2ND QUARTER AND FIRST HALF 2021 RESULTS

July, 2021

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MSCI ESG RATINGS AAA
Corporate ESG Performance Prime ISS ESG
Dow Jones Sustainability Indices Powered by the S&P Global CSA
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Financial information by business segment is reported in accordance with the Galp's management reporting policies and shows internal segment information that is used to manage and measure the Group's performance. In addition to IFRS measures, certain alternative performance measures are presented, such as performance measures adjusted for special items (adjusted operational cash flow, adjusted earnings before interest, taxes, depreciation and amortisation, adjusted earnings before interest and taxes, and adjusted net income), return on equity (ROE), return on average capital employed (ROACE), investment return rate (IRR), equity investment return rate (eIRR), gearing ratio, cash flow from operations and free cash flow. These indicators are meant to facilitate the analysis of the financial performance of Galp and comparison of results and cash flow among periods. In addition, the results are also measured in accordance with the replacement cost method, adjusted for special items. This method is used to assess the performance of each business segment and facilitate the comparability of the segments' performance with those of its competitors. This document also contains non-financial performance indicators, including a carbon intensity indicator for energy products sold by Galp, that measures the amount of greenhouse gas emissions of those products, from their production to their end use, per unit of energy delivered. This indicator covers the direct GHG emissions of production and processing facilities (scope 1) and their indirect emissions associated with energy purchased (scope 2), as well as the emissions associated with the use of products by Galp's costumers (scope 3). The same emissions are considered for products purchased from third parties and sold or transformed by Galp. For a complete definition of scopes 1, 2 and 3 and the methodology used by Galp for this indicator please refer to Galp's website at galp.com. This document may include data and information from sources that are publicly available. This document may also include data and information provided by third parties, including Wood Mackenzie, Rystad and market analysts, which are not publicly available. Such data and information should not be interpreted as advice and you should not rely on it for any purpose. You may not copy or use this data and information except as expressly permitted by those third parties in writing. To the fullest extent permitted by law, those third parties accept no responsibility for your use of such data and information except as specified in a written agreement you may have entered into with those third parties for the provision of such data and information.

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01

Recent Developments

Andy Brown, CEO

1H21 Highlights

Strong cash generation levered on portfolio resilience and capital discipline

+€370 m YoY
€0.9 bn
Adjusted operating cash flow[1]

+€639 m YoY
€0.7 bn
Free Cash Flow

+€311 m YoY
€1.1 bn
RCA Ebitda

-0.1x YoY
1.0x
Net Debt to RCA Ebitda

Solid set of results

Capturing market recovery opportunities

Already at targeted leverage

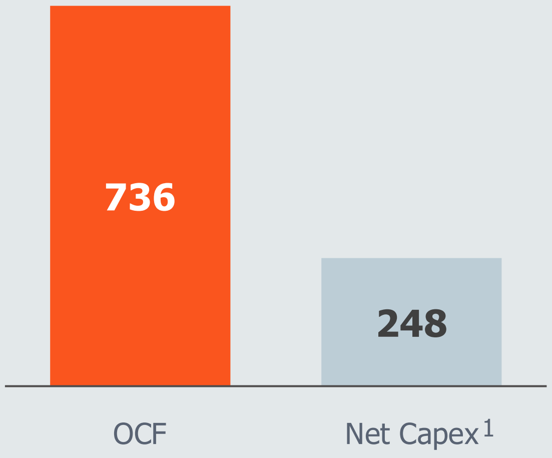
On track for variable distribution

[1] The adjusted operating cash flow (OCF) indicator represents a proxy of Galp's operational performance excluding inventory effects, working capital changes and special items.

Upstream

Delivering significant value from superior cash margin and competitive portfolio

1H21 OCF and Net capex (€m)



1H21

- Robust cash delivery, despite production restrictions
- Advancing towards new growth developments: Bacalhau FID in June

Outlook

- 2H21 to continue benefiting from macro context
- Sépia FPSO start-up soon
- Additional inspection & maintenance activities expected during 2H21: 2021E production likely at the lower half of guidance (125-135 kboepd)

[1] Capex net of divestments, economic perspective.

Commercial

Leveraging on market recovery and focus on the business transformation

1H21

- Slowdown in mobility as a result of Covid-19, particularly in Q1
- Improved demand in Iberia and seasonality driving oil products and power sales up in Q2

€136 m
OCF

€26 m
Net capex[1]

Outlook

- Expected continued market recovery during Q3
- Increasing gas & power customer base in Iberia
- Expanding EV charging network (c.700 installations currently)

[1] Capex net of divestments, economic perspective.

Industrial & Energy Management

Adapting to market trends and conditions

1H21

- Stable raw materials processed and slight improvement on refining margins
- Energy Management contribution still limited by gas regasification costs and gas trading opportunities

€55 m
OCF

€-350 m
Net capex[1]
€18 m capex

Outlook

- Improvement in demand
- Normalised regasification costs and higher trading opportunities expected in 2022
- Advancing with green H_2 developments
- EU green deal support already granted in one green H_2 project

[1] Capex net of divestments, economic perspective. Galp received €368 m in proceeds from the GGND transaction completion during 1H21.

Renewables & New Businesses

Growing a competitive renewables portfolio and developing future options

1H21

- Renewables generation up in Q2 from seasonality and more normalised operations
- Capturing higher solar prices in Iberia

€19 m
Pro-forma OCF[1]

€66 m
Net capex[2]

c.4 GW
Current portfolio

Outlook

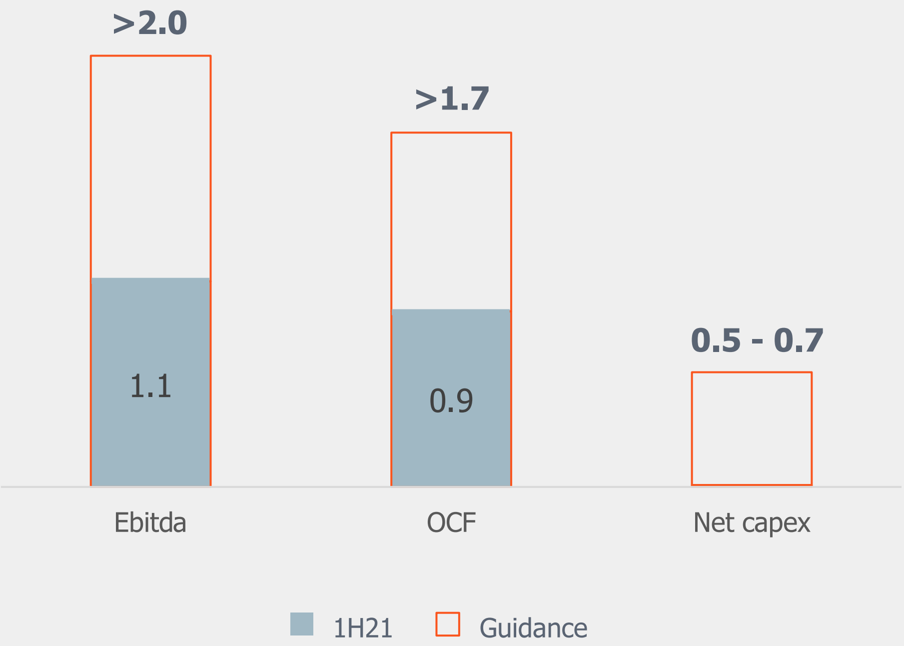
- >200 MW of new operating capacity start-up by YE
- Acquiring projects in early stages of development
- Additional expansion planned in & outside Iberia

[1] Pro-forma considers all renewables projects as if they were consolidated according to Galp's equity stakes. [2] Capex net of divestments, economic perspective.

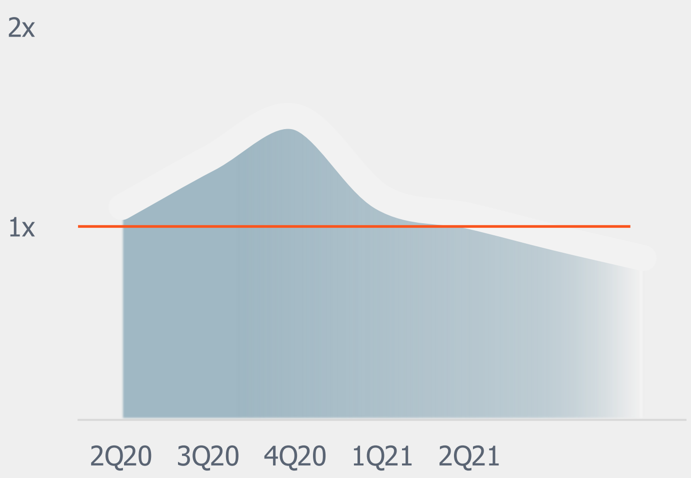
Strong 1H21 cash generation

with macro recovery enabling rapid deleveraging

2021 Progress vs Guidance (€ bn)



Net debt to Ebitda



Expecting to continue deleveraging throughout 2H21

Attractive shareholder remuneration

with financial strength to support variable distribution

Dividend policy

Base
€0.50/share

+

Variable[2]
If ND/Ebitda < 1x at YE, amount until 1x

Maximum distribution
1/3 CFFO[1]
(Base + Variable)

Expected 2021 distribution

Interim to be paid in Q3 (€0.25/sh)

2Q21 ND/Ebitda at 1x

Further deleveraging during 2H with current macro

Variable component likely to be paid out for 2021 fiscal year

2021E DPS (€/share)

[1] CFFO varies from OCF as it includes inventory effects, working capital changes and special items. [2] Variable distribution subject to financial position as of Dec. 31, 2021 and to approval at AGM.

Executing our distinctive investment proposition

to thrive through the energy transition

Growth from established businesses + **Growth from Renewables businesses** + **Competitive shareholder distribution**

Growth from established businesses

- Moving with Bacalhau development after taking FID in June
- Increasing power sales and EV penetration

Growth from Renewables businesses

- Developing new renewables operating capacity
- Preparing expansion outside Iberia
- Advancing with green hydrogen projects

Competitive shareholder distribution

- Financial robustness with ND/Ebitda already at targeted level
- Variable distribution likely to be paid at current macro

New Galp's Executive Committee

Refreshing team & organisational structure

Andy Brown

CEO

+ resp. Energy Management

Thore E. Kristiansen

COO Production & Operations

(Upstream + Industrial businesses)

Filipe Silva

CFO

Teresa Abecasis

COO Commercial

Carlos Costa Pina

COO Corporate Centre

TBD

COO Renewables & New Businesses

New organisation following the recently updated strategy

Adopting a leaner and more agile management mode

In the process of hiring a new COO for Renewables & New Businesses

02

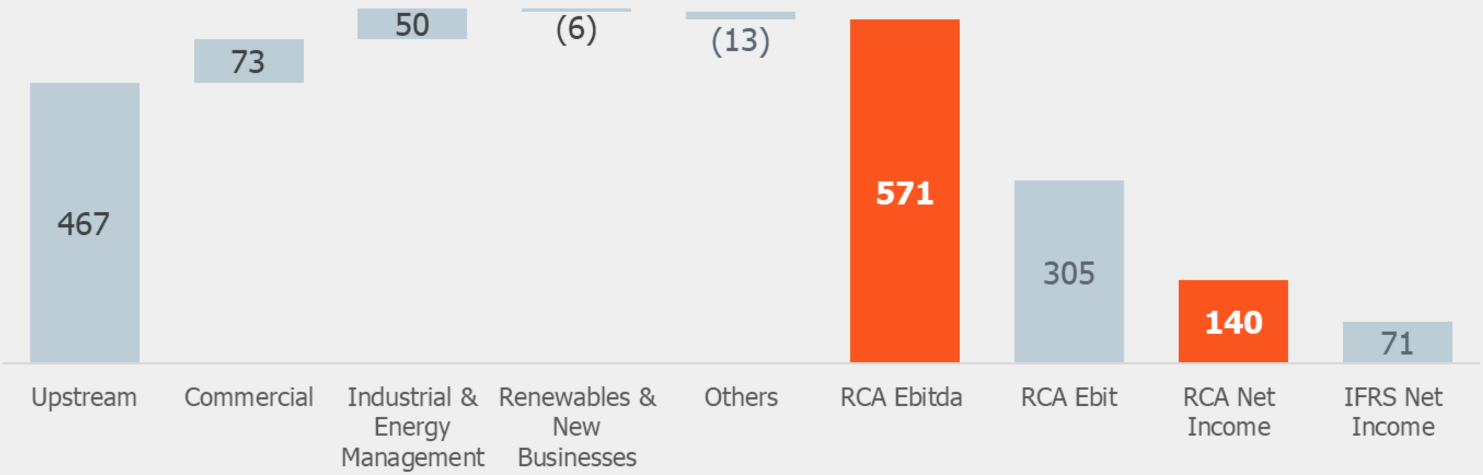
2Q21 and 1H21 Results

Filipe Silva, CFO

2Q21 RCA Ebitda of €571 m

driven by Upstream and partial recovery in Iberia

2Q21 P&L (€ m)



	Upstream	Commercial	Industrial & Energy Management	Renewables & New Businesses	Others	RCA Ebitda	RCA Ebit	RCA Net Income	IFRS Net Income
2Q20	204	59	19	(4)	12	291	(57)	(52)	(154)
1H21	906	142	45	(8)	(13)	1,071	588	166	232

Upstream supported by the higher oil prices

Commercial reflecting higher oil products demand

Industrial & EM with pressured refining, although supported by derivative effects

Renewables pro-forma Ebitda[1] of €17 m driven by higher generation and solar prices

RCA Ebit also including Upstream exploration impairments of €50 m

Associates flat YoY reflecting the contribution from international pipelines and renewables JV

Financial results of -€4 m including positive FX differences and a reclassification to Ebitda (Others) of premium paid for expired Brent put options

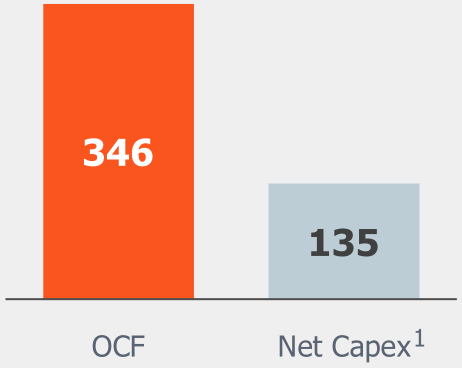
IFRS net income considers special items of -€137 m and a €68 m positive inventory effect

[1] Pro-forma considers all renewables projects as if they were consolidated according to Galp's equity stakes.

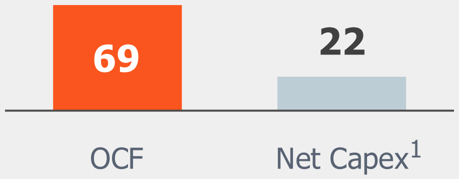
2Q21 OCF of €470 m

driven by stronger operational and macro conditions

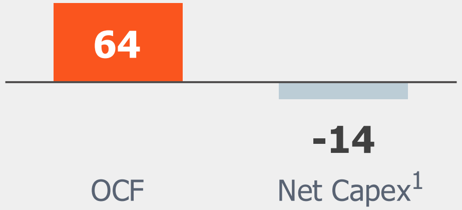
Upstream



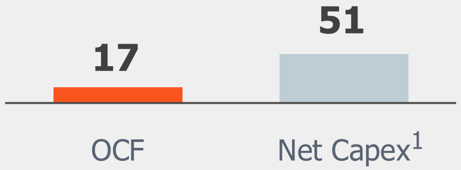
Commercial



Industrial & Energy Management



Renewables pro-forma[2]



[1] Capex net of divestments, economic perspective. [2] Pro-forma considers all renewables projects as if they were consolidated according to Galp's equity stakes.

Strong FCF generation during 1H21

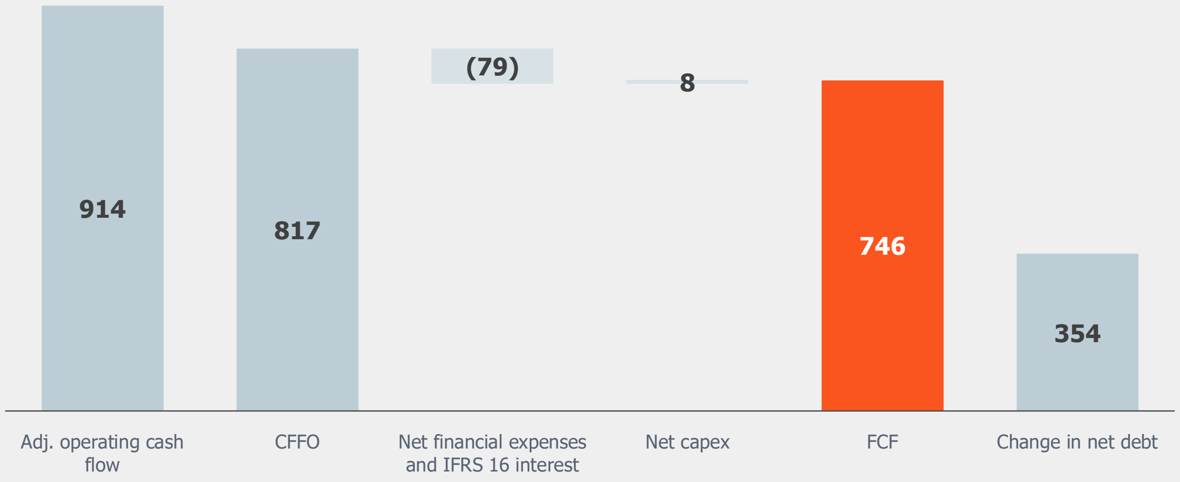
with operational contribution and capital discipline allowing rapid deleveraging

CFFO impacted by a WC build driven by higher commodity prices

Net capex of €8 m considering the €368 m proceeds from the GGND divestment in 1H21

Net debt reduction in H1 already considering €368 m of dividends paid to minorities and Galp shareholders during Q2

1H21 Cash flow (€ m)



	Adj. operating cash flow	CFFO	Net financial expenses and IFRS 16 interest	Net capex	FCF	Change in net debt
1H20	544	404	(82)	(360)	107[1]	(497)
2Q21	470	440	(25)	(186)	228	(159)

[1] Includes effects related to income from derivatives and proceeds from equalisation.

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Appendix

Upstream results

extracting value from oil price recovery

		2Q20	1Q21	2Q21
Working interest production	kboepd	132.2	125.2	**128.4**
Oil production	kbpd	118.6	112.2	**114.9**
Net entitlement production	kboepd	130.3	123.5	**126.6**
Angola	kbpd	12.7	11.3	**11.6**
Brazil	kboepd	117.6	112.2	**115.0**
Oil and gas realisations - Dif. to Brent	USD/boe	-7.8	-6.5	**-8.9**
Production costs	USD/boe	2.8	1.8	**1.2**
DD&A[1]	USD/boe	13.4	13.7	**13.4**
RCA Ebitda	€ m	204	438	**467**
RCA Ebit	€ m	-32	314	**290**
OCF	€ m	123	390	**346**
Capex	€ m	82	149	**135**

		2Q20	1Q21	2Q21
Dated Brent price	USD/bbl	29.6	61.1	**69.0**

WI production up QoQ, supported by lower operational restrictions

Ebitda up QoQ following the higher production and more supportive oil prices

OCF down QoQ as 1Q21 included higher dividends received from associates and lower oil tax payments

Ebit impacted by impairments of €50 m related with exploration assets

Capex mostly reflecting the development activities in Brazil, with 70% allocated to growth projects

[1] Includes abandonment provisions. 2020 and 2021 figures exclude impairments of €92 m and €48 m, respectively, related to smaller scale exploration assets.

Commercial results

supported by Iberian demand recovery

		2Q20	1Q21	2Q21
Commercial sales to clients				
Oil products	mton	1.2	1.3	**1.5**
Natural gas	TWh	4.8	4.9	**4.5**
Electricity	GWh	678	950	**1,020**
RCA Ebitda	€ m	59	69	**73**
RCA Ebit	€ m	36	44	**48**
OCF	€ m	55	67	**69**
Capex	€ m	26	4	**22**

Higher oil products and lower natural gas sales following seasonality, whilst higher electricity sales benefitted from customer acquisition

Ebitda and OCF up on the back of higher oil products and electricity sales

Capex mostly related to the retail segment in Portugal

Industrial & Energy Management results

driven by EM contribution

		2Q20	1Q21	2Q21
Raw materials processed	mboe	13.4	19.7	**21.0**
Galp refining margin	USD/boe	1.8	1.9	**2.4**
Oil products supply[1]	mton	2.5	3.6	**3.6**
NG/LNG supply & trading volumes[1]	TWh	11.7	18.3	**18.1**
Trading	TWh	3.7	8.3	**9.1**
Sales of electricity from cogeneration	GWh	324	331	**269**
RCA Ebitda	€ m	19	-6	**50**
RCA Ebit	€ m	-60	-67	**-9**
OCF	€ m	49	-9	**64**
Capex	€ m	23	7	**11**

Galp refining margin supported by the international environment, although impacted by FCC operational constraints

Supply & Trading volumes in line QoQ supported by natural gas network trading

Ebitda and OCF reflecting increased industrial contribution (refining, cogeneration) whilst trading gas benefited from derivative gains which should be partially revered during 2H. These more than offset higher regasification costs

Capex mostly allocated to the improvement of the efficiency in the refining system

2021 only reflects Sines refinery operations.
[1] Includes volumes sold to the Commercial segment.

Renewables & New Businesses results

supported by higher generation and solar prices

		2Q20	1Q21	2Q21
Renewable power generation				
Gross	GWh	6	191	**475**
Net to Galp	GWh	3	141	**355**
Galp average solar generation sale price	EUR/MWh	-	42	**69**
RCA Ebitda	€ m	-4	-2	**-6**
RCA Ebit	€ m	-9	-3	**-5**
OCF	€ m	-4	-2	**-2**
Capex	€ m	2	15	**51**

		2Q20	1Q21	2Q21
Renewables pro-forma - Equity to Galp[1]				
Ebitda	€ m	-1	2	**17**
Ebit	€ m	-1	-3	**11**

		2Q20	1Q21	2Q21
Iberian baseload pool price[2]	EUR/MWh	23.2	45.2	**71.8**
Iberian solar captured price[2]	EUR/MWh	23.3	42.7	**69.2**

Renewable generation up QoQ reflecting normalised availability and seasonally higher sunlight hours

Ebitda mainly reflecting G&A and corporate expenses as businesses are mostly not consolidated

Renewables pro-forma Ebitda up QoQ benefiting from the higher availability of the plants, capturing the increased solar prices in Iberia

Capex mostly allocated to the ongoing deployment of solar PV projects in Iberia

[1] Renewables pro-forma considers all renewables projects as if they were consolidated according to Galp's equity stakes. [2] Source: OMIE and REE.

Financial statements

P&L (RCA figures, € m)

	2Q20	1Q21	2Q21
RCA Ebitda	291	499	**571**
Upstream	204	438	**467**
Commercial	59	69	**73**
Industrial & Energy Management	19	-6	**50**
Renewables & New Businesses	-4	-2	**-6**
RCA Ebit	-57	284	**305**
Associates	24	0	**26**
Financial results	-10	-55	**-4**
Taxes[1]	-20	-181	**-153**
Non-controlling interests	12	-22	**-34**
RCA Net Income	-52	26	**140**
IFRS Net Income	-154	161	71

Cash flow (€ m)

	2Q20	1Q21	2Q21
RCA Ebitda	291	499	**571**
Dividends from associates	34	48	**42**
Taxes paid	-85	-102	**-144**
OCF	239	445	**470**
Special items	33	11	**-20**
Inventory effect	-116	133	**92**
Changes in working capital	4	-212	**-102**
Cash Flow from Operations	160	377	**440**
Net capex	-149	195	**-186**
Net financial expenses and IFRS 16 interest	-34	-54	**-25**
Realised income from derivatives	-43	0	**0**
Proceeds from equalisation	83	0	**0**
Free Cash Flow	16	518	**228**
Dividends paid to non-controlling interests	-86	0	**-78**
Dividends paid to Galp shareholders	-318	0	**-290**
Reimbursement of IFRS 16 principal leases	-27	-27	**-28**
Others	-21	22	**9**
Others	-21	22	**9**
Change in financial net debt	436	-513	**159**

[1] Includes SPT payable in Brazil and IRP payable in Angola.

Financial position

Net debt up to c.€1.7 bn to accommodate dividend payment

Financial position (€ m)

	31 Dec., 2020	31 Mar., 2021	30 Jun., 2021
Net fixed assets	6,259	6,374	**6,284**
Rights of use (IFRS 16)	1,002	1,033	**1,008**
Working capital	703	916	**1,017**
Other assets/liabilities	-710	-1,119	**-1,267**
Capital employed	7,254	7,204	**7,042**
Net debt	2,066	1,552	**1,711**
Leases (IFRS 16)	1,089	1,125	**1,105**
Equity	4,100	4,527	**4,225**
Equity, net debt and op. leases	7,254	7,204	**7,042**

Equity down €302 m QoQ, mostly reflecting the distributions to shareholders and to minorities

Net debt up €159 m, considering dividend payments in the period, **net debt to Ebitda** down to 1.0x[1]

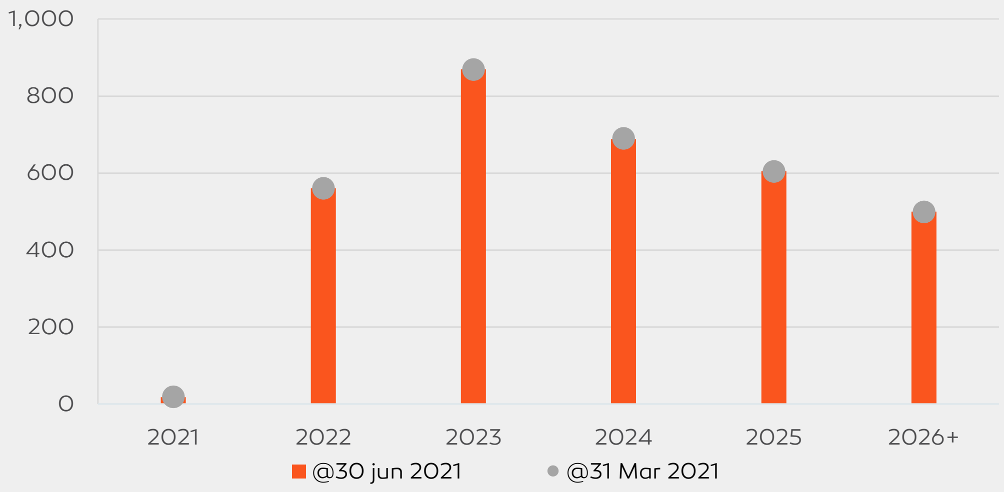
[1] Ratio considers the LTM RCA Ebitda (€1,697 m), which includes the adjustment for the impact of the application of IFRS 16 (€184 m).

Debt indicators

Debt indicators (€ m)

	31 Dec., 2020	31 Mar., 2021	30 Jun., 2021
Cash and cash equivalents	1,678	1,739	**1,533**
Undrawn credit facilities	1,262	1,263	**1,133**
Gross debt	3,743	3,291	**3,244**
Average funding cost	1.7%	1.5%	**1.4%**
Net debt	2,066	1,552	**1,711**
Leases (IFRS 16)	1,089	1,125	**1,105**
Net debt to RCA Ebitda[1]	1.5x	1.1x	**1.0x**
% Debt at fixed rate	48%	40%	**40%**

Debt reimbursement (€ m)



[1] Ratio considers the LTM RCA Ebitda (€1,697 m), which includes the adjustment for the impact of the application of IFRS 16 (€184 m).

Key guidance and sensitivities

Guidance

	2021
Macro assumptions	
Brent price	$60/bbl
Galp ref. margin	$2.0 – 3.0/boe
EUR:USD	1.20
Operational and financial indicators	
WI Production	125 – 135 kboepd
Ebitda	>€2.0 bn
OCF	>€1.7 bn
Net Capex	€0.5 – 0.7 bn

Sensitivities (€ m)

	Ebitda	OCF	FCF[1]
Brent price			
$5/bbl	160-180	80-100	60-80
Galp refining margin			
$1/boe	65-75	50-70	50-70
EUR:USD			
0.05	80-100	50-60	20-40

[1] FCF net of dividend payments to minority interests, namely to Sinopec in Brazil. Note: Brent sensitivities based on RT2020 prices.

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