primary capital management objective is to maintain a sound capital structure.

This overall objective is pursued by controlling the level of indebtedness in order to be able to respond to possible changes in the economic and sectoral environment and, above all, to ensure the preparation of adequate financing to take on new profitable business opportunities that can act as new pillars of growth and create significant value.

The evolution of debt is measured by the ratio of the Company's net debt to its equity, as follows for 2024 and 2023:

€ Thousands			
Net debt	Notes	2024	2023
Non-current financial liabilities	14	1,879,922	1,204,532
Current liabilities	14	97,771	127,931
Gross debt		1,977,693	1,332,463
Cash and cash equivalents		(1,377,812)	(304,296)
Remunerated net debt		599,881	1,028,167
Net equity		2,419,120	2,541,106
Remunerated net debt / (Net equity+Remunerated net debt)		20%	29%

The Company regularly analyses this ratio with forward-looking estimates and regards it as a key factor in determining investment and dividend policy.

23. Events after the reporting period

At the date of issuing of these Consolidated Financial Statements, there have been no more significant subsequent events to be mentioned in this section.

Table I

Detail of significant direct holdings at 31 December 2024:

€ Thousand							
Name	Registered Office	Line of Business	Ownership %	Equity			
				Share Capital Subscribed	Share Capital Paid	Reserves + Net Profit/ Loss	Net Cost of holding
CEPSA BUSINESS SERVICES, S.A.	Paseo de la Castellana, 259 A. 28046 Madrid. España	Corporate services	100%	60,000	60,000	4,547,000	3,181
CEPSA FINANCE, S.A.U.	Paseo de la Castellana, 259 A. 28046 Madrid. España	Other business management consulting activities	100%	100	100	2,315	100
CEPSA INTERNATIONAL B.V.	Beurs - World Trade Centre - Office 668 Beursplein 37. 3011 AA Rotterdam. The Netherlands	Oil and gas trading	100%	3,138	3,138	26,817	36,634
CEPSA TREASURY, S.A.U.	Paseo de la Castellana, 259 A. 28046 Madrid. España	Financial Services	100%	60	60	107,550	100,060
CEPSA, S.A.	Paseo de la Castellana, 259 A. 28046 Madrid. España	Corporate services	100%	61	61	3,254	61
CEPSA (RHOURE EL ROUNI), S.L.U.	Paseo de la Castellana, 259 A. 28046 Madrid. España	Research and exploration	100%	100,791	100,791	100,542	36,007
CEPSA ALGERIE, S.L.	Paseo de la Castellana, 259 A. 28046 Madrid. España	Research and exploration	100%	37	37	609,658	308,420
CEPSA COLOMBIA, S.A.	Paseo de la Castellana, 259 A. 28046 Madrid. España	Research and exploration	100%	24,109	24,109	8,684	94,944
CEPSA E.P. MEXICO S. DE R.L. DE C.V.	Av.Paseo de la reforma, 295 Piso 8 Oficina A. 06500 Cuauhtemoc - Ciudad de Mexico. Mexico	Research and exploration	100%	12,485	12,485	(11,753)	754
CEPSA EP ABU DHABI, S.L.U.	Paseo de la Castellana, 259 A. 28046 Madrid. España	Research and exploration	100%	3	3	371,879	382,471
CEPSA EP ESPAÑA, S.L.U.	Paseo de la Castellana, 259 A. 28046 Madrid. España	Research and exploration	100%	100	100	(6,845)	—
CEPSA EXPLORACION Y PRODUCCION, S.L.U.	Paseo de la Castellana, 259 A. 28046 Madrid. España	Research and exploration	100%	3	3	7,787	7,790
CEPSA PERU, S.A.U.	Paseo de la Castellana, 259 A. 28046 Madrid. España	Research and exploration	100%	60	60	(17,185)	4
CEPSA SURINAME, S.L.U.	Paseo de la Castellana, 259 A. 28046 Madrid. España	Research and exploration	100%	23,706	23,706	3,347	33,019
COASTAL ENERGY COMPANY, S.L.U.	Paseo de la Castellana, 259 A. 28046 Madrid. España	Research and exploration	100%	37	37	(299,184)	16,285
NUCOASTAL (THAILAND) LIMITED	Unit nos 3901 - 3904, 39th. Floor, Exchange Tower, 388 Sukhumvit Rd. Klongtoey. - Bangkok. Thailand	Research and exploration	100%	1,730	1,730	(30,665)	(5,304)
CEPSA GAS COMERCIALIZADORA, S.A.	Paseo de la Castellana, 259 A. 28046 Madrid. España	Gas distribution	70%	3,060	3,060	69,104	24,941
CEPSA GAS Y ELECTRICIDAD, S.A.U.	Paseo de la Castellana, 259 A. 28046 Madrid. España	Electricity distribution	100%	12,330	12,330	28,771	124,887
CEPSA SUSTAINABLE FUELS, S.L.U.	Paseo de la Castellana, 259 A. 28046 Madrid. España	Energy transition and decarbonization	100%	10	10	(6)	10

€ Thousand

Name	Registered Office	Line of Business	Equity				
			Ownership %	Share Capital Subscribed	Share Capital Paid	Reserves + Net Profit/ Loss	Net Cost of holding
CHANTEIRO RENOVABLES, S.L.U.	Paseo de la Castellana, 259 A. 28046 Madrid. España	Renewables power generation	100%	500	500	3,461	3,997
GENERACION CARTEIA, S.L.U.	Paseo de la Castellana, 259 A. 28046 Madrid. España	Electric energy production	100%	3	3	115,641	91,052
MITRA ALFA, S.L.U.	Paseo de la Castellana, 259 A. 28046 Madrid. España	Renewable power generation	100%	500	500	11,041	11,622
MITRA BETA, S.L.U.	Paseo de la Castellana, 259 A. 28046 Madrid. España	Renewable power generation	100%	500	500	7,551	8,051
MITRA DELTA, S.L.U.	Paseo de la Castellana, 259 A. 28046 Madrid. España	Renewable power generation	100%	500	500	12,119	12,697
MITRA EPSILON, S.L.U.	Paseo de la Castellana, 259 A. 28046 Madrid. España	Renewable power generation	100%	500	500	2,438	2,937
MITRA GAMMA, S.L.U.	Paseo de la Castellana, 259 A. 28046 Madrid. España	Renewable power generation	100%	500	500	11,248	11,748
MITRA IOTA, S.L.U.	Paseo de la Castellana, 259 A. 28046 Madrid. España	Renewable power generation	100%	500	500	6,965	7,497
MITRA LAMBDA, S.L.U.	Paseo de la Castellana, 259 A. 28046 Madrid. España	Renewable power generation	100%	500	500	3,058	3,597
MITRA MEDULAS, S.L.U.	Paseo de la Castellana, 259 A. 28046 Madrid. España	Renewable power generation	100%	500	500	2,850	3,397
MITRA NU, S.L.U.	Paseo de la Castellana, 259 A. 28046 Madrid. España	Renewable power generation	100%	500	500	11,248	9,697
MITRA OMEGA, S.L.U.	Paseo de la Castellana, 259 A. 28046 Madrid. España	Renewable power generation	100%	500	500	554	997
MITRA OMICRON, S.L.U.	Paseo de la Castellana, 259 A. 28046 Madrid. España	Renewable power generation	100%	500	500	4,142	4,697
MITRA PI, S.L.U.	Paseo de la Castellana, 259 A. 28046 Madrid. España	Renewable power generation	100%	500	500	4,832	5,397
MITRA RO, S.L.U.	Paseo de la Castellana, 259 A. 28046 Madrid. España	Renewable power generation	100%	500	500	563	997
MITRA SIGMA, S.L.U.	Paseo de la Castellana, 259 A. 28046 Madrid. España	Renewable power generation	100%	500	500	3,775	4,297
MITRA TAU, S.L.U.	Paseo de la Castellana, 259 A. 28046 Madrid. España	Renewable power generation	100%	500	500	565	997
REDES RENOVABLES, S.L.U.	Paseo de la Castellana, 259 A. 28046 Madrid. España	Renewable power generation	100%	500	500	3,875	4,397
SERVICIOS ENERGETICOS DE ALTA EFICIENCIA, S.A.U.	Paseo de la Castellana, 259 A. 28046 Madrid. España	Electricity distribution	100%	100	100	5,828	5,422
SESELLE RENOVABLES, S.L.U.	Paseo de la Castellana, 259 A. 28046 Madrid. España	Renewable power generation	100%	500	500	7,768	8,297
CEPSA QUÍMICA, S.A.	Plaza Pablo Ruiz Picasso, nº 1 planta 30 (Torre Picasso). 28020 Madrid. España	Production and sale of petrochemicals	100%	60	60	777,715	554,984

€ Thousand

Name	Registered Office	Line of Business	Ownership %	Equity			
				Share Capital Subscribed	Share Capital Paid	Reserves + Net Profit/ Loss	Net Cost of holding
ATLAS, S.A. COMBUSTIBLES Y LUBRIFICANTES	C/ Playa Benítez, s/n. 51004 Ceuta. España	Oil and gas trading	100%	3,930	3,930	(1,128)	2,802
Ballenoil, S.A.	Calle de Valgrande 30. 28108 Madrid. España	Petrol station administration	100%	12,931	12,931	5,896	130,100
C.M.D. AEROPUERTOS CANARIOS, S.L.	Polígono Industrial Valle de Güimar Manzana XIV, parcelas 17 y 18. 38509 Güimar - Santa Cruz de Tenerife. España	Jet fuel distribution	60%	21,576	21,576	11,706	12,946
CEPSA AVIACIÓN, S.A.	ES. Comb. Aviac. Camino de San Lázaro, s/n Zona ind. Aeropuerto Tenerife Norte Los Rodeos. 38206 San Cristobal de la Laguna - Santa Cruz de Tenerife. España	Jet fuel distribution	100%	954	954	18,741	5,791
CEPSA BIOENERGIA SAN ROQUE, S.L.U.	Paseo de la Castellana, 259 A. 28046 Madrid. España	Oil and gas trading	100%	3,003	3,003	158,540	98,422
CEPSA COMERCIAL PETRÓLEO, S.A.U.	Paseo de la Castellana, 259 A. 28046 Madrid. España	Oil and gas trading	100%	82,043	82,043	813,290	821,203
CEPSA MARINE FUELS, DMCC	Office 3201 / 32nd floor Platinum Tower Juemeirah Lake Tower. - Dubai. EAU	Commercialization of oil products (outside EAU)	100%	406	406	1,960	139
CEPSA PETRONUBA, S.A.U.	Refinería "La Rábida" Polígono Nuevo Puerto.. 21810 Palos de la Frontera. HUELVA. España	Bunkering services	100%	60	60	3,045	60
CEPSA PORTUGUESA DE PETROLEOS, LDA.	Avda. Columbano Bordalo Pinheiro, 108-3º B. 1070-067 Lisboa. Portugal	Oil and gas trading	100%	30,000	30,000	46,439	65,592
CEPSA TRADING AMERICAS, INC	206 E. 9th Street, suite 1300 Cape May. 78701 Austin Texas. USA	Oil and gas trading	100%	8	8	(405)	13
CEPSA TRADING ASIA, PTE LTD	6 Temasek Boulevard 38-01 Suntec Tower Four. 038986 -. Singapore	Oil and gas trading	100%	461	461	3,539	461
CEPSA TRADING, S.A.U.	Paseo de la Castellana, 259 A. 28046 Madrid. España	Oil and gas trading	100%	60	60	5,037	761
PETRÓLEOS DE CANARIAS, S.A. (PETROCAN)	Explanada de Tomás Quevedo, s/n. 35008 Las Palmas de Gran Canarias (GRAN CANARIA). España	Bunkering services	100%	120	120	66,443	40,721
PROPEL-PRODUTOS DE PETROLEO, L.D.A.	Avda. Columbano Bordalo Pinheiro, 108-3º B. 1070-067 LISBOA. Portugal	Supply point management services	90%	224	224	3,392	1,245
SPANISH INTOPLANE SERVICES, S.L.U.	Paseo de la Castellana, 259 A. 28046 Madrid. España	Oil and gas trading	100%	1,000	1,000	533	1,941

Table II

Detail of significant indirect holdings at 31 December 2024:

Name	Registered Office	Line of Business	Ownership	€ Thousand		
				Equity	Share Capital Paid	Reserves + Net Profit
				Share Capital Subscribed		
ATLAS NORD HYDROCARBURES, S.A.S. (ANH)	4, Rue Blida. - Casablanca. Maroc	Petrol station administration	Indirect	26,597	26,597	2,452
BIO WASTE TRADING, S.L.U.	Calle Monte Esquinza 30, 3º D. 28010 Madrid. España	Energy exploitation	Indirect	100	100	5,824
BIO-OILS HUELVA, S.L.U.	Calle Gobernador ángel Horcadas s/n PI Nuevo Puerto. 21810 Palos de la Frontera - Huelva. España	Oil and Petrochemical Products	Indirect	3	3	155,586
BITULIFE, S.A.	105, Rue Amir Abdelkader. - Casablanca. Morocco	Sales of asphalts	Indirect	1,603	1,603	9,547
CCP Hydrocarbures, S.A.R.L.	46, Boulevard Zerktouni, 3 étage Appto nº 6. - Casablanca - Maroc. Morocco	Shareholder	Indirect	41,618	41,618	9,204
CEDIPSA, CIA. ESPAÑOLA DISTRIBUIDORA DE PETROLEOS, S.A.	Paseo de la Castellana, 259 A. 28046 Madrid. España	Sales in service station	Indirect	8,114	8,114	2,087
CEPSA CARD, S.A.U.	Paseo de la Castellana, 259 A. 28046 Madrid. España	Group Cards management	Indirect	60	60	3,860
CEPSA CHEMICAL (SHANGHAI), CO., LTD	Nº 159 Pu Gong Rd., Shanghai Chemical Industrial Park. - Shanghai. China	Manufacturing, Commercialization of phenol, acetone and related products	Indirect	241,637	241,637	(131,458)
CEPSA CHEMICAL PRODUCTS (SHANGHAI), LTD	K8 Room 308, 3F Lane 16299 Pu Wei Rd. Shanyang Town. - Jinshan District Shanghai. China	Manufacturing, Commercialization of phenol, acetone and related products	Indirect	26,176	26,176	(9,968)
CEPSA CHIMIE BÉCANCOUR, INC.	5250 Rue Marie-Louise Levasseur. G9H 3X3 Bécancour. QUEBEC. Canada	Manufacturing, Commercialization of petrochemical products	Indirect	1,152	1,152	73,639
CEPSA GIBRALTAR, LTD.	Europort Building 7 2nd Floor. (P.O. Box 51). - ., Gibraltar	Oil and gas trading	Indirect	71	71	22,743
CEPSA ITALIA, S.p.A.	Viale Milanofiori Palazzo A/6. 20090 Assago- MILAN. Italia	Commercialization of petrochemical products	Indirect	6,000	6,000	5,552
CEPSA QUÍMICA CHINA, S.A.	Plaza Pablo Ruiz Picasso, nº 1 planta 30 (Torre Picasso). 28020 Madrid. España	Shareholder	Indirect	12,830	12,830	87,999
CEPSA QUÍMICA NETHERLANDS, B.V.	Beurs - World Trade Centre - Office 668 Beursplein 37. 3011-AA Rotterdam. The Netherlands	Production and sale of petrochemicals	Indirect	80	80	223
CEPSA UK, LTD.	Audrey House 16 - 20 Ely Place. EC1N 6SN London. United Kingdom	Commercialization of petrochemicals	Indirect	3,337	3,337	11,224
CS CHEM LIMITED	69 Old Broad Street. EC2M 1QS London. United Kingdom	Production and sale of Lab-Las	Indirect	1	1	89,398
DETEN QUIMICA, S.A.	Rua Hidrogenio 1744 Complejo Industrial. 42810-010 Camaçari Bahía. Brazil	Manufacturing, Commercialization of petrochemical products	Indirect	61,333	61,333	167,264

Name	Registered Office	Line of Business	Ownership	€ Thousand		
				Equity		
				Share Capital Subscribed	Share Capital Paid	Reserves + Net Profit
DETISA COMERCIAL PETRÓLEO, S.A. DE C.V.	Paseo de la Reforma, 295 Piso 8 Oficina A Colonia Cuauhtemoc. - Ciudad de México. Mexico	Petrol station administration	Indirect	7,734	3,558	(7,179)
GENERACIÓN ELÉCTRICA PENINSULAR, S.A.	Paseo de la Castellana, 259 A. 28046 Madrid. España	Cogeneration	Indirect	32,000	32,000	47,904
NEXT CHEMICALS IPA, S.L.	Plaza Pablo Ruiz Picasso, nº 1 planta 30 (Torre Picasso). 28020 Madrid. España	Production and sale of petrochemicals	Indirect	3	3	3,346
NUCOASTAL (THAILAND) LIMITED	Unit nos 3901 - 3904, 39th. Floor, Exchange Tower, 388 Sukhumvit Rd. Klongtoey. - Bangkok. Tailandia	Research and exploration	Indirect	1,730	1,730	(30,665)
PROPEL-PRODUTOS DE PETROLEO, L.D.A.	Avda. Columbano Bordalo Pinheiro, 108-3º B. 1070-067 LISBOA. Portugal	Supply point management services	Indirect	224	224	3,392
RED ESPAÑOLA DE SERVICIOS, S.A.U. (RESSA)	Paseo de la Castellana, 259 A. 28046 Madrid. España	Group Card management	Indirect	300	300	39,573
SIL CHEMICALS, LTD	161 A, Raufu Taylor Close Victoria Island. - Lagos. Nigeria	Production and sale of Lab-Las	Indirect	1,752	1,752	95,564
SINARMAS CEPSA PTE, LTD	108 Pasir Panjang Road - Golden Agri Plaza. 118535 Singapore. -	Sulphonation and sulfation of LAB and fatty alcohols.	Indirect	294,813	294,813	25,606
Société de Recherches et d'Exploitations Industrielles, SOREXI, S.A.	105, Rue Amir Abdelkader. - Casablanca. Morocco	Oil and gas trading	Indirect	1,171	1,171	20,891
SURESA RETAMA, S.L.U.	Paseo de la Castellana, 259 A. 28046 Madrid. España	Wind generation	Indirect	605	605	12,386
TEIDE RE, S.A.	74, Rue de Merl. L - 2146 Luxemburgo. Luxemburgo	Reinsurance Operations	Indirect	2,725	2,725	67,246
Alaquas Autolavado La Ballena S.L.	C/ Cuenca, 65 46970 Alaquas (Valencia)	Sales in service station	Indirect	300	300	(243)
Albal Autolavado La Ballena S.L.	Sect Ue 3 0 - 2 a3 Suelo 46470 Albal (Valencia)	Sales in service station	Indirect	250	250	(437)
Albasanz Autolavado La Ballena S.L.	C/ Albasanz, 69 28037 Madrid	Sales in service station	Indirect	280	280	653
Alcalá Autolavado La Ballena S.L.	Avda. Daganzo, 5 28806 Alcalá de Henares (Madrid)	Sales in service station	Indirect	200	200	81
Alcasser Autolavado La Ballena S.L.	Calle Carrell Delsifuster 8 46290 Alcasser (Valencia)	Sales in service station	Indirect	303	303	85
Alcorcón Autolavado La Ballena S.L.	C/ Laguna 88 28923 Alcorcón (Madrid)	Sales in service station	Indirect	170	170	74
Aldaia Autolavado La Ballena S.L.	Avda Miguel Hernández, 35 46960 Aldaia (Vizcaya)	Sales in service station	Indirect	300	300	(42)
Algeciras Autolavado La Ballena S.L.	C/ Solar Pp Menacha Ejecutado 3 Manzana 9 - PC 9 11205 Algeciras (Cádiz)	Sales in service station	Indirect	325	325	33
Alicante Autolavado La Ballena S.L.	Carretera Ocaña, 18 03006 Alicante	Sales in service station	Indirect	200	200	(249)
Arahal Autolavado La Ballena S.L.	Avda. Virgen de Montemayor, 15 41600 Arahal (Sevilla)	Sales in service station	Indirect	400	400	35
Asociados Inversores de Centros de Lavado S.L.	Calle Provenza 175 P. 1 Pta 2 08036 Barcelona	Sales in service station	Indirect	15	15	193
Ávila Autolavado La Ballena S.L.	C/ de los Hornos Caleros s/n 05001 Ávila	Sales in service station	Indirect	602	602	(244)
Avilés Autolavado La Ballena S.L.	C/ Estibadores, 1 Esquina CI Calafate 33490 Aviles (Asturias)	Sales in service station	Indirect	668	668	137
Azuqueca Autolavado La Ballena S.L.	Avda. del Sur, 3 19200 Azuqueca de Henares (Guadalajara)	Sales in service station	Indirect	60	60	156
Ballena Park Autolavado S.L.	C/ Joaquín Molins 5 7 P 6 08028 Barcelona	Sales in service station	Indirect	375	375	97
Unidad de Sunistro El Puerto S.L.	Carretera Madrid - Cádiz 11500 Cádiz	Sales in service station	Indirect	3	3	(110)
Ballenoil Corporation S.L.	C/ Valgrande, 30 28108 Arroyo de la Vega - Alcobendas (Madrid)	Sales in service station	Indirect	2,312	2,312	2,120

Name	Registered Office	Line of Business	Ownership	€ Thousand		
				Equity		
				Share Capital Subscribed	Share Capital Paid	Reserves + Net Profit
Ballenoil Desarrollo Global S.L.U.	C/ Valgrande, 30 28108 Arroyo de la Vega - Alcobendas (Madrid)	Sales in service station	Indirect	257	257	722
Ballenzero S.L.	C/ Valgrande, 30 28108 Arroyo de la Vega - Alcobendas (Madrid)	Sales in service station	Indirect	3	3	62
Balmac Innova S.L.	Calle Provenza 175 P. 1 Pta 2 08036 Barcelona	Sales in service station	Indirect	3	3	(3)
Barajas Oil Estaciones de Servicio S.L.	Glorieta Puerto de los Carros, 5 28042 Madrid	Sales in service station	Indirect	3	3	894
Barbera Autolavado La Ballena S.L.	Calle Industria, 38 08210 Barberá del Vallés (Barcelona)	Sales in service station	Indirect	117	117	436
Burgos Autolavado La Ballena S.L.	C/ Juan Ramón Jiménez, s/n - Pol Ind. Pentasa III 09007 Burgos	Sales in service station	Indirect	500	500	(159)
Cabanillas Autolavado La Ballena S.L.	C/ Comercio, 2 19171 Cabanillas del Campo (Guadalajara)	Sales in service station	Indirect	3	3	10
Camargo Autolavado La Ballena S.L.	C/ Gutierrez Solana, 24 - 26 39609 Camargo (Cantabria)	Sales in service station	Indirect	630	630	(138)
Carcaixent Autolavado La Ballena S.L.	Carrer de Víctor Oroval I Tomás, 46740 Carcaixent (Valencia)	Sales in service station	Indirect	300	300	(219)
Cártama Autolavado La Ballena S.L.	C/ Sect 9 UR 21 Parcela 29570 Cartama (Málaga)	Sales in service station	Indirect	280	280	350
Chiclana La Ballena S.L.	C/ Ioselectricistas 1A - Esquina con Avda Rey 11130 Chiclana de la Frontera (Cádiz)	Sales in service station	Indirect	160	160	40
Coin Autolavado La Ballena S.L.	Avda. Reina Sofía Cruz de Río Cuevas, s/n 29100 Coin (Málaga)	Sales in service station	Indirect	400	400	201
Comercialización Aplicaciones Móviles S.L.	Calle Mina 2 2, 41701 Dos Hermanas (Sevilla)	Sales in service station	Indirect	3	3	14
Cornellá Autolavado La Ballena S.L.	Carretera Hospitalet, 33 08940 Cornellà de Llobregat (Barcelona)	Sales in service station	Indirect	225	225	(9)
Coslada Autolavado La Ballena S.L.	Avda. Del Jarama 17, 28821 Coslada (Madrid)	Sales in service station	Indirect	200	200	319
Daganzo Autolavado La Ballena S.L.	C/ Franklin, 1 28814 Daganzo de Arriba (Madrid)	Sales in service station	Indirect	60	60	156
Distribución Mayor de Combustibles S.L.	Avda Constitución 85 08860 Castelldefels (Barcelona)	Sales in service station	Indirect	3	3	140
Dos Hermanas Autolavado La Ballena S.L.	Calle Arena, 41703 Dos Hermanas (Sevilla)	Sales in service station	Indirect	278	278	130
El Cano Autolavado La Ballena S.L.	Avda del Tranvía 4e Plind Ampliac 28928 Alcorcón (Madrid)	Sales in service station	Indirect	393	393	137
El Pozo Autolavado Ballena S.L. (Vallecas II)	C/ Pozo Tío Raimundo 6 7 28031 Madrid	Sales in service station	Indirect	3	3	142
El Viso Autolavado La Ballena S.L.	Avda. del Comercio, 77 41520 El Viso de Alcor (Sevilla)	Sales in service station	Indirect	264	264	(40)
Estepona Autolavado La Ballena S.L.	Arroyo de En medio 29680 Estepona (Málaga)	Sales in service station	Indirect	429	429	369
Fuenlabrada Autolavado La Ballena S.L.	Calle Aneto, 1 28944 Fuenlabrada (Madrid)	Sales in service station	Indirect	600	600	(243)
Gandía Autolavado La Ballena S.L.	C/ Camí Vell Dedaimus 1 46701 Gandía (Valencia)	Sales in service station	Indirect	380	380	(28)
Griñón Autolavado La Ballena S.L.	Avda de Humanes, 176 28971 Griñón (Madrid)	Sales in service station	Indirect	280	280	160
Grupo Ballen Zero Primero S.L.	C/ Valgrande, 30 28108 Arroyo de la Vega - Alcobendas (Madrid)	Sales in service station	Indirect	1,215	1,215	5,511
Guadaira Autolavado La Ballena S.L.	Carretera A-92, 59 41500 Alcalá de Guadaira (Sevilla)	Sales in service station	Indirect	60	60	(64)
Guadalajara Autolavado La Ballena S.L.	C/ Trafalgar, 74 19004 Guadalajara	Sales in service station	Indirect	200	200	370
Horno de Mieras 24 S.L.	Calle Peral (San Pedro Alcántara), 19 29670 Marbella (Málaga)	Sales in service station	Indirect	709	709	(27)

Name	Registered Office	Line of Business	Ownership	€ Thousand		
				Equity		
				Share Capital Subscribed	Share Capital Paid	Reserves + Net Profit
Hospitalet Autolavado La Ballena S.L.	C/ Miguel Hernandez 116 Esq. C De Les Ciencies 08908 Hospitalet de Llobregat (Barcelona)	Sales in service station	Indirect	150	150	(87)
Humanes Autolavado La Ballena S.L.	Avda. de Fuenlabrada, 6 28970 Humanes (Madrid)	Sales in service station	Indirect	450	450	(244)
Illescas Autolavado La Ballena S.L.	C/ Tilo 54 45200 Illescas (Toledo)	Sales in service station	Indirect	226	226	125
Jerez Unidad de Suministro de Combustibles S.L.	Avda. de Europa, s/n 11405 Jerez de la Frontera (Cádiz)	Sales in service station	Indirect	3	3	(119)
La Ballena Asunción S.L.	C/ Ciutat D'asuncio, 12B 08030 Barcelona	Sales in service station	Indirect	346	346	(373)
La Ballena Fuenlabrada S.L.	C/ Aneto, Esquina Calle La Casilla, Parcela 11 28944 Fuenlabrada (Madrid)	Sales in service station	Indirect	466	466	(414)
La Ballena Sanse S.L.	Avda. Tenerife, 10 28703 San Sebastián de los Reyes (Madrid)	Sales in service station	Indirect	600	600	408
La Ballena Villaverde S.L.	Avda Real de Pinto, 110 Bajo 28021 Madrid	Sales in service station	Indirect	397	397	(173)
La Lastrilla Autolavado La Ballena S.L.	Travesía Carretera Soria, Par 5 Sector 16 40196 La Lastrilla (Segovia)	Sales in service station	Indirect	575	575	58
Los Palacios Autolavado La Ballena S.L.	C/ Progreso, 1 41720 Los Palacios y Villafranca (Sevilla)	Sales in service station	Indirect	3	3	191
Majadahonda Autolavado La Ballena S.L.	C/ Cereza, Esquina Calle Manzano Pol Industrial 28222 Mahadahonda (Madrid)	Sales in service station	Indirect	3	3	569
Massanassa Autolavado La Ballena S.L.	Calle Poliesportiu 5 46470 Massanassa (Valencia)	Sales in service station	Indirect	385	385	(1)
Mataro Autolavado La Ballena S.L.	Cm Sant Crist 34, Esquina Cde Carrasco I Formiguera 08302 Mataró (Barcelona)	Sales in service station	Indirect	40	40	118
MDI Inversiones Aplicaciones Y Desarrollo S.L.	Avda Catalunya 12 08302 Cerdanyola Del Valles (Barcelona)	Sales in service station	Indirect	9	9	(19)
Montmeló Autolavado La Ballena S.L.	Ronda Pedregar 17 El Pedregar Industrial 11 P. 08160 Montmeló (Barcelona)	Sales in service station	Indirect	187	187	(75)
Móstoles Autolavado La Ballena S.L.	C/ Alfonso XII, 20 28934 Móstoles (Madrid)	Sales in service station	Indirect	160	160	282
Navalcarnero Autolavado La Ballena S.L.	C/ Mina del Cotorro s/n 28600 Navalcarnero (Madrid)	Sales in service station	Indirect	571	571	161
Paiporta Autolavado La Ballena S.L.	Carretera Benetuser, 46200 Paiporta (Valencia)	Sales in service station	Indirect	383	383	15
Palencia Autolavado La Ballena S.L.	C/ Extremadura, 1 Esquina Avda. Palencia 34004 Palencia	Sales in service station	Indirect	600	600	(144)
Parla Autolavado La Ballena S.L.	C/ Toledo Esquina Avenida De Ronda s/n 28981 Parla (Madrid)	Sales in service station	Indirect	200	200	96
Pulianas Autolavado Ballena S.L.	Carretera Pulianas s/n 18197 Pulianas (Granada)	Sales in service station	Indirect	255	255	(209)
Quality Petroleum S.L.	C/ Remachadores 2 Plind Fadrías I 11100 San Fernando (Cádiz)	Sales in service station	Indirect	3	3	(102)
Rivas Autolavado La Ballena S.L.	C/ de la Fundación, 19 28522 Rivas-Vaciamadrid (Madrid)	Sales in service station	Indirect	370	370	44
Salamanca Autolavado La Ballena S.L.	C/ Newton, 13 37188 Carbajosa de la Sagrada (Salamanca)	Sales in service station	Indirect	599	599	(472)
Sanse Autolavado La Ballena S.L.	Avda. de los Pirineos, 21 28703 San Sebastián de los Reyes (Madrid)	Sales in service station	Indirect	480	480	292
Sant Boi Autolavado La Ballena S.L.	Calle Riera Roja, 27 08830 Sant Boi de Llobregat (Barcelona)	Sales in service station	Indirect	300	300	277

Name	Registered Office	Line of Business	Ownership	€ Thousand		
				Equity		
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Seseña Autolavado La Ballena S.L.	Carretera Cm-4010, 1 - Cm del Ventorrillo CI V., 45223 Seseña (Toledo)	Sales in service station	Indirect	200	200	171
Sueca Autolavado La Ballena S.L.	C/ Ciutat De Pamplona, 40 46410 Sueca (Valencia)	Sales in service station	Indirect	250	250	(7)
Talavera Autolavado La Ballena S.L.	C/ Vicente de Leyva A Ue La Algodonera 23 - 24 45600 Talavera de la Reina (Toledo)	Sales in service station	Indirect	317	317	121
Torrent Autolavado La Ballena S.L.	C/ Mas Deljutge 2 E 46900 Torrent (Valencia)	Sales in service station	Indirect	250	250	243
Tres Cantos Autolavado La Ballena S.L.	Avda. de la Industria, 44 28760 Tres Cantos (Madrid)	Sales in service station	Indirect	738	738	175
Unidad de Suministro Algete S.L.	C/ Tejera 4 28110 Algete (Madrid)	Sales in service station	Indirect	170	170	102
Unidad de Suministro Alovera S.L.	C/ Picones, 5 19208 Alovera (Guadalajara)	Sales in service station	Indirect	3	3	102
Unidad de Suministro Arganda S.L.	Travesía Sierra de Gata, 17 28500 Arganda del Rey (Madrid)	Sales in service station	Indirect	695	695	(39)
Unidad de Suministro Avenida Antibióticos S.L.	Avda. Antibióticos, 73 24009 León	Sales in service station	Indirect	402	402	(47)
Unidad de Suministro Benalmádena S.L.	Avda, Leala 4 N 2 3 Suelo N 2 4 Suelo 29639 Benalmádena (Málaga)	Sales in service station	Indirect	160	160	(248)
Unidad de Suministro Betanzos S.L.	Avda. de Castilla, 12 15300 Betanzos (La Coruña)	Sales in service station	Indirect	3	3	(242)
Unidad de Suministro Chiclana S.L.	Avda. Descubrimientos, 64 - 66 11130 Chiclana de la Frontera (Cádiz)	Sales in service station	Indirect	200	200	(79)
Unidad de Suministro de León S.L.	Avda Alcalde Miguel Castaño, 125 24005 León	Sales in service station	Indirect	432	432	13
Unidad de Suministro Matapiñonera S.L.	Avda. Matapiñonera, 20 - 22 28703 San Sebastian de los Reyes (Madrid)	Sales in service station	Indirect	396	396	114
Unidad de Suministro de Mieres S.L.	Avda Constitución 85 08860 Castelldefels (Barcelona)	Sales in service station	Indirect	120	120	189
Unidad de Suministro Fuengirola S.L.	Avda Alcalde Clemente Díaz Ruiz, 38 29640 Fuengirola (Málaga)	Sales in service station	Indirect	240	240	760
Unidad de Suministro Guadalajara S.L.	C/ Julián Besteiro, 23 19004 Guadalajara	Sales in service station	Indirect	375	375	(142)
Unidad de Suministro Illescas S.L.	Avda. del Comercio 49 45200 Illescas (Toledo)	Sales in service station	Indirect	300	300	1
Unidad de Suministro Las Cabezas S.L.	Avda. Pablo Iglesias 80 41730 Las Cabezas de San Juan (Sevilla)	Sales in service station	Indirect	73	73	(48)
Unidad de Suministro Marbella S.L.	Urbanización Pantano Roto, 7 y 8 29670 Marbella (Málaga)	Sales in service station	Indirect	3	3	(21)
Unidad de Suministro Ourense S.L.	Parque Empresarial, 2 32710 Pereiro de Aguiar (Orense)	Sales in service station	Indirect	80	80	(133)
Unidad de Suministro Parla S.L.	C/ Real, 125 28981 Parla (Madrid)	Sales in service station	Indirect	200	200	320
Unidad de Suministro Petrer S.L.	C/ Presbítero Conrado Poveda, 1 03610 Petrer (Alicante)	Sales in service station	Indirect	60	60	114
Unidad de Suministro Pozuelo S.L.	Carretera Mahadahonda (M-515) Km. 2 28223 Pozuelo de Alarcón (Madrid)	Sales in service station	Indirect	3	3	220
Unidad de Suministro Pulianas S.L.	Carretera Pulianas s/n 18197 Pulianas (Granada)	Sales in service station	Indirect	3	3	(24)
Unidad de Suministro Rivas S.L.	C/ del Cíncel, 2 28522 Rivas-Vaciamadrid (Madrid)	Sales in service station	Indirect	300	300	64
Unidad de Suministro Roces S.L.	Avda. de Rocas s/n 33209 Gijón (Asturias)	Sales in service station	Indirect	3	3	33
Unidad de Suministro San Fernando S.L.	C/ Ferrocarril, 1 11100 San Fernando (Cádiz)	Sales in service station	Indirect	180	180	(19)
Unidad de Suministro SanLúcar S.L.	Carretera del Puerto Par Km 19,65 11540 Sanlúcar de Barrameda (Cádiz)	Sales in service station	Indirect	3	3	(6)

							€ Thousand
Name	Registered Office	Line of Business	Ownership	Equity			Reserves + Net Profit
				Share Capital Subscribed	Share Capital Paid		
Unidad de Suministro Segovia S.L.	C/ Guadarrama, 14 40006 Segovia	Sales in service station	Indirect	436	436		(31)
Unidad de Suministro Torreblanca S.L.	C/ Granito, 1 41017 Torreblanca (Sevilla)	Sales in service station	Indirect	120	120		(29)
Unidad de Suministro Tremañes S.L.	Avda. Campones, 14 33211 Gijón (Asturias)	Sales in service station	Indirect	469	469		102
Unidad de Suministro VacíaMadrid S.L.	Avda. de Pablo Iglesias, 78 28522 Rivas-Vaciamadrid (Madrid)	Sales in service station	Indirect	387	387		134
Unidad de Suministro Valencia S.L.	C/ Lluís Peixó, s/n - Esquina CL Conde de Melito 46011 Valencia	Sales in service station	Indirect	60	60		260
Unidad de Suministro Valladolid S.L.	Avda. El Norte de Castilla, 54-56 - C/V Avda de Z 47008 Valladolid	Sales in service station	Indirect	600	600		(310)
Unidad de Suministro Viladecans S.L.	Avda. Segle XXI, 44-46, 08840 Viladecans (Barcelona)	Sales in service station	Indirect	600	600		530
Unidad de Suministros Alzira S.L.	Calle CarrerProyecto 2 14 Tulell 46600 Alzira (Valencia)	Sales in service station	Indirect	300	300		(225)
Unidad de Suministro Móstoles S.L.	C/ La Fragua, nº 16 28933 Móstoles (Madrid)	Sales in service station	Indirect	270	270		190
Unidad de Suministros Paiporta S.L.	C/ Sequía de Favara, 5 - Suelo 46200 Paiporta (Valencia)	Sales in service station	Indirect	150	150		47
Unidad de Suministros Villaverde S.L.U.	C/ Valle de Tobalina, 24 28021 Madrid	Sales in service station	Indirect	138	138		16
Unidad de Sumistro Palomarejos S.L.	Carretera Madrid 5 Parque Comercial el Golf 45600 Talavera de la Reina (Toledo)	Sales in service station	Indirect	296	296		(64)
Valladolid Autolavado La Ballena S.L.	C/ Santiago López González, 3 47197 Valladolid	Sales in service station	Indirect	550	550		(191)
Vallecas Autolavado La Ballena S.L.	C/ Cerro del Murmullo, 9 526-b 28051 Vallecas (Madrid)	Sales in service station	Indirect	210	210		139
Vicálvaro Autolavado La Ballena S.L.	C/ Vicalvaro Estación O'Donnell 22 Suelo 28024 Madrid	Sales in service station	Indirect	115	115		99
Villanueva Autolavado La Ballena S.L.	Avda Sierra de Guadarrama 10 28691 Villanueva de la Cañada (Madrid)	Sales in service station	Indirect	293	293		232
Villaquilambre Autolavado La Ballena S.L.	C/ Cerrada (Vilaobispo de las Regueras), 2 24195 Villaquilambre (León)	Sales in service station	Indirect	520	520		60
Villaviciosa Autolavado La Ballena S.L.	Avda Quitapesares 33 parcela 53 28670 Villaviciosa de Odón (Madrid)	Sales in service station	Indirect	270	270		169
Leganes la Ballena S.L.	C/ Rey Pastor, 16 28914 Leganes (Madrid)	Sales in service station	Indirect	328	328		(88)
Ballenzero Butarque S.L.	C/ Arroyo Bulera 28, 28021 Madrid	Sales in service station	Indirect	600	600		(26)
Ballenzero las Rosas S.L.	C/ Versalles 17, 28032 Madrid	Sales in service station	Indirect	1,717	1,717		99
Ballenzero las Rosas S.L.	C/ Versalles 17, 28032 Madrid	Sales in service station	Indirect	1,717	1,717		99
Inversiones Autolavado Hospitalet S.L.	C/ Miguel Hernandez 116, 08908 Hospitalet de Llobregat (Barcelona)	Sales in service station	Indirect	450	450		(101)
US Naron S.L.	C/ Manoel Masdias 2 4 2 D, 15570 Narón (La Coruña)	Sales in service station	Indirect	100	100		(188)
Colmenar Autolavado La Ballena S.L.	C/ del Tomillo 6, 28770 Colmenar Viejo (Madrid)	Sales in service station	Indirect	100	100		60
US Valdemoro S.L.	Av de las Morcillas 1, 28343 Valdemoro (Madrid)	Sales in service station	Indirect	100	100		(35)
US Oviedo S.L.	Av. de Irlanda 3, 33010 Oviedo (Asturias)	Sales in service station	Indirect	3	3		416
US Vigo S.L.	Crta. Camposancos, 36213 Pontevedra	Sales in service station	Indirect	840	840		(11)
US Villares S.L.	Crta. Valladolid Km 85, 37184 Villares de la Reina (Salamanca)	Sales in service station	Indirect	6	6		(108)
Arganda Autolavado La Ballena, S.L.	Cm San Martin de la Vega 8 28500 Arganda del Rey (Madrid)	Sales in service station	Indirect	657	657		240

Name	Registered Office	Line of Business	Ownership	€ Thousand		
				Equity		
				Share Capital Subscribed	Share Capital Paid	Reserves + Net Profit
MALGRAT AUTOLAVADO LA BALLENA, S.L	Madrid	Sales in service station	Indirect	408	408	(66)
LEVANTE DE LAVADO Y COMBUSTIBLE, S.L.	Levante	Sales in service station	Indirect	103	103	220
MIERES AUTOLAVADO LA BALLENA, S.L	Pl De Vega de Arriba Parc 27, 33600 Mieres (Asturias)	Sales in service station	Indirect	3	3	(124)
TOLEDO AUTOLAVADO LA BALLENA, S.L	C/ Río Jarama 51, 45007 Toledo	Sales in service station	Indirect	3	3	(55)
UNIDAD DE SUMINISTRO CORNELLA, S.L	Ctra. Hospitalet 33, 08940 Cornellà de Llobregat (Barcelona)	Sales in service station	Indirect	400	400	(191)
VALENCIA AUTOLAVADO LA BALLENA, S.L	C/ de la Ballesterra 44, 46015 Valencia	Sales in service station	Indirect	3	3	(84)
UNIDAD DE SUMINISTRO GIJON, S.L	AV.de Roces s/n, 33209 Gijón (Asturias)	Sales in service station	Indirect	60	60	195
UNIDAD DE SUMINISTRO ALCALA DE HENARES, S.L	C/ Varsovia, 2 Sector 13A 28805 Alcalá de Henares (Madrid)	Sales in service station	Indirect	470	470	215
UNIDAD DE SUMINISTRO ECIJA, S.L	Crta. Cañada del Rosal Km 3, 41400 Ecija (Sevilla)	Sales in service station	Indirect	60	60	(67)
UNIDAD DE SUMINISTRO GALAPAGAR, S.L	Crta. Del Escorial, 28260 Galapagar - Madrid	Sales in service station	Indirect	60	60	(78)
UNIDAD DE SUMINISTRO TALAVERA, S.L	Crta. Mejorada, Cm-4132 Ur Piedras Muchas 2, 45600 Talavera de la Reina (Toledo)	Sales in service station	Indirect	3	3	(122)
UNIDAD DE SUMINISTRO ALGECIRAS, S.L	AV Gesto por la Paz s/n, 11207 Algeciras (Cádiz)	Sales in service station	Indirect	200	200	(158)
UNIDAD DE SUMINISTRO AMURRIO, S.L	Pl Maskuribai 14, 01470 Amurrio - Álava	Sales in service station	Indirect	3	3	(79)
UNIDAD DE SUMINISTRO NEXUM FUENLABRADA, S.L	C/ Móstoles 109, 28942 Fuenlabrada (Madrid)	Sales in service station	Indirect	3	3	(137)
PONTEJOS AUTOLAVADO LA BALLENA, S.L	Barrio El Otero 230, 39618 Marina de Cudeyo (Cantabria)	Sales in service station	Indirect	3	3	(77)
MEJORADA AUTOLAVADO LA BALLENA, S.L	C/ Esla 2, 28840 Mejorada del Campo (Madrid)	Sales in service station	Indirect	3	3	(32)
UNIDAD DE SUMINISTRO OCAÑA, S.L	CR Cabañas, 2 45300 Ocaña (Toledo)	Sales in service station	Indirect	3	3	46
INVERSIONES TECNICAS DE LAVADO	Av Constitución, 85 08860 Castelldefels (Barcelona)	Sales in service station	Indirect	3	3	16
CARTAGENA AUTOLAVADO LA BALLENA, S.L	C/ Zagreb Fase 3 30353 Cartagena (Murcia)	Sales in service station	Indirect	3	3	(12)
Unidad de Suministro Getafe, S.L.	Calle Islas Cies, 28905 Getafe	Sales in service station	Indirect	60	60	(1)
UNIDAD DE SUMINISTRO BOBES, S.L	PL Industrial Bobes PA 15 B, 33429 Siero (Asturias)	Sales in service station	Indirect	3	3	—

MANAGEMENT REPORT

Compañía Española de Petróleos, S.A.
for the year ended 31 December 2024

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1. Company situation

Compañía Española de Petróleos, S.A. (“the Company”) is the parent company of the Group, a group of companies active in the Oil & Gas sector, from the exploration and extraction of oil and gas to the sale of refined products, whether in the form of fuels, chemical products or other derivatives.

the Company activities are mainly the following:

- Our refining business is concentrated at two Energy Parks, located in Campo de Gibraltar (Cadiz) and Palos de la Frontera (Huelva), which we are adapting for the production of renewable fuels such as biofuels and green hydrogen. We transform crude oil into higher value-added products to meet society’s needs for energy and basic materials. For example, we serve the transport, residential, industrial and petrochemicals sectors. Our refining business accounts for 30% of total installed capacity in Spain.
- As the parent company, the Company holds the shares in the Group's main companies, plans and defines the Group's strategies and carries out its own shareholder activities, controlling and coordinating the oversight of the activities of its subsidiaries.

1.1. Positive Motion strategy

After more than 90 years of history, we are undergoing a profound transformation to anticipate the future of energy and meet the needs of our customers today.

True to this spirit, and as part of our evolution, in 2022 we launched our Positive Motion strategy to drive our commitment to leading sustainable energy and mobility in Europe. This marked the beginning of a transformation that accelerates in October 2024 with the launch of our new brand, Moeve.

Moeve represents the advancement of our commitment to leading the production of sustainable energy based on green molecules, such as green hydrogen and second-generation biofuels, as well as the production of sustainable chemicals and ultra-fast electric mobility.

This transformation also aligns with our goal of accelerating decarbonisation for both ourselves and our customers, supported by an investment of up to €8 billion, with more than 60% allocated to sustainable businesses by the end of the decade.

1.2. Energy Parks business evolution

Our two energy parks, located in Campo de Gibraltar (Cádiz) and Palos de la Frontera (Huelva), are the hubs of our refining activities, representing approximately 30% of the national capacity. At these facilities, we transform crude oil into high-value-added products for industrial, petrochemical, residential, and transport sectors. We are currently advancing their adaptation for the production of renewable fuels, such as biofuels and green hydrogen.

In a market characterised by excess refining capacity in Europe and growing competition from new refineries outside the continent, the energy transition presents an opportunity. Our strategy includes adapting our facilities for the production of low-carbon products, strengthening our competitive position and enabling us to meet the demands of a transforming market while complying with the most stringent environmental regulations.

Strategically located near major seaports with extensive opportunities for production and storage, our energy parks are connected to a robust logistics network, enabling us to meet both national and international demand for refined products. At these facilities, we leverage the Internet of Things (IoT) alongside artificial intelligence and advanced analytics to optimise production processes.

In 2024, we continue to develop continuous improvement programs essential for achieving operational excellence and increasing our competitiveness, maximizing safety, and reducing the environmental footprint of our energy parks.

Framed within our transformational program, which is based on process optimization initiatives and the implementation of best practices, are:

- Brio: enhances the way teams work by promoting participation and the proposal of continuous improvement initiatives through various work methodologies. These include systematic meetings, the use of the 5S methodology, SMED, Kanban boards, and GEMBA Walks in work environments. These practices drive cultural change by standardizing practices among leaders and collaborators.
- Pilotage: optimises energy park operations to obtain maximum value from the asset through a commercial vision of the entire value chain.
- Compas: enhances planning and scheduling applications within the value chain.
- Cumbre: digitises operational data to increase efficiency and incorporates mobility solutions, IoT and artificial intelligence into optimization, manufacturing and maintenance processes.

At the same time, with a focus on safety in our parks, we continue to be immersed in a process of cultural transformation to strengthen our operational discipline and safety leadership.

Thanks to the implementation of these programs, we have managed to optimize our operations, resulting in improved refining margins and being more competitive in the market.

On the other hand, we continue to advance in several key logistics infrastructure projects, such as the Huelva polyduct, which is scheduled to come into operation in 2025, designed to facilitate access to the sea for our

energy solutions, or the Huelva ‘Muelle Sur’ project, planned for 2026, which will allow us to boost and develop the biofuels business.

We have implemented two essential energy-saving projects that enable an annual reduction of 17,000 tonnes of CO₂. Both projects were launched in the last quarter of 2024. Moreover, we have continued to work on additional energy efficiency initiatives to decarbonise our facilities and processes, increase the production of biofuels, and reduce the use of fossil energy. Looking ahead to the coming years, we will continue our decarbonisation efforts through electrification and the supply of biomethane.

In addition, we have reduced the volume of water collected in both energy parks by 25% compared to 2019, through investments in initiatives for reuse, purification, and operational excellence. This year, we inaugurated the new water recirculation plant at the San Roque Energy Park, which will enable us to further reduce the amount of water collected for its activities.

Artificial intelligence plays a central role in our strategy, enabling us to optimise processes such as product blending and enhancing performance in distillation processes. These digital implementations have been applied to units like the Visbreaker at the La Rábida Energy Park and diesel blending operations at the San Roque Energy Park, significantly improving process efficiency.

In this context, the San Roque Energy Park was recognised as the best facility in its sector at the European Refining Technology Conference (ERTC) for its digitalisation and AI project. This initiative enables the standardisation, evolution, and democratisation of roles within the operations area, enhancing user experience, simplifying workflows, and maximising daily operations.

A detailed analysis of the the Company Group's business model can be found in the Integrated Management Report 2024 published at www.moeveglobal.com. Here you will find the definition and evolution of all the businesses that make up the Group, as well as details of the company's strategy.

1.3. 2024 milestones

The key milestones in 2024 have been the followings:

- We began construction with Bio-Oils of a new 2G biofuels plant to develop the largest complex in Southern Europe.
- We successfully completed the largest bond issuance in our history, amounting to €750 million.
- Acquisition of the Ballenoil service station network, a pioneering and leading company in the low-cost segment.

- We transformed into Moeve.

The milestones for all the Group's businesses are detailed in the Integrated Management Report 2024 published at www.moeveglobal.com.

2. Business performance and Results

2.1. Analysis of Results

Net revenue amounted to EUR 21,278 million in 2024, 2% lower than in 2023. Raw material costs in the year amounted to EUR 16,843 million, 7% lower than in 2023.

Dividends received from Group companies and associates amounted to EUR 143 million, 3% higher than in 2023.

In 2024, the Company paid the temporary energy tax of EUR 109 million, calculated on 2023 sales. This tax was repealed in 2025.

The Company's profit before tax is negative at EUR 55 million, whereas in 2023 it will be negative at EUR 623 million. Finally, the profit after tax for 2024 is positive by EUR 48 million.

2.2. Financial and equity position

At 31 December 2024, the Company's total assets amounted to EUR 12,034 million, compared to EUR 10,777 million the previous year.

Of this figure, non-current assets, comprised of property, plant and equipment, intangible assets, financial investments and deferred taxes, stood at EUR 5,894 million at year-end 2024, 13% higher than in 2023.

Equity amounted to EUR 2,419 million at 31 December 2024, representing 24% of assets.

2.3. Investments

In 2024, the Company allocated EUR 266 million to various units in the energy parks to expand, improve and make processes more flexible. Improvements have also been made to industrial facilities to reduce emissions and environmental impact and increase safety in the development of activities.

2.4. Financing costs and lines

In 2024, the Company continued to actively manage its financial debt, renegotiating existing banking transactions and entering into new ones with the aim of extending the maturity of its debt and reducing its refinancing risk. Similarly, in order to further improve its long-term liquidity, the Group has also made use of its liquidity lines. In this sense, and as has been the case since it was signed in 2014, the Company obtained the unanimous agreement of the syndicate of banks participating in its EUR 2 billion revolving credit facility to extend its maturity by one year. Following the agreement of the 18 participating banks, the maturity of this operation has been fixed at September 2028, which significantly improves the quality of Group's liquidity. At the date of this report, no amounts have been drawn under this syndicated credit facility.

Among the new operations, a second syndication with 13 financial institutions and a volume of EUR 1 billion should be highlighted, which includes a loan of EUR 300 million (linked to the same sustainability indicators as the syndicated loan mentioned above) and a revolving credit line of EUR 700 million. The EUR 700 million will support sustainable energy and energy transition projects, in line with our Positive Motion strategy.

In the first half of the year, two new loans (for a total of EUR 435 million) were signed with the European Investment Bank (EIB) and the Official Credit Institute (ICO) for two projects included in the company's Positive Motion strategy.

In the area of sustainability, within the ESG indicators included in its EUR 2 billion revolving credit facility, the company reported compliance with the two sustainability indicators (CO2)

and the gender diversity indicator, to which it has committed to various entities through bilateral financing and the aforementioned syndicated loan.

A detailed analysis of the the Company financing costs and lines can be found in the **Note 14.2** of the financial statements for the year ended December 2024.

2.5. Average supplier payment terms

In accordance with the 3rd Supplementary Provision on "Disclosures" of Law 15/2010, it is reported that the average payment term to suppliers during the year was 15 days. The average payment period to suppliers is detailed in **Note 14.3** "Information on the average payment period to suppliers" of the financial statements for the year ended 31 December 2024.

3. Risk management model

Our Integrated Risk Management and Control System is compliant with the COSO-ERM framework and ISO 31000 standard and sets out the principles and procedures for efficiently managing all classes of risks.. For further details on the Company's Management Model, Management Governance and main risks, please refer to the Group's Integrated Management Report, available at www.moeveglobal.com and to the 2024 Consolidated Annual Accounts.

Detailed information on the risks to which the Company is exposed is included in **Note 22** of the Notes to the Company's Annual Accounts, which due to its activity are mainly: credit risk, liquidity risk and market risk.

4. Innovation and technology

To drive the Positive Motion strategy, we have transformed our approach to innovation with a more open and dynamic perspective, enhancing our ability to tackle the challenges of the energy transition. Through our Innovation Focus projects, we develop cutting-edge technological solutions that support our evolution towards a sustainable future, focusing on reducing both energy consumption and greenhouse gas emissions.

The comprehensive management of our innovation is structured around two pillars:

- Laboratory-scale innovation at our Centre for Innovation in Energy Transition (CITE).
- Development of full-scale technological demonstrators for both products and processes.

We have four analytical laboratories located in Madrid, the Canary Islands, and Andalusia, near our energy parks. They are equipped with advanced technology for prototyping, testing, and analysis, focusing on energy transition solutions based on green molecules. These innovation spaces promote open collaboration among all agents in our energy transition ecosystem. Alongside the Centre for Innovation in Energy Transition (CITE), these laboratories provide technical support to our businesses and clients.

In 2024, we launched the first pilot plant for hydrogen storage and CO2 capture using Metal Organic Frameworks (MOF) technology. Additionally, we inaugurated the Smart Mobility Innolab, our mobility laboratory where we test cutting-edge technology in electric charging and green hydrogen. Furthermore, we have selected the technologies required for the development of the Andalusian Green Hydrogen Valley.

In addition, this year we are presenting for the first time the Innovation Intensity Figure, calculated from the expenditure executed in 2023 with a methodology, based on the principles established in the Oslo Manual (2018 version), comparable to that used in the EU Innovation Scoreboard 2024 to generate the data collected. This reflects an innovation ratio per sales of 0.0029 and an innovation ratio per employee of €6.72 thousand/employee.

The management of intellectual property for our innovation projects is key to protecting and maximising the value of our technological advancements. We safeguard the technical

knowledge generated through patents, know-how, utility models, licences, and confidentiality agreements. In 2024, we accumulated 71 patents across 26 countries.

Collaborations in innovation

In the field of innovation, our collaboration system is built on five pillars: universities, energy transition technology centres, associations and interest groups in green energy, cleantechs (startups specialising in DeepTech & DeepScience), and our key partners in the energy transition.

In 2024, we collaborated with over 150 institutions, including universities, technology centres, and partners, and signed more than 60 alliances to explore new projects, in addition to evaluating initiatives from more than 400 startups.

Our Centre for Innovation and Energy Transition (CITE) is participating in two projects under the Horizon Europe Programme, focusing on plastic waste recovery and fuels made from bio-based raw materials. Within the European framework, we have collaborated on the REFOLUTION project alongside SINTEF, NESTE, OMV, and others. Its objective is to test the production of marine and aviation fuels from bio-crudes obtained from waste.

In Spain, our public-private collaborations are linked to the Centre for the Development of Technology and Innovation (CDTi), the Ministry of Science, Innovation and Universities, and the Ministry for Ecological Transition through the Institute for the Diversification and Saving of Energy (IDAE).

5. Treasury shares

At the end of 2024, the Company held 155,915 treasury shares. These shares represent 0.03% of the share capital and the average acquisition price of which was EUR 11.2 per share.

At 31 December 2023, the Company held 137,361 treasury shares.

The treasury shares correspond to new shares, from capital increases carried out during 2021, acquired by the Company in order to give greater flexibility to its shareholding structure.

6. Non-financial information

In accordance with Article 262.5 of the Consolidated Text of the Spanish Corporate Enterprises Act, in the wording given by Law 11/2018, of December 28, the Company must include in the management report a statement of non-financial information or draw up a separate report with the same content as that provided for in the consolidated financial statements. However, a subsidiary of a group is exempt from the obligation to include in the management report such a statement of non-financial information or to prepare a separate report with the same content, if that company and its subsidiaries, if any, are themselves included in the consolidated management report of another company that is drawn up in accordance with the content set out in that Article.

Therefore, the Company makes use of the aforementioned waiver, since the statement of non-financial information is contained in the separate report for the same year, issued by Compañía Española de Petróleos, S.A. and Subsidiaries, which is referred to as the Integrated Management Report, which has been prepared in accordance with applicable regulations, and which is subject to the same criteria for authorization for issue, approval, filing and disclosure as the consolidated management report. In particular, this separate report, as well as the consolidated financial statements of Compañía Española de Petróleos, S.A. and Subsidiaries will be filed in the Madrid Mercantile Register.

7. Events after the reporting period

Events subsequent to the year-end are disclosed in **Note 23** to the Financial Statements.

Compañía Española de Petróleos, S.A.

Financial Statements and Management Report – 2024 Financial Year

I hereby certify that, to the best of my knowledge and belief, the Financial Statements (Balance Sheets, Income Statements, Statements of Changes in Equity, Statement of Comprehensive Income recognized in Equity, Cash Flow Statements and Notes to the Financial Statements), along with the Management Report of Compañía Española de Petróleos, S.A. for 2024 and drafted and approved by the Board of Directors of Compañía Española de Petróleos, S.A. at its meeting held on 24 February 2025, were prepared in accordance with generally applicable accounting standards and present a true and fair view of the assets and liabilities, financial position and results of the Company.

Madrid, 24 February 2025



Carmen Angela de Pablo Redondo
Chief Financial Officer

COMPAÑÍA ESPAÑOLA DE PETRÓLEOS, S.A.

Financial Statements and Management Report for the year ended December 31, 2024

The Financial Statements (Balance Sheet, Statement of Income, Statement of Changes in Equity, Cash Flow Statement and Notes to the Financial Statements) and Management Report of Compañía Española de Petróleos, S.A. (CEPSA) for the year ended December 31, 2024, contained in this document, have been adopted and issued by the Board of Directors of Compañía Española de Petróleos, S.A. (CEPSA) at its meeting held on February 24, 2025, in compliance with Article 253 of the Spanish Companies Act in force.

To the best of our knowledge, the Financial Statements, prepared in accordance with generally accepted accounting principles, offer a true and fair view of the financial situation and results of Compañía Española de Petróleos, S.A. (CEPSA), and the Management Report accompanying the Financial Statements offers a true and fair view of the development and performance of the businesses and financial position of the Company, together with a description of the key risks and uncertainties that it faces.

February 24, 2025



Mr. Ahmed Yahia
Chairman



Mr. Martialis Quirinus Henricus van Poecke
Vice Chairman



Mr. Maarten Wetselaar
Managing Director



Mr. Gregory Mark Nikodem
Director



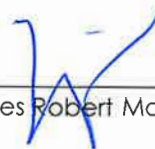
Mr. Ángel Corcóstegui Guraya
Director



Mr. Saeed Mohamed Hamad Fares Almazrouei
Director



Mr. Marwan Naim Nijmeh
Director



Mr. James Robert Maguire
Director



Mr. Jacob Schram
Director



Mr. Abdulla Mohamed Ismail Ibrahim Shadid
Director



Ms. Maria Soraya Saenz de Santamaría Antón
Director



Mr. Luca Molinari
Director



Ms. Virginia Beltramini Trapero
Corporate Secretary (Non-Director)



Mr. José Aurelio Téllez Menchén
Corporate Deputy Secretary (Non-Director)