



1Q23 Results

5 May 2023

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1

Recent developments

1Q23 Highlights

Operating performance driving **robust cash generation** and leading to **further deleveraging**

€864 m

Ebitda

€363 m

OCF¹

€109 m

Net capex

€352 m

FCF

€1.3 bn (-14% QoQ)

Net debt

0.4 x

Net debt to
Ebitda

Solid **operating performance** across
all business segments

Midstream returning to positive
contribution leveraging on
increased flexibility

Sound performance and confidence
on operating fundamentals
reinforcing 2023 guidance

Upstream

Steady operations in Brazil and Coral Sul commissioning as planned

120 kboepd

WI Production
(exc. Angola)

76 \$/bbl

Oil realisations

49 \$/boe

Gas realisations¹

3.3 \$/boe

Production costs

1Q23

- **Production** (exc. Angola) supported by Coral Sul ramp-up and increased efficiency in Brazil
- **Oil realisations** still reflecting high logistic and shipping costs
- **Production costs** remain amongst lowest in the industry

&

Outlook

- Expect to complete **Coral Sul commissioning** and reach plateau production
- Continue drilling and sub-surface campaign in **Bacalhau**
- Secured drilling rig for **exploration well in Namibia** in 4Q23

¹ Natural gas realisations represent a blended average of associated gas in Brazil and LNG sales in Mozambique.



Renewables & New Businesses

Generation growth and capturing energy management opportunities



1.4 GW

Renewables
installed capacity

448 GWh (+46% QoQ)

Equity renewable
generation

108 €/MWh

Renewables
realised sales price

>15%

LTM OCF¹ / Invested
Capital (operating assets)

¹Last Twelve Months OCF.

1Q23

- **Energy generation** benefitting from higher irradiation and full contribution of 100 MW installed in 4Q22
- **Leveraging on integrated model** to opportunistically lock in sales and boost returns

&

Outlook

- **Maturing pipeline** to support capacity build-up
- Continue to explore **integrated energy management** solutions to create value and reduce risk

Industrial & Midstream

Capturing favourable refining environment and normalised gas trading operations



19.6 mboe

Raw materials
processed

14.3 \$/boe

Refining margin

5.1 \$/boe

Refining operating
costs

10.7 TWh

NG / LNG
supply & trading

1Q23

- Large **planned maintenance** successfully performed on the Sines hydrocracker
- **Robust refining** supported on international cracks environment and **reduced energy costs**
- **Midstream positive contribution**, despite persistent sourcing restrictions

&

Outlook

- **Maintenance activities** in the ADU and FCC planned for 4Q23
- **Softer margins** expected in 2Q23 but with **lower operating costs** (no maintenance impact)
- **Midstream** to continue robust contribution backed by trading gas

Commercial

Solid performance reflecting demand recovery

1.7 mton (+3% YoY)

Oil products sales

4.7 TWh

Gas & Power
sales

2.6 k

EV charging
points installed

+12% YoY

Convenience Ebitda

1Q23

- **Oil products** sales supported by demand recovery, namely B2B aviation (close to pre-pandemic levels)
- Increased **convenience contribution** and acceleration of EV charging and decentralized solar solutions

&

Outlook

- Continue transformation towards larger integration of **lower carbon businesses**
- Expecting steady **demand recovery in Iberia**



A scenic landscape featuring a calm lake reflecting the surrounding environment. In the background, there are rolling hills and mountains under a clear blue sky. A small village with white buildings is nestled on a hillside. The foreground shows the dark, still water of the lake. A large, semi-transparent white circle is overlaid on the left side of the image, containing a large teal number '2'.

2

Financial Overview

1Q23

€864 m

Group
RCA Ebitda

€363 m

Group OCF

€109 m

Group
net capex

▶ Robust operating results across all business units

Upstream

Ebitda lower following declining oil & gas market prices, whilst OCF reflecting high concentration of paid taxes in Brazil (phasing)

€548 m

RCA Ebitda

€74 m

OCF

€38 m

Net Capex¹

Renewables & NB

Performance driven by increased generation and above market realised prices

€35 m

RCA Ebitda

€37 m

OCF

€32 m

Net Capex¹

Industrial & Midstream

Robust refining margin despite the maintenance effects and positive Midstream contribution benefitting from gas supply & trading

€235 m

RCA Ebitda¹

€235 m

OCF

€20 m

Net Capex¹

Commercial

Supportive oil sales and increased contribution from aviation, and in convenience and low carbon businesses

€71 m

RCA Ebitda

€42 m

OCF

€(2) m

Net Capex¹

¹Economic capex deducted by proceeds from divestments

Solid operating performance

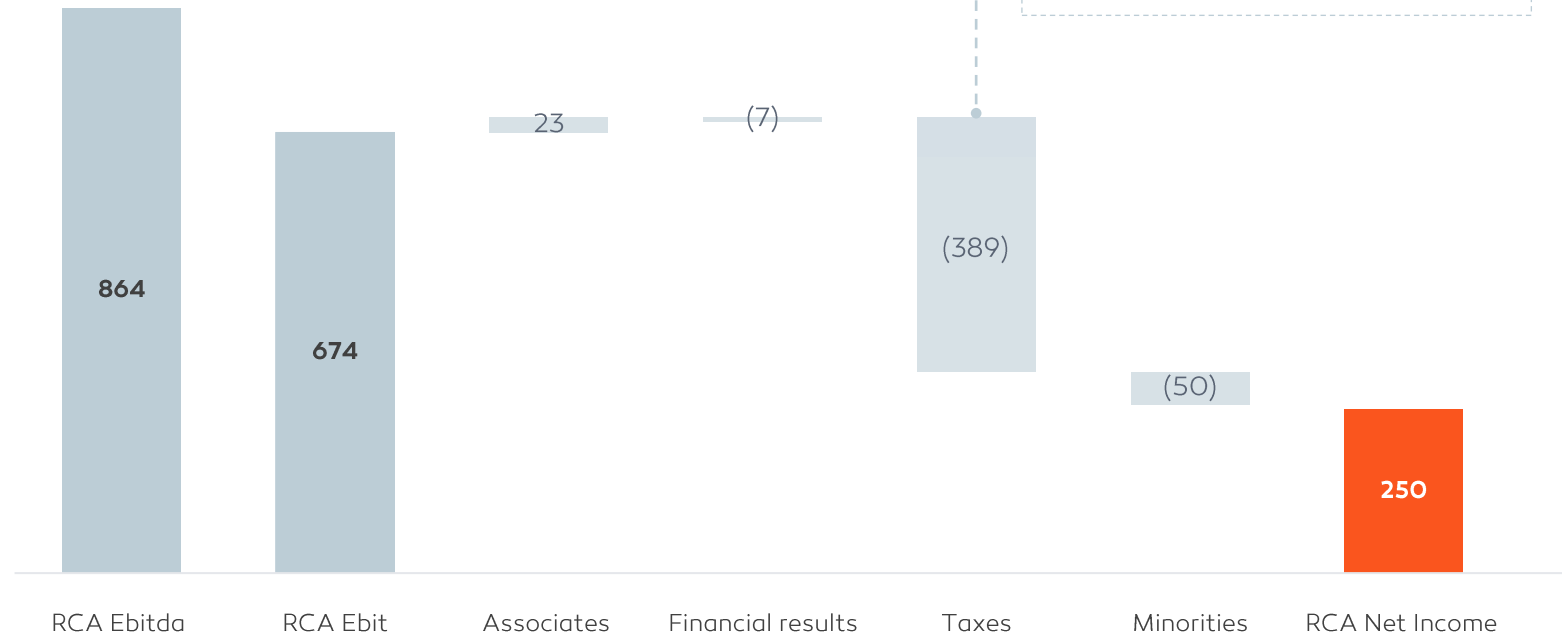
supporting robust earnings

RCA Ebitda supported by robust performance across all business units

Lower DD&A, as result of Angola exclusion, supporting RCA Ebit

RCA Taxes including temporary €60 m windfall and export taxes in Iberia and Brazil, respectively

1Q23 P&L (€ m)

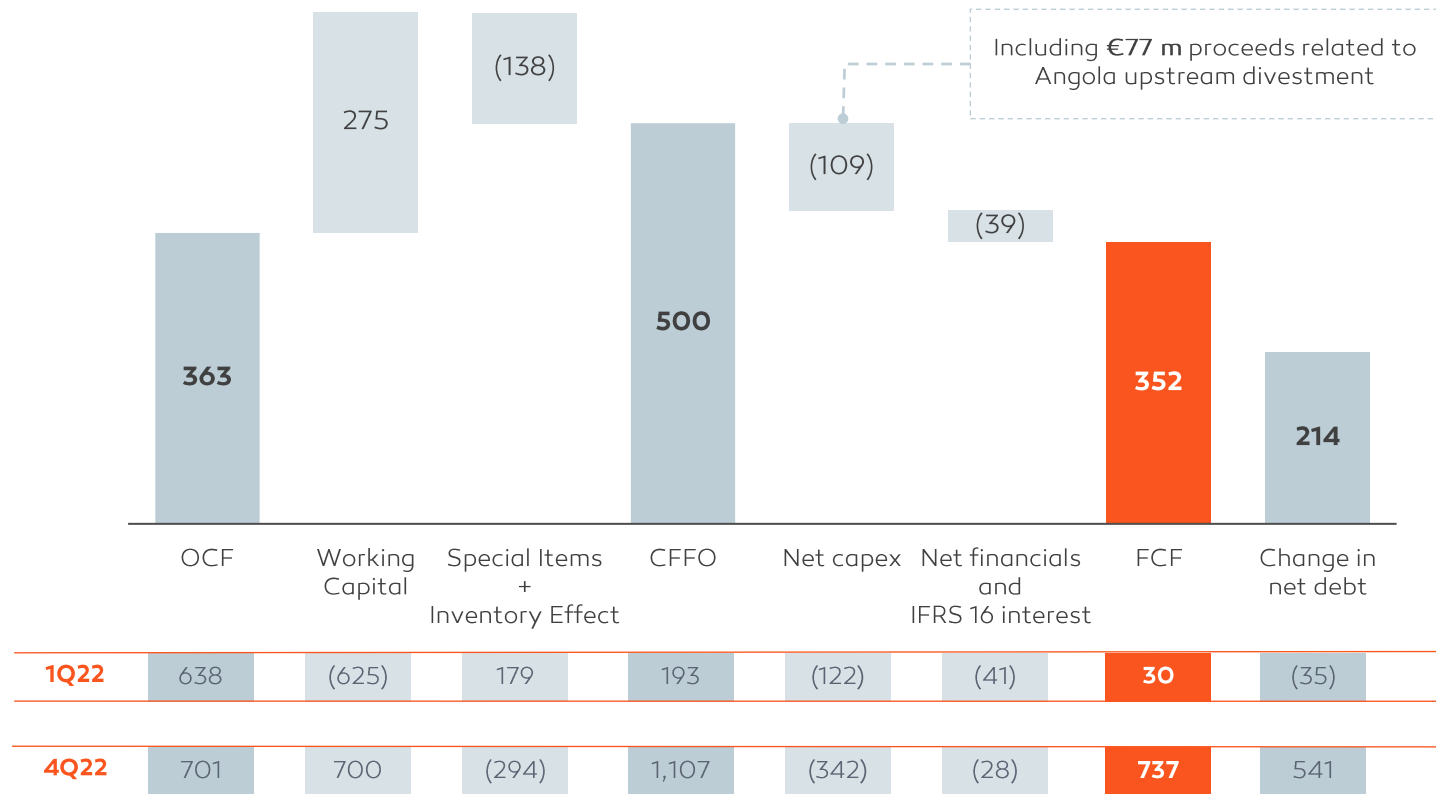


1Q22	869	538	26	(31)	(330)	(48)	155
4Q22	951	475	54	134	(313)	(76)	273

Strong FCF generation

leading to further deleveraging

1Q23 Cash flow (€ m)



Robust **OCF** despite concentration of taxes paid in Brazil (phasing effect)

Working capital release also reflecting lower inventories and commodity prices

Low **Net capex** light reflecting a still high execution during the rest of the year and the initial €77 m proceeds from the Angola upstream assets sale

Net debt reduction to €1.3 bn also including buybacks of €77 m

Net debt to RCA Ebitda at 0.4x

Galp's new Board & Executive Team – 2023-26 term

13

Non-executive
Board members

6

Executive
Board members

46 %

Independent
directors
(non-executives)

37 %

Women in the
Board



Filipe Silva | CEO (& Upstream)

Galp executive member since 2012 (as CFO). Previous experience in investment banking for over 30 years and former Deutsche Bank Portugal CEO.



Maria João Carioca | CFO

Seasoned executive with over 30 years experience in capital markets, financial institutions and strategic consulting. Previously CFO of Caixa Geral de Depósitos.



Georgios Papadimitriou | Renewables & New Businesses

Galp executive member since 2022. Over 20 years experience in utilities and renewables sectors. Former Head of Enel Green Power in North America.



Ronald Doesburg | Industrial

20 years of experience in the energy sector, holding leadership roles in downstream (Commercial, Chemical & Industrial). Recently was General Manager of Shell Jurong.



Rodrigo Vilanova | Energy Management

Joined Galp in 2021 to lead Energy Management. Over 25 years of experience in executive and non-executive roles including BP, Cheniere, Petrobras.



João Diogo Silva | Commercial

Over 20 years in Galp. Heading the commercial B2C division and Galp Spain Country Manager. Large experience in finance and business transformation roles.

New leadership to execute and
focus on **transformation
strategy**

Highly experienced team with
broad industry & international
background

Balanced representation of
independence and **gender
equality**

Upstream organisation
reporting directly to CEO

An aerial photograph of a vast landscape featuring terraced vineyards on rolling hills. The sun is low on the horizon, creating a warm, golden glow and long shadows across the terraces. A small cluster of buildings is visible in the middle distance. The sky is filled with soft, white clouds. A large, semi-transparent white circle is overlaid on the left side of the image, containing the number 3.

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Appendix

Key Guidance for 2023 (unchanged)

Operating indicators

Upstream			
Oil 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

¹2023 Sines refining costs reflect concentration of cyclical maintenance during the period.

Macro assumptions and sensitivities

considered on guidance provided

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



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