

# 4<sup>th</sup> Quarter and Full Year 2024 Results

17 February 2025



galp

# Results Highlights

*“We close 2024 with another strong quarter, in a year of consistent delivery, at or above headline guidance across all business units. Ebitda reached €3.3 bn and OCF of €2.1 bn. Even after competitively rewarding our shareholders, we reduced net debt compared to 2023-end and further strengthened our financial position. These results not only depict 2024 as a year of strong execution for Galp, but also lay the foundations for future growth and value creation. In 2025 and 2026 we will continue to execute our key growth projects, the hallmark of Galp’s portfolio, combining a disciplined approach towards a low capital intensity plan. This basis provides us the confidence to propose to the next AGM a 15% DPS increase, to €0.62/share, and a buyback of €250 m.*

*Our current governance is designed to ensure strategic continuity and execution focus. We have great People and the Board’s support and together we look forward to deliver on Galp’s unique investment case in the year ahead.”*

**Maria João Carioca & João Diogo Marques da Silva, co-CEOs**

## Fourth quarter 2024

Galp’s results in the fourth quarter 2024 showcased resilience under a volatile macro environment, supported by robust Upstream and Industrial performance, whilst Midstream maintained its strong contribution. At the end of the year, Galp further solidified its financial position, with net debt at €1.2 bn, down compared to year-end 2023.

RCA Ebitda reached €688 m:

- Upstream: RCA Ebitda was €437 m, with production from Brazil down YoY and lower realisations given Brent evolution.  
Note: 2024 RCA figures exclude the contribution from Mozambique Area 4, booked as assets held for sale.
- Industrial & Midstream: RCA Ebitda was €182 m, higher YoY, supported by the high throughput levels of the refinery and a refining margin of \$5.2/boe. Midstream activities maintained a stable contribution YoY.
- Commercial: RCA Ebitda was €72 m, higher YoY, following increased sales in oil products, gas and power in Iberia. Convenience and Energy Solutions represented c.30% of Ebitda.
- Renewables: RCA Ebitda was €9 m, with seasonally lower generation and following lower realised prices YoY, although reflecting a recovery compared to the rest of the year.

Group RCA Ebit was €347 m, with non-cash items including impairments of €143 m across business units, whilst RCA net income was €71 m.

Galp’s adjusted operating cash flow (OCF) was €393 m, following the strong business performance. Cash flow from operations (CFFO) reached €917 m, €524 m above OCF, mainly supported by a working capital release related to a decrease in receivables from Upstream sold cargoes and lower commodities prices.

Investments in the period amounted to €500 m, mainly directed towards the execution of upstream projects, namely the Namibia appraisal campaign and Bacalhau, as well as Industrial low-carbon projects execution.

Net debt decreased by €264 m, to €1.2 bn, after minorities of €69 m and share repurchases of €27 m related to the 2024 buyback programme execution.

## Full year 2024

Galp's RCA Ebitda was €3,297 m, while OCF was €2,138 m, reflecting a solid operating performance across business divisions in a weaker macro environment.

Net capex totalled €832 m, supported by the divestment proceeds collected related to the Angolan upstream assets during the period. Economic capex of €1,291 m mostly directed towards the exploration and appraisal campaigns in Namibia and upstream projects under development in Brazil, namely Bacalhau, as well as to industrial low carbon projects and renewables projects deployment.

FCF amounted to €1,335 m. Net debt at the end of the year was €1.2 bn, lower compared to the end of 2023 and considering distributions of €769 m, including €419 m of dividends paid to shareholders and €351 m in buybacks for share capital reduction, and €166 m to minority interests.

At the end of the period, Galp sustained a strong financial position, with net debt to RCA Ebitda at 0.4x.

## Distributions to shareholders update

Galp's Board of Directors will propose to the Annual General Shareholders Meeting of 2025 a dividend per share increase of 15%, to €0.62 per share. Additionally, based on 2024 performance and maintaining the 1/3 of Operating Cash Flow headline, a €250 m share repurchase programme for share capital reduction purposes will be executed in 2025.

## Short term outlook

Galp is providing key operating and financial guidance for the 2025-26 period, in accordance with its updated views and macro assumptions:

Macro Assumptions		2025	2026
Brent	\$/bbl	c.70	c.75
Realised refining margin	\$/boe	c.6	c.5
Iberian PVB natural gas price	€/MWh	c.30	
Iberian solar price	€/MWh	c.40	
Average exchange rate	EUR:USD	c.1.05	c.1.10

Financial indicators		2025	2026
RCA Ebitda	€ bn	>2.5	c.3.3
Upstream	€ bn	c.1.7	--
Industrial & Midstream	€ m	>500	--
Commercial	€ m	c.300	--
Renewables	€ m	c.60	--
OCF	€ bn	>1.6	c.2.6
Net capex (avg. 2025-26)	€ bn	<0.8	
Total expected distributions		1/3 OCF	
Share buyback programme	€ m	250	--
Dividend per share (DPS)	€/sh	0.62	+ 4% p.a.

## Financial data

€m (RCA, except otherwise stated)

4Q23	3Q24	4Q24	% Var. YoY		2023	2024	% Var. YoY
<b>720</b>	<b>820</b>	<b>688</b>	<b>(4%)</b>	<b>RCA Ebitda</b>	<b>3,558</b>	<b>3,297</b>	<b>(7%)</b>
599	541	437	(27%)	Upstream	2,263	2,078	(8%)
63	165	182	n.m.	Industrial & Midstream	929	876	(6%)
54	92	72	34%	Commercial	303	306	1%
21	24	9	(58%)	Renewables	131	47	(64%)
(17)	(2)	(11)	(34%)	Corporate & Others	(69)	(11)	(84%)
<b>411</b>	<b>621</b>	<b>347</b>	<b>(16%)</b>	<b>RCA Ebit</b>	<b>2,469</b>	<b>2,388</b>	<b>(3%)</b>
428	429	267	(38%)	Upstream	1,739	1,595	(8%)
19	133	148	n.m.	Industrial & Midstream	693	747	8%
19	59	4	(80%)	Commercial	145	143	(2%)
(1)	11	(50)	n.m.	Renewables	18	(48)	n.m.
(54)	(11)	(22)	(59%)	Corporate & Others	(126)	(48)	(62%)
<b>284</b>	<b>266</b>	<b>71</b>	<b>(75%)</b>	<b>RCA Net income</b>	<b>1,002</b>	<b>961</b>	<b>(4%)</b>
45	11	19	(59%)	Special items	278	207	(25%)
6	(8)	(56)	n.m.	Inventory effect	(38)	(129)	n.m.
<b>336</b>	<b>269</b>	<b>34</b>	<b>(90%)</b>	<b>IFRS Net income</b>	<b>1,242</b>	<b>1,040</b>	<b>(16%)</b>
<b>488</b>	<b>540</b>	<b>393</b>	<b>(20%)</b>	<b>Adjusted operating cash flow (OCF)</b>	<b>2,269</b>	<b>2,138</b>	<b>(6%)</b>
417	384	162	(61%)	Upstream	1,179	1,080	(8%)
29	165	73	n.m.	Industrial & Midstream	764	773	1%
54	73	53	(2%)	Commercial	218	247	13%
3	22	11	n.m.	Renewables	138	48	(66%)
<b>457</b>	<b>475</b>	<b>917</b>	<b>n.m.</b>	<b>Cash flow from operations (CFFO)</b>	<b>2,377</b>	<b>2,349</b>	<b>(1%)</b>
<b>(382)</b>	<b>(229)</b>	<b>(541)</b>	<b>41%</b>	<b>Net Capex</b>	<b>(859)</b>	<b>(832)</b>	<b>(3%)</b>
<b>22</b>	<b>193</b>	<b>304</b>	<b>n.m.</b>	<b>Free cash flow (FCF)</b>	<b>1,373</b>	<b>1,335</b>	<b>(3%)</b>
(80)	(2)	(69)	(14%)	Dividends paid to non-controlling interests	(169)	(166)	(2%)
-	(212)	-	n.m.	Dividends paid to Galp shareholders	(422)	(419)	(1%)
(192)	(191)	(27)	(86%)	Share buybacks	(500)	(351)	(30%)
<b>1,400</b>	<b>1,471</b>	<b>1,207</b>	<b>(14%)</b>	<b>Net debt</b>	<b>1,400</b>	<b>1,207</b>	<b>(14%)</b>
<b>0.42x</b>	<b>0.48x</b>	<b>0.40x</b>	<b>(7%)</b>	<b>Net debt to RCA Ebitda<sup>1</sup></b>	<b>0.42x</b>	<b>0.40x</b>	<b>(7%)</b>

<sup>1</sup>Ratio considers the LTM Ebitda RCA (€3,066 m), which includes an adjustment for the impact from the application of IFRS 16 (€231 m).

## Operational data

4Q23	3Q24	4Q24	% Var. YoY		2023	2024	% Var. YoY
127	112	110	(13%)	Working interest production <sup>1</sup> (kboepd)	122	109	(11%)
81.6	77.0	71.8	(12%)	Upstream oil realisations indicator (USD/bbl)	78.7	77.2	(2%)
43.8	32.0	33.8	(23%)	Upstream gas realisations indicator (USD/boe)	44.1	33.3	(24%)
15.4	22.4	22.3	45%	Raw materials processed in refinery (mboe)	78.9	90.7	15%
6.1	4.7	5.2	(15%)	Galp refining margin (USD/boe)	11.0	7.4	(32%)
3.4	4.1	3.9	15%	Oil products supply <sup>2</sup> (mton)	14.8	16.0	8%
10.0	12.0	11.8	17%	NG/LNG supply & trading volumes <sup>2</sup> (TWh)	46.5	46.6	0%
0.1	0.2	0.2	57%	Sales of electricity from cogeneration (TWh)	0.6	0.7	11%
1.7	1.9	1.8	6%	Oil Products - client sales (mton)	7.1	7.1	1%
3.4	4.0	4.3	27%	Natural gas - client sales (TWh)	13.8	16.3	19%
1.4	1.7	1.8	29%	Electricity - client sales (TWh)	4.1	6.9	68%
355	853	346	(3%)	Equity renewable power generation (GWh)	2,338	2,381	2%
84	48	71	(15%)	Renewables' realised sale price (EUR/MWh)	80	43	(47%)

<sup>1</sup>Following the agreement to divest from Area 4 in Mozambique, with a 31/12/2023 reference date, the asset is booked as held for sale and its contribution excluded from that date on RCA figures.

<sup>2</sup>Includes volumes sold to the Commercial segment.

## Market indicators

4Q23	3Q24	4Q24	% Var. YoY		2023	2024	% Var. YoY
1.08	1.10	1.07	(1%)	Exchange rate EUR:USD	1.08	1.08	0%
5.3	6.1	6.2	17%	Exchange rate EUR:BRL	5.4	5.8	8%
84.3	80.3	74.7	(11%)	Dated Brent price (USD/bbl)	82.6	80.8	(2%)
38.8	35.9	43.5	12%	Iberian MIBGAS natural gas price (EUR/MWh)	39.4	34.7	(12%)
40.6	35.3	42.8	5%	Dutch TTF natural gas price (EUR/MWh)	40.7	34.3	(16%)
47.5	40.4	44.8	(6%)	Japan/Korea Marker LNG price (EUR/MWh)	43.5	37.4	(14%)
223.0	118.3	122.9	(45%)	Diesel 10 ppm CIF NWE Crack (USD/ton)	217.0	151.1	(30%)
137.8	152.7	118.9	(14%)	EuroBob NWE FOB BG Crack (USD/ton)	213.1	167.9	(21%)
75.4	78.7	94.7	26%	Iberian power baseload price (EUR/MWh)	87.1	63.0	(28%)
66.3	52.6	70.2	6%	Iberian solar market price (EUR/MWh)	72.2	41.8	(42%)
15.7	16.8	16.4	4%	Iberian oil market (mton)	62.8	65.0	3%
91.2	78.4	99.8	9%	Iberian natural gas market (TWh)	373.0	352.4	(6%)

Source: Platts for commodities prices; MIBGAS for Iberian natural gas price; APETRO and CORES for Iberian oil market; REN and Enagás for Iberian natural gas market; OMIE and REE for Iberian pool price and solar captured price.



# Business Segments

## 2.1 Upstream

€m (RCA, except otherwise stated; unit figures based on net entitlement production)

4Q23	3Q24	4Q24	% Var. YoY		2023	2024	% Var. YoY
<b>127</b>	<b>112</b>	<b>110</b>	(13%)	<b>Working interest production<sup>1</sup> (kboepd)</b>	<b>122</b>	<b>109</b>	<b>(11%)</b>
104	99	96	(7%)	Oil production (kbpd)	102	96	(6%)
23	14	14	(39%)	Gas production (kboepd)	20	13	(37%)
<b>Realisations indicators<sup>2</sup></b>							
81.6	77.0	71.8	(12%)	Oil (USD/bbl)	78.7	77.2	(2%)
43.8	32.0	33.8	(23%)	Gas (USD/boe)	44.1	33.3	(24%)
<b>7.1</b>	<b>7.1</b>	<b>6.5</b>	<b>(8%)</b>	<b>Royalties (USD/boe)</b>	<b>6.8</b>	<b>7.1</b>	<b>4%</b>
<b>2.1</b>	<b>2.1</b>	<b>2.8</b>	<b>37%</b>	<b>Production costs (USD/boe)</b>	<b>2.6</b>	<b>2.3</b>	<b>(11%)</b>
<b>15.9</b>	<b>11.6</b>	<b>10.9</b>	<b>(32%)</b>	<b>DD&amp;A<sup>3</sup> (USD/boe)</b>	<b>12.7</b>	<b>11.2</b>	<b>(12%)</b>
<b>599</b>	<b>541</b>	<b>437</b>	<b>(27%)</b>	<b>RCA Ebitda</b>	<b>2,263</b>	<b>2,078</b>	<b>(8%)</b>
(171)	(112)	(170)	(1%)	Depreciation, Amortisation, Impairments and Provisions	(524)	(483)	(8%)
<b>428</b>	<b>429</b>	<b>267</b>	<b>(38%)</b>	<b>RCA Ebit</b>	<b>1,739</b>	<b>1,595</b>	<b>(8%)</b>
<b>466</b>	<b>456</b>	<b>349</b>	<b>(25%)</b>	<b>IFRS Ebit</b>	<b>1,960</b>	<b>1,939</b>	<b>(1%)</b>
<b>417</b>	<b>384</b>	<b>162</b>	<b>(61%)</b>	<b>Adjusted operating cash flow</b>	<b>1,179</b>	<b>1,080</b>	<b>(8%)</b>
<b>174</b>	<b>116</b>	<b>284</b>	<b>63%</b>	<b>Capex</b>	<b>562</b>	<b>756</b>	<b>34%</b>

<sup>1</sup> Includes natural gas exported; excludes natural gas used or reinjected.

<sup>2</sup> Oil realisation indicator is estimated based on the differential to the average Brent price of the period when each of Galp's oil cargoes were negotiated, deducted from logistic costs associated with its delivery. Gas realisation indicator represents the revenues collected from the equity gas sold during the period net of all gas delivery and treatment costs.

<sup>3</sup> Includes abandonment provisions. 2023 and 2024 unit figures exclude impairments of €7 m and €70 m, respectively, related with exploration and appraisal assets in Brazil.

### Fourth quarter 2024

Production was 110 kboepd, down YoY, reflecting the disposal of the 10% stake in Area 4 Mozambique. On a comparable basis, Brazil production was 6% lower YoY following the natural decline of the fields and minor infrastructure restrictions.

Realisations discount to average Brent was of \$2.9/bbl. Production costs were \$2.8/boe on a net entitlement basis, or €27 m, up YoY, and no longer reflecting technical costs from Coral South FLNG.

RCA Ebitda was €437 m, down YoY, following lower production and lower realisations, as well as including higher SEM (Successful Effort Method) costs related to exploration activities in Brazil and Namibia.

Amortisation, depreciation and provision charges (including right-of-use of assets) were €170 m, reflecting also impairments related to appraisal and development assets in Brazil of €67 m. Unit DD&A was \$10.9/boe excluding impairments, down YoY as the fourth quarter of 2023 included one-off effects of the right-of-use of assets depreciation related to Coral FLNG, in Mozambique. IFRS 16 lease costs accounted for €34 m during the period.

RCA Ebit was €267 m. IFRS Ebit amounted to €349 m, considering as special items the contribution from Mozambique's assets held for sale and the €54 m Angola divestment earn-out recognition, to be collected in 2025.

### Full year 2024

Production was 109 kboepd, down YoY, reflecting the disposal of the 10% stake in Area 4 Mozambique. On a comparable basis, Brazil production was down 5% YoY, reflecting the maturity of the fields in operation. Natural gas represented 12%.

Oil realisations discount to Brent was \$3.6/bbl and production costs were \$2.3/boe on a net entitlement basis, or €84 m. RCA Ebitda was €2,078 m, down YoY, following lower production from Brazil and lower oil and gas realisations, as well as the de-recognition of Mozambique assets held for sale.

Amortisation, depreciation and provision charges (including right-of-use of assets) were €483 m, including €70 m impairments related to appraisal and development assets in Brazil, mostly registered in fourth quarter. DD&A was \$11.2/boe on a unit basis, excluding impairments. IFRS 16 lease costs accounted for €134 m during the period, no longer considering the leases related with Coral South FLNG in Mozambique, booked as assets held for sale.

RCA Ebit was €1,595 m. IFRS Ebit amounted to €1,939 m, mostly considering special items related to the contribution from Angola (during 1H24) and Mozambique assets held for sale.

## 2.2 Industrial & Midstream

€m (RCA, except otherwise stated)

4Q23	3Q24	4Q24	% Var. YoY		2023	2024	% Var. YoY
15.4	22.4	22.3	45%	<b>Raw materials processed (mboe)</b>	78.9	90.7	15%
12.5	19.3	20.5	64%	Crude processed (mmbbl)	68.3	78.7	15%
6.1	4.7	5.2	(15%)	<b>Galp refining margin (USD/boe)</b>	11.0	7.4	(32%)
8.7	2.7	2.6	(70%)	<b>Refining cost (USD/boe)</b>	4.5	2.4	(47%)
3.4	4.1	3.9	15%	<b>Oil products supply<sup>1</sup> (mton)</b>	14.8	16.0	8%
10.0	12.0	11.8	17%	<b>NG/LNG supply &amp; trading volumes<sup>1</sup> (TWh)</b>	46.5	46.6	0%
3.4	6.3	5.7	69%	Trading (TWh)	18.4	21.4	17%
0.1	0.2	0.2	57%	<b>Sales of electricity from cogeneration (TWh)</b>	0.6	0.7	11%
63	165	182	n.m.	<b>RCA Ebitda</b>	929	876	(6%)
(44)	(32)	(34)	(24%)	Depreciation, Amortisation, Impairments and Provisions	(236)	(130)	(45%)
19	133	148	n.m.	<b>RCA Ebit</b>	693	747	8%
51	129	73	44%	<b>IFRS Ebit</b>	650	602	(7%)
29	165	73	n.m.	<b>Adjusted operating cash flow</b>	764	773	1%
110	51	87	(21%)	<b>Capex</b>	196	227	16%

<sup>1</sup>Includes volumes sold to the Commercial segment.

### Fourth quarter 2024

Raw materials processed in the Sines refinery reached 22 mboe, substantially higher YoY, reflecting the high availability of the units and considering the significant turnaround performed in the fourth quarter of 2023.

Galp's refining margin was \$5.2/boe, down YoY, following a less supportive international oil products' cracks environment, particularly gasoline and jet cracks, despite capturing the rebound from diesel and naphtha. Refining costs were €54 m, or \$2.6/boe in unit terms, lower YoY, reflecting normalised operations.

Total supply of oil products increased 15% YoY to 3.9 mton, given the higher availability of the refining system and driven by increased gasoline and diesel exports.

Supply and trading volumes of natural gas and LNG reached 11.8 TWh, higher YoY, reflecting increased demand from Commercial, higher flexibility and gas sourcing opportunities in Brazil.

RCA Ebitda was €182 m, capturing the full availability of the refining system as well as the continued robust Midstream momentum from supply and trading activities across oil, natural gas and power. RCA Ebit was €148 m, whilst IFRS Ebit was €73 m, with inventory effects of €-76 m.

### Full year 2024

Raw materials processed reached 91 mboe, a record high, reflecting the strong availability and utilisation of the units.

Crude oil accounted for 87% of raw materials processed, of which 68% corresponded to medium and heavy crudes. On the refinery yields during the period, middle distillates (diesel, bio-diesel and jet) accounted for 46% of production, light distillates (gasolines and naphtha) accounted for 28% and fuel oil for 15%. Consumption and losses represented 9%.

Galp's refining margin was \$7.4/boe, as the system captured the higher international oil cracks environment during the first half of 2024. Refining costs were €199 m, or \$2.4/boe in unit terms, down YoY given the normalised utilisation of the system, whereas costs in 2023 reflected the planned maintenance performed.

Total supply of oil products increased 8% YoY to 16.0 mton, reflecting the increase in raw materials processed. Supply and trading volumes of natural gas and LNG reached 46.6 TWh, flat YoY.

RCA Ebitda was €876 m, down YoY, supported by the normalised and high availability of the refining system, although partially offset by the lower refining margin, and by the continued robust contribution of Midstream. RCA Ebit was €747 m, whilst IFRS Ebit was €602 m, with an inventory effect of €-147 m.



## 2.3 Commercial

€m (RCA, except otherwise stated)

4Q23	3Q24	4Q24	% Var. YoY		2023	2024	% Var. YoY
<b>Commercial sales to clients</b>							
1.7	1.9	1.8	6%	Oil products (mton)	7.1	7.1	1%
3.4	4.0	4.3	27%	Natural Gas (GWh)	13.8	16.3	19%
1.4	1.7	1.8	29%	Electricity (GWh)	4.1	6.9	68%
<b>54</b>	<b>92</b>	<b>72</b>	<b>34%</b>	<b>RCA Ebitda</b>	<b>303</b>	<b>306</b>	<b>1%</b>
(35)	(33)	(68)	96%	Depreciation, Amortisation, Impairments and Provisions	(158)	(163)	3%
<b>19</b>	<b>59</b>	<b>4</b>	<b>(80%)</b>	<b>RCA Ebit</b>	<b>145</b>	<b>143</b>	<b>(2%)</b>
<b>(8)</b>	<b>47</b>	<b>(1)</b>	<b>(89%)</b>	<b>IFRS Ebit</b>	<b>117</b>	<b>110</b>	<b>(6%)</b>
<b>54</b>	<b>73</b>	<b>53</b>	<b>(2%)</b>	<b>Adjusted operating cash flow</b>	<b>218</b>	<b>247</b>	<b>13%</b>
<b>72</b>	<b>19</b>	<b>59</b>	<b>(19%)</b>	<b>Capex</b>	<b>111</b>	<b>98</b>	<b>(11%)</b>

### Fourth quarter 2024

Total oil products' sales were up YoY, at 1.8 mton, following higher sales in B2B Spain, in particular in the transport and distributions segments. Natural gas sales were up to 4.3 TWh, 27% higher YoY, following increased volumes sold in the Spanish B2B segment, whilst electricity sales reached 1.8 TWh, considerably up YoY, reflecting the growing client base in Iberia.

RCA Ebitda was robust at €72 m, 34% higher YoY, supported by recovering oil volumes sales in the B2B segment and considering the promotional campaigns deployed in the fourth quarter of 2023.

RCA Ebit was €4 m, reflecting impairments of €30 m related with the Iberian retail network. IFRS Ebit was €-1 m.

### Full year 2024

Total oil products' sales were flat YoY, at 7.1 mton, with stable performance in Portugal, whilst increased volumes sold in Spain were partially offset by a lower contribution from the International segment, reflecting the Guinea-Bissau assets sale.

Natural gas sales were up 19% to 16.3 TWh, mainly due to increased volumes in B2B Spain. Electricity sales reached 6.9 TWh, up 68% YoY, reflecting the growing client base in Iberia.

In electric mobility, 1.3 million charging sessions were reached from the over 6,300 charging points in operation at the end of the year, reflecting a 60% YoY increase in charging points.

RCA Ebitda was €306 m, supported by a resilient operating performance and benefiting from the increasingly robust contribution of Convenience & Energy Solutions, which represented 35% of the divisional Ebitda.

RCA Ebit was €143 m and IFRS Ebit was €110 m, considering the impairments booked in the fourth quarter of the year.

## 2.4 Renewables

€m (RCA, except otherwise stated)

4Q23	3Q24	4Q24	% Var. YoY		2023	2024	% Var. YoY
355	853	346	(3%)	Renewable power generation (GWh)	2,338	2,381	2%
84	48	71	(15%)	Galp realised sale price (EUR/MWh)	80	43	(47%)
21	24	9	(58%)	RCA Ebitda	131	47	(64%)
(22)	(13)	(59)	n.m.	Depreciation, Amortisation, Impairments & Provisions	(113)	(95)	(16%)
(1)	11	(50)	n.m.	RCA Ebit	18	(48)	n.m.
(1)	11	(50)	n.m.	IFRS Ebit	18	(48)	n.m.
3	22	11	n.m.	Adjusted operating cash flow	138	48	(66%)
38	48	57	51%	Capex	142	150	6%

### Fourth quarter 2024

Renewable energy generation reached 346 GWh, flattish YoY, in a seasonally weak quarter, with the additional capacity in operation offset by lower irradiation during the period.

Realised sale price captured was €71/MWh, down 15% YoY, as the fourth quarter of 2023 benefited from short-term hedge agreements, albeit during the fourth quarter of 2024 prices recovered when compared to the rest of the year.

RCA Ebitda was €9 m, lower YoY, reflecting the reduced generation in a winter quarter and the lower realisations. RCA Ebit was €-50 m, including impairments of €46 m given a more conservative market outlook and the reassessment of early-stage development projects.

### Full year 2024

Renewable energy generation reached 2,381 GWh, slightly up YoY, driven by the increased capacity in operation, although partially offset by overall lower irradiation in the year. Installed capacity at the end of the period was 1.5 GW.

Realised sale price captured was €43/MWh, 47% lower YoY, trailing the baseload power prices in Iberia (given the high penetration of hydro generation during the year) and as 2023 realisations benefited from short-term hedges.

RCA Ebitda was €47 m, lower YoY, reflecting the weaker power price environment. RCA Ebit in the year was €-48 m, also following the impairments registered in the fourth quarter.



03

# Financial Data

## 3.1 Income Statement

€m (RCA, except otherwise stated)

4Q23	3Q24	4Q24	% Var. YoY		2023	2024	% Var. YoY
5,219	5,610	4,906	(6%)	Turnover	20,769	21,311	3%
(3,766)	(4,173)	(3,616)	(4%)	Cost of goods sold	(14,523)	(15,540)	7%
(585)	(495)	(538)	(8%)	Supply & Services	(2,167)	(2,021)	(7%)
(147)	(117)	(110)	(25%)	Personnel costs	(449)	(449)	(0%)
(1)	(2)	46	n.m.	Other operating revenues (expenses)	(30)	(11)	(64%)
(1)	(3)	1	n.m.	Impairments on accounts receivable	(43)	7	n.m.
<b>720</b>	<b>820</b>	<b>688</b>	<b>(4%)</b>	<b>RCA Ebitda</b>	<b>3,558</b>	<b>3,297</b>	<b>(7%)</b>
<b>763</b>	<b>837</b>	<b>700</b>	<b>(8%)</b>	<b>IFRS Ebitda</b>	<b>3,710</b>	<b>3,507</b>	<b>(5%)</b>
(309)	(199)	(342)	11%	Depreciation, Amortisation, Impairments and Provisions	(1,088)	(909)	(17%)
<b>411</b>	<b>621</b>	<b>347</b>	<b>(16%)</b>	<b>RCA Ebit</b>	<b>2,469</b>	<b>2,388</b>	<b>(3%)</b>
<b>454</b>	<b>633</b>	<b>349</b>	<b>(23%)</b>	<b>IFRS Ebit</b>	<b>2,618</b>	<b>2,551</b>	<b>(3%)</b>
(25)	4	18	n.m.	Net income from associates	2	12	n.m.
(14)	(24)	(52)	n.m.	Financial results	(62)	(97)	58%
13	1	(5)	n.m.	Net interests	6	11	97%
15	9	21	38%	Capitalised interest	49	63	30%
11	(5)	(39)	n.m.	Exchange gain (loss)	30	(39)	n.m.
(36)	(20)	(21)	(43%)	Interest on leases (IFRS 16)	(102)	(80)	(22%)
(17)	(10)	(9)	(50%)	Other financial charges/income	(44)	(53)	22%
<b>372</b>	<b>600</b>	<b>313</b>	<b>(16%)</b>	<b>RCA Net income before taxes and non-controlling interests</b>	<b>2,409</b>	<b>2,303</b>	<b>(4%)</b>
(48)	(285)	(201)	n.m.	Taxes	(1,227)	(1,136)	(7%)
(173)	(148)	(99)	(43%)	Taxes on oil and natural gas production <sup>1</sup>	(615)	(546)	(11%)
(40)	(50)	(40)	(0%)	Non-controlling interests	(180)	(206)	14%
<b>284</b>	<b>266</b>	<b>71</b>	<b>(75%)</b>	<b>RCA Net income</b>	<b>1,002</b>	<b>961</b>	<b>(4%)</b>
45	11	19	(59%)	Special items	278	207	(25%)
<b>330</b>	<b>277</b>	<b>90</b>	<b>(73%)</b>	<b>RC Net income</b> - attributable to Galp Energia shareholders	<b>1,280</b>	<b>1,169</b>	<b>(9%)</b>
6	(8)	(56)	n.m.	Inventory effect	(38)	(129)	n.m.
<b>336</b>	<b>269</b>	<b>34</b>	<b>(90%)</b>	<b>IFRS Net income</b> - attributable to Galp Energia shareholders	<b>1,242</b>	<b>1,040</b>	<b>(16%)</b>

<sup>1</sup>Includes taxes on oil and natural gas production, such as SPT payable in Brazil.

### Fourth quarter 2024

RCA Ebitda was €688 m, reflecting a solid operating performance across businesses, under a weaker macro context. IFRS Ebitda amounted to €700 m, considering an inventory effect of €-80 m and special items of €92 m, including the pending €54 m earn-out related to Angolan upstream assets divestment and contributions from Mozambique upstream assets held for sale.

Group RCA Ebit was €347 m, with higher non-cash costs YoY, following one-off impairments and provisions registered across segments, totalling €143 m in the period.

Financial Results were €-52 m, including currency impacts from the U.S. dollar appreciation against the Euro. RCA taxes amounted to €201 m and non-controlling interests of €40 m, mostly attributed to Sinopec's stake in Petrogal Brasil.

RCA net income was €71 m. IFRS net income was €34 m, with an inventory effect of €-56 m and special items of €19 m.

### Full year 2024

RCA Ebitda was €3,297 m and reflected a solid operating performance in the period. IFRS Ebitda amounted to €3,507 m.

Group RCA Ebit was €2,388 m, down YoY, following Ebitda. Income from associated companies was €12 m and financial results were €-97 m.

RCA taxes were €1,136 m, leading to an implicit tax rate of 49%, and non-controlling interests were €206 m, mostly attributed to Sinopec's stake in Petrogal Brasil.

RCA net income was €961 m. IFRS net income was €1,040 m, with an inventory effect of €-129 m and special items of €207 m, mostly related with the completion of Angola upstream transaction and other assets held for sale.

## 3.2 Capital Expenditure

€m

4Q23	3Q24	4Q24	% Var. YoY		2023	2024	% Var. YoY
174	116	284	63%	Upstream <sup>1</sup>	562	756	34%
110	51	87	(21%)	Industrial & Midstream	196	227	16%
72	19	59	(19%)	Commercial	111	98	(11%)
38	48	57	51%	Renewables	142	150	6%
16	14	14	(17%)	Others	41	60	44%
<b>411</b>	<b>248</b>	<b>500</b>	<b>22%</b>	<b>Capex (economic)<sup>2</sup></b>	<b>1,052</b>	<b>1,291</b>	<b>23%</b>

<sup>1</sup> The 2024 figures exclude any amounts related to the Mozambique Upstream assets, which accounted for c.€67 m in 2023. Related to Namibia, 4Q24 figures include carried interests of €88 m, previously registered as Working Capital.

<sup>2</sup> Capex figures based in change in assets during the period.

### Fourth quarter 2024

Capex totalled €500 m during the quarter.

Investments in Upstream were mostly directed towards the appraisal campaign in Namibia, which included the drilling of two wells, and projects under execution and development in the Brazilian pre-salt, namely Bacalhau.

Industrial & Midstream capex was directed to the refining segment, including the ongoing construction of the HVO/SAF unit and the 100 MW electrolyser for green hydrogen production in the Sines' industrial complex.

Investments in Commercial also covered the upgrade of service stations and electric mobility deployment, whilst Renewables investments supported the construction of solar projects in Iberia.

### Full year 2024

Capex totalled €1,291 m, with Upstream and Industrial accounting for 59% and 18% of total investments, respectively, whilst Commercial and Renewables businesses represented the remaining.

Investments in Upstream were mostly directed at the execution of projects in the Brazilian pre-salt, namely Bacalhau but also Tupi & Iracema, and towards the exploration and appraisal campaigns in Namibia. Namibia expenditures in the year totalled to €312 m on a 100% basis.

Industrial & Midstream capex was mostly allocated to low-carbon projects in the Sines industrial complex, namely the ongoing construction works for the HVO/SAF unit in the Sines industrial complex and for the 100 MW electrolysis plant to produce green hydrogen, as well as investments related to maintenance of refining and logistic assets.

Investments in Commercial were directed mainly towards the upgrade of service stations and the build-up of the electric charging points network, whilst Renewables spending was directed to the deployment of additional solar capacity in Iberia.

### 3.3 Cash Flow

€m

4Q23	3Q24	4Q24		2023	2024
720	820	688	RCA Ebitda	3,558	3,297
2	4	0	Dividends from associates	31	11
(233)	(284)	(296)	Taxes paid	(1,320)	(1,170)
<b>488</b>	<b>540</b>	<b>393</b>	<b>Adjusted operating cash flow<sup>1</sup></b>	<b>2,269</b>	<b>2,138</b>
(40)	(0)	9	Special items	(13)	(0)
18	(12)	(80)	Inventory effect	(59)	(189)
(9)	(53)	596	Changes in working capital <sup>2</sup>	179	401
<b>457</b>	<b>475</b>	<b>917</b>	<b>Cash flow from operations</b>	<b>2,376</b>	<b>2,349</b>
(382)	(229)	(541)	Net capex	(859)	(832)
0	0	4	o.w. Divestments	209	588
(17)	(31)	(51)	Net financial expenses	(42)	(98)
(36)	(21)	(22)	IFRS 16 leases interest	(102)	(85)
<b>22</b>	<b>193</b>	<b>304</b>	<b>Free cash flow</b>	<b>1,373</b>	<b>1,335</b>
(80)	(2)	(69)	Dividends paid to non-controlling interest <sup>3</sup>	(169)	(166)
-	(212)	-	Dividends paid to Galp shareholders	(422)	(419)
(192)	(191)	(27)	Share buybacks <sup>4</sup>	(500)	(351)
(51)	(39)	(55)	Reimbursement of IFRS 16 leases principal	(157)	(175)
113	(63)	111	Others	30	(32)
<b>189</b>	<b>313</b>	<b>(264)</b>	<b>Change in net debt</b>	<b>(155)</b>	<b>(193)</b>

<sup>1</sup> Considers adjustments to exclude contribution from Angolan and Mozambique upstream assets held for sale.

<sup>2</sup> Working Capital adjusted to include €49 m related to the repurchase of treasury shares as part of the Company's long-term incentives.

<sup>3</sup> Mainly dividends paid to Sinopec.

<sup>4</sup> Related to the 2024 fiscal year, share repurchase programme for capital reduction purposes of €350 m started in February. At completion, Galp had acquired the equivalent to 2.5% of its share capital.

#### Fourth quarter 2024

Galp's OCF was €393 m, reflecting the sound operating performance during the quarter and paid taxes of €296 m. CFFO reached €917 m, including a material working capital release, mostly related to a reduction in receivables from sold cargoes and a lower commodities pricing environment, as well as €61 m from the reclassification to capex of the 20% carried interests in Namibia PEL 83.

Net investments in the period amounted to €541 m and FCF amounted to €304 m.

Net debt decreased by €264 m, considering the €69 m dividends paid to minorities, the light execution of the buyback programme, which was concluded early in the quarter, and no payment of dividends to shareholders during the quarter.

#### Full year 2024

Galp's OCF was €2,138 m, reflecting the robust operating performance during the year. Paid taxes were of €1,170 m.

CFFO reached €2,349 m, with an inventory effect of €-189 m and a €401 m working capital release, mainly attributable to inventory volume and pricing variations, and a reduction in receivables from sold cargoes.

Net capex totalled €832 m, which include the proceeds collected from divestments completed during the period, most significantly related to the Angola upstream assets. Additionally, it includes a €97 m outflow related to capex needs from Mozambique upstream assets held for sale, to be reimbursed at deal completion.

FCF amounted to €1,335 m. Net debt was down during the period, considering dividends to minorities of €166 m, dividends to shareholders of €419 m and the execution of the buyback programme for capital reduction purposes of €351 m.

## 3.4 Financial Position

€m

	31 Dec. 2023	30 Sep. 2024	31 Dec. 2024	Var. vs 31 Dec. 2023	Var. vs 30 Sep. 2024
Net fixed assets	6,746	6,472	6,887	140	414
Right-of-use of assets (IFRS 16)	1,645	1,099	1,215	(430)	116
Working capital	783	928	332	(450)	(596)
Other assets/liabilities	(1,074)	(1,463)	(1,345)	(271)	118
Assets held for sale	440	1,028	1,171	731	143
<b>Capital employed</b>	<b>8,540</b>	<b>8,064</b>	<b>8,260</b>	<b>(280)</b>	<b>196</b>
Short term debt	575	604	367	(208)	(237)
Medium-Long term debt	3,026	2,883	3,125	99	242
<b>Total debt</b>	<b>3,600</b>	<b>3,487</b>	<b>3,492</b>	<b>(108)</b>	<b>6</b>
Cash and equivalents	2,200	2,015	2,285	85	270
<b>Net debt</b>	<b>1,400</b>	<b>1,471</b>	<b>1,207</b>	<b>(193)</b>	<b>(264)</b>
Leases (IFRS 16)	1,810	1,285	1,414	(395)	130
Equity	5,330	5,308	5,638	308	330
<b>Equity, net debt and leases</b>	<b>8,540</b>	<b>8,064</b>	<b>8,260</b>	<b>(280)</b>	<b>196</b>

On December 31, 2024, net fixed assets were €6.9 bn, including work-in-progress of €2.9 bn, mostly related to the Upstream business.

At the end of December, assets/liabilities held for sale largely reflected the Mozambique upstream assets, as well as the commercial assets in Guinea-Bissau.

## 3.5 Financial Debt

€m (except otherwise stated)

	31 Dec. 2023	30 Sep. 2024	31 Dec. 2024	Var. vs 31 Dec. 2023	Var. vs 30 Sep. 2024
Cash and equivalents	2,200	2,015	2,285	85	270
Undrawn credit facilities	1,665	1,660	1,660	(5)	-
Bonds	1,929	2,086	2,225	296	138
Bank loans and overdrafts	1,672	1,400	1,268	(404)	(133)
Net debt	1,400	1,471	1,207	(193)	(264)
Leases (IFRS 16)	1,810	1,285	1,414	(395)	130
<b>Net debt to RCA Ebitda<sup>1</sup></b>	<b>0.42x</b>	<b>0.48x</b>	<b>0.40x</b>	<b>0.0x</b>	<b>-0.1x</b>

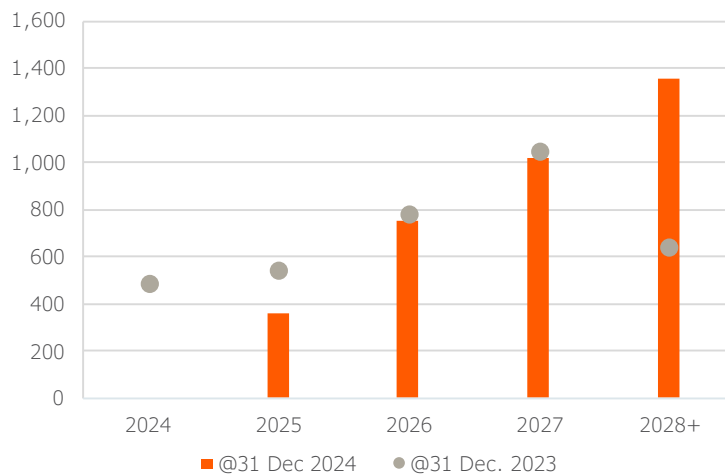
<sup>1</sup> Ratio considers the LTM Ebitda RCA (€3,066 m), which includes an adjustment for the impact from the application of IFRS 16 (€231 m).

On December 31, 2024, net debt was €1,207 m. Net debt to RCA Ebitda stood at 0.40x.

At the end of the period, cash and cash equivalents were €2,285 m, whilst unused credit lines were €1,660 m, of which c.79% were contractually guaranteed with maturity longer than one year.

The average cost of funding for the period, including charges for credit lines, was 3.5%.

### Debt maturity profile (€ m)





## 3.6 Reconciliation of IFRS and RCA Figures

### Ebitda by segment

€m

Fourth Quarter					Twelve months					
Ebitda IFRS	Inventory effect	RC Ebitda	Special items	RCA Ebitda		Ebitda IFRS	Inventory effect	RC Ebitda	Special items	RCA Ebitda
<b>700</b>	<b>80</b>	<b>780</b>	<b>(92)</b>	<b>688</b>	<b>Galp</b>	<b>3,507</b>	<b>189</b>	<b>3,696</b>	<b>(399)</b>	<b>3,297</b>
519	-	519	(82)	437	Upstream	2,446	-	2,446	(368)	2,078
112	76	187	(6)	182	Industrial & Midstream	750	147	897	(21)	876
72	4	76	(4)	72	Commercial	279	38	317	(11)	306
9	-	9	-	9	Renewables	47	-	47	-	47
(11)	-	(11)	-	(11)	Others	(15)	4	(11)	-	(11)

### Ebit by segment

€m

Fourth Quarter					Twelve months					
Ebit IFRS	Inventory effect	RC Ebit	Special items	RCA Ebit		Ebit IFRS	Inventory effect	RC Ebit	Special items	RCA Ebit
<b>349</b>	<b>80</b>	<b>429</b>	<b>(82)</b>	<b>347</b>	<b>Galp</b>	<b>2,551</b>	<b>189</b>	<b>2,740</b>	<b>(352)</b>	<b>2,388</b>
349	-	349	(82)	267	Upstream	1,939	-	1,939	(344)	1,595
73	76	149	(1)	148	Industrial & Midstream	602	147	749	(3)	747
(1)	4	3	1	4	Commercial	110	38	148	(5)	143
(50)	-	(50)	-	(50)	Renewables	(48)	-	(48)	-	(48)
(22)	-	(22)	-	(22)	Others	(52)	4	(48)	-	(48)

## 3.7 Special Items

€m

4Q23	3Q24	4Q24		2023	2024
<b>(25)</b>	<b>(28)</b>	<b>(92)</b>	<b>Items impacting Ebitda</b>	<b>(211)</b>	<b>(399)</b>
-	6	(0)	Power PPA Settlement	-	6
-	(6)	(5)	LNG vessel subchartering	-	(27)
-	0	(54)	Angola farm-out gains	-	(192)
(65)	(29)	(29)	Ebitda - Assets/liabilities held for sale	(225)	(207)
-	(1)	(3)	Settlement of equipment rental agreements in Brazil	-	21
13	-	-	Regulated market (IFRS 9)	13	-
27	-	-	Compensation from Brazilian equity gas contracts	-	-
<b>0</b>	<b>4</b>	<b>10</b>	<b>Items impacting non-cash costs</b>	<b>4</b>	<b>47</b>
-	4	5	LNG vessel subchartering	-	18
0	(0)	5	DD&A-Assets/liabilities held for sale	4	29
<b>41</b>	<b>17</b>	<b>51</b>	<b>Items impacting financial results</b>	<b>(28)</b>	<b>125</b>
-	-	1	Gains/losses on financial investments (GGND)	(47)	1
-	-	37	Gains/losses on financial investments (Aurora)	-	37
39	(4)	2	Gains/losses on financial investments (Coral) <sup>1</sup>	-	6
-	8	6	Gains/losses on financial investments (BBB)	-	14
(1)	10	9	Financial costs - Others	(3)	53
2	3	(3)	Mark-to-Market of derivatives	22	15
<b>(79)</b>	<b>(6)</b>	<b>10</b>	<b>Items impacting taxes</b>	<b>(71)</b>	<b>39</b>
(4)	(2)	14	Taxes on special items	25	(0)
(75)	(3)	(3)	BRL/USD FX impact on deferred taxes in Brazil	(96)	39
<b>17</b>	<b>1</b>	<b>2</b>	<b>Non-controlling interests</b>	<b>29</b>	<b>(20)</b>
<b>(45)</b>	<b>(11)</b>	<b>(19)</b>	<b>Total special items</b>	<b>(278)</b>	<b>(207)</b>

<sup>1</sup> Impact from transition to IFRS 16 during 2023 and classification as an asset held for sale during 2024.

## 3.8 Consolidated Income Statement

€m					2023	2024
4Q23	3Q24	4Q24				
5,122	5,480	4,777	Sales		20,455	20,830
97	130	128	Services rendered		314	481
105	47	215	Other operating income		437	622
<b>5,324</b>	<b>5,657</b>	<b>5,120</b>	<b>Operating income</b>		<b>21,206</b>	<b>21,933</b>
(3,748)	(4,143)	(3,650)	Inventories consumed and sold		(14,580)	(15,539)
(596)	(507)	(546)	Materials and services consumed		(2,220)	(2,100)
(147)	(117)	(110)	Personnel costs		(450)	(451)
(14)	(3)	1	Impairments on accounts receivable		(57)	7
(56)	(49)	(115)	Other operating costs		(189)	(344)
<b>(4,561)</b>	<b>(4,820)</b>	<b>(4,420)</b>	<b>Operating costs</b>		<b>(17,496)</b>	<b>(18,426)</b>
<b>763</b>	<b>837</b>	<b>700</b>	<b>Ebitda</b>		<b>3,710</b>	<b>3,507</b>
(261)	(202)	(341)	Depreciation, Amortisation and Impairments		(987)	(946)
(48)	(1)	(10)	Provisions		(105)	(10)
<b>454</b>	<b>633</b>	<b>349</b>	<b>Ebit</b>		<b>2,618</b>	<b>2,551</b>
(64)	0	(27)	Net income from associates		49	(45)
(15)	(38)	(58)	Financial results		(81)	(165)
45	36	34	Interest income		127	135
(32)	(35)	(40)	Interest expenses		(122)	(124)
15	9	21	Capitalised interest		49	63
(36)	(33)	(34)	Interest on leases (IFRS 16)		(102)	(135)
11	(5)	(39)	Exchange gain (loss)		29	(39)
(2)	(3)	3	Mark-to-market of derivatives		(22)	(15)
(17)	(6)	(4)	Other financial charges/income		(40)	(51)
<b>374</b>	<b>596</b>	<b>263</b>	<b>Income before taxes</b>		<b>2,586</b>	<b>2,340</b>
(74)	(269)	(182)	Taxes <sup>1</sup>		(997)	(1,050)
99	-	1	Windfall Taxes		(95)	1
(5)	(7)	(7)	Energy sector contribution taxes <sup>2</sup>		(44)	(65)
<b>393</b>	<b>320</b>	<b>76</b>	<b>Income before non-controlling interests</b>		<b>1,451</b>	<b>1,226</b>
(57)	(51)	(42)	Income attributable to non-controlling interests		(209)	(186)
<b>336</b>	<b>269</b>	<b>34</b>	<b>Net income</b>		<b>1,242</b>	<b>1,040</b>

<sup>1</sup> Includes SPT payable in Brazil

<sup>2</sup> Includes €11 m, €23 m and €32 m related to CESE I, CESE II and FNEE, respectively, during 2024.

### 3.9 Consolidated Financial Position

€m

	31 Dec. 2023	30 Sep. 2024	31 Dec. 2024
<b>Assets</b>			
Tangible fixed assets	6,029	5,753	6,195
Goodwill	44	44	44
Other intangible fixed assets	659	662	694
Rights-of-use of assets (IFRS 16)	1,630	1,099	1,215
Investments in associates	255	138	109
Receivables	305	383	310
Deferred tax assets	616	654	669
Financial investments	351	52	69
<b>Total non-current assets</b>	<b>9,889</b>	<b>8,784</b>	<b>9,306</b>
Inventories	1,447	1,078	1,101
Trade receivables	1,395	1,632	1,237
Other receivables	931	695	837
Other financial assets	207	149	150
Current income tax receivable	0	73	106
Cash and equivalents	2,200	2,015	2,285
Non-current assets held for sale	537	1,599	1,794
<b>Total current assets</b>	<b>6,716</b>	<b>7,242</b>	<b>7,511</b>
<b>Total assets</b>	<b>16,606</b>	<b>16,026</b>	<b>16,817</b>
<b>Equity</b>			
Share capital	773	773	753
Buybacks <sup>1</sup>	-	(371)	(47)
Share premium	-	-	-
Reserves	1,449	1,575	1,563
Retained earnings	946	1,395	1,379
Net income	1,242	1,006	1,040
<b>Total equity attributable to equity holders of the parent</b>	<b>4,410</b>	<b>4,378</b>	<b>4,689</b>
Non-controlling interests	920	930	950
<b>Total equity</b>	<b>5,330</b>	<b>5,308</b>	<b>5,638</b>
<b>Liabilities</b>			
Bank loans and overdrafts	1,392	1,008	1,051
Bonds	1,634	1,875	2,075
Leases (IFRS 16)	1,543	1,066	1,182
Other payables	95	97	109
Retirement and other benefit obligations	225	223	221
Deferred tax liabilities	476	509	579
Other financial instruments	99	64	102
Provisions	1,437	1,462	1,497
<b>Total non-current liabilities</b>	<b>6,900</b>	<b>6,304</b>	<b>6,814</b>
Bank loans and overdrafts	280	392	217
Bonds	294	211	150
Leases (IFRS 16)	267	219	233
Trade payables	1,268	928	945
Other payables	1,758	1,651	1,755
Other financial instruments	100	69	111
Income tax payable	311	372	332
Liabilities related to non-current assets held for sale	97	572	622
<b>Total current liabilities</b>	<b>4,376</b>	<b>4,414</b>	<b>4,365</b>
<b>Total liabilities</b>	<b>11,276</b>	<b>10,718</b>	<b>11,179</b>
<b>Total equity and liabilities</b>	<b>16,606</b>	<b>16,026</b>	<b>16,817</b>

<sup>1</sup>Includes own shares purchases for share cancellation purposes and for the share-based remuneration plan as part of the Company's long-term incentives (LTIs).



04

## **Basis of Reporting**

## Basis of Reporting

Galp's consolidated financial statements have been prepared in accordance with IFRS. The financial information in the consolidated income statement and in the consolidated financial position is reported for the quarters ended December 31, 2023, on September 30 and December 31, 2024.

Galp's financial statements are prepared in accordance with IFRS, and the cost of goods sold is valued at weighted-average cost. When goods and commodity prices fluctuate, the use of this valuation method may cause volatility in results through gains or losses in inventories, which do not reflect the Company's operating performance. This is called the inventory effect.

Other factors that may affect the Company's results, without being an indicator of its true performance, are set as special items.

For the purpose of evaluating Galp's operating performance, RCA profitability measures exclude special items and the inventory effect, the latter because the cost of goods sold and materials consumed has been calculated according to the Replacement Cost (RC) valuation method.

All mark-to-market swings related with derivatives are registered as special items (starting from January 1, 2023).

With regards to risks and uncertainties, please read Part II - C. III Internal control and risk management (page 31) of Corporate Governance Report 2023, [here](#).



# **Definitions and Cautionary Statement**

## 6.1 Definitions

### Replacement cost (RC)

According to this method of valuing inventories, the cost of goods sold is valued at the cost of replacement, i.e. at the average cost of raw materials of the month when sales materialise irrespective of inventories at the start or end of the period. The Replacement Cost Method is not accepted by the IFRS and is consequently not adopted for valuing inventories. This method does not reflect the cost of replacing other assets.

### Replacement cost adjusted (RCA)

In addition to using the replacement cost method, RCA items exclude special items such as mark-to-market of derivatives hedges, contributions from assets held for sale, capital gains or losses on the disposal of assets, impairment or reinstatement of fixed assets and environmental or restructuring charges which may affect the analysis of the Company's P&L metrics and do not reflect its operational performance.

### Acronyms

%: Percentage

ACS: Actividades de Construcción Y Servicios SA

APETRO: Associação Portuguesa de Empresas Petrolíferas (Portuguese association of oil companies)

B2B: Business to business

B2C: Business to consumer

bbl: barrel of oil

bn: billion

boe: barrels of oil equivalent

BRL: Brazilian real

c.: circa

CO<sub>2</sub>: Carbon dioxide

COD: Commercial Operation Date

Capex: Capital expenditure

CESE: Contribuição Extraordinária sobre o Sector Energético (Portuguese Extraordinary Energy Sector Contribution)

CFFO: Cash flow from operations

COD: Commercial Operation Date

COFINS: Contribution for the Financing of Social Security

CMVM: Portuguese Securities Market Commission

CORES: Corporación de Reservas Estratégicas de Productos Petrolíferos (Spain)

d: day

DD&A: Depreciation, Depletion and Amortisation

Ebit: Earnings before interest and taxes

Ebitda: Ebit plus depreciation, amortisation and provisions

EMPL: Europe Magreb Pipeline, Ltd

EUR/€: Euro

FCC: Fluid Catalytic Cracker

FCF: Free Cash Flow

FID: Final Investment Decision

FLNG: Floating liquified natural gas

FNEE: Fondo Nacional de Eficiencia Energética (Spain)

FPSO: Floating, production, storage and offloading unit

Galp, Company or Group: Galp Energia, SGPS, S.A., subsidiaries and participated companies

GGND: Galp Gás Natural Distribuição, S.A.

GSBV: Galp Sinopec Brazil Services

GW: Gigawatt

GWh: Gigawatt hour

I&EM: Industrial & Midstream

IAS: International Accounting Standards

IRC: Income tax

IFRS: International Financial Reporting Standards

IRP: Oil income tax (Oil tax payable in Angola)

ISP: Payments relating to tax on oil products

kboepd: thousands of barrels of oil equivalent per day

kbpd: thousands of barrels of oil per day

LNG: liquefied natural gas

LTM: last twelve months

m: million

MIBGAS: Iberian Market of Natural Gas

mbl: million barrels of oil

mboe: million barrels of oil equivalent

mbtu: million British thermal units

mm<sup>3</sup>: million cubic metres

MTM: Mark-to-Market

mton: million tonnes

MW: Megawatt

MWh: Megawatt-hour

NE: Net entitlement

NG: natural gas

n.m.: not meaningful

NWE: Northwestern Europe

OCF: Adjusted Operating Cash Flow (RCA Ebitda + dividends associates - taxes paid)

PV: photovoltaic

p.p.: percentage point

Q: Quarter

QoQ: Quarter-on-quarter

R&NB: Renewables & New Businesses

REN: Rede Eléctrica Nacional

RC: Replacement Cost

RCA: Replacement Cost Adjusted

SEM: Successful Efforts Method

SPA: Sale and purchase agreement

SPT: Special participation tax

ton: tonnes

TTF: Title transfer facility

TWh: Terawatt-hour

UA: Unitisation Agreements

U.S.: United States

UOP: Units of production

USD/\$: Dollar of the United States of America

Var.: Variation

WI: working interest

YoY: year-on-year



## 6.2 Cautionary Statement

This document may include forward-looking statements. All statements other than statements of historical facts are, or may be deemed to be, forward-looking statements. Forward-looking statements express future expectations that are based on management's expectations and assumptions as of the date they are disclosed and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such those statements. Accordingly, neither Galp nor any other person can assure that its future results, performance or events will meet those expectations, nor assume any responsibility for the accuracy and completeness of the forward-looking statements. Forward-looking statements include, among other things, statements concerning the potential exposure of Galp to market risks and statements expressing management's expectations, beliefs, estimates, forecasts, projections, and assumptions. These forward-looking statements may generally be identified by the use of the future, gerund or conditional tense or the use of terms and phrases such as "aim", "ambition", "anticipate", "believe", "consider", "could", "develop", "envision", "estimate", "expect", "goals", "intend", "may", "objectives", "outlook", "plan", "potential", "probably", "project", "pursue", "risks", "schedule", "seek", "should", "target", "think", "will" or the negative of these terms and similar terminology. Financial information by business segment is reported in accordance with the Galp 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 may include data and information provided by third parties, which are not publicly available.

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