



Rhône Energies has entered into exclusive negotiations for the acquisition of the Esso Fos-sur-Mer refinery in southern France

Geneva (Switzerland), April 11th, 2024 – Rhône Energies, a consortium of Entara LLC (“Entara”) and Trafigura Pte Ltd (“Trafigura”), has entered into exclusive negotiations to acquire the Fos-sur-Mer refinery and the Toulouse and Villette de Vienne terminals from Esso. The proposed acquisition is subject to a formal information and consultation procedure with employee representative bodies. Its completion is subject to regulatory approvals and is expected by the end of 2024. The financial terms of the proposed transaction are confidential.

Rhône Energies was formed by Entara and Trafigura to combine the strengths of a proven refinery operator with a global market leader in energy and commodities. Entara was established by former executives of Crossbridge Energy who have a track record of managing and optimising refinery assets, including at the Fredericia refinery in Denmark. Entara will manage the Fos-sur-Mer asset, overseeing operations, maintenance, asset integrity, commercial, health, safety and environmental performance.

Trafigura is one of the world’s largest suppliers of energy and commodities, operating in over 150 countries and trading over 5.5 million barrels of oil and petroleum products every day. Trafigura has a 30-year history of working with refineries through direct investment, capacity utilization and supply and offtake.

“We would be delighted to acquire and assume stewardship of the Esso’s Fos-sur-Mer refinery operations and look forward to engaging with the operational management, employee representatives and government stakeholders over the coming weeks and months to confirm our commitment to the operation and our plans for the future,” said Entara’s CEO, Nicholas Myerson. “We are committed to upholding the operation’s high standards of environmental responsibility, safety, and operational excellence.”

“The Fos-sur-Mer refinery is an efficient, flexible, well-run operation strategically located on France’s Mediterranean coast,” said Ben Luckock, Global Head of Oil for Trafigura. “The refinery will continue to be an important contributor to energy security in the region and would benefit from Trafigura’s global trading and logistics network. Oil and petroleum products will continue to play an important role in supporting growing global energy demand during the transition currently underway to a low-carbon economy.”

Rhône Energies intends to maintain the current workforce with approximately 310 members of staff who will transfer to Rhône Energies on completion of the proposed transaction. The company would also aim to maintain a competitive compensation and benefits programme for the workforce as well as learning & development opportunities.

Under the terms of the proposed acquisition, Trafigura would enter into a minimum 10-year exclusive crude oil supply and product offtake agreement, including ownership of crude oil and product stocks in tank. These agreements would ensure the refinery has a secure supply of on-demand feedstock at competitive costs, and a reliable off-taker of refined products destined to the domestic market. Rhône Energies would agree to continue to supply Esso SAF in the region.

With this proposed acquisition, Rhône Energies plans to capitalize on the refinery's existing skilled teams and strong manufacturing performance. The company aims to further improve margin capture, crude flexibility, process utilization and to maximize high value products, while investing in personnel and process safety.

Rhône Energies intends to invest in the sustainability of the site to reduce its carbon intensity footprint while also investing in growth projects enabling further co-processing of biogenic feedstocks to produce renewable fuels.

With a crude oil processing capacity of 140 thousand barrels per day, Fos-sur-Mer benefits from direct access to a major port, competitive operating costs and the ability to process a wide range of crude oil feedstocks.

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About Entara

Entara LLC is an energy infrastructure company that optimises and reduces carbon intensity of refinery assets with long-term strategic potential. Its mission is to be a significant supplier of critical energy infrastructure and sustainable energy products and to provide energy security to the regions in which it operates. Its team is comprised of best-in-class energy, operations and commercial experts who leverage their deep experience to enhance refinery performance while ensuring outstanding health, safety and environmental standards in refineries they operate.

Visit: <https://entrapartners.com/>

About Trafigura

Trafigura is a leading commodities group, owned by its employees and founded 30 years ago. At the heart of global supply, Trafigura connects vital resources to power and build the world. We deploy infrastructure, market expertise and our worldwide logistics network to move oil and petroleum products, metals and minerals, gas and power from where they are produced to where they are needed, forming strong relationships that make supply chains more efficient, secure and sustainable. We invest in renewable energy projects and technologies to facilitate the transition to a low-carbon economy, including through H2Energy Europe and joint venture Nala Renewables.

The Trafigura Group also comprises industrial assets and operating businesses including multi-metals producer Nyrstar, fuel storage and distribution company Puma Energy, and our Impala Terminals joint venture. The Group employs over 12,000 people and is active in 156 countries.

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