Rubis

Initiation of coverage

Well diversified global energy distributor

Energy and resources

11 June 2025

Rubis is a diversified energy distributor operating across more than 40 countries and three continents. Its flexible and agile business model allows it to absorb most of the commodity price volatility, benefiting from relatively stable gross margins across cycles. While energy distribution remains at the core of its operations, the recent expansion into solar power will see a growing earnings contribution from renewables, providing additional diversification and margin stability. We value Rubis at €37.4/share using a DCF approach. The shares trade at 2025e EV/EBITDA of 6.1x, yielding 7%.

Year end	Revenue (€m)	EBITDA (€m)	PBT (€m)	EPS (€)	DPS (€)	EV/sales (x)	EV/EBITDA (x)	Yield (%)
12/23	6,630.0	797.9	424.9	3.43	1.92	0.7	5.7	6.5
12/24	6,643.9	721.0	432.5	3.30	2.78	0.7	6.3	9.4
12/25e	6,615.4	740.0	419.2	3.17	2.03	0.7	6.1	6.9
12/26e	6,817.9	776.8	438.8	3.32	2.09	0.7	5.8	7.1

Note: PBT and EPS are on a reported basis.

Consistent earnings and dividend growth

Rubis provides a wide range of energy and mobility solutions, from liquefied gas and bitumen to transport fuels and solar power, in Africa, the Caribbean and Europe. It benefits from geographical and product diversification, supply chain management and a focus on high-growth markets. The company's business model allows it, to a significant extent, to mitigate any commodity price volatility and maintain relatively stable gross margins through cycles. As a result, Rubis has seen positive CAGRs across its key financial metrics over the last 15 years and has also enjoyed 29 years of consecutive dividend growth.

Solar power in Europe is the new driver

While energy distribution remains the company's backbone, the acquisition of Photosol in 2022 paved the way for solar power expansion in Europe. Ambitious growth targets should see Photosol's contribution to overall financials growing rapidly in the coming years, offering additional diversification and margin stability. We see power EBITDA more than doubling to €81m by 2027.

Management transition is well executed

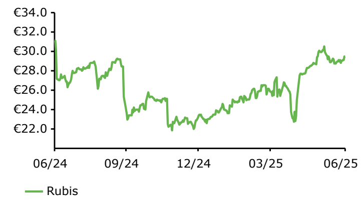
On 12 June, Rubis shareholders will vote to appoint two new partners to the management board, with the company's co-founders stepping down from their individual management roles from 2027. The management succession plan appears to be well executed, allowing for a sufficient transition period and continuity.

Valuation: Upside on DCF and multiples

We value Rubis at €37.4/share using a DCF analysis based on a WACC of 8.2% and a terminal growth rate of 2.5%. The shares trade at a 2025e EV/EBITDA of 6.1x compared to a five-year historical average of 6.8x and the selected peer group range of 4.4–7.2x. A more resilient earnings performance makes Rubis an attractive defensive play on an energy sector. Importantly, the company's business is not exposed to the current trade tensions and US tariffs.

Price	**€29.46**
Market cap	**€2,961m**
Net cash/(debt) at end 2024	€(1,550.0)m
Shares in issue	103.2m
Code	RUI
Primary exchange	NXT PA
Secondary exchange	N/A

Share price performance



%	1m	3m	12m
Abs	0.4	8.2	(1.9)
52-week high/low		€30.6	€21.3

Business description

Rubis is a leading independent energy group. It distributes reliable energy in over 40 countries in the Caribbean, Africa and Europe and produces renewable electricity.

Next events

Shareholder meeting	12 June 2025

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Edison profile page

Rubis is a research client of Edison Investment Research Limited

Investment summary

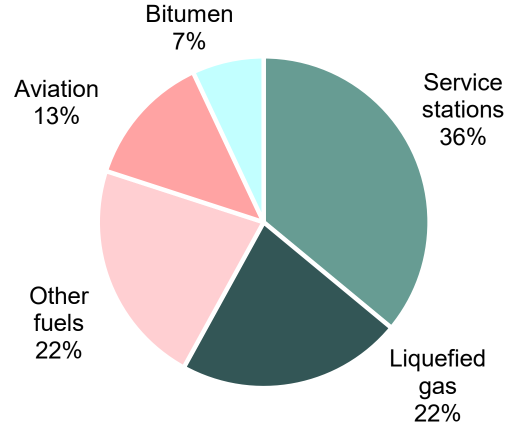
Company description

Rubis operates across two main verticals: Energy distribution, which consists of the Retail & Marketing and Support & Services (logistics and trading) divisions, and the Renewable electricity business (Photosol). While energy distribution remains the core of the company's operations, offering stable cash flow generation through commodity cycles, the recent acquisition of Photosol has somewhat shifted the growth emphasis to solar power, where Rubis targets a twofold increase in secured capacity over two years. The company is a partnership limited by shares (SCA) and is run by a management board consisting of four managing partners. SCA offers a structured way for the founders to combine the benefits of a partnership with access to the capital of a publicly limited company, therefore offering a blend of control, flexibility and investor participation. A recently announced management transition plan will see the co-founders of Rubis stepping down from their individual management roles from 2027. On 12 June, Rubis shareholders will vote to approve the appointment of Jean-Christian Bergeron, CEO of Rubis Énergie, and Marc Jacquot, group CFO, as new managing partners. The management succession plan offers a sufficient transition period and certain continuity, suggesting it is well thought out and executed. The shareholders will also vote to appoint four new supervisory board members, with two of them related to Patrick Molis, which should potentially satisfy recent shareholder requests for change.

Financials: Long history of earnings and dividend growth

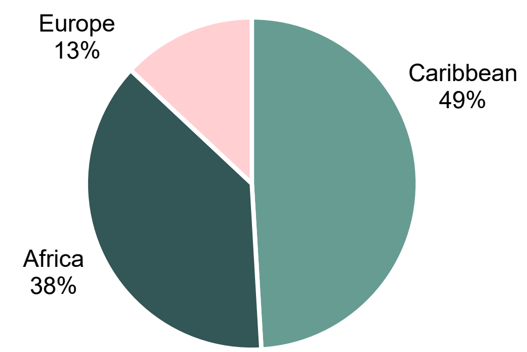
Founded in 1990, Rubis has grown significantly through acquisitions and organically, currently operating in more than 40 countries across Europe, Africa and the Caribbean and providing a wide range of energy and mobility solutions. The company's strong product and geographical diversification coupled with its focus on high growth markets and supply chain management has underpinned consistent growth in its key financial metrics, with EBITDA CAGRs ranging from high single to double digits over the last 15 years. This positive earnings momentum has also supported a progressive dividend policy. Having distributed a special dividend of €0.75/share in 2024 on the back of the Terminal JV sale, Rubis proposed €2.03/share to be paid in 2025, a 29th year of consecutive dividend growth, yielding an attractive 7%.

Exhibit 1: Rubis 2024 volumes breakdown by product



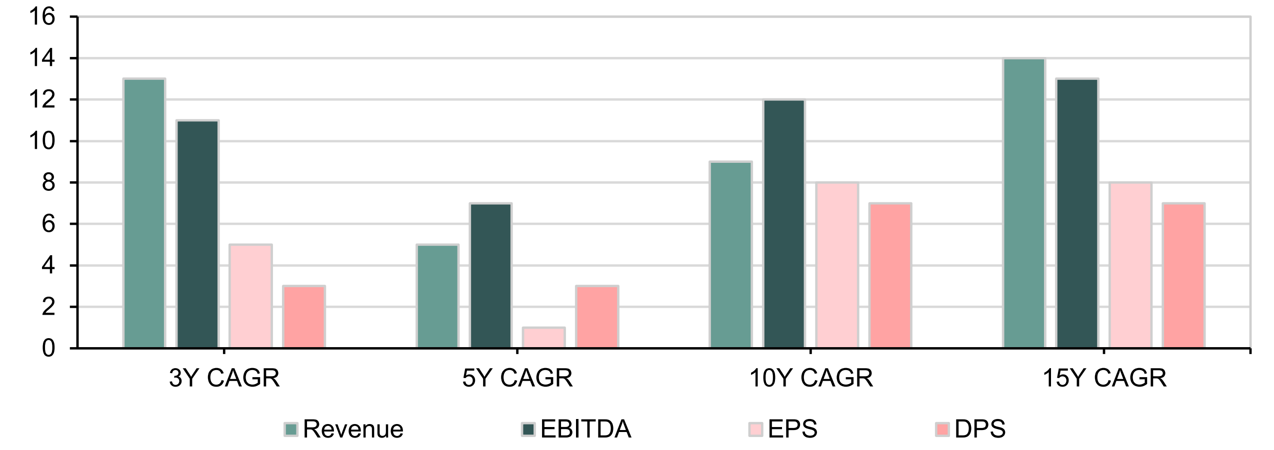
Source: Rubis

Exhibit 2: Rubis 2024 revenue breakdown by region



Source: Rubis

Exhibit 3: Key financial metrics growth rates, %



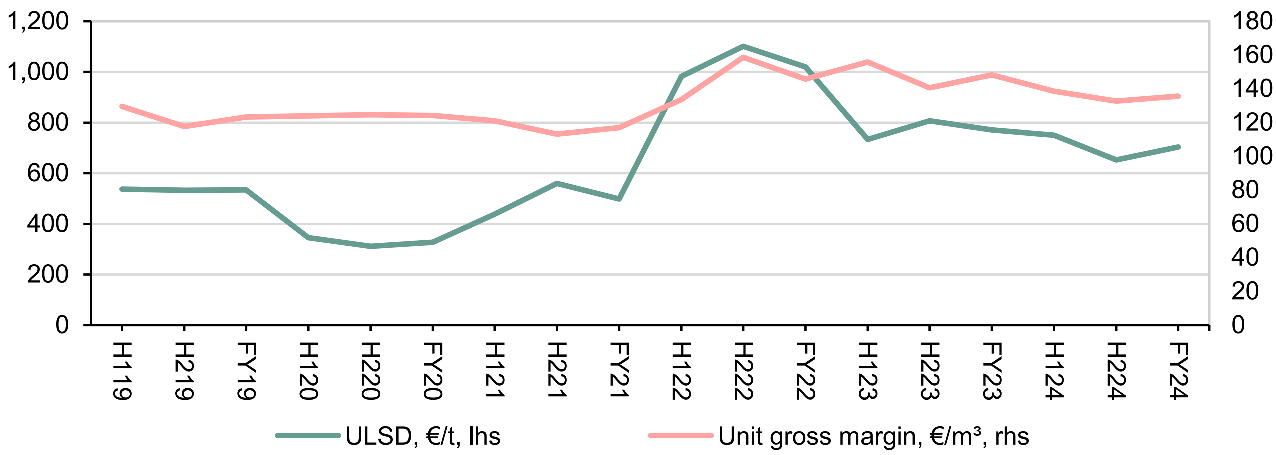
Source: Rubis, Edison Investment Research

In 2024, despite a c 10% fall in commodity benchmarks, Rubis reported broadly flat revenues of €6,644m, with EBITDA falling 3% on a comparable basis to €721m but coming within guidance, driven by 5% growth in volumes. The main highlight of the results was impressive cash flow generation as net operating cash flow increased 18% to €665m. Combined with the initial proceeds from the Terminal JV sale and lower capital expenditure, this led to a reduction in net debt to €1,550m, or €1,292m excluding leases. Despite an anticipated further reduction in price benchmarks, we see a modest recovery in earnings in 2025, with EBITDA of €740m in line with the guided range of €710–760m, supported by higher volumes and lower costs. Longer term, our estimates suggest an EBITDA CAGR of 4.3% in 2024–27e. As Rubis continues to build out its solar power business, we expect Photosol to become a growing contributor to the overall financial performance, expanding its generating capacity from 0.5GW in 2024 to 1.2GW by 2027, with power EBITDA rising from €36m to €81m. The solar expansion will offer additional diversification, earnings stability and higher margins.

Valuation: Defensive play with stable margins through cycles

We value Rubis based on a DCF analysis, using five years of explicit forecasts, a terminal growth rate of 2.5% and a WACC of 8.2%. This gives an enterprise value of €5,149m which, adjusted for 2024 net debt plus the remaining payments for the Rubis Terminal stake, translates into an equity value of €3,860m, or €37.4/share. The company's business model allows it to absorb most of the commodity price volatility, passing price increases to end users and offsetting price reductions through the cost base, thereby maintaining a relatively stable gross margin through commodity cycles. This inherently lower earnings volatility coupled with high geographical and product diversification makes the company an attractive defensive play on the sector, especially in the environment of falling commodity prices, and commands a premium valuation rating compared to the pure energy producers and some of its peers.

Exhibit 4: Rubis gross margin performance compared to diesel benchmark



Source: Rubis, LSEG

On a relative basis, Rubis trades at a 6.1x 2025e EV/EBITDA, falling to 5.8x in 2026e. The stock traded at an average forward-looking EV/EBITDA of 8.3x over the last 10 years and 6.8x over five years. Selected peers are valued at 2025e EV/EBITDA multiples ranging from 4.4x for TotalEnergies (mcap: €117.5bn), a global diversified energy producer and distributor, to 7.2x for Parkland (mcap: C$6.7bn), a diversified North America-focused fuel distributor that is currently being bid for by Sunoco. Parkland is one of the closest peers for Rubis. Applying its multiple to Rubis's 2025e EBITDA implies a valuation of €37.8/share, which is similar to our DCF.

Risks: High exposure to emerging markets

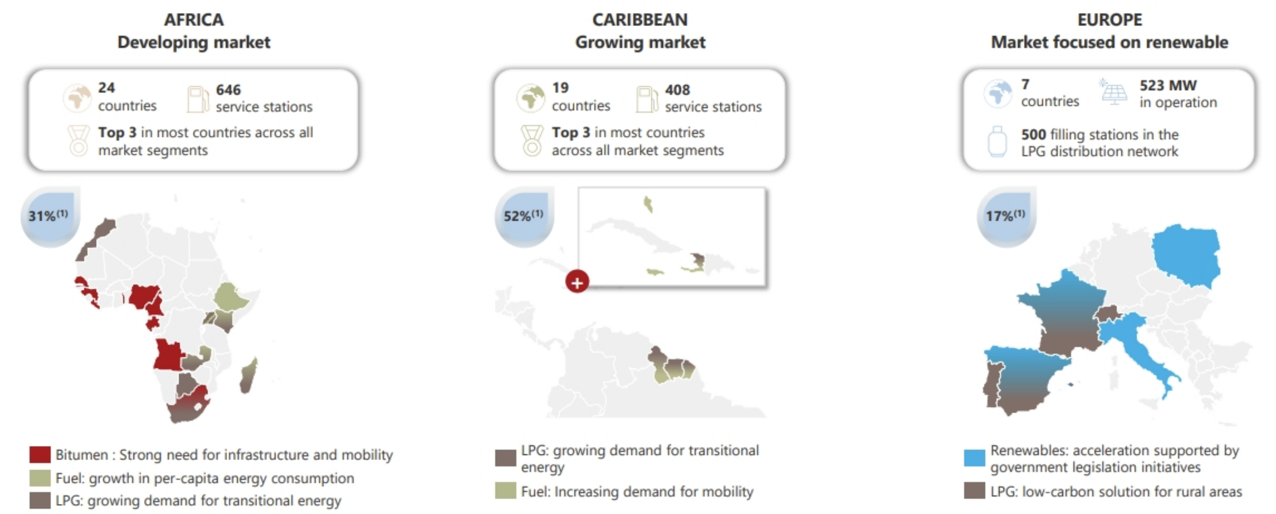
The main risks are associated with the company's significant exposure to emerging markets. While the Caribbean and Africa in general offer superior growth opportunities, these markets are potentially characterised by higher economic volatility, currency fluctuations and political risks. In addition, while the ongoing green energy transition represents a compelling growth opportunity in solar, any changes in political sentiment could affect policy, regulations and funding conditions for the industry. On the positive side, the company's business is not affected by current trade tensions and US tariffs, while its regional and product diversification allows it to minimise economic sensitivity and potentially offset weaker demand across various markets.

Diversified energy supplier with solar ambition

Rubis is a diversified energy distribution company operating in more than 40 countries across Africa, the Caribbean and Europe, with an ambition of growing its nascent renewable electricity business. The company was formed in 1990 by Gilles Gobin and has expanded significantly through acquisitions and organically. Some transformational transactions over the years include:

- The purchase of Vitogaz in 1994 and the launch of an energy distribution business in France.
- The acquisition of Eres, specialising in bitumen distribution, in 2015 and the creation of support and services activities.
- The takeover of KenolKobil in 2019 strengthened the company's presence in Africa. The company launched its international distribution activities in Europe and Morocco in 2000, followed by Africa in 2010 and the Caribbean in 2011.
- The acquisition of 80% in Photosol France in 2022, which paved the way for building the solar power business.

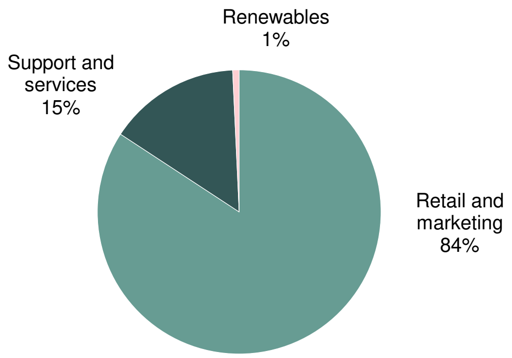
Exhibit 5: Map of Rubis's operations by country and product



Source: Rubis

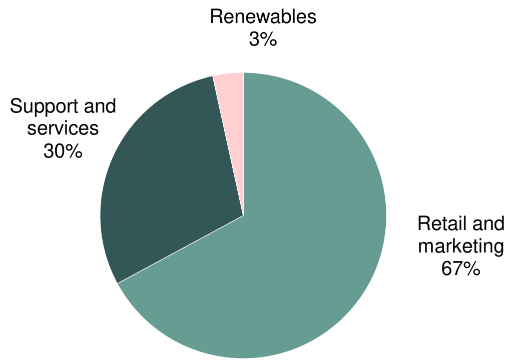
Rubis provides a wide range of energy and mobility solutions, ranging from liquefied gas and bitumen to transport fuels and solar power, across three continents. The business operates in two main verticals: Energy distribution, which includes the Retail & Marketing and Support & Services sub-segments, and the Renewable electricity production business. The energy distribution segment is the backbone of the company's operations and has historically dominated its financial performance, contributing 99% of revenues and 97% of EBITDA in 2024. It is a mature and well diversified business with consistent growth, relatively low earnings volatility and stable cash flow generation. Going forward, however, an important driver behind the company's growth is likely to become its recently established solar power business, where Rubis targets a twofold increase in secured electricity capacity over the next two years.

Exhibit 6: 2024 revenue breakdown by business line



Source: Rubis

Exhibit 7: 2024 EBITDA breakdown by business line



Source: Rubis

Exhibit 8: Rubis key financial metrics and historical growth rates

€m	2024	2023	3-year CAGR, %	5-year CAGR, %	10-year CAGR, %	15-year CAGR, %
Revenue	6,644	6,630	13	5	9	14
EBITDA, on a reported basis	721	798	11	7	12	13
EBIT	504	621	9	4	12	13
Net income	342	354	5	2	11	14
EPS, €	3.3	3.4	5	1	8	8
DPS, €	2.0	2.0	3	3	7	7

Source: Rubis

The company is constituted under the legal form of partnership limited by shares and is managed by a management board comprising four managing partners: Gilles Gobin and three corporate entities (Sorgema, Agena and GR Partners). The management board is overseen by an extensive supervisory board. In March 2025, Rubis announced a management transition plan that will result in Gilles Gobin (statutory managing partner/Sorgema) and Jacques Riou (Agena/GR Partenaires) stepping down from their individual positions on the management board and their replacement with the two new board members (Jean-Christian Bergeron and Marc Jacquot) from 2027. The company listed on the Paris Stock Exchange in 1995.

Strategy

The company's strategy rests on three key pillars: development in high-growth markets, expansion in renewables in Europe and a strong environmental contribution.

Pursuing development in high-growth markets

Rubis generates a significant portion of its revenues and earnings in the Caribbean and Africa. Both regions have varying but generally healthy growth rates and distinct economic drivers.

- Caribbean countries are divided into service-exporting and commodity-exporting economies. Growth in service-based economies is primarily underpinned by the expansion in tourism, which also supports activity in related sectors such as transport, construction, trade and agriculture. According to the OECD, annual tourist arrivals in the Caribbean increased from 10m in 1995 to 27m in 2018. With 22m in estimated arrivals in 2022, this growth has largely recovered to pre-pandemic levels and is likely to have further accelerated in 2023/24. The main tourist destinations are the Bahamas (+2.0% real GDP in 2024), the Dominican Republic (+5%), Jamaica (-0.8%) and Barbados (+4%), which account for about 75% of arrivals. The IMF estimates that the above countries will see real GDP growth of 1.8–4.0% in 2025, followed by 1.6–4.8% in 2026, driven by further increase in tourism and related activity. The main commodity exporting economies are Guyana, Trinidad and Tobago and Suriname. In Guyana, oil and gas exploration and production contributed to 44% growth in real GDP in 2024, with forecast expansion of 10% in 2025 and 23% in 2026. Suriname's economy is expected to grow 3–4% in 2025–27, driven by mining and oil and gas exploration.
- In Africa, growth is expected to be driven by urbanisation, infrastructure, higher energy consumption and improving general access to energy. In its latest report, the OECD estimates that over the next three decades Africa will see

its urban population doubling from 700m to 1.4bn, becoming the second-largest continent by urban population after Asia. These demographic shifts will bring a significant increase in transport and construction-related energy demand. Another growth driver is access to energy services. In 2011, some 600m people in Africa, or 43% of the population, had no access to electricity, while some 970m Africans lacked access to clean cooking fuels. Liquefied petroleum gas (LPG) is the main solution to replace traditional fuels such as coal and wood in urban areas. The International Energy Association (IEA) forecasts a 13% increase in demand for oil products in Africa by 2030 driven by a 20% increase in transport demand and the increased use of LPG for cooking.

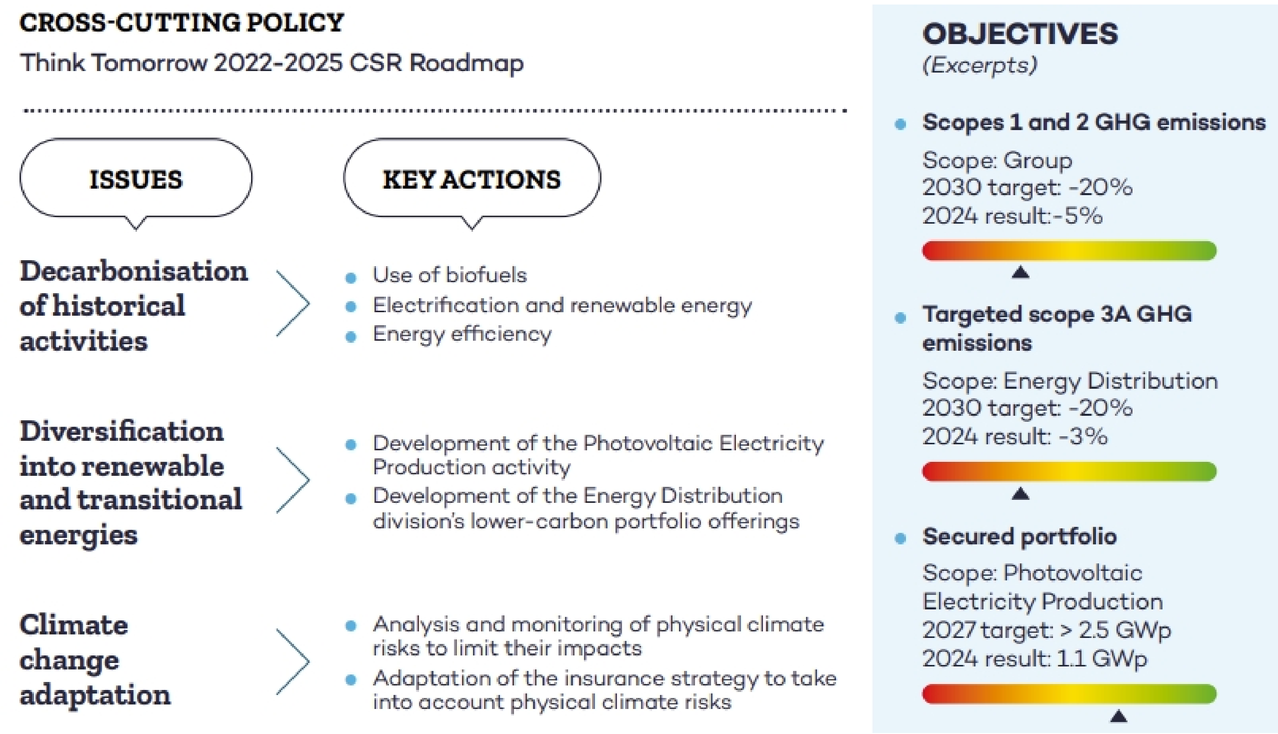
Becoming a major player in renewable electricity production in Europe

The green energy transition has seen unprecedented growth in solar power installations in recent years. In 2024, global solar PV installations increased 33%, reaching a new all-time high of 597GW, following a surge of 85% in 2023 and 47% in 2022. As a result, last year solar contributed 81% to all new renewable capacity additions globally, doubling its share in global power generation over the last three years to 7%. The main drivers behind this expansion have been the technological advances and the reduction in component prices that made solar the lowest cost power generation technology. In Europe, these factors have been exacerbated by the drive for energy security, higher energy prices and heightened geopolitical risks. In 2024, Europe overall saw a 15% increase in solar capacity additions to 82GW, with a 14% market share. In the EU, solar installations have slowed in 2024, registering 4% growth to 65GW compared to a 40–50% expansion seen in 2021–23. Although energy prices have normalised and some of the government incentive schemes are being phased out, solar PV installations in the EU are expected to continue growing, albeit at a slower pace. Thus, SolarPower Europe, sees solar deployment on track to meet the interim REPowerEU target of 400GW by 2025 and 750GW by 2030, with annual capacity additions of 65–85GW mainly driven by commercial/industrial and utility scale segments. At the regional level, France aims to triple its solar capacity to 49GW by 2030, which bodes well for Rubis's solar business expansion plans.

Strengthening societal and environmental contribution

Mitigating the environmental impact of its business is one of the key elements of the company's strategy, with the main priority being a reduction in greenhouse gas (GHG) emissions. Rubis developed a roadmap 'Think Tomorrow 2022-2025', which sets out its decarbonisation policy aiming at CO_2 emissions reduction and its targets across all three scopes. These targets are aligned with the company's development plan and its growing business activity. The two main objectives are a reduction in its Scope 1 and 2 emissions (carbon footprint of the company's operations) by 20% in absolute terms and a 20% reduction in Scope 3A emissions (indirect GHG emissions across the value chain) from 2019 to 2030. The decarbonisation plan is based on the use of less carbon-intensive energy, electrification and general efficiency gains. Rubis's decarbonisation efforts have already borne some fruit as the company achieved a 5% reduction in Scope 1 and 2 emissions in 2024 versus 2019.

Exhibit 9: Summary of Rubis's CSR actions and objectives



Source: Rubis

Energy distribution: Core business with solid growth fundamentals

The Energy distribution division includes the distribution of fuels, commercial heating oils, lubricants, liquefied gases and bitumen, as well as upstream logistics, which includes product supply, trading, shipping and refining activities. This broad mix of services allows the company to capture the full value chain, from the purchase of energy products to their distribution to private and industry end users. The company's value chain can be presented in the following way:

- **Product purchase**: Rubis is a key player in raw material markets.
- **Transport**: it uses a combination of fully owned and time chartered vessels.
- **Storage**: the company owns import terminals in its key locations.
- **Distribution**: Rubis operates cylinder filling plants (liquefied gas), a network of 1,143 service stations as well as refuelling operations in more than 20 airports.

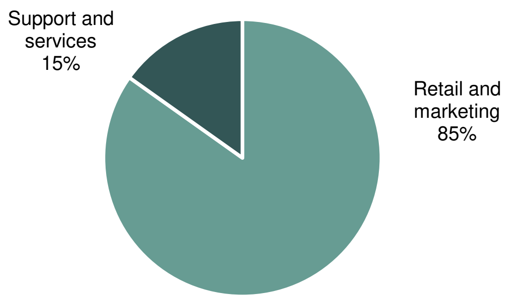
The Energy distribution division consists of two business segments: Retail & Marketing (R&M), which is responsible for distribution of energy products across Africa, the Caribbean and Europe, and Support & Services (S&S), which brings together logistical activities upstream of R&M. The two segments complement each other in that the supply, trading and refining activities allow the company to partly offset potential weakness in distribution and vice versa. In 2024, the Energy distribution business generated €6,644m in revenues (a five-year CAGR of 5%), with R&M contributing 85%, and €721m in EBITDA (a five-year CAGR of 4%), with S&S accounting for 31% of the total, at a margin of 11%. During the year, the two segments saw divergent profitability performances, with the EBITDA margin increasing by 0.9 percentage points (pp) to 22% for S&S but falling by 1.3pp to 9% for R&M. S&S's profitability is roughly double that of R&M. On a consolidated basis, the company generated 49% of revenues in the Caribbean, with Africa and Europe contributing 38% and 13%, respectively.

Exhibit 10: Energy distribution key performance metrics, €m

	2024	2023	2022	2021	2020	2019
Volumes distributed, '000m^3	6,018	5,718	5,487	5,401	5,049	5,494
Revenue	6,595	6,581	7,102	4,589	3,902	5,228
EBITDA, of which	731	797	680	551	528	544
– Retail and marketing	*508*	*576*	*503*	*387*	*370*	*413*
– Support and services	*223*	*221*	*177*	*165*	*158*	*131*
EBIT	549	647	540	412	366	412
Cash flow before tax and interest	687	710	440	475	448	470
Capex	165	206	215	206	219	166

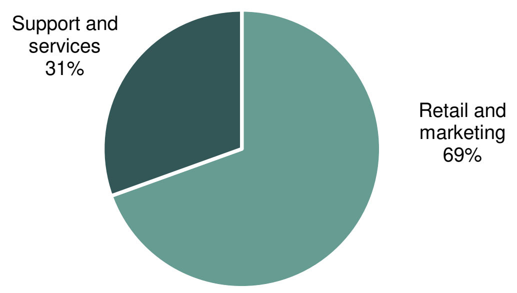
Source: Rubis

Exhibit 11: FY24 distribution revenue by business



Source: Rubis

Exhibit 12: FY24 distribution EBITDA by business



Source: Rubis

Retail & Marketing segment: Diversification by product and region

Rubis's R&M business benefits from broad geographic and product diversification, allowing for a stable performance that is less exposed to geopolitical and economic cycles. In light of the energy transition challenges, over the last several years the company has been focusing on diversifying its product offering around three main themes: enriching mobility related services with solutions adapted to new modes of transport; expanding its biofuels offering as a more environmentally friendly alternative to traditional fossil fuels; and introducing solar and hybrid solutions that offer both high performance and sustainability. In 2024, 71% of distributed volumes in R&M were accounted for by fuels, 22% by LPG and the remainder by bitumen. At the same time, fuels generated 53% of the segment's gross profit, with 38% contributed by LPG and the remainder by bitumen.

By product type and industry, Rubis is present in the following segments:

- **Fuels at service stations:** the company operates 1,084 international standard service stations across 23 countries, mainly in Africa and the Caribbean, offering a complete range of Ultra Tec and additive fuels that reduce fuel consumption and emissions while improving vehicle performance. It is also developing a range of biofuels and synthetic fuels, such as 100% renewable diesel, that significantly reduce emissions. In Europe, the company distributes LPG fuels through more than 500 partner chains.
- **Aviation fuels:** Rubis refuels aircraft in more than 20 airports, benefiting from its logistical expertise underpinned by its own airport storage terminals, management of security reserves and dedicated supply vessels.
- **Fuels for industry:** the company's logistics and sales business is tailored to the needs of industries such as hotel trade, agriculture, construction and public works. It also supplies marine fuels and biofuels that meet strict industry specifications. In addition, Rubis is developing combined oil-solar and LPG-solar fuel offerings to support its customers' decarbonisation strategies.
- **Liquefied gases (LPG):** the company offers propane and butane in cylinders or delivered in tanks to private individuals and companies. LPG is a versatile energy source that is easy to store and transport. LPG offers reduced greenhouse gas emissions, compared to coal or wood, and is therefore considered an attractive transition energy source in Africa.
- **Bitumen:** in Africa, Rubis distributes bitumen and bitumen products (polymer modified bitumen/emulsions) to international builders and local private companies mainly engaged in road infrastructure construction. This business benefits from a proprietary fleet of specially adapted vessels (Rubis owns five vessels out of 25 globally), large storage capacity and flexible logistics with tankers and transport containers. While a relatively small business

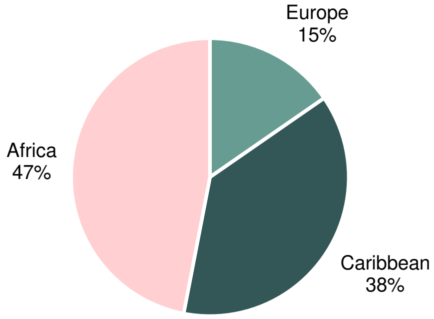
within the group, it has high entry barriers and offers significant growth opportunities in light of the accelerating urbanisation trends in Africa.

Exhibit 13: Retail and marketing key performance metrics, €m

	2024	2023	2022	2021	2020	2019
Volumes distributed, '000m^3	6,018	5,718	5,487	5,401	5,049	5,494
Revenue	5,597	5,548	6,061	3,993	3,334	4,383
EBITDA	508	576	503	387	370	413
EBIT	382	475	396	289	269	324
Cash flow before tax and interest	473	488	268	320	308	351
Capex	144	155	141	159	135	109

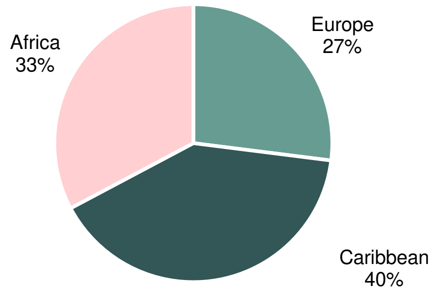
Source: Rubis

Exhibit 14: R&M 2024 volumes by region



Source: Rubis

Exhibit 15: R&M 2024 gross profit by region



Source: Rubis

On a regional level, the company is present in Africa, the Caribbean and Europe. In 2024, 47% of R&M volumes were distributed in Africa, 38% in the Caribbean and the remainder in Europe. At the same time, Africa generated 43% of segment's revenues, with 42% coming from the Caribbean and 15% from Europe. On a gross profit basis, Europe was the most profitable region (27% margin; 27% share of profits), followed by the Caribbean (14% margin; 40% share) and Africa (11% margin; 33% share).

Africa: Growth driven by urbanisation and infrastructure

R&M's countries of operation in Africa are South Africa, Botswana, Burundi, Djibouti, Eswatini, Ethiopia, Kenya, Réunion Island, Madagascar, Morocco, Uganda, Rwanda, Zambia and Zimbabwe.

Its main products are fuels and liquefied gas through a network of 645 service stations as well as bitumen. In 2024, 38% of volumes distributed in Africa were through service stations, followed by LPG (18%), aviation fuel (16%), bitumen (15%) and other fuel (14%).

Key growth drivers include:

- Developing the offering in service stations (increasing footfall and value-added services at multifunctional centres that offer convenience stores, restaurant services, car washing, etc).;
- Promoting liquefied gas as a transitional energy, as a more environmentally friendly alternative to wood, coal and paraffin, which are still used by a third of the world's population for cooking. Local governments are investing in dedicated infrastructure to increase LPG consumption.
- Expansion of the bitumen operations with the growing regional need for road infrastructure. The company entered the bitumen business through the acquisition of Eres in 2015 and has since expanded its presence from three to nine countries, with over 100kt of storage capacity.

Competition: the company is in the top three in most countries across all market segments and is the market leader in bitumen distribution. Its main regional competitors are Puma Energy (Trafigura), TotalEnergies and Vivo Energy.

The Caribbean: Growth driven by tourism, construction and natural resources

R&M's countries of operation in the Caribbean are French Antilles and French Guiana, Bermuda, Eastern Caribbean, Jamaica, Haiti, Western Caribbean, Guyana and Suriname.

Main products: Rubis distributes fuels and liquefied gas in 19 territories through a network of 412 service stations and controls the entire supply chain. In 2024, 42% of the volumes were distributed through service stations, 37% were other fuel, 16% aviation and 6% LPG.

Key growth drivers: the company's regional focus is on the markets with high growth potential such as Suriname and Guyana, whose economies are mainly driven by natural resources. Other growth drivers are tourism related and include the development of the offering in service stations as well as the deployment of the solar offering.

Competition: the company's operations are in the top three in most countries, across all market segments. The main competitors are Parkland (being acquired by Sunoco) and TotalEnergies.

Europe: Pockets of growth in environmentally friendly energy products

R&M's countries of operation in Europe are Spain, France, Channel Islands, Portugal and Switzerland.

Main products: Rubis predominantly distributes LPG to residential (c two-thirds of volumes) and corporate customers. LPG represented 74% of the regional volumes in 2024, with the remainder accounted for by fuels (9%) and aviation (16%).

Key growth drivers include:

- Development of autogas (LPG used as a vehicle fuel): an alternative to conventional fossil fuels, it produces less CO_2 and almost no particles. According to Rubis, the autogas market is growing at double-digit rates, with volumes up 13% y-o-y in 2024.
- Supply of biofuels: Rubis distributes biofuels, such as HVO (biofuel made from used oils that reduces CO_2 emissions by 90% compared to the use of conventional diesel) or EcoHeat100, a 100%-renewable domestic fuel.
- Hybrid energy solutions: Rubis is expanding its offering with solar projects or hybrid offerings combining liquefied gas and solar panels.

Competition: the company's operations are within the top three in the market, with the main competitors including Moeve (Cepsa), DCC, Galp, Repsol, SHV and UGI.

Support & Services segment

The S&S segment is responsible for the supply and shipping activities (both trading/supply and support/logistics) for products marketed by the group, plus the refinery of the Antilles (SARA) refining and storage operations.

In trading-supply, the company is active in white products in the Caribbean (Barbados) and in bitumen in the Africa/ Middle East region. In support-logistics, the company is engaged in shipping activity in bitumen and white products in the Caribbean and 'storage and pipe' activity in Madagascar. As part of its shipping operations, Rubis operates 17 vessels, 10 of which are owned by the company (five bitumen tankers, three fuel tankers and two liquefied gas vessels) and seven are time chartered.

The company also owns 71% of the SARA refinery, which is located in Martinique and exclusively supplies fuel to the three French departments in the Caribbean region. It has capacity of 800ktpa and produces a full range of products complying with European environmental standards: fuels for land, air and maritime mobility, and liquefied gas. Retail prices for SARA's products and its profitability are regulated by the public authorities through a decree that guarantees a 9% return on equity. In 2024, S&S generated revenues of €998m and EBIT of €167m, with SARA contributing €46m.

Exhibit 16: Support and services key performance metrics, €m

	2024	2023	2022	2021	2020	2019
Revenue	998	1,032	1,041	596	568	845
EBITDA	223	221	177	165	158	131
EBIT	167	172	144	123	120	108
Cash flow before tax and interest	214	222	172	155	140	119
Capex	22	51	74	46	84	57

Source: Rubis

Renewable electricity segment: Another source of growth and diversification

Rubis entered the renewable electricity business with the acquisition of Photosol in 2022, paying €385m via debt for an 80% stake (EV of €747m), with the founders and management retaining the remaining 20%. Since then, the company grew its installed capacity from 330MW in March 2022 to 535MW in March 2025 and capacity under construction from 145MW to 337MW, respectively. It is one of the independent leaders in photovoltaic (PV) electricity production in France. In 2024, Photosol produced 460GWh of electricity, generating €49m in revenues and €36m in power EBITDA (€26m on a consolidated basis).

Photosol operates through the whole value chain, from the development of projects to dismantling, including design, financing, operation and maintenance. It specialises in large ground-mounted or shade-type installations (87 large ground-mounted photovoltaic parks at end 2024), with particular expertise in agrivoltaics. To differentiate itself from the market competition, the company focuses on less-competitive strategic locations and the development of complex projects, a strategic approach similar to that employed in its energy distribution division. Electricity is predominantly sold via long-term contracts through the calls for tenders mechanism of the French Energy Regulation Commission (CRE) and to private companies as part of the Corporate Power Purchase Agreement (CPPA) market. Photosol's main competitors are multinational companies such as Engie, TotalEnergies, EDF ENR and the Mulliez Group (Voltalia) as well as independent producers such as Neoen and Tenergie.

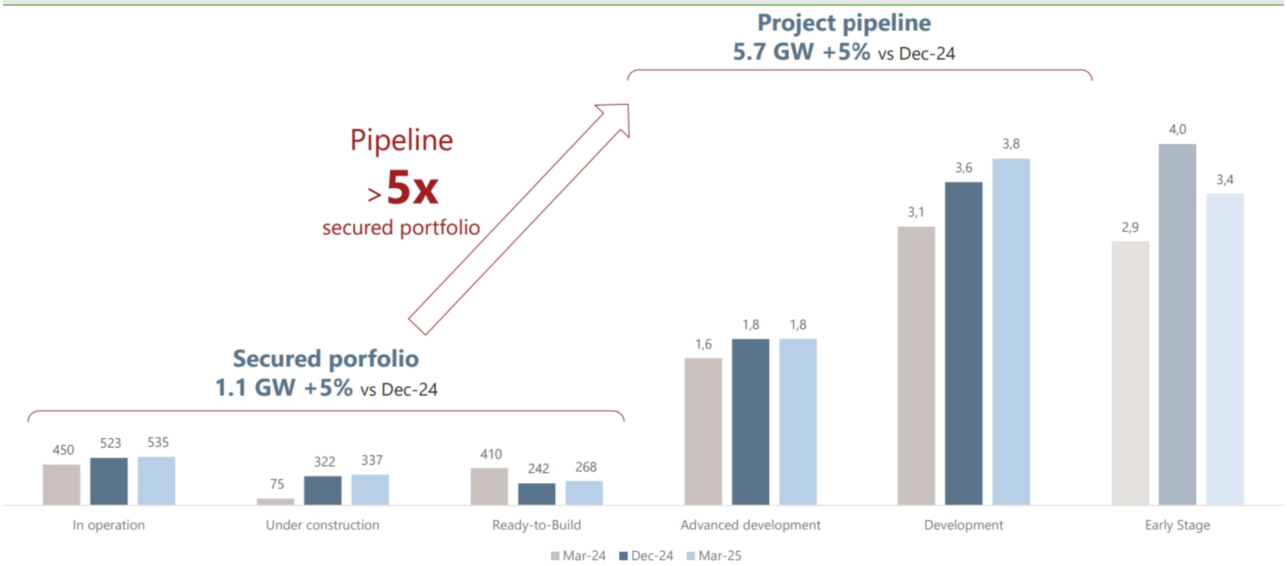
France has historically been and remains Photosol's core market. However, in 2024, the company started its international expansion, with investments in Italy, Spain and Poland. In Spain, 440MW of capacity entered the qualified pipeline (land secured but no grid connection yet) during the year. In Italy, construction of 44MW is underway, with the electricity price secured over 20 years through the first national agrivoltaic call for tenders, and an additional 150MW were in the preliminary development stage at end 2024. In Eastern Europe (Bulgaria, Romania and Poland), some 242MW of projects were in the advanced development phase.

Exhibit 17: Renewables segment key performance metrics, €m

	2024	2023	9M22
Installed capacity, MWp	523	435	384
Electricity production, GWh	460	472	403
Revenue	49	49	33
EBITDA, reported	26	29	18
EBITDA, power	36	34	22
Capex	82	77	44
Net financial debt	567	507	417

Source: Rubis

Exhibit 18: Rubis's solar portfolio evaluation



Source: Rubis

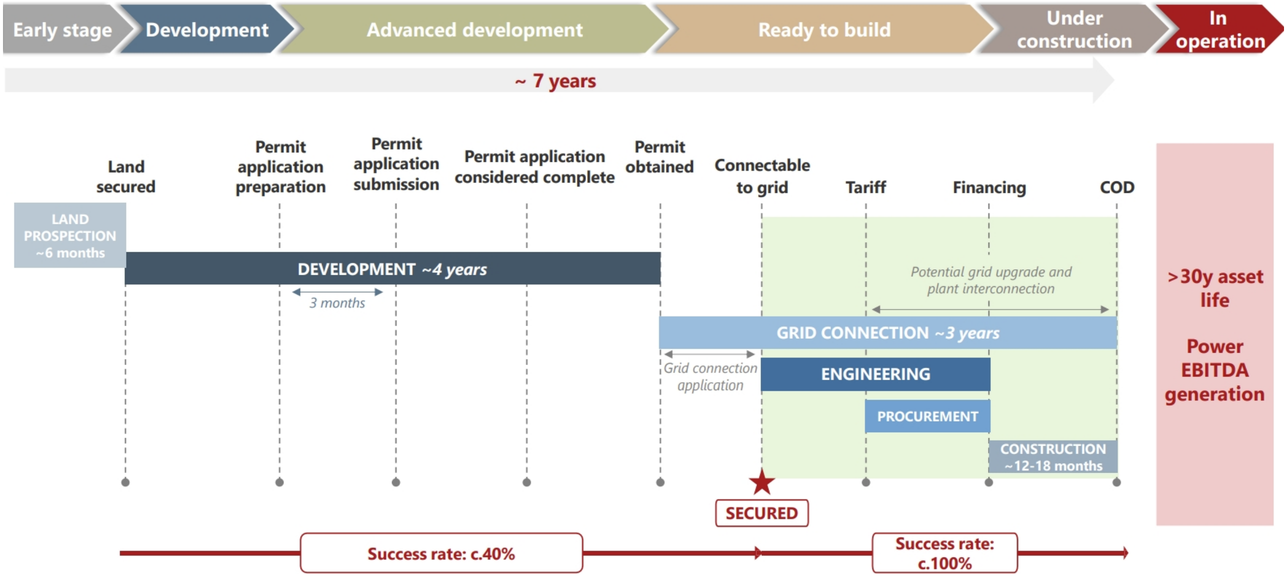
At end March 2025, the company's PV portfolio amounted to 1.13GW of secured capacity compared to 1.09GW at end 2024 (0.89GW at end 2023), including capacity in operation of 535MW (523MW at end 2024) and capacity under construction or awarded of 595MW (564MW). The pipeline of projects under development comprised 5.7GW, up 5% from 5.4GW at end 2024.

Despite some reported administrative delays in granting building permits and network connections, the company continues to accelerate the rate of PV development. In 2024, Photosol filed for 650MW of building permits, with 250MW obtained during the year. The company claims a success rate for building permits on first request of more than 80%. At the time of the publication of the 2024 annual report, the company had 10 facilities under construction. These include the Creil plant (c 200MW), which will be the second largest PV park in France. First megawatts at Creil were commissioned in February and the company expects to commission the remainder of the project in stages over 2025 and the beginning of 2026.

Rubis has set ambitious growth targets for the PV business. In September 2024, the company held a Photosol investor day, where it outlined the following 2027 objectives for its PV business:

- Secured portfolio exceeding 2.5GW.
- Consolidated EBITDA contribution of €50–55m (including c 10% contribution from farm-down).
- Power EBITDA of €80–85m.
- Secured EBITDA of €150–200m.

Exhibit 19: Illustrative photovoltaic project lifecycle



Source: Rubis

Management, corporate governance, shareholders

Rubis is constituted in France under the legal form of partnership limited by shares (SCA). It is a hybrid legal structure that combines elements of a partnership (SCS) and a public limited company (SA). The key benefits of the SCA is that it offers a structured way for the founders and entrepreneurs to combine the benefits of a partnership with access to the capital of a publicly limited company, therefore offering a blend of control, flexibility and investor participation. It typically has two types of partners: general partners, which actively manage the company and have unlimited liability against its debt, and limited partners (or shareholders), which invest capital but do not participate in management and whose liability is limited by their investment. SCA provides a clear separation of powers between management and supervisory board functions. In France, other examples of SCAs include Michelin and Hermes.

At present, Rubis is managed by the management board, which comprises four managing partners: Gilles Gobin and the corporate entities Sorgema, Agena and GR Partenaires. Gilles Gobin is the founder of the company and is the sole statutory managing partner. The corporate entities are represented as follows:

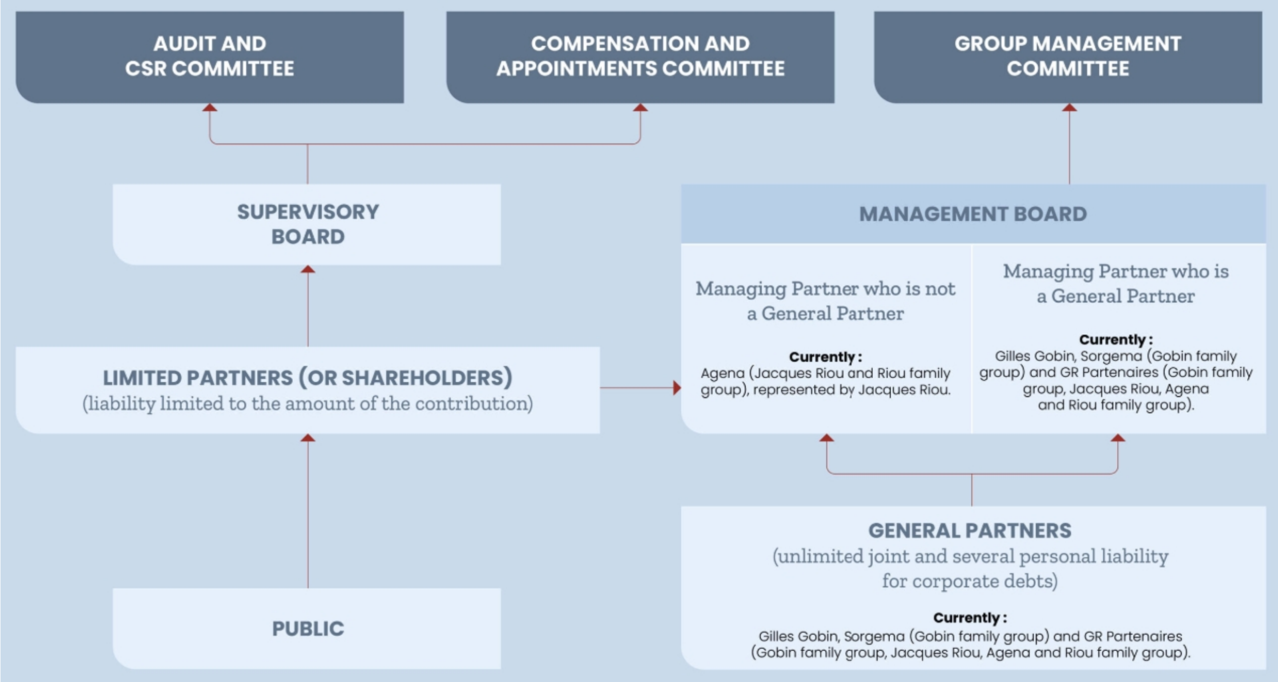
- **Sorgema**'s shareholder is the Gobin family group managed by Gilles Gobin and Clarisse Gobin-Swiecznik. Ms Gobin-Swiecznik joined Rubis in 2011 within the Rubis Terminal business (divested in 2024). In 2017, she joined Rubis Énergie as director of development and projects. She joined the holding company (Rubis SCA) in 2020 as managing director in charge of New Energies, CSR and group communication and led the acquisition of Photosol in 2022. Sorgema holds 1.23m shares in Rubis.
- **Agena** is owned by the Riou family group and is chaired by Jacques Riou. Mr Riou is a co-founder of Rubis along with Gilles Gobin. Agena has been a managing partner since November 1992. It holds 0.94m shares in Rubis.
- **GR Partenaires** is a limited partnership with general partners comprising the companies of the Gobin family and Jacques Riou and limited partners represented by Agena and the Riou family members. It has been a general partner in the company since June 1997 and managing partner since March 2005. It does not hold any shares in

Rubis.

The managing partners (management board) have the broadest powers to run and manage the company. They make the decisions at the group and subsidiary levels associated with strategy, risk management and financial reporting, etc. The managing partners are assisted in their day to day running of the company by the management committee, which includes Clarisse Gobin-Swiecznik, Gilles Gobin, Jacques Riou and five other members.

The supervisory board is responsible for the oversight of the company's management function. It currently consists of 11 members and, following the departure of Nils Christian Bergene, is chaired by Marc-Olivier Laurent (ex-vice chairman). Supervisory board members are appointed by shareholders for a term of no more than three years. General partners are not allowed to take part in these appointments and together with managing partners are not allowed to be members of the board. Additionally, no member of the board holds or has held an executive position within the company.

Exhibit 20: Rubis management structure at a glance



Source: Rubis

Management succession plan

In March 2025, Rubis announced that both Gilles Gobin and Jacques Riou intend to step down from their positions on the management board following the shareholder meeting to be held in mid-2027. In preparation for their departure from the board and to ensure an orderly management transition, at the shareholder meeting to be held on 12 June 2025, Rubis shareholders will vote to approve the appointment of Jean-Christian Bergeron, CEO of Rubis Énergie, and Marc Jacquot, group CFO, as new managing partners. As experienced senior level employees of the company, it is believed that Mr Bergeron and Mr Jacquot offer complementary skills that combine both operational and financial expertise to successfully lead the future development of the company.

Mr Bergeron joined Rubis in 2019 as CFO for East Africa where he supervised the subsidiaries of Rubis Énergie in seven countries. Prior to that he spent 28 years at TotalEnergies where he held several senior management positions. Mr Bergeron has been CEO of Rubis Énergie since January 2025.

Mr Jacquot has more than 20 years of experience in finance with a focus on financial transactions and financing. Prior to joining Rubis SCA (holding company) in 2024, he was CFO of the Rubis Terminal JV since its creation in 2020 and up until its sale in 2024.

It is expected that from 1 October 2025 (up to June 2027), the composition of the management board will be as follows: Giles Gobin, Sorgema (Clarisse Gobin-Swiecznik and Gilles Gobin), Agena (Jacques Riou), GR Partners (Gilles Gobin and Jacques Riou), Jean-Christian Bergeron and Marc Jacquot. We understand that both Mr Gobin and Mr Riou will continue to be involved in the management of Rubis through Sorgema, Agena and GR Partenaires, therefore ensuring continuity.

Shareholder structure

At end 2024, the company's share capital comprised 103.2m shares, with 102.9m exercisable voting rights (excluding double voting rights). The company's largest shareholders are as follows:

- Compagnie Nationale de Navigation, representing the Molis family: 9.4% of the share capital as of April 2025.
- Plantations des Terres Rouges, representing Bolloré Group: 6.0% as of April 2025.
- Groupe Industriel Marcel Dassault, representing the Dassault family: 5.7%.
- Ronald Sämann (member of the supervisory board from 2024): 5.6%.
- General and managing partners, supervisory board, company employees, treasury shares: 4.6%.
- Other/free float: 68.5%.

Both Bolloré Group and the Molis family have been gradually increasing their ownership in the company over the last several years. It was reported by the press that in 2024 Messrs Molis, Sämann and Bolloré Group failed an attempted overhaul of the company's supervisory board as the majority of the shareholders took the management's side. In May 2025, Rubis announced that the company proposed the appointment of Patrick Molis and Anne Lauvergeon (ex-CEO of Areva) to the company's supervisory board at the upcoming shareholder meeting. These appointments should alleviate the risks associated with the recent shareholder tensions.

Financials

FY24 results and Q125 trading update

After a record year of earnings growth in 2023 and despite some headwinds in Africa, in particular in Kenya and Nigeria, Rubis delivered solid financial results for 2024. While revenue was essentially flat year-on-year at €6,644m, with volumes up 5% (bitumen +10%, fuel +6% and LPG +2%), the company saw a 10% reduction in reported EBITDA to €721m as cash costs were up 2% y-o-y driven by payroll and external purchases. Adjusted for compensation-related impacts, advisory fees and hyperinflation, on a comparable basis, however, group EBITDA fell 3% y-o-y and was at the higher end of the company's guidance range of €675–725m.

At a regional and product level, the bitumen business in Africa was the main drag on the overall performance in 2024. Thus, gross profit fell 20% y-o-y (-8% adjusted) in Africa and 24% for bitumen (+14% adjusted). Apart from the impact of forex, the company noted a delay in pricing adjustments in Kenya, which put additional pressure on margins during the year. The performance across other regions and product categories was more encouraging, with the main highlights including growth in autogas in Europe and aviation fuel in the Eastern Caribbean and Kenya.

Below the operating level, the company booked a one-off gain of €89m from the sale of its 55% interest in the Rubis Terminal JV for €384m. The initial tranche of €124m was transferred in 2024, with the remainder to be paid in three instalments over 2025–27. Other non-cash items affecting the bottom line were forex losses and hyperinflation adjustments that in total amounted to €68m in 2024. All in all, Rubis reported a 3% y-o-y drop in net profit and a 4% reduction in EPS to €3.3. The company proposed a dividend of €2.03/share to be paid in 2025, the 29th year of consecutive dividend growth for the group, and paid a special dividend of €0.75/share from the Rubis Terminal sale proceeds.

The main highlight of the 2024 results, however, was impressive cash flow generation, with net operating cash flow increasing to €665m from €563m in 2023, mainly due to a positive change in working capital movements. Strong cash flow generation coupled with the initial proceeds from the Terminal JV sale and lower capex resulted in total net debt falling from €1,599m in 2023 to €1,550m at end 2024 (including €431m in non-recourse debt at the Photosol level). Excluding lease liabilities, net debt was €1,292m, implying net debt/EBITDA of 1.8x, well within the company's financial debt covenant of 3.5x.

Exhibit 21: Rubis historical financial performance, €m

	2024	2023	2022
Volumes, '000m^3	6,018	5,718	5,487
Revenue	6,644	6,630	7,135
Total cash cost	5,923	5,832	6,465
EBITDA	721	798	669
D&A	215	189	168
EBIT	504	621	509
Net profit	342	354	263
EPS, €	3.30	3.43	2.56
DPS, €	2.73	1.92	1.86
Net debt	1,550	1,599	1,511

Source: Rubis

Q125 saw a continuation of strong operational momentum, with total volumes rising 4% y-o-y to 1,552,000m^3. At the regional level, Africa grew volumes and gross profit by 6% and 1%, Europe by 4% (both volumes and margins) and the Caribbean by 2% and 7%, respectively. At the product level, bitumen volumes within the R&M segment increased 35% y-o-y, but R&M's gross margin fell another 6% to €21m. At the same time, fuel saw a strong profitability performance with gross profit increasing 10% y-o-y to €113m, while the LPG gross margin was flat at €83m.

Overall, the company achieved a 2% y-o-y increase in revenues to €1,697m, with revenues in the R&M and S&S segments growing 2%. Photosol's electricity production was up 26% y-o-y to 102GWh, while revenues increased 28% to €11m.

Rubis maintained its 2025 guidance for EBITDA of €710–760m, assuming no impact from hyperinflation.

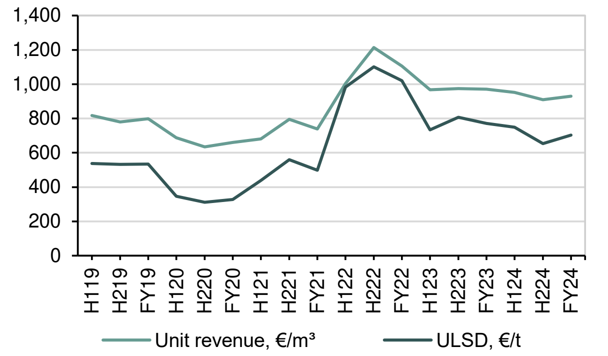
Modelling assumptions and forecasts

Energy distribution segment

R&M is the biggest segment within the business, and contributed c 85% of revenues and c 70% of EBITDA (before holding company adjustments) in 2024. It is engaged in reselling energy products, with pricing largely formula based and therefore it allows the company to pass most of the energy price volatility to end users, albeit with a short time lag. Similarly, the cost base reflects the company's business model, with consumed purchases representing c 85% of the consolidated cash cost (other cash costs include payroll, external purchases and sales taxes). A large portion of consumed purchases is accounted for by the energy products that the company buys from commodity trading houses for resale at market prices. This revenue/cost dynamics allows Rubis to maintain a relatively stable gross profit margin through commodity cycles. Additional margin stability in the energy segment comes from the higher value-added services that the company adds to its product offering as well as the trading activity in the support and services segment.

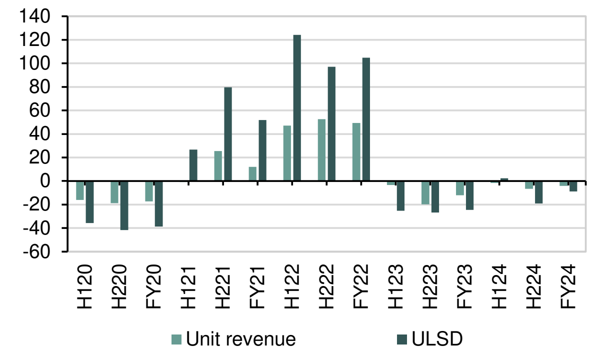
In the charts below we show how the company's unit revenue and unit costs performed historically compared to the price benchmark (ultra-low sulphur diesel or ULSD). It is clear from the charts that the unit revenue fluctuations are less pronounced compared to the unit costs. More specifically, in 2024, the average ULSD price fell 9% y-o-y to €703/t compared to a 4% reduction in unit revenue at R&M and a 5% reduction in consolidated unit consumed purchases. Similarly, in 2023, the ULSD price dropped 24% y-o-y compared to a 12% fall in unit revenue and a 17% decline in unit purchases. We note that the benefits of the company's business become especially apparent in a falling commodity price market.

Exhibit 22: Unit revenue and diesel benchmark fluctuation over time



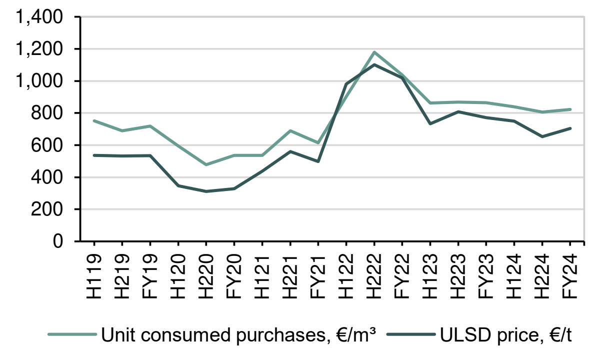
Source: Rubis, Edison Investment Research

Exhibit 23: Year-on-year change in unit revenue versus diesel benchmark, %



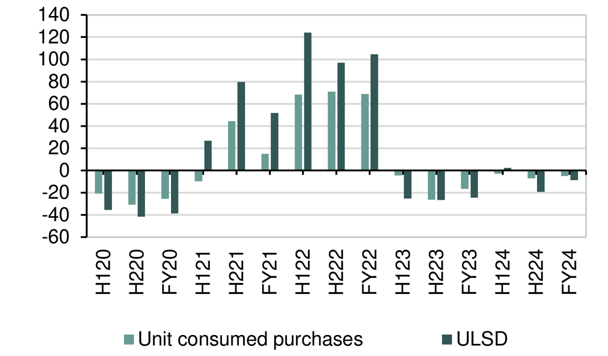
Source: Rubis, Edison Investment Research

Exhibit 24: Unit consumed purchases versus diesel benchmark



Source: Rubis, Edison Investment Research

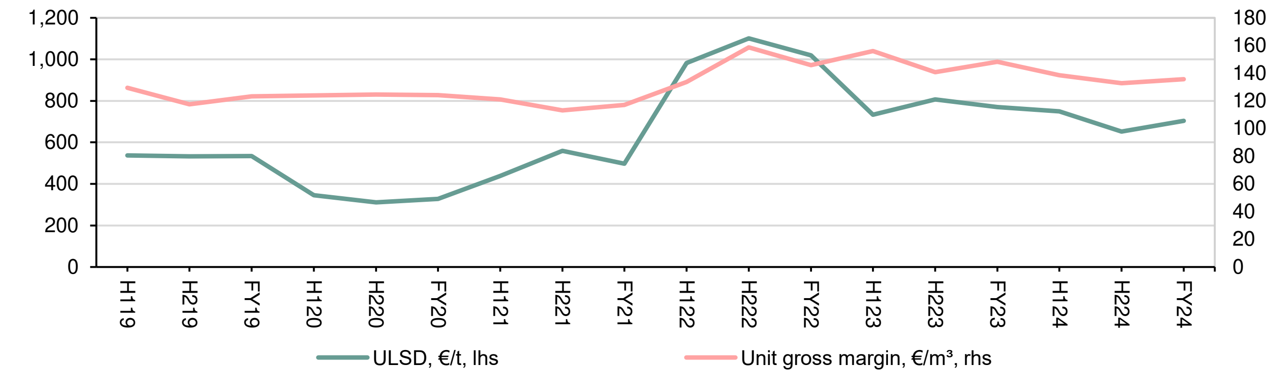
Exhibit 25: Year-on-year change in consumed purchases versus diesel benchmark, %



Source: Rubis, Edison Investment Research

The main insight from the above discussion is that R&M's profit margins (and hence to a large extent Rubis's) are more stable compared to the underlying changes in commodity prices, as can be seen from Exhibit 26. This allows for a more resilient earnings performance and makes the company a more defensive play compared to pure energy producers, especially in an environment of higher commodity price volatility and/or falling commodity prices.

Exhibit 26: R&M unit gross profit margin versus diesel benchmark



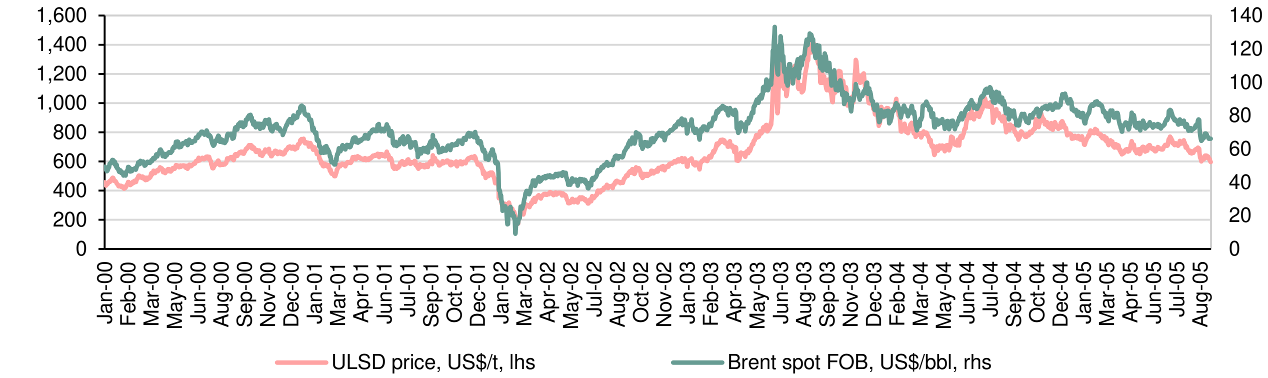
Source: Rubis, Edison Investment Research

We use the following modelling assumptions for the energy distribution business:

- We expect distribution volumes to continue growing at roughly historical rates for each region driven by a number of key themes: demand for cleaner fuels such as LPG/autogas and higher value-add mobility products in Europe; tourism in the Caribbean; and demographics and infrastructure in Africa. We understand that the company is not significantly affected by seasonality due to the regional exposure balancing out typical summer/winter fluctuations in energy demand. Overall, we expect volumes in Europe to grow at c 2% in the longer term, the Caribbean at c 3% and Africa at c 5%.

- The company distributes a wide range of energy products ranging from LPG to bitumen. While it is difficult to choose a single commodity price benchmark for the whole business, we believe ULSD represents a close pricing proxy for the company's energy business. We use consensus price expectations for modelling purposes. Historically, ULSD prices (diesel 10ppm FOB ARA) were closely correlated with Brent (Exhibit 27). However, current market projections suggest somewhat divergent trends, with the Brent price expected to slide from an average of US$69.2/bbl in 2025 (2024: US$80.5/bbl) to US$68.5/bbl in 2026, while the ULSD price is seen remaining flat at US$700/t in 2025–26 and then rising to US$740/t in 2027. Similarly to Brent, autogas prices are expected to fall from an average of US$630/t in 2025 to US$625/t in 2026 and US$615/t in 2027. We use a relatively conservative approach and model a reduction in the average ULSD price to US$700/t in 2025 (2024: US$760/t), US$685/t in 2026 and US$670/t in 2027, with a long-term price of US$655/t.
- Our approach to modelling margins is the same as described above: we use historical financial performance to derive relationships between the changes in realised unit prices and unit purchases versus the price benchmark. Over the last three years, on average the company's unit revenue change was at 49% compared to the change in price benchmark, while its changes in unit purchases were 64% versus the change in ULSD.
- Other cash costs: payroll expenses are modelled on a per-employee basis with a unit cost increasing with inflation, sales taxes are at 2% of revenues, and external purchases are expected to continue growing with business, albeit at a slower pace compared to 2024 (+11%) and 2023 (+21%). We use spot €/US$ and other exchange rates.

Exhibit 27: ULSD price performance versus Brent spot



Source: LSEG Data & Analytics

Renewables business

The company's renewables business has so far had a relatively modest contribution to the overall financial performance. However, given ambitious expansion plans, we expect this segment to become a growing contributor to the company's overall financial performance. Photosol added 88MW of new capacity in 2024 and another 12MW in Q125, bringing the overall assets in operation to 535MW at end Q125. It generated 460GWh of electricity in 2024 and 102GWh in Q1, implying a consistent electricity price of c €0.11/kWh and a capacity factor of 11% in 2024 (8% in Q1 due to seasonality). Capital expenditure was €82m in 2024 and €77m in 2023, which implies an average capital intensity of €1.1m per MW of new capacity across 2023–24. Our modelling assumptions for the solar business are as follows:

- We expect the company to add 170MW of new capacity in 2025 (mostly Creil) followed by 250–300MW in the subsequent years at a capital cost per MW of c €1.0m in 2025, gradually falling to €0.9m/MW in 2027 and to €0.8m/MW by 2030.
- We assume a flat electricity price of €0.11/kWh, a capacity factor of 11% and an EBITDA margin gradually increasing from 73% in 2024 to 75% in 2027 due to the economy of scale.
- On our assumptions, we expect Photosol's assets in operation to increase to 1.2GW in 2027, with electricity production of 1GWh, revenues of €108m and power EBITDA of €81m. This compares to the company's guidance of €80–85m in power EBITDA in 2027. At the same time, we expect the consolidated EBITDA contribution from Photosol to be lower to account for the development costs and the cost of project failure, which are likely to increase as a share of Photosol's total EBITDA as the company continues to build aggressively its electricity business.

We note that the increasing contribution from the solar business should further reduce the company's earnings volatility due to the long-term nature of the power purchase agreements and stable pricing. The solar business also offers superior profitability, with power EBITDA and reported EBITDA margins of 73% and 53%, respectively.

Earnings estimates

Overall, we expect the company to achieve a 4% increase in volumes in both 2025e and 2026e. We see broadly flat revenues of €6,615m in 2025e due to lower commodity prices, with a 3% increase in 2026e. As is typically the case, we expect the company to be able to offset the impact of lower energy prices and forecast a 3% increase in EBITDA to €740m in 2025e, supported by the growing contribution from the renewables business. Our EBITDA estimate is within the company's guided range of €710–760m and compares to a consensus estimate of €737m. We see further EBITDA growth to €777m in 2026e compared to consensus expectations of €762m.

Further below the operating level, our 2025 EPS estimate is €3.2 versus €3.3 reported for 2024. In 2024, the company booked a one-off gain of €89m relating to the disposal of its stake in the Rubis Terminal JV (now Tepsa) and had an other finance loss of €68m (mostly forex in Kenya and Nigeria), with a positive net effect of €20m on PBT. We do not forecast forward forex fluctuations and therefore our 2025 profit estimate is essentially flat on an adjusted basis.

Rubis had an effective tax rate of 19% in 2024. The statutory tax rate in France is 25%. At the consolidated level, this tax rate is reduced by c 12pp due to geographical impact, but increased by c 2pp due to distribution tax, 1pp due to hyperinflation and another c 5% by the Pillar 2 tax (a top-up tax above the global minimum corporate tax rate of 15%). In our modelling, we use a 20% effective tax rate for both P&L and valuation purposes.

Finally, while we expect a moderate reduction in total net debt in the forecast years (from €1,550m in 2024 to €1,418m in 2027e), this is mainly due to the anticipated residual payments for the Terminal JV stake. On an underlying basis, we see a gradual increase in net debt in 2025–27e as the company continues to build out its solar business. That said, on our estimates, we expect the company to comfortably meet its debt covenants.

Exhibit 28: Rubis consolidated financial estimates, €m

	2024	2025e	2026e	2027e
Volumes, '000m^3	6,018	6,260	6,502	6,750
Revenue	6,644	6,615	6,818	7,024
Total cash cost	5,923	5,875	6,041	6,207
EBITDA	721	740	777	817
D&A	215	221	239	249
EBIT	504	519	538	568
Net profit	342	327	342	368
EPS, €	3.30	3.17	3.32	3.56
DPS, €	2.73	2.03	2.09	2.15
Net debt	1,550	1,482	1,455	1,418

Source: Rubis, Edison Investment Research

Valuation

Cash flow valuation

We value Rubis on a DCF basis, using consolidated cash flows for all segments over a five-year explicit forecast period. To this, we add a terminal value at a 2.5% terminal growth rate (TGR), which we believe is justified given the company's business model and historical growth trends across its main regions of operation. We discount these cash flows at a weighted average cost of capital (WACC) of 8.2%. It is based on a risk-free rate of 3.2% (French 10-year government bond), equity risk premium (ERP) of 9.1%, a share of debt in the overall capital structure of c 40% and a post-tax cost of debt of 4% (pre-tax 5%). Our ERP assumption is based on the following logic. We use an equity risk premium for France of 5.1% as a basis (source: Damodaran), to which we add a risk adjustment of 4pp to account for the company's exposure to the Caribbean and Africa. The latter is based on our assessment of individual ERPs for the main countries in which the company operates.

Overall, our enterprise value estimate for Rubis is €5,149m. Adjusted for 2024 net debt, plus the remaining (undiscounted) payments for the Rubis Terminal JV stake, this gives an equity value of €3,860m, or €37.4 per share.

Exhibit 29: Summary of Rubis DCF valuation

Sum of discounted FCF (5Y)	€m	1,202
TGR	%	2.5
Terminal value	€m	3,949
Total enterprise value	€m	5,149
Total net debt less remaining payments for the Terminal JV interest (undiscounted)	€m	1,290
Equity value	€m	3,860
Number of shares	m	103.2
Value per share	€	37.4

Source: Edison Investment Research

Our DCF valuation is sensitive to a number of input parameters, in particular WACC and TGR. Below we provide a sensitivity analysis of how our valuation changes with various WACC and TGR assumptions.

Exhibit 30: DCF sensitivity to changes in WACC and TGR, €/share

		WACC, %					
		6.0	7.0	8.0	9.0	10.0	11.0
TGR, %	0.0	40.3	32.7	27.0	22.6	19.1	16.2
	1.0	48.5	38.2	31.0	25.5	21.3	18.0
	2.0	60.7	46.0	36.3	29.3	24.2	20.1
	3.0	81.1	57.7	43.7	34.4	27.8	22.8

Source: Edison Investment Research

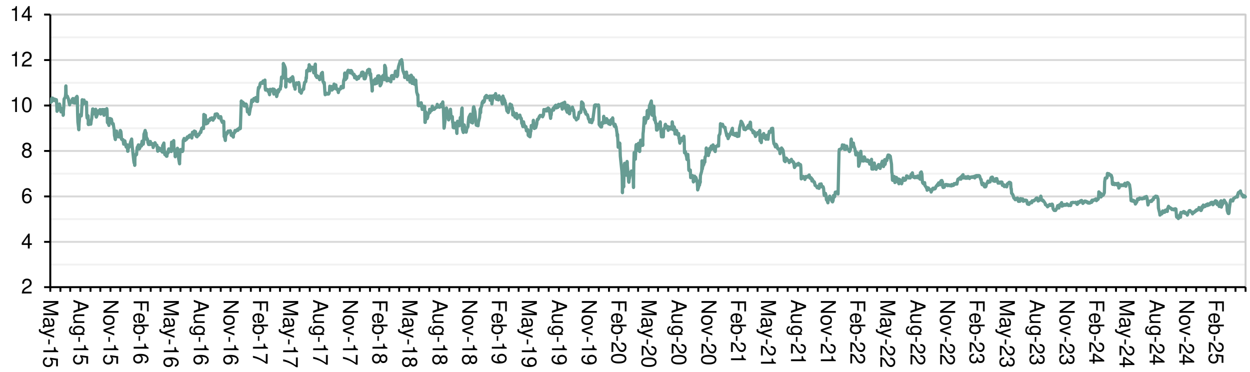
Peer group valuation

On a relative basis, Rubis trades at a 2025e EV/EBITDA of 6.1x (6.3x excluding remaining payments for the Rubis Terminal JV stake), falling to 5.8x in 2026e. Historically, the stock traded at an average forward-looking EV/EBITDA of 8.3x over the last 10 years and 6.8x over five years, with a five-year range of 5.0–10.1x. Rubis's peer group analysis is somewhat complicated by a limited number of publicly listed comparable companies. Below is a brief overview of the selected peers:

- DCC (market cap £4.6bn), an international sales, marketing and support services company with a focus on energy, healthcare (being divested) and technology, trades at 2025e EV/EBITDA of 6.2x falling to 6.0x in 2026e.
- On the larger side of the spectrum, TotalEnergies (market cap €117.5bn), a diversified energy producer and distributor, is trading at an EV/EBITDA of 4.4x in 2025e and 2026e.
- Parkland (market cap C$6.7bn), a diversified fuel distributor that is currently being bid for by Sunoco, is trading at 2025e and 2026e EV/EBITDA multiples of 7.2x and 6.6x, respectively.
- Sunoco (market cap $7.4bn), an energy infrastructure and fuel distribution company, trades at an EV/EBITDA of 7.5x in 2025e and 6.5x in 2026e.

One obvious observation from this analysis is that fuel distribution companies trade at a premium to pure energy producers due to their less pronounced exposure to commodity cycles and therefore lower earnings volatility. On top of this, Rubis benefits from strong geographical and product diversification. Parkland is one of the closest peers for Rubis. Applying its multiple to Rubis's 2025e EBITDA of €740m implies a valuation of €37.8 per share, in line with our DCF value.

Exhibit 31: Rubis historical EV/EBITDA (x) – one year forward



Source: LSEG Data & Analytics

Risks and sensitivities

We believe the company is exposed to the following key risks:

- Despite its diversified business model, Rubis has significant exposure to the emerging markets in Africa and the Caribbean. These economies exhibit relatively high growth rates but, at the same time, are characterised by higher volatility and political risks. In particular, through its operations in Africa and the Caribbean, the company has been exposed to hyperinflation (Suriname and Haiti) and forex fluctuations (Nigeria, Kenya) that had a profound impact on its financial performance. Thus, in 2023, the company booked a forex loss of €105m, followed by a loss of €47m in 2024. Although these losses are largely non-cash, they distort the company's financial performance. That said, the company has taken measures to mitigate fx volatility and closely monitors fx developments.
- Although Rubis is mainly engaged in reselling energy products and can largely pass higher commodity prices to consumers and absorb lower energy prices through its cost base, it is nevertheless exposed to risks associated with energy demand fluctuations and commodity price volatility.
- While Rubis's solar power business is still at a relatively early stage of development, its contribution to overall financial performance will grow over the next few years. Higher exposure to solar represents a number of potential risks. In particular, any adverse changes in political sentiment and hence green energy policies may affect economics and the attractiveness of investing in solar power. On the positive side, solar will allow for further diversification away from fossil fuels towards green energy and should also reduce earnings volatility, thanks to its long-term power purchase agreement (PPA) contracts and superior profitability. We also note that the company has set ambitious growth targets for the PV business, which assume a more than doubling in secured portfolio capacity in two years, which suggests the potential for delays.
- Finally, it appears that the recent appointments to the supervisory board of Patrick Molis and Anne Lauvergeon have somewhat diffused shareholder tension. However, shareholder risks may not have yet been fully resolved and may still affect the company's decision-making and its share price.
- On the positive side, we note that the company's well-diversified and defensive business model allows it, to a certain extent, to mitigate any potential effects of macroeconomic and commodity price volatility, while its focus on emerging markets offers superior growth rates. Importantly, Rubis is not exposed to current tariffs and trade tensions.

Exhibit 32: Rubis financial summary, €m

Year end 31 December	2022	2023	2024	2025e	2026e	2027e
Income statement						
Revenue	7,135	6,630	6,644	6,615	6,818	7,024
Consumed purchases	(5,690)	(4,946)	(4,944)	(4,848)	(4,971)	(5,092)
External purchases	(403)	(489)	(541)	(567)	(585)	(605)
Payroll	(237)	(254)	(290)	(312)	(333)	(353)
Taxes	(134)	(144)	(149)	(148)	(153)	(157)
EBITDA	669	798	721	740	777	817
D&A, other	(160)	(176)	(217)	(221)	(239)	(249)
EBIT	509	621	504	519	538	568
Share of JV, other opex	(52)	22	93	0	0	0
Net financial cost, including leases	(41)	(84)	(97)	(99)	(99)	(97)
Other costs	(80)	(134)	(68)	0	0	0
PBT	336	425	433	419	439	472
Income tax	(64)	(58)	(81)	(84)	(88)	(94)
Net income	263	354	342	327	342	368
Minority interest	9	13	9	8	9	9
Average number of shares, m	103	103	104	103	103	103
EPS, €	2.56	3.43	3.30	3.17	3.32	3.56
DPS, €	1.86	1.92	2.78	2.03	2.09	2.15
Balance sheet						
Goodwill	1,719	1,660	1,763	1,763	1,763	1,763
PP&E	1,662	1,747	1,895	1,994	2,155	2,240
Other non-current assets	840	841	733	646	559	559
Cash and cash equivalents	805	590	676	707	697	697
Inventory	616	652	716	744	763	781
Receivables	770	781	872	906	934	962
Other current assets	57	77	79	79	79	79
Total assets	6,470	6,347	6,734	6,839	6,950	7,081
Long-term debt	1,300	1,166	1,333	1,333	1,333	1,333
Long-term leases	197	201	220	183	146	109
Other non-current liabilities	474	562	627	627	627	627
Short-term debt	792	784	635	635	635	635
Short-term leases	28	38	37	37	37	37
Payables	782	793	864	890	912	935
Other current liabilities	39	40	56	56	56	56
Total liabilities	3,610	3,584	3,773	3,762	3,748	3,733
Share capital and premium	1,679	1,683	1,667	1,667	1,667	1,667
Retailed earnings	1,055	948	1,167	1,274	1,391	1,527
Minority interest	127	132	128	136	145	154
Total equity	2,860	2,763	2,961	3,077	3,203	3,348
Cash flow						
Net income from continuing operations	272	367	351	335	351	377
Changes in working capital	(31)	(92)	39	(36)	(24)	(25)
Tax	(85)	(71)	(71)	(84)	(88)	(94)
Other	265	358	346	391	413	429
Cash flow from operating activities	421	563	665	606	652	687
Capex	(258)	(283)	(248)	(321)	(400)	(420)
Disposal of financial assets	0	0	124	87	87	87
Repayment of leases	(33)	(37)	(42)	(37)	(37)	(37)
Net financial interest	(39)	(81)	(97)	(86)	(86)	(86)
Dividends	(202)	(212)	(295)	(220)	(226)	(232)
Other	42	(165)	(21)	0	0	0
Opening cash	875	805	590	676	707	697
Closing cash	805	590	676	707	697	697
Net debt	1,511	1,599	1,550	1,482	1,455	1,418

Source: Rubis, Edison Investment Research

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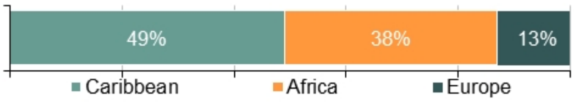
Revenue by geography



Management team

Gilles Gobin: Statutory managing partner and general partner

Gilles Gobin is an Essec graduate with a doctorate in economics. He started his career at Crédit Commercial de France in 1977 where he joined the Executive Committee in 1986 as head of corporate finance. He left the bank in 1989 and founded Rubis in 1990.

Jacques Riou: Managing partner (via Sorgema)

Jacques Riou graduated from HEC business school and has a degree in economics. Before joining Gilles Gobin in setting up Rubis in 1990, he held several roles at BNP Paribas, Banque Vernes et Commerciale de Paris and at the investment management company Euris.

Marc Jacquot: Group CFO

Marc Jacquot has more than 20 years of experience in finance, during which time he has demonstrated his ability to structure and lead financial transactions and strategic financings in Europe and North America. Before joining Rubis SCA, he was chief financial officer of the Rubis Terminal JV following its creation with I Squared Capital in 2020. In this context, he played a key role in the completion of several financing transactions and mergers and acquisitions, including the acquisition of Tepsa.

Jean-Christian Bergeron: CEO of Rubis Énergie

Jean-Christian Bergeron spent 28 years at TotalEnergies, where he held positions in France and abroad. He has held several strategic positions, notably as network director in the marketing and services business unit and in M&A operations in Africa and Saudi Arabia. He also held senior management operational responsibilities in France, Pakistan and Cameroon and served as operational director for Central and East Africa. He joined the Rubis Group in 2019 as chief executive officer for East Africa, where he supervised the subsidiaries of Rubis Énergie in seven countries: Kenya, Burundi, Djibouti, Ethiopia, Rwanda, Uganda and Zambia.

Clarisse Gobin-Swiecznik: Managing partner (via Sorgema)

Clarisse Gobin-Swiecznik joined the Rubis Group in 2011 within Rubis Terminal. In 2017, she joined Rubis Énergie as director of development and projects. She joined the holding company in 2020 as managing director in charge of New Energies, CSR and group communication. Building on this career path, Clarisse joined the management board of Sorgema, the managing company of Rubis SCA, in July 2023. She is also chair of Rubis Renouvelables, a director of Rubis Photosol and permanent representative of Rubis SCA on the board of directors of HDF Energy.

Principal shareholders	%
Compagnie Nationale de Navigation	9.4
Plantations des Terres Rouges	6.0
Groupe Industriel Marcel Dassault	5.7
Ronald Sämann	5.6
General and managing partners, supervisory board, company employees	4.6
Vanguard	3.6
Tweedy, Browne	3.2
BlackRock Fund Advisors	2.8
LSV Asset Management	2.0
BlackRock Asset Management	2.0
CDC Croissance	1.8
Norges Bank	1.2

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