



Cenovus Energy Inc.

Interim Supplemental Information (unaudited)

For the period ended December 31, 2020

(Canadian Dollars)

SUPPLEMENTAL INFORMATION (unaudited)

Financial Statistics ⁽¹⁾

(\$ millions, except per share amounts)

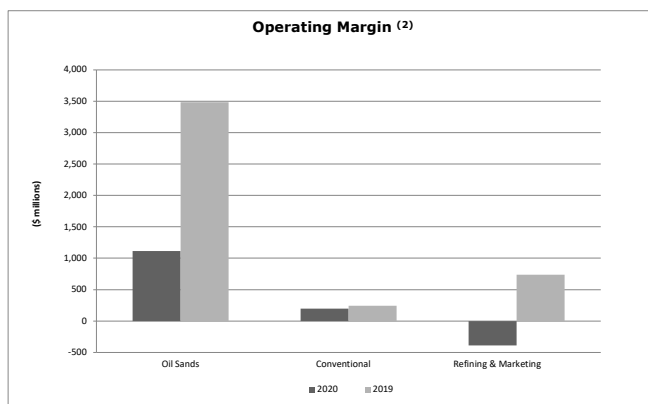
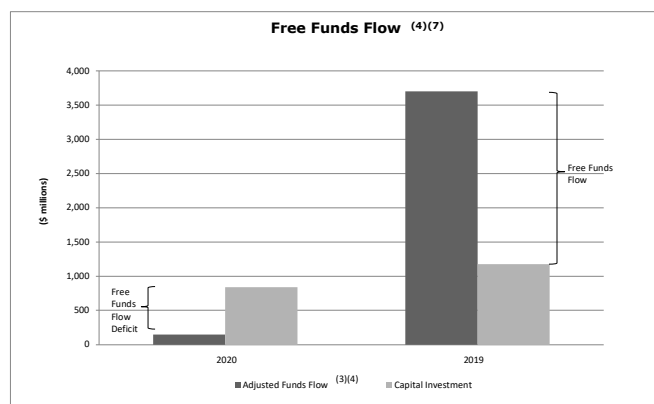
Revenues	Year	2020				2019
		Q4	Q3	Q2	Q1	Year
Gross Sales						
Oil Sands	7,514	2,227	2,195	1,065	2,027	10,838
Conventional	635	184	156	133	162	691
Refining and Marketing	6,051	1,345	1,569	1,088	2,049	10,513
Corporate and Eliminations	(609)	(187)	(108)	(91)	(223)	(689)
Less: Royalties	364	143	153	21	47	1,173
Total Revenues	13,227	3,426	3,659	2,174	3,968	20,180

Operating Margin ⁽²⁾	Year	2020				2019
		Q4	Q3	Q2	Q1	Year
Oil Sands	1,113	616	638	125	(266)	3,481
Conventional	196	82	30	32	52	242
Refining and Marketing	1,309	698	668	157	(214)	3,723
Corporate and Eliminations	(388)	(73)	(74)	134	(375)	737
Total Operating Margin	921	625	594	291	(589)	4,460

Adjusted Funds Flow ⁽³⁾	Year	2020				2019
		Q4	Q3	Q2	Q1	Year
Total Cash From (Used in) Operating Activities	273	250	732	(834)	125	3,285
Deduct (Add Back):						
Net Change in Other Assets and Liabilities	(72)	(14)	(10)	(9)	(39)	(84)
Net Change in Non-Cash Working Capital ⁽⁴⁾	198	(77)	328	(363)	310	(333)
Total Adjusted Funds Flow ⁽⁴⁾	147	341	414	(462)	(146)	3,702
Total Per Share - Basic ⁽⁴⁾	0.12	0.28	0.34	(0.38)	(0.12)	3.01
Total Per Share - Diluted ⁽⁴⁾	0.12	0.28	0.34	(0.38)	(0.12)	3.01

Earnings	Year	2020				2019
		Q4	Q3	Q2	Q1	Year
Total Operating Earnings (Loss) ⁽⁵⁾	(2,604)	(551)	(452)	(414)	(1,187)	456
Total Per Share - Diluted	(2.12)	(0.45)	(0.37)	(0.34)	(0.97)	0.37
Total Net Earnings (Loss)	(2,379)	(153)	(194)	(235)	(1,797)	2,194
Total Per Share - Basic and Diluted	(1.94)	(0.12)	(0.16)	(0.19)	(1.46)	1.78

Net Capital Investment ⁽⁶⁾	Year	2020				2019
		Q4	Q3	Q2	Q1	Year
Oil Sands						
Foster Creek	193	36	32	36	89	243
Christina Lake	162	45	27	31	59	362
Other Oil Sands	72	9	6	11	46	51
Total Oil Sands	427	90	65	78	194	656
Conventional	78	39	12	11	16	103
Refining and Marketing	276	104	65	46	61	280
Corporate	60	9	6	12	33	137
Total Capital Investment	841	242	148	147	304	1,176
Acquisitions	18	8	4	-	6	13
Divestitures	(38)	(36)	(1)	(1)	-	(5)
Net Acquisition and Divestiture Activity	(20)	(28)	3	(1)	6	8
Net Capital Investment	821	214	151	146	310	1,184



⁽¹⁾ We renamed our Deep Basin segment to Conventional segment in the first quarter of 2020. For a description of our operations, refer to the Reportable Segments section of the Management's Discussion and Analysis.

⁽²⁾ Operating Margin is an additional subtotal found in Note 1 of the Interim and Annual Consolidated Financial Statements and is used to provide a consistent measure of the cash generating performance of our assets for comparability of our underlying financial performance between periods. Operating Margin is defined as revenues less purchased product, transportation and blending, operating expenses, inventory write-downs (reversals), plus realized gains less realized losses on risk management activities. Items within the Corporate and Eliminations segment are excluded from the calculation of Operating Margin.

⁽³⁾ Adjusted Funds Flow is a non-GAAP measure commonly used in the oil and gas industry to assist in measuring a company's ability to finance its capital programs and meet its financial obligations. Adjusted Funds Flow is defined as Cash From (Used in) Operating Activities excluding net change in other assets and liabilities and net change in non-cash working capital. Non-cash working capital is composed of accounts receivable, inventory (excluding inventory write-downs and reversals), income tax receivable, accounts payable and income tax payable. Net change in other assets and liabilities is composed of site restoration costs and pension funding.

⁽⁴⁾ The comparative periods have been reclassified to conform with current period treatment of non-cash inventory write-downs (reversals).

⁽⁵⁾ Operating Earnings (Loss) is a non-GAAP measure used to provide a consistent measure of the comparability of our underlying financial performance between periods by removing non-operating items. Operating Earnings (Loss) is defined as Earnings (Loss) Before Income Tax excluding gain (loss) on discontinuance, revaluation gain (loss), unrealized risk management gains (losses) on derivative instruments, unrealized foreign exchange gains (losses) on translation of U.S. dollar denominated notes issued from Canada, foreign exchange gains (losses) on settlement of intercompany transactions, gains (losses) on divestiture of assets, less income taxes on Operating Earnings (Loss) before tax, excluding the effect of changes in statutory income tax rates and the recognition of an increase in U.S. tax basis.

⁽⁶⁾ In the first quarter of 2020, our new resource play, Marten Hills was reclassified from the Oil Sands segment to the Conventional segment. The comparative information has been reclassified.

⁽⁷⁾ Free Funds Flow is a non-GAAP measure defined as Adjusted Funds Flow less capital investment.

SUPPLEMENTAL INFORMATION (unaudited)

Financial Statistics (continued) ⁽¹⁾

Financial Metrics (Non-GAAP Measures) ⁽²⁾	2020				2019	
	Year	Q4	Q3	Q2	Q1	Year
Net Debt to Adjusted EBITDA	11.9x	11.9x	8.3x	6.0x	3.1x	1.6x
Return on Capital Employed	(8)%	(8)%	(7)%	(5)%	2%	10%
Return on Common Equity	(13)%	(13)%	(12)%	(10)%	2%	12%

Income Tax & Exchange Rates

	2020				2019	
	Year	Q4	Q3	Q2	Q1	Year
Effective Tax Rates Using:						
Net Earnings	26.3%					(57.1)%
Operating Earnings, Excluding Divestitures	24.5%					39.8%
Foreign Exchange Rates (US\$ per C\$1)						
Average	0.746	0.768	0.751	0.722	0.744	0.754
Period End	0.785	0.785	0.750	0.734	0.705	0.770

Common Share Information

	2020				2019	
	Year	Q4	Q3	Q2	Q1	Year
Common Shares Outstanding (millions)						
Period End	1,228.9	1,228.9	1,228.9	1,228.9	1,228.9	1,228.8
Average - Basic	1,228.9	1,228.9	1,228.9	1,228.9	1,228.9	1,228.9
Average - Diluted	1,228.9	1,228.9	1,228.9	1,228.9	1,228.9	1,229.4
Dividends (\$ per share)	0.0625	-	-	-	0.0625	0.2125
Closing Price - TSX (C\$ per share)	7.75	7.75	5.19	6.35	2.84	13.20
- NYSE (US\$ per share)	6.04	6.04	3.89	4.67	2.02	10.15
Share Volume Traded (millions)	5,644.5	1,419.0	854.4	1,831.6	1,539.5	2,711.7

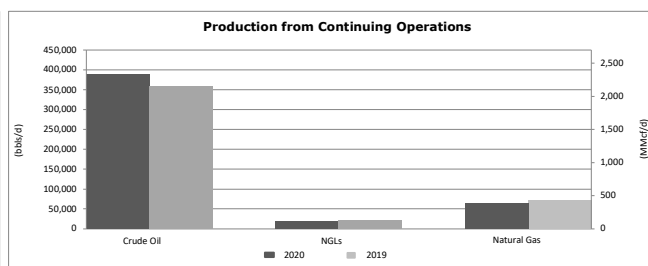
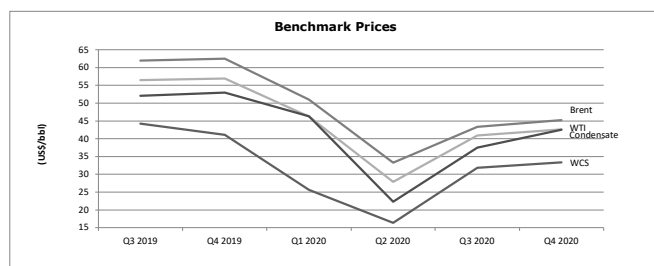
Operating Statistics - Before Royalties

Upstream Production Volumes

	2020				2019	
	Year	Q4	Q3	Q2	Q1	Year
Crude Oil and Natural Gas Liquids (bbls/d)						
Oil Sands						
Foster Creek	163,210	158,068	164,954	166,032	163,820	159,598
Christina Lake	218,513	222,625	220,983	207,157	223,216	194,659
	381,723	380,693	385,937	373,189	387,036	354,257
Conventional						
Crude Oil	7,244	6,229	7,554	6,541	8,662	4,911
Natural Gas Liquids ⁽³⁾	19,513	18,358	18,297	20,320	21,104	21,762
	26,757	24,587	25,851	26,861	29,766	26,673
Total Liquids Production	408,480	405,280	411,788	400,050	416,802	380,930
Natural Gas (MMcf/d)						
Conventional ⁽⁴⁾	379	369	360	392	395	424
Total Production ⁽⁴⁾⁽⁵⁾ (BOE per day)	471,740	467,202	471,799	465,415	482,594	451,680

Selected Average Benchmark Prices

	2020				2019	
	Year	Q4	Q3	Q2	Q1	Year
Crude Oil Prices (US\$/bbl)						
Brent	43.21	45.24	43.37	33.27	50.96	64.18
West Texas Intermediate ("WTI")	39.40	42.66	40.93	27.85	46.17	57.03
Differential Brent - WTI	3.81	2.58	2.44	5.42	4.79	7.15
Western Canadian Select at Hardisty ("WCS")	26.80	33.36	31.84	16.38	25.64	44.27
WCS (C\$)	35.59	43.41	42.41	22.42	34.11	58.77
Differential WTI - WCS	12.60	9.30	9.09	11.47	20.53	12.76
Mixed Sweet Blend	34.07	38.59	37.42	21.71	38.59	52.15
Condensate (C\$ @ Edmonton)	37.16	42.54	37.55	22.30	46.28	52.86
Differential WTI - Condensate (Premium)/Discount	2.24	0.12	3.38	5.55	(0.11)	4.17
West Texas Sour ("WTS")	39.37	43.02	40.96	28.03	45.47	56.27
Differential WTI - WTS	0.03	(0.36)	(0.03)	(0.18)	0.70	0.76
Refining Margins 3-2-1 Crack Spreads ⁽⁶⁾ (US\$/bbl)						
Chicago	7.54	7.05	7.89	6.44	8.79	16.00
Group 3	8.67	7.57	8.29	7.92	10.91	16.67
Natural Gas Prices						
AECO 7A Monthly Index (C\$/Mcf) ⁽⁷⁾	2.24	2.77	2.15	1.91	2.14	1.62
NYMEX (US\$/Mcf)	2.08	2.66	1.98	1.72	1.95	2.63
Differential NYMEX - AECO (US\$/Mcf)	0.40	0.56	0.36	0.35	0.33	1.41



⁽¹⁾ We renamed our Deep Basin segment to Conventional segment in the first quarter of 2020. For a description of our operations, refer to the Reportable Segments section of the Management's Discussion and Analysis.

⁽²⁾ • Net Debt includes the Company's short-term borrowings and the current and long-term portions of long-term debt, net of cash and cash equivalents and short-term investments.
 • Adjusted EBITDA is defined as earnings before finance costs, interest income, income tax expense, depreciation, depletion and amortization, revaluation gain, re-measurement gains (losses) on contingent payment, goodwill impairments, asset impairments and reversals, unrealized gains (losses) on risk management, foreign exchange gains (losses), gains (losses) on divestiture of assets and other income (loss), net, calculated on a trailing twelve-month basis.
 • Return on capital employed is calculated, on a trailing twelve-month basis, as net earnings before after-tax interest divided by average shareholders' equity plus average debt.
 • Return on common equity is calculated, on a trailing twelve-month basis, as net earnings divided by average shareholders' equity.

⁽³⁾ Natural gas liquids include condensate volumes.

⁽⁴⁾ Includes production used for internal consumption by the Oil Sands segment of 344 MMcf per day and 336 MMcf per day for the three and twelve months ended December 31, 2020, respectively (336 MMcf per day and 320 MMcf per day for the three and twelve months ended December 31, 2019, respectively).

⁽⁵⁾ Natural gas volumes have been converted to barrels of oil equivalent ("BOE") on the basis of six thousand cubic feet ("Mcf") to one barrel ("bbl"). BOE may be misleading, particularly if used in isolation. A conversion ratio of one bbl to six Mcf is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent value equivalency at the wellhead. Given that the value ratio based on the current price of crude oil compared to natural gas is significantly different from the energy equivalency conversion ratio of 6:1, utilizing a conversion on a 6:1 basis is not an accurate reflection of value.

⁽⁶⁾ The 3-2-1 crack spread is an indicator of the refining margin generated by converting three barrels of crude oil into two barrels of regular unleaded gasoline and one barrel of ultra-low sulphur diesel using current month WTI based crude oil feedstock prices and on a last in, first out accounting basis ("LIFO").

⁽⁷⁾ Alberta Energy Company ("AECO") natural gas monthly index.

SUPPLEMENTAL INFORMATION (unaudited)

Operating Statistics - Before Royalties (continued) ⁽¹⁾

Effective Royalty Rates (Excluding Realized Gain (Loss) on Risk Management)	Year	2020				2019
		Q4	Q3	Q2	Q1	Year
Oil Sands ⁽²⁾						
Foster Creek	7.9%	5.9%	7.4%	16.0%	11.7%	18.8%
Christina Lake	14.4%	16.6%	13.4%	18.0%	9.5%	21.6%
Conventional						
Crude Oil	11.6%	9.2%	10.9%	14.2%	13.0%	16.3%
Natural Gas Liquids	12.2%	21.9%	38.3%	(9.2)%	(4.9)%	3.9%
Natural Gas	4.8%	2.1%	13.5%	2.5%	1.5%	1.1%

Netbacks

Netback is a non-GAAP measure commonly used in the oil and gas industry to assist in measuring operating performance on a per-unit basis. Netbacks reflect our margin on a per-barrel basis of unblended crude oil. Netback is defined as gross sales less royalties, transportation and blending, and operating expenses divided by sales volumes. Netbacks do not reflect the non-cash write-downs or reversals of product inventory until the product is sold. The crude oil sales price, transportation and blending costs, and sales volumes exclude the impact of purchased condensate. Condensate is blended with the heavy oil to reduce its thickness in order to transport it to market. Our Netback calculation is aligned with the definition found in the Canadian Oil and Gas Evaluation Handbook. The reconciliation of the financial components of each Netback to Operating Margin can be found in our quarterly and annual Management's Discussion and Analysis.

The Oil Sands and Conventional netbacks are calculated on a gross basis and exclude adjustments for the natural gas that is produced by the Conventional segment and used as fuel by the Oil Sands segment. The consolidated netback is calculated on a net basis, after adjustments for natural gas produced by the Conventional segment and used as fuel by the Oil Sands segment.

Oil Sands Netbacks (Excluding Realized Gain (Loss) on Risk Management)	Year	2020				2019
		Q4	Q3	Q2	Q1	Year
Heavy Oil - Foster Creek ⁽³⁾ (\$/bbl)						
Sales Price	30.80	41.52	41.51	14.28	27.05	57.21
Royalties	1.57	1.89	2.44	0.56	1.47	8.44
Transportation and Blending	11.05	9.74	8.59	11.32	14.37	11.70
Operating	9.24	10.34	9.04	8.33	9.28	9.14
Netback	8.94	19.55	21.44	(5.93)	1.93	27.93
Heavy Oil - Christina Lake ⁽³⁾ (\$/bbl)						
Sales Price	27.04	37.20	38.44	11.22	18.87	50.91
Royalties	2.90	5.07	4.27	1.00	1.01	9.42
Transportation and Blending	6.95	6.55	6.78	6.19	8.18	6.64
Operating	6.79	7.50	6.53	6.52	6.62	7.33
Netback	10.40	18.08	20.86	(2.49)	3.06	27.52
Total Heavy Oil - Oil Sands ⁽³⁾ (\$/bbl)						
Sales Price	28.64	39.02	39.67	12.64	22.35	53.78
Royalties	2.34	3.73	3.54	0.80	1.21	8.97
Transportation and Blending	8.70	7.90	7.51	8.56	10.81	8.94
Operating	7.84	8.70	7.53	7.36	7.75	8.15
Netback	9.76	18.69	21.09	(4.08)	2.58	27.72

Conventional Netbacks (Excluding Realized Gain (Loss) on Risk Management)	Year	2020				2019
		Q4	Q3	Q2	Q1	Year
Total Conventional ⁽³⁾⁽⁴⁾ (\$/BOE)						
Sales Price	17.84	21.63	18.28	14.48	17.23	17.95
Royalties	1.23	1.65	2.95	0.12	0.35	0.83
Transportation and Blending	2.46	2.28	2.62	2.38	2.55	2.31
Operating	8.99	8.34	9.55	9.05	9.01	8.79
Netback	5.16	9.36	3.16	2.93	5.32	6.02

Operations Netbacks (Excluding Realized Gain (Loss) on Risk Management)	Year	2020				2019
		Q4	Q3	Q2	Q1	Year
Total Operations ⁽³⁾⁽⁴⁾ (\$/BOE)						
Sales Price	28.23	38.37	38.55	13.04	22.47	50.63
Royalties	2.41	3.81	3.86	0.75	1.17	8.23
Transportation and Blending	8.52	7.82	7.46	8.33	10.43	8.51
Operating	7.21	7.41	7.09	7.00	7.33	7.87
Netback	10.09	19.33	20.14	(3.04)	3.54	26.02

Realized Gain (Loss) on Risk Management	Year	2020				2019
		Q4	Q3	Q2	Q1	Year
Sales ⁽⁴⁾ (\$/BOE)	(1.74)	(1.05)	(3.46)	(1.81)	(0.63)	(0.16)

Refinery Operations ⁽⁵⁾	Year	2020				2019
		Q4	Q3	Q2	Q1	Year
Crude Oil Capacity (Mbbbls/d)	495	495	495	495	495	482
Crude Oil Runs (Mbbbls/d)	372	338	382	325	442	443
Heavy Oil	149	133	154	112	197	177
Light/Medium	223	205	228	213	245	266
Crude Utilization	75%	68%	77%	66%	89%	92%
Refined Products (Mbbbls/d)	385	350	397	332	460	466

⁽¹⁾ We renamed our Deep Basin segment to Conventional segment in the first quarter of 2020. For a description of our operations, refer to the Reportable Segments section of the Management's Discussion and Analysis.

⁽²⁾ Q4 effective royalty rate for Christina Lake and Foster Creek reflects the annual weighted average unit price adjustments and audit adjustments related to prior periods. The Q4 effective royalty rate, before the adjustments would be 14.4% and 6.8% for Christina Lake and Foster Creek, respectively.

⁽³⁾ Netbacks do not reflect the non-cash write-downs or reversals of product inventory until the product is sold. There was no impact to netbacks for total operations from realizing inventory write-downs for the three months ended December 31, 2020.

⁽⁴⁾ Natural gas volumes have been converted to BOE on the basis of six Mcf to one bbl. BOE may be misleading, particularly if used in isolation. A conversion ratio of one bbl to six Mcf is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent value equivalency at the wellhead. Given that the value ratio based on the current price of crude oil compared to natural gas is significantly different from the energy equivalency conversion ratio of 6:1, utilizing a conversion on a 6:1 basis is not an accurate reflection of value.

⁽⁵⁾ Represents 100 percent of the Wood River and Borger refinery operations.