4Q22 & FY22 Results & Outlook 2023-25

13 February 2023

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4Q22 & FY22 Results

2022 key performance indicators

Strong operating performance…

127 kboepd
Upstream WI production

11.6 $/boe
Refining margin
Gas consumption priced at market (PVB)

1.9 TWh (+50% YoY)
Renewable power generation (gross)

400 k TJ (+7% YoY)
Total energy sales to direct clients

… whilst maintaining responsible practices…

1.2 (-2% YoY)
LTIF
Lost time injuries per million hours worked

- 20 % (+7% YoY)
Operating emissions reduction (scope 1 & 2)

- 4 % (0% YoY)
Carbon intensity
Downstream sales approach

- 14 % (-2% YoY)
Carbon intensity
Production approach

… and delivering robust results

€3.8 bn
Ebitda

€2.8 bn
OCF

€1.27 bn
Net capex

€1.7 bn
FCF

€1.6 bn
Net debt

0.4 x
Net debt to Ebitda

€0.52 /sh
Cash dividend
Final €0.26/sh payment after 2023 AGM

€500 m
Buybacks
To be executed during 2023

Note: Preliminary estimate of Galp's safety indicators and GHG absolute emissions and intensity metrics. Emissions and carbon intensity Comparison vs 2017, reference year. All earnings figures are Replacement Cost Adjusted.

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Strategic execution during 2022

showcasing strong delivery

Upstream

Sépia & Berbigão FPSOs reaching plateau production

Progressing on Bacalhau with start of drilling programme

Coral FLNG first gas on time & budget

Renewables & NB

Profitably growing renewable capacity

Securing full ownership of Titan solar enabling operating and strategic flexibility

Progressing on battery value chain with engineering works ongoing

Industrial & Midstream

Top quartile refining performance

Progressing with green H_2 and HVO projects

Expanding gas trading footprint in Brazil & enhancing access to U.S. LNG sources

Commercial

Convenience contribution showcasing ongoing transformation

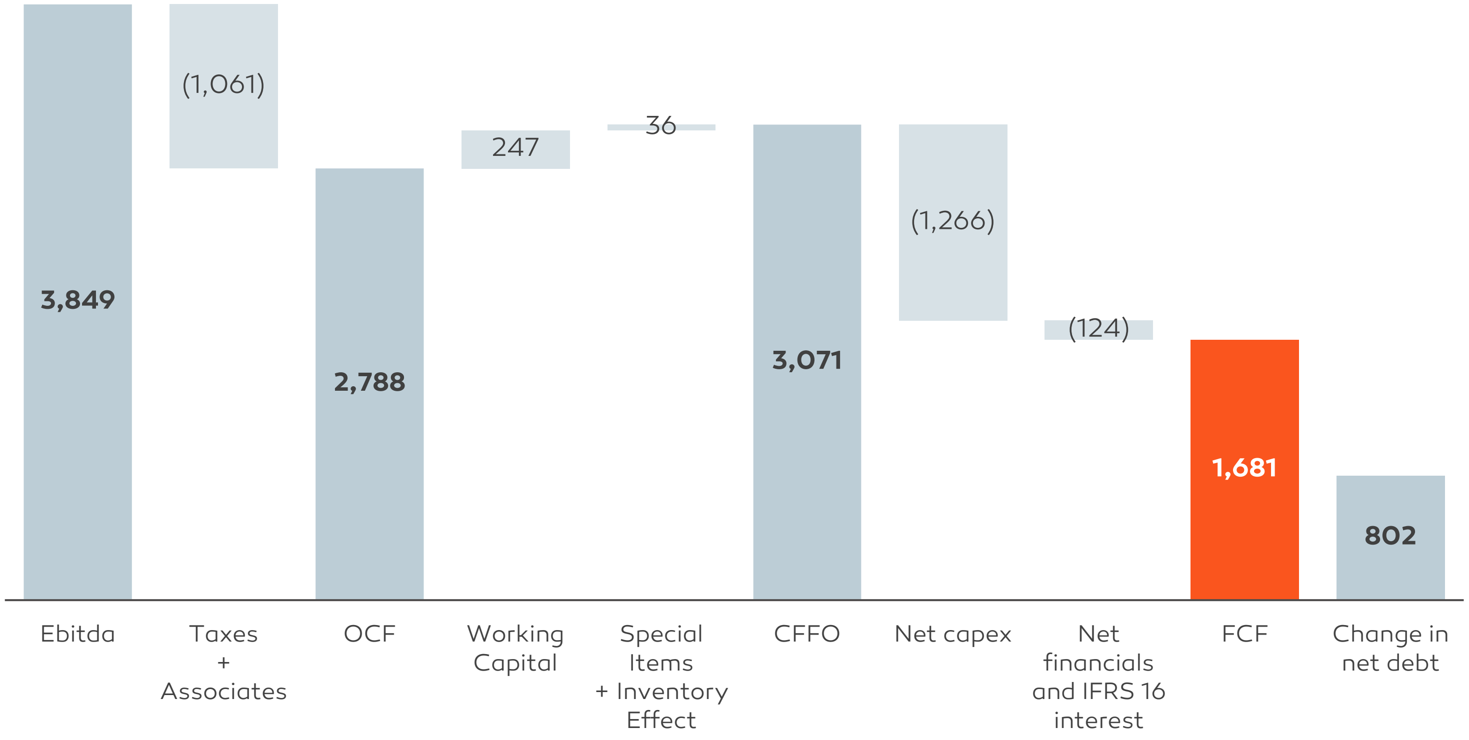
Continuing to expand leadership position in EV charging points

Galp Solar leading decentralized energy growth in Iberia

FY2022: Strong free cash flow

leading to a solid financial position

FY22 Cash flow (€ m)



2021	2,322	(470)	1,852	(1,176)	376	1,052	(525)	(130)	**397**	(292)

OCF of €2.8 bn and **CFFO** of €3.1 bn supported by WC release from maturing gas derivatives margin accounts

Net capex of €1.27 bn, considering €140 m Titan Solar stake acquisition and USD:EUR appreciation

FCF of €1.7 bn covering 2x dividends to minorities & shareholders and buybacks

Net debt down €0.8 bn already considering Titan's acquisition and its net debt consolidation, dividends and buybacks

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4Q22: Robust operating results

driven by a strong upstream contribution

€951 m
Group Ebitda

€701 m
Group OCF

€342 m
Group net capex

	Ebitda	OCF	Net capex
Upstream Strong contribution benefiting from higher production and less in-transit cargoes	€791 m	€529 m	€174 m
Renewables Seasonal lower QoQ radiation and solar prices despite higher installed capacity	€17 m	€19 m	€47 m
Industrial & Midstream Strong performance supported by refining contribution despite gas sourcing restrictions	€118 m	€116 m	€29 m
Commercial Solid contribution despite high price environment impacting demand and adjustments from previous quarters	€42 m	€56 m	€66 m

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Outlook

Distinctive investment proposition

combining leading growth and grey-to-green transition

Focused Upstream Growth

c.30 %
WI production growth by 2023-26[1]

c.10 $kgCO_2e/boe$
Carbon intensity

Focusing on selective low cost & low carbon intensity assets

Renewables Growth and Integration

c.4 GW
Gross renewables capacity by 2025

>9 %
Renewables targeted eIRR

Developing a competitive platform to support integration across the energy value chain

Industrial and Commercial Transformation

c.60 %
Capex to low carbon 2023-25

>40 %
Low carbon contribution to OCF by 2025

Decarbonisation projects and new energy solutions to drive transition & sustain long term value

[1] Already excluding Angola.

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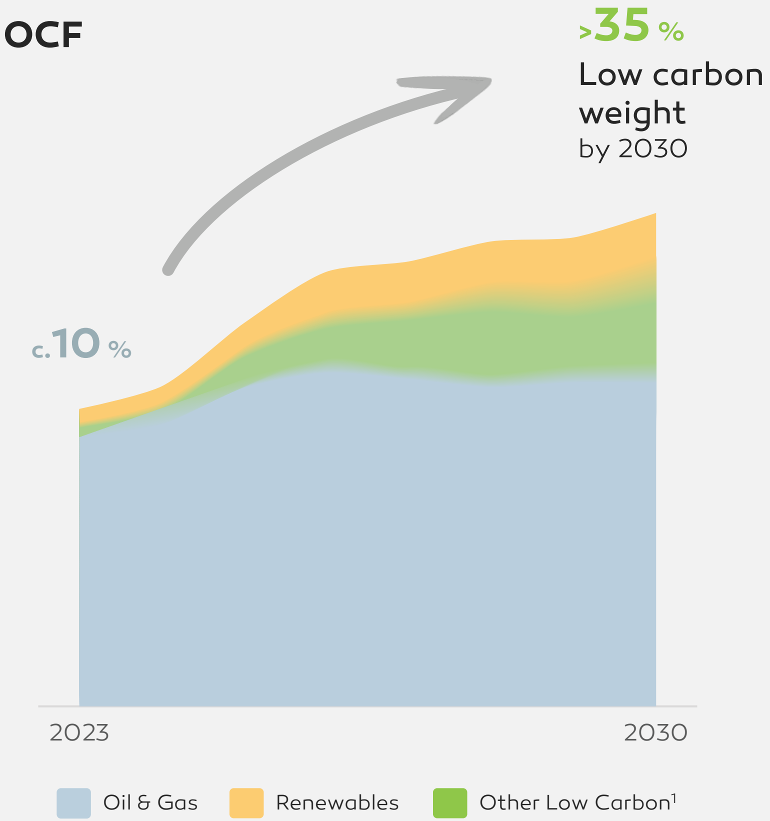
Transition to lower carbon

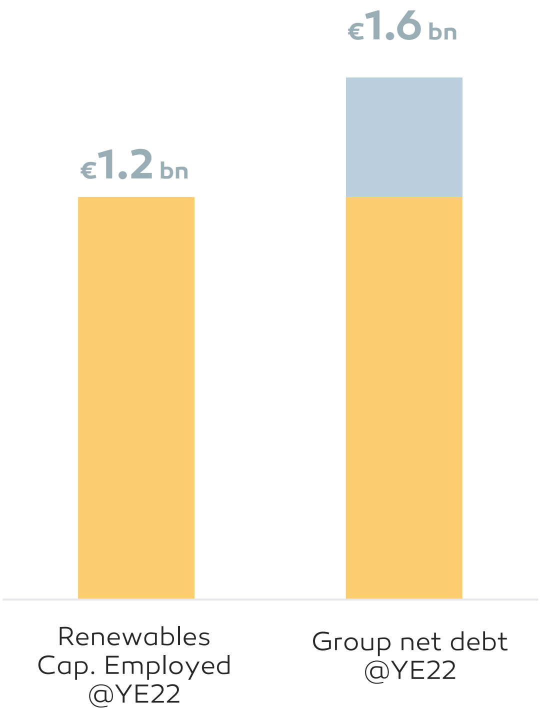
and high grading portfolio

Rapidly **increasing low carbon contribution…**

OCF



…with **financing structure** to reflect portfolio evolution



Group net debt to be **almost entirely green** and already at c.75%

Fast integration of low carbon contributing to **higher valuations**

Low carbon leverage profile allowing **ample financing options** to support portfolio development

Note: Illustrative. Assumes macro projections, which may change. [1] Includes HVO, green H_2, EV charging, convenience and other low carbon solutions.

Investing to reshape portfolio

maintaining financial discipline & focus on returns

Net capex 2023-25

keeping net capex at

c.€1 bn p.a.[1]

supported by divestments

Targeted project IRR[2]

20 %
Upstream

≥12 %
Industrial low carbon projects

10-20 %
Commercial

>9 %
Renewables (equity)

>10 %
New Businesses

Embedding opportunities to **crystallise and de-risk value…**

… supporting **portfolio high grading** and **low carbon integration**

1/3 of OCF for dividends and buybacks

[1] Implicit average per annum during the 2023-25 period. [2] Average IRRs for new developments post-FID.

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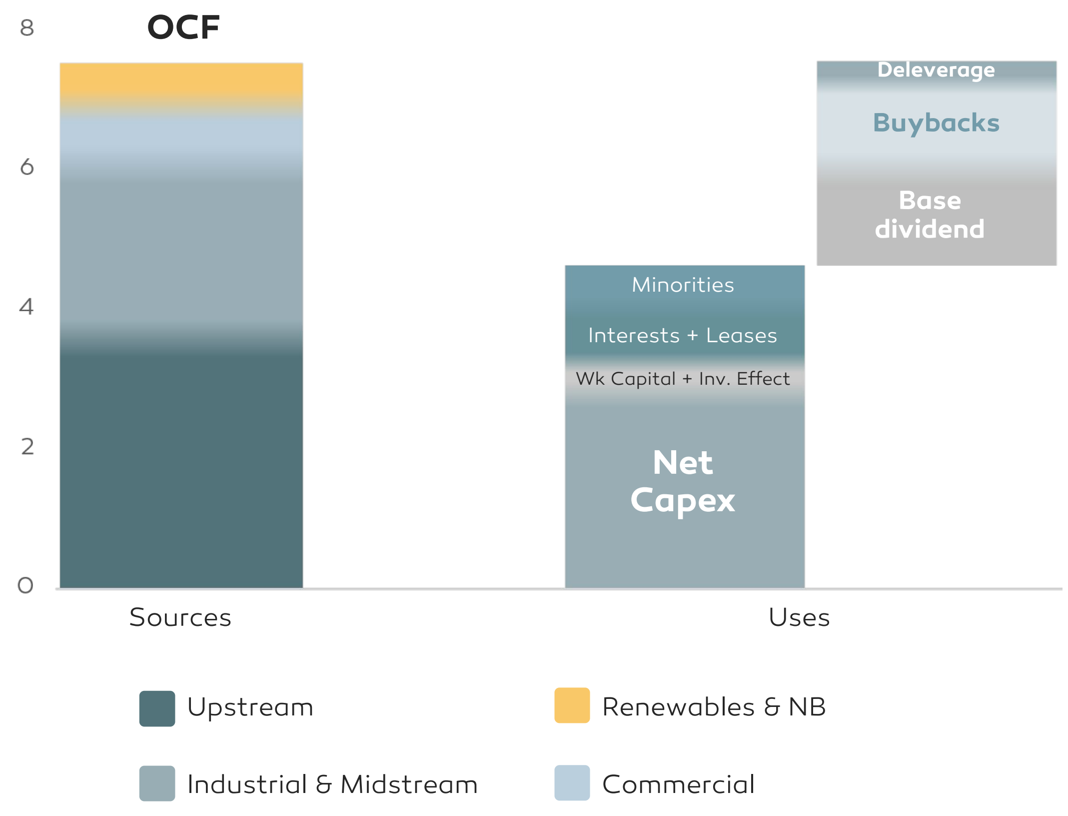
Competitive portfolio in place

to capture supportive environment

2023-25 Sources & Uses
(€ bn)



2023 guidance

c.€3.2 bn Ebitda

c.€2.2 bn OCF

Brent $85/bbl | Ref. margin $9/boe | PVB €60/MWh | Iberian solar price €120/MWh | EUR:USD 1.15

Upstream (adjusted for Angola divestment[1])

Ebitda **>€2 bn** and OCF **>€1.1 bn**

Renewables & New Businesses

Ebitda **>€180 m** reflecting expected lower price environment

Industrial & Midstream

Ebitda and OCF **>€550 m**, from supportive refining context and gas trading inflection leading Midstream Ebitda to >€250 m

Commercial

Ebitda **c.€300 m**, maintaining stable contribution whilst increasing convenience & low carbon contribution

Note: For macro assumptions, refer to slide 20 in the Appendix.
[1] Following the Angolan Upstream agreement, assets are registered as 'held for sale'.

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Business overview

Upstream growth and value extraction

from low cost & low carbon intensity portfolio

Angola divestment

Total post-tax cash proceeds of $830 m

Divestment of upstream assets in Angola (Blocks 14/14k & 32)

Capturing value from mature legacy assets under favourable macro

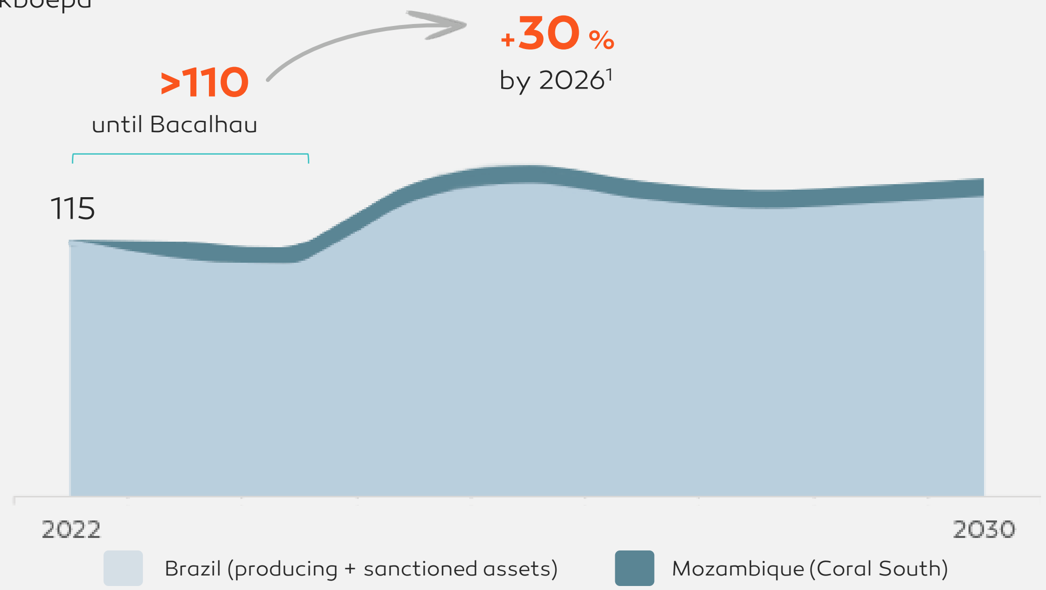
2022 WI production of 12 kbpd with c.14 kbpd expected in 2023 followed by natural decline

1P reserves of 13 mbbl and 2P of 21 mbbl by YE22

Mid-term outlook

Maintaining industry leading production growth

Expected WI production (excluding Angola)
kboepd



c.3 $/boe
Production costs
2023-25

c.60 %
Growth capex
2023-25

c.10 $kgCO_2e$/boe
Carbon intensity
2023-25

WI production to remain flat at >110 kboepd over 2023-24 until Bacalhau start up

Bacalhau to start in 2025 with plateau in 2026 (c.40 kbpd)

Brazil average **decline rates <5% p.a.** and potential for optimisations

Targeting **Namibia** high potential **exploration well in 4Q23/1Q24** & maturing exploration portfolio in **São Tomé**

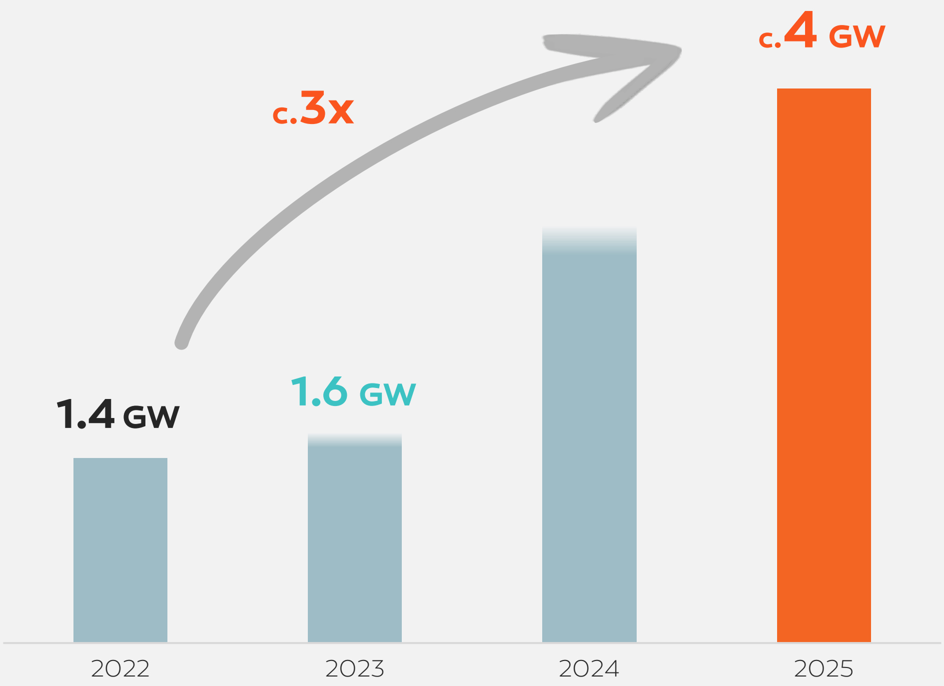
Competitive renewables position

Ensuring access to green power

Mid-term outlook

Project execution and portfolio growth key to ensure successful capacity build up

Operating capacity (at year-end)



c.9 GW
Pipeline
2022 year end

60-70 %
Target Project debt

>9 %
Targeted eIRR across portfolio

200 MW additional capacity deployed during 2023 and accelerating development & construction

Targeting **faster technology diversification** and generation mix

Merchant exposure in Iberia & predominantly **PPA based outside**

Hybridisation, energy management and partnerships as **value levers** to increase returns

Transforming Industrial asset base

key to deliver decarbonisation path

2023 outlook

Cyclical refining maintenance to enhance system reliability and safety

c.75 mboe
Refining throughput

c.$9 /boe
Refining margin

$3-4 /boe
Refining cash costs reflecting maintenance

Progressing to sanction key projects, supported on integrated profile

Renewable biofuel production (HVO project)

270 ktpa
HVO capacity (advanced biodiesel / SAF) FID in 2023

Partnership
ensuring global feedstock & risk management

&

Green hydrogen integration

100 MW
Electrolyser project FID in 2023

Up to 700 MW
Electrolysers throughout the decade targeting grey-to-green conversion

Midstream to benefit from gas trading activities

with new flexibility to manage portfolio

2023 outlook

Gas trading with no relevant hedges & pre-sold volumes in place…

c.**50** TWh
Trading gas volumes
2023

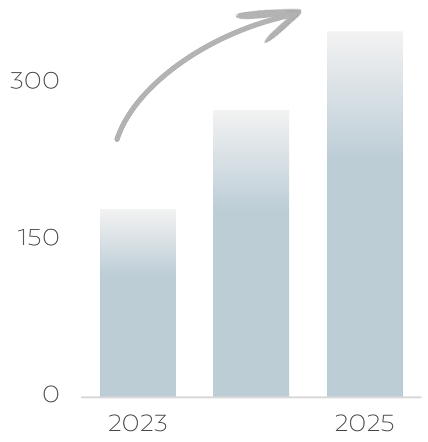
… and supported by additional gas trading levers

c.**15** TWh p.a.
U.S. long term contract Henry Hub linked[1]
start in 2H23

4 TWh p.a.
Brazil gas trading volumes in 2023
(non-upstream)

+**15** %
Trading gas volumes
increase 2023-25

Increasing Ebitda contribution
(€ m)



[1] Venture Global contract.

Reshaping Commercial business
to maintain a strong position in Iberia

Short-term outlook

Transforming business to leverage convenience & low carbon

c.**7.4** mton (flat YoY)
Oil volumes sold
2023

+**10** %
Convenience
Ebitda in 2023

>€**120** m
Convenience + low carbon
Ebitda by 2025

Expanding leadership position in EV charging

>**5** k
EV charging points
by YE23
(2.4 k by YE22)

>**10** k
EV charging points
by 2025

&

Accelerating decentralised energy growth

>**25** k
Total installations
by YE2023
(vs 11 k by YE22)

>**300** MW
Decentralised energy
installed capacity
by 2025

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Appendix

Appendix Index

Macro assumptions
and sensitivities

Macro assumptions	2023	2023-25
Brent price	$85/bbl	$80/bbl
Galp refining margin	$9/boe	$6 – 7/boe
Iberian PVB natural gas price	€60/MWh	€60/MWh
Solar captured price	€120/MWh	€100/MWh
EUR:USD	1.15	1.15

2023 sensitivities (€ m)	Change	Ebitda	OCF
Brent price	$5/bbl	150	85
Galp refining margin	$1/boe	65	65
EUR:USD	0.05	120	80
Solar captured price	€10/MWh	30	25

Key Guidance for 2023

Operating indicators

Upstream		
WI production	kboepd	>110
Production costs	$/boe	c.3
Renewables		
Renewable capacity by YE	GW	1.6
Industrial & Energy Management		
Sines refining throughput	mboe	c.75
Sines refining costs[1]	$/boe	3-4
Commercial		
Oil products sales to direct clients	mton	7.4
Convenience Ebitda growth YoY (from €70 m)	%	+10
EV charging points by YE	-	>5 k
Decentralised energy installations by YE	-	>25 k

Financial indicators

RCA Ebitda	**€ bn**	**3.2**
Upstream	€ bn	>2
Renewables & NB	€ m	>180
Industrial & Midstream	€ m	>550
Commercial	€ m	c.300
OCF	**€ bn**	**2.2**
Upstream	€ bn	>1.1
Renewables & NB	€ m	>160
Industrial & Midstream	€ m	>550
Commercial	€ m	c.230
Net capex (avg. 2023-25)	**€ bn**	**c.1**

[1] 2023 Sines refining costs reflect concentration of cyclical maintenance during the period.

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2022 results

P&L (€ m)

4Q21	3Q22	4Q22		FY2021	FY2022
644	**784**	**951**	**RCA Ebitda**	**2,322**	**3,849**
593	612	791	Upstream	2,020	3,083
2	38	17	Renewables & New Businesses	-13	50
5	48	118	Industrial & Energy Management	64	451
59	103	42	Commercial	288	298
415	**408**	**475**	**RCA Ebit**	**1,372**	**2,345**
27	25	54	Associates	96	166
-50	89	134	Financial results	-138	-154
-212	-315	-313	Taxes	-729	-1,254
-50	-20	-76	Non-controlling interests	-143	-223
130	**187**	**273**	**RCA Net Income**	**457**	**881**

Balance Sheet (€ m)

	31 Dec 2021	30 Sep 2022	31 Dec 2022
Net fixed assets	6,667	7,780	6,876
Rights of use (IFRS 16)	1,079	1,119	1,116
Working capital	1,879	2,333	1,632
Other assets/liabilities	-2,119	-2,627	-2,089
Assets held for sale[1]			413
Capital employed	**7,506**	**8,605**	**7,948**
Net debt	2,357	2,096	1,555
Leases (IFRS 16)	1,179	1,248	1,277
Equity	3,970	5,262	5,117
Equity, net debt and op. leases	**7,506**	**8,606**	**7,948**

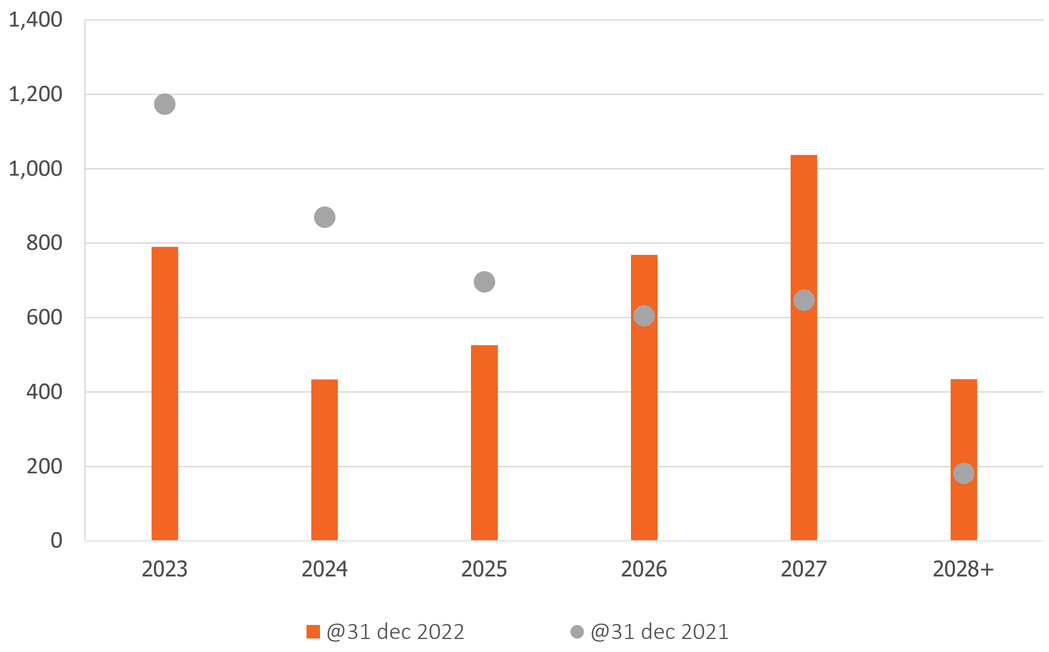
[1] As of 31 December, 2022, corresponds to Angola Upstream portfolio net position.

Debt indicators

Debt Indicators (€m)

	31 Dec 2021	30 Sep 2022	31 Dec 2022
Cash and cash equivalents	1,942	2,413	**2,432**
Undrawn credit facilities	816	837	**1,484**
Gross debt	4,300	4,509	**3,987**
Net debt	**2,357**	**2,096**	**1,555**
Leases (IFRS 16)	1,179	1,248	**1,277**
Net debt to RCA Ebitda	**1.1 x**	**0.6 x**	**0.4 x**

Debt reimbursement (€m)



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Carbon-related targets

Metrics and methodology

Metric	Methodology	2017 (reference year)	2022	2030 (vs 2017)	2050
Absolute Emissions' reduction from operations	Equity emissions related to **Galp's operations** (scopes 1 & 2)	**c.4.1** mtonCO_2e (S 1 & 2)	**c.3.3** mtonCO_2e (S 1 & 2)	-40%	**Net Zero Ambition**
Carbon Intensity					
Production-based approach	Emissions from **operations** (scopes 1 & 2) + emissions from **use of Upstream products** (oil & gas; scope 3) / Energy **produced by Galp** (Upstream oil & gas, power generation)[1]	**93** gCO_2e/MJ	**80.1** gCO_2e/MJ	-40%	
Downstream **sales-based** approach	Emissions from **operations** (scopes 1 & 2) + lifecycle emissions from **products sold by Galp** (oil products, gas & power; scope 3) / Energy of **all products sold** by Galp	**76** gCO_2e/MJ	**73.5** gCO_2e/MJ	-20%	

Note: Preliminary estimate for Galp's GHG absolute emissions and intensity metrics in 2022. [1] Does not include energy transformed or sold.

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Upstream Reserves and Resources

mboe	2021	2022 (exc. Angola)	Change
Reserves			
1P	**410**	**367**	**-10%**
Oil	333	295	-11%
Gas	77	72	-7%
2P	**712**	**668**	**-6%**
Oil	612	572	-7%
Gas	100	96	-4%
3P	**950**	**891**	**-6%**
Oil	849	795	-6%
Gas	101	97	-4%
Contingent resources			
1C	417	525	26%
2C	1,521	1,653	9%
3C	3,179	3,349	5%
Prospective resources			
Unrisked	4,512	4,545	1%
Risked	803	914	14%

Note: All figures are based on DeGolyer and MacNaughton report as of 31.12.2022. Reserves figures on a net entitlement basis. Contingent resources on a working interest basis. 2022 values already excluding all reserves and resources related to Angolan assets held for sale (@31 December 2022: 1P 13 mbbl, 2P 21 mmbl, 3P 34 mbbl, 1C 20 mbbl, 2C 67 mbbl, 3C 136 mmbbl).

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