Audio Presentation

Maria João Carioca - Co-CEO & CFO

Welcome everyone and thank you for joining us for Galp's third quarter 2026 results.

International commodity prices, in particular oil products, remained elevated and volatile during the quarter, with middle distillate cracks surging and persisting disruptions across global energy value chains. Galp's high-quality asset base once again proved resilient, well positioned to capture these market conditions and deliver another strong set of results.

Looking at the quarter performance.

Upstream production averaged 131 kboepd, up quarter-on-quarter, as the continued ramp-up of Bacalhau, now with 4 producer wells connected, more than offset a higher impact from planned turnaround activities. Upstream Ebitda reached €708 m, also reflecting the continued supportive oil price, as we navigate through disrupted trading dynamics, in particular elevated freight costs and softer crude premiums amid weaker Asian demand.

In Industrial & Midstream, the Sines refinery demonstrated once again its resilience. The system operated close to full availability and captured the elevated international products' cracks, particularly in diesel and jet. Importantly, Galp's desks have been actively mitigating global market disruptions, having already secured all Portugal's jet import requirements for the remainder of the year.

As for Midstream, it delivered a robust contribution across commodities, although once more reflecting accounting effects arising from the abrupt increase in products' prices. Overall, segment Ebitda rose to €639 m.

Commercial Ebitda reached €147 m, primarily driven by a stronger contribution from B2B activities in Iberia, particularly in Spain.

Renewables Ebitda was €48 m, most of all reflecting full-quarter contribution from the first wind portfolio acquired in the second quarter and the consolidation of the second one from August. Renewable energy sold increased 42% year-on-year, with wind representing 19% of the total. I remind you - our portfolio is operating in merchant conditions, fully capturing the recovered pricing conditions in Iberia.

At the Group level, Ebitda reached around €1.5 bn, while Operating Cash Flow followed suit at €1.2 bn.

Strong cash generation enabled net debt to remain broadly stable at €1.4 bn, accommodating not only the latest €420 m wind portfolio acquisition, but also a working capital build driven by increased commodity prices. Ultimately, Galp's financial position continued robust, with net debt to Ebitda improving to 0.35 times.

Incorporating another strong quarter, as well as updating our macro assumptions for the remainder of the year, we once again upgrade our expectations and guidance for the full year. Group Ebitda is now expected at around €5 bn, up from €4 bn previously. Operating Cash Flow guidance moves in tandem, close to €3.9 bn.

Let me now turn to strategy execution.

On Upstream, and starting with Namibia, we continued to progress on preparation works for the next exploration and appraisal campaign at Mopane, targeting to start drilling the first well soon. Turning to Brazil, you have seen us reinforcing our portfolio, having been awarded the Rodocrosita block, neighbour to Bacalhau. This block secures additional long-term optionality and the potential to unlock future synergies.

On the proposed downstream combination with Moeve, as announced earlier today, Galp will no longer pursue an agreement. We engaged in these negotiations with a firm believe on the benefits arising from scale and consolidation, and our conviction on the strategic rationale and its merits remain unchanged. Nonetheless, capital discipline is non-negotiable, and we were unable to reach sufficient alignment to establish a sustainable, value-accretive partnership.

But Galp's investment case and capital allocation priorities remain intact. We remain confident in the standalone value delivery of our downstream businesses, supported by our leading position in Portugal and the ongoing transformation of Sines. We continue to see strategic partnerships and capital-efficient structures as an avenue to unlock further long-term value.

Our equity story continues to present a distinctive combination of growth, resilience and optionality, anchored on a high-quality Upstream portfolio, a cash-generative downstream platform and a rebalanced renewables portfolio. We will remain focused

on operational performance, capital discipline and portfolio optimisation to maximise value creation.

To summarise: another quarter of strong operational and financial delivery, a further upgrade to our full-year guidance, and a disciplined execution of an investment case that remains unparalleled in the industry. Thank you for listening.

Q&A Session

João Gonçalves Pereira – Head of Investor Relations

Good morning, everyone, and welcome to Galp's third quarter 2026 Q&A session.

I'm joined today by our co-CEOs, Maria João Carioca and João Marques da Silva, as well as by the remaining Executive team. But, before passing the mic for some quick opening remarks, let me start with our usual disclaimer:

During today's session, we will be making forward-looking statements that are based on our current estimates. Actual results could differ due to factors outlined in our cautionary statement within the published materials.

With this, João Diogo, the floor is yours.

João Marques da Silva - Co-CEO and EVP Commercial

Thank you, João.

Before turning to our quarterly performance, I would like to briefly address this morning's announcement. As disclosed, discussions with Moeve have concluded without an agreement.

Throughout this process, the parties remained committed to exploring the potential benefits of combining downstream activities to create additional value to our shareholders.

And we continue to believe that consolidation can create opportunities to increase scale, strengthen competitiveness and support future growth.

At the same time, our confidence in the standalone value of our downstream business has never changed.

While the strategic rationale for consolidation remains compelling, value discipline will always guide our decisions. We remain open to opportunities, but we will only deliver them on terms that clearly create long term value for our shareholders.

Turning to the quarter, strategy execution remains firmly on track. In Brazil, Bacalhau's ramp-up is progressing as planned, with production already reaching peak levels on several days.

In Namibia, we are about to start drilling the next exploration and appraisal campaign in Mopane.

These milestones reinforce the core pillar of Galp's investment case: visible, tangible growth from our Upstream portfolio.

Maria João, would you like to add a few words?

Maria João Carioca - Co-CEO & CFO

Thank you João, and good morning everyone.

Let me start by reenforcing João's message regarding this morning's announcement. Capital discipline is non-negotiable. Ultimately, the deal didn't go through because we were unable to align on a value-creating partnership.

That said, Galp's investment case and capital allocation priorities remain strong and distinctive. We remain fully confident in the standalone value of our downstream businesses, while our equity story continues to offer a unique combination of growth, resilience and optionality.

The third quarter speaks precisely to the strength and resilience of Galp's portfolio. Despite the continued disruptions across global energy markets, our asset base successfully captured the volatility and delivered another strong operational performance.

This performance translated into robust cash generation, accommodating both the higher working capital requirements and the acquisition of the wind portfolio announced in July. Net debt remained broadly stable, and our balance sheet position was further reinforced.

Following another strong quarter and updating our assumptions for the remainder of the year, we once again raise our full-year guidance. We now expect Ebitda of around €5 bn and Operating Cash Flow close to €3.9 bn.

Our focus remains clear: delivering operational excellence, executing our strategy with discipline and maximising value creation.

With that, we are happy to take your questions. Operator, we may start the Q&A session.

Joshua Stone – UBS

Yes, thanks, and good morning, everyone. Two questions, please. One, you talk about your capital allocation priorities remaining unchanged.

Just to remind us, where do you see shareholder distributions fitting into that frame? Can you confirm that your policy of a third of cash flow being returned to shareholders is also unchanged? Then, second, a slightly smaller question, but just on the Upstream operating costs, I noticed a bit of a step-up to $4.4/boe unit costs. Is it fair to say that is probably a normal run rate now as we have Bacalhau ramped up and going into the future periods? Thanks.

Maria João Carioca – Co-CEO & CFO

Good morning, Josh. Thank you for the questions. On distributions, we continue to look at our framework as rather competitive and sustainable.

We had indeed approached the topic of revisiting following a portfolio change that with this morning's announcement is no longer the case. We do not see that as a topic on the table as of this moment. As we stand right now, the current policy applies, hence the one-third of OCF is still what we have outlined at the moment.

On Upstream, your question on opex, yes, indeed, I think this is the combination of both a slightly heavier maintenance schedule in July, so this quarter has that bit of a seasonality effect. However, it is also, of course, the fact that Bacalhau is still on a ramp-up, and we still have a bit of fluctuation there, so there are still a few one-off costs in Bacalhau as well. All in all, not what you would call your new normal in Brazil at all. Thank you.

Alejandro Vigil – Santander

Yes, good morning. Thank you for taking my questions. The first one is regarding those comments that Galp is open to strategic partnerships.

If you can elaborate on that and the potential and some transactions in some other areas like Renewables, for example, you have been discussing in the past. My second question is about – we are now almost at the end of the year. If you can start discussing 2027, how you see in terms particularly of the Upstream business in terms of volume, if possible. Thank you.

João Marques da Silva – Co-CEO and EVP Commercial

Gracias and good morning, Alejandro. On the first question, it is clear on our DNA how partnerships make sense for a company like us – long-term partnerships. You are right.

We are looking within our portfolio; we are looking into opportunities. It is something that we do on a regular basis.

It is also true that on the Renewables side, the recent acquisitions improved scale, improved the technology mix, increasing the platform's strategic attractiveness. It is clear that we are much better prepared now. We are not in a hurry.

That is very clear. At this point, also, no further inorganic acquisitions are planned. However, finally, it will always be, as Maria João just said, disciplined decision-making.

No pressure, steady pace, and the partnerships will make sense, not only in Renewables, but also as we spoke on the downstream. The rationale and the endgame, even on the downstream side, though we did not find a good end to the deal, will remain. That is something that we need to keep in our minds. Thank you.

Maria João Carioca - Co-CEO & CFO

Alejandro, let me pick up on your 2027 question and on Upstream in particular. We are not yet guiding for full production numbers, but you can get the gist, right? Bacalhau has been evolving towards plateau quite steadily.

We do expect Bacalhau to be there throughout 2027. That, as working interest per Galp, means approximately 40 kboepd. Given that, plus the fact that our remaining

assets in Brazil are still holding to a rather low – and actually best practice in the industry – a rather low depletion rate, under 5%, Tupi has a number of additional initiatives that have brought us back to prior levels.

You just take current levels, give it the bump of Bacalhau, and we are not officially guiding, but I think the mathematics works in a pretty straightforward manner. Thank you.

Matt Smith – Bank of America

Hi there. Good morning. Thanks for taking my questions. The first one would be around Moeve, if I could. I guess you expressed quite strong confidence in completing this deal in the past, and now, I guess, value seems to be a sticking point. Are you able to shed any further light on that? Does the volatility of commodity prices and perhaps even political backdrops, whether it be windfall taxes or other conversations, have they been a bit of a headwind there? Can you comment on that? The follow-on would really be, could you foresee a similar transaction in the future with a different party as it relates to the downstream business?

Then, if I could, the second question around the Commercial business. That seems to be the real standout for the quarter – usually a very steady and improving business performance there, but quite a sizeable beat. Could you add any colour and draw out any one-offs, if at all relevant, please? Thank you.

João Marques da Silva - Co-CEO and EVP Commercial

Good morning, Matt, and thank you for the question. Let me start by giving a word of appreciation to the teams that have been working for the last couple of months. It was indeed a lengthy negotiation period, and as you said, we need to come to an end, and that is what happened right now.

I would not comment on any specific terms that you have mentioned. It was a combination that in the end, in the commercial terms, did not allow us to reach a sustainable and value-accretive deal, and that is all. It was indeed a last-mile decision, but it was a very well-supported decision.

Let me also tell you that we are comfortable with the quality of the assets that we hold. It is visible on the delivery that you have just mentioned. On the Commercial side, we still believe – and it is part of our way to develop or to reach a partnership

– to segregate the Commercial retail business from the Industrial business. It makes all the sense, and we will follow that.

On the Commercial question, it is indeed a record-high quarter. I need to say that more than 80% of the increased delivery came from outside of Portugal, namely from Spain, namely from B2B.

We were performing very well on the spot markets and with the opportunities that the current context, pricing-wise, is offering to us. However, let me also underline the very substantial performance from the convenience side, which represents by now slightly more than one-third of the delivery. It is a very consistent pattern that we have delivered to the market.

Let me also tell you that on the Portuguese side, we have decreased our delivery roughly 10%. The African business and the Spanish business are the levers to the numbers that you have just seen. Thank you.

Guilherme Levy – Morgan Stanley

Hi, good morning. Thank you for taking my questions. Firstly, still on Moeve, in terms of the downstream segment as a whole, would you consider a restructuring that does not necessarily involve a partner?

Would you consider spinning off downstream even if you are not able to scale it up first? Then, secondly, in terms of longer-term plans and guidance, I suppose the difficulty in the past few quarters for Galp has been the continuous restructuring or deal talks – on Namibia last year, on Moeve this year. Now that the talks with Moeve did not advance, but you still left the door half open to potentially do some more restructuring in the subsidiary in the future, how should we think about the impact that that has to your ability to provide longer-term guidance over the coming quarters? Thank you.

João Marques da Silva - Co-CEO and EVP Commercial

Thanks, Guilherme. I will take the first one and Maria João will take the second one. I can see where you go, but it does not make too much sense for us not to have a partnership on the downstream, considering not only the scale, complementary competitiveness, but also the deconsolidation.

That is something that it would not make any sense to keep 100% of this business in a future partnership. That is how we see it. For us, clearly, the retail play is completely different from the Industrial play, which is an investment case.

Considering the energy transition, we feel ourselves in the right direction in Sines. We really believe that Sines will continue to be a first-tier refinery, very well-balanced and dimensioned to the Portuguese market, which is the natural market to the refinery, and the retail business, which has a clear focus on the customer side, where we lead in Portugal, and with delivery that we have just mentioned, is breaking records quarter-on-quarter. That is where we see ourselves, very comfortable and available to look at partnerships that will allow us to maintain competitiveness on both ends. Thank you.

Maria João Carioca - Co-CEO & CFO

Thank you, Guilherme. Let me take the second part of your question. It has indeed been a period of negotiation that has entailed quite a lot of work for the teams, but quite a lot of that work has actually been helpful in the sense that it has shown us pathways towards optimising some of our operations, towards greater efficiency in running some of our support functions.

There are quite a few lessons learned from the process that we engaged in, and we see that as something that we will continue throughout the coming years. There are the same lines of optimisation that I believe have been with us for quite some time, but now with the benefit of having taken some learnings from the transaction. We will continue to optimise on support functions.

We will continue to look into everything that has to do with optimising the portfolio. We have already spoken here today about Renewables. We do see some catalysts for optimisation there.

We do know that Upstream continues to be our growth engine, and there, also, Mopane is about to go into a new stage, and we do continue to look at Brazil as promising, and even small opportunities can turn into interesting options. There are quite a few catalysts there. We will continue to look into partnerships and into market structures as a way forward in our portfolio, and we will take opportunities to optimise, and we do feel that this is a way forward that has actually been to quite some extent a beneficial one. Thank you.

Paul Redman – Exane BNP Paribas

Hello all, and yes, thank you very much. The first one is just a little bit about the Renewables deal. You have been through two big negotiations over the past year and a half, Mopane and Moeve.

I wanted to see if there are any learnings you could take from those discussions around how you think about the strategic options you have for the Renewables deal. Is there anything you might have done differently in those discussions, and that could translate into any possible future options?

Secondly, on refining margins, it has been very volatile. You have raised your macro scenario for the year to $25/boe. Can I ask what you have seen so far in the fourth quarter to date and what you are seeing on screen today for refining margins?

Then, to touch on next year, this year you hedged, I think it was one-third of your portfolio, at about $8/boe. Are you planning to do similar hedging next year, and what sort of price assumptions should we be using for that? Thank you very much.

João Marques da Silva - Co-CEO and EVP Commercial

Well, thank you for your question. Paul, I will follow the two questions. On the first one, it is clear on the learning side what we have done and the recent acquisitions that I have just mentioned. They have improved our scale, they gave us a different generation profile, a different mix, and it is clear on the results that we are much more balanced right now considering the consolidation of the two wind farms that we just bought.

The objective in the end will be to create additional capital flexibility – we know that – while we want to maintain our exposure to the long-term power growth that we see in the market. That is very clear. Both strategic and financial partnerships are possible; no structure is excluded at this point. However, it is very early now, and, as I said, no further inorganic acquisitions are planned, and we will keep our discipline – no pressure whatsoever, but at a steady pace.

On the refining margins, it is indeed a very volatile environment. We expect margins to keep in double figures. We have seen, as per today, margins going above $20/boe, and we are not expecting to see a reduced volatility. Hedging: we use hedging

selectively when the market prices exceed Galp's market beliefs; that is how we see it.

The policy preserves those bottoms, and then nothing to change. A few legacy hedges are still in place for 2027, slightly above 15% – that is the number – and we will stick to our policy, as I have mentioned. Thank you.

Kate O'Sullivan – Citi

Good morning. Thanks for taking my questions. Firstly, back on the downstream, following the end of the Moeve talks, will you remain active in the market now, pursuing the downstream partnership, or do you feel the current environment is not optimal, perhaps?

Secondly, just a question on the Rovuma LNG contingent payment. Would a fourth-quarter FID trigger receipt of the full contingent consideration within the quarter, and can you clarify the payment lag after FID, or any tax deductions that could affect net proceeds? Thanks.

João Marques da Silva - Co-CEO and EVP Commercial

Thanks, Kate. Good morning. I will take the first one, and Maria João will take the second one.

The transaction – and Maria João just alluded to that – was a catalyst. It is not our investment thesis, so we will continue to offer this distinctive growth story to the market. We know that there is a transformation that will allow us to benefit from scale and competitiveness on the downstream side, so the transformation will keep on our side.

We will be prepared to face potential transactions, but we are not active right now in the market.

Maria João Carioca - Co-CEO & CFO

To the second part of your question, Kate, yes, indeed. If I recall correctly, this should be a 20-business day mark once we get FID, so should it take place within those 20 business days, it will still be in the quarter. Let us see what news we get on that front.

Sasikanth Chilukuru – Jefferies

Hi. Thanks for taking my questions. I just wanted to come back to Moeve, just because previously you have highlighted the proposed satellites help Galp sharpen its focus on the Upstream and the Renewable side.

Now, if you were to retain full control of these businesses, and you said you are not necessarily actively marketing it, I just wanted to understand how you think about the longer-term strategy for these businesses. How do they fit perhaps through your capital allocation priorities as well? You said it remains intact, but I just wanted to see if you can elaborate on what that means, even if you were to retain this full control of these businesses.

The second question was going back to the refining outlook. You talked about $20/boe right now. I was just wondering if you can provide more context on where you are seeing these high refining margins on your outlook, maybe perhaps on a product basis, especially if you could talk about the diesel market that you are seeing right now, how it is shaping up.

João Marques da Silva - Co-CEO and EVP Commercial

Thanks, Sasi. On the first one, as we know, our Commercial business is truly a cash generator. We have a leadership position in Portugal, and we feel really comfortable with the current situation that we have, though there is a carve-out process that we need to keep going on that.

That is the transformation that we have been dealing with for the last couple of months, and we will keep doing that to allow us to fully segregate the businesses of Commercial and Industrial. On the Industrial front, as you know, we are in the final ramp-up of the major investments that we are doing in Sines, which means that we will be positive cash flow next year. We are in the pre-commissioning phase right now, with no major turnaround planned for 2027, and we are in a very interesting environment, as you mentioned.

On the second question, we have roughly 50% of the Russian refining capacity outside of the market. We are still observing middle distillates in a very, very – well, let us say, tight momentum, and we are benefiting from that. We need to also understand how freights are pushing up and making additional pressure on the margins.

That is why, at the beginning of October, we have seen some lower margins, but at this point, we see it as very sustainable and fundamental to assume a double-digit margin for 2027, at least the first quarter. Thank you.

Ahmed Ben Salem – ODDO BHF

Thank you for taking my question. It is regarding the Namibia drilling programme.

What are the key objectives and decision points of the upcoming Mopane drilling campaign, and when should we expect sufficient visibility on resources and FID timing? In parallel, what level of capital exposure should we assume across Galp's Namibian portfolio over the next two to three years, and is another farm-down part of the strategy? Thank you.

Maria João Carioca - Co-CEO & CFO

Thank you, Ahmed. For Namibia, and particularly for Mopane, the next stage is fundamentally one of E&A. All the wells that are expected are, again, going on an objective which hinges fundamentally around de-risking the resources and making sure that we are ready to get to an optimal development concept.

We have very strong alignment with TotalEnergies on this. What we are now starting is the E&A campaign. The first, Mopane-4X, is going to be essentially exploratory.

We will be developing DSTs in tandem according to results. If you recall, we tapped into the south-east end of the block, but that is one of the areas where we clearly see our focus, and that untapped extension is where we are going to be focusing. All procurement is pretty much in place.

We will be starting with the south-east, looking for de-risking and developing the concept. We will see how it goes. Should we get results that are positive and see good pace, we may choose to drive this back-to-back, but that is still up for discussion and clearly subject to our results.

Let us see how it goes, and let us take one drill at a time.

Concerning the capex level, you will recall that the terms of the carry keep us at only 25%. Again, we will see the pace depending on results and depending on whether or not we will be deploying DSTs as well, but in any case, this point is something that will be carried only at 25% by Galp.

A possible farm-down is not something we have on the table right now. We are very focused on developing the concept and delivering first oil, and we do hold the asset as one that we find very positive in our portfolio, so not active right now. Thank you.

Ignacio Doménech – JB Capital

Thank you for taking my questions. The first one is on the Upstream business. I just wanted to get a sense of the oil discounts in the fourth quarter. What are you seeing so far in the month of October? Should this soften a bit versus what we saw in the third quarter, particularly if the pressure on tanker rates eases a bit?

My second question is related to shareholder distribution. You reiterated that one-third of the OCF. Last quarter, you already lifted the cash dividend, so I was wondering on that relationship between the dividends and the buyback, how management or the board views that buyback, particularly at the current level of the share price, and if potentially there are other options that management may be contemplating in order to create long-term value for shareholders? Thank you.

Maria João Carioca - Co-CEO & CFO

Thank you, Ignacio. Starting with Upstream and what we see in terms of conditions, it has indeed been quite a floating quarter versus now beginning of October, but all in all, we saw a lot of what is happening with the discounts and the premiums in our Brazilian slates very much impacted by what has been happening in terms of Asian demand. We had a pressing third quarter, but right now, we have also seen quite a rebound, so we are again back up to approximately – I would say about $10/bbl of premium, maybe a bit above that.

The complexity is still there, but all in all, what we see is that our Atlantic refiners are favouring these short-haul routes a lot, and that is also weighing in and contributing to this rebound that we see, and we see some ability to sustain that going forward. Freight is also a very strong consideration, and we also saw quite some fluctuation there. Usually, we would have our freight – and we were very much on spot – usually we would have our freight at $3/bbl to $4/bbl.

We had quite a bit of a hike in October. It went all the way up to the 20s. You know the dynamics there: it has to do with how concentrated the industry is.

It has also to do with the fact that the Gulf is not yet stable, so there is a lot of redirecting, a lot of very different traffic and movements going on there, and that is to some extent pressuring the fleet in general, and of course reflecting on an operator such as ourselves that has a significant part of its freight costs in spot. All in all, we also see some fluctuations there, and we expect conditions to become normalised. All in all, the premiums in October that we have seen have been compensating by Asia and with less pressure from freight.

All in all, we are back to the tens in terms of premiums.

In terms of distributions, what I get from your question, the one-third distribution policy encompasses the dividends, so the one-third meets the annual growth of dividend per share, which we announced in August that we would be growing at 10% per year this year, given the very good performance. We have already paid out the first part of that 10% growth.

We will be paying the next component, and the remainder of that, all the way up to the one-third, will be a decision by the shareholders, and we will be announcing it as results close. At this stage, the policy holds. The final format of that payment will be up for consideration once we have the final results. Thank you.

Matt Lofting – J.P. Morgan

Thanks for taking the questions. Two, please. Your commentary seems to suggest that Galp continues to see strategic partnerships as an avenue to unlock value potential, particularly downstream.

When you take stock, how has the perception of the merits of these structures been conceptually influenced by the Moeve process through 2026, and has it been enhanced under better value parameters and scenarios? I am just wondering how you see the way forward from here in terms of next steps to unlock that.

Secondly, you mentioned freight costs just now. That is another area of the value chain that has clearly been volatile in recent weeks and months, but if freight costs were to stay higher, could you just talk about how that impacts a business like Galp in an aggregate sense, perhaps both Upstream and downstream? Thank you.

João Marques da Silva - Co-CEO and EVP Commercial

Good morning, Matt, and thank you for your question. Indeed, it was a lengthy process with the Moeve deal, and of course, a number of lessons learned, namely on the carve-outs.

It was something very, very important for us. Our teams worked together on the segregation of the retail business and the Industrial business. The strategic rationale is still compelling, so we really see ourselves looking forward to a transaction.

However, at this stage, I would say that no deal is better than a bad deal. That is how we see it, and we are very confident in the portfolio that we have – no pressure whatsoever to have a transaction. Future partnerships need to have the alignment, the credibility, and the transparency that we need to evolve through businesses like the Industrial business in Portugal, but also the Commercial business. Thank you.

Maria João Carioca - Co-CEO & CFO

On freight costs, we continue to operate a portfolio that has both legs to it. These impacts are twofold in our portfolio, both in terms of refining, but also for our oil business. To some extent, there is a little bit of a natural balancing in some of these pressures, and we will continue to look at them as such.

What we are also considering is options in terms of extending our medium-term charters. Current circumstances are such that we will, of course, need to look at that in a very disciplined way. It is a very tight market and we have relied fundamentally on spot tanker markets, and as we feel that if pressure in the markets continues, it will be worth an assessment towards looking at our current policy and seeing if we can get better terms and continue to weigh these two arms in a way that is more balanced and less risk-prone.

Michele della Vigna – Goldman Sachs

Thank you very much. Two remaining questions for me. The first one is whether you had any clarity on how the capex carry in Namibia will be treated from an accounting perspective – if it ends up being net capex that you report or the whole capex and the carry becomes accounted for like a loan.

Any clarity there would be helpful. Finally, staying in Namibia, I was just wondering what is left to take the FID in Venus. My understanding is there are some tax negotiations going on, but any more clarity there would be very helpful. Thank you.

Maria João Carioca - Co-CEO & CFO

Thank you, Michele. The accounting treatment of the carry terms is not 100% closed, but in principle, the 25% of our carry will be pushed through cash flow. Take it as ongoing work, but as a reference.

Concerning the FID in Venus, again, very aligned with Total. We see this as a core first development for both ourselves and for the country and for the basin. We do see constructive progress, but it will be the first instance.

It is particularly relevant that whatever measures are possible towards reinforced feasibility are taken from both parties. It is clearly in finalising talks. Let us hope that it evolves.

It is our expectation that it now comes together and closes soon. In any case, EPC providers have been selected. The conditions for offers towards continued sound economics are still there.

Constructive, complex, but we are really hoping for this being the actual finalising talks and for closure soon. Thank you.

James Carmichael – Berenberg

Hi, morning, guys. Yes, a couple left from myself. In the Midstream commentary, you referenced legacy sourcing contracts in Africa as being a contributor to the strong results there.

I was just wondering if you could remind us of what flexibility that gives you and what sort of numbers around the impact of those contracts. Then, looking at the price lag effect in the oil products business, it seemed a bit less obvious in Q3 than it was in Q1. I was just wondering if you were able to mitigate it or if it is just a bit masked because of the strength in the underlying performance in that segment. Thanks.

João Marques da Silva - Co-CEO and EVP Commercial

Thank you, James. I will take the first one. Indeed, the African volumes, together with some additional cargoes and some additional volumes that we have delivered in the Iberian market, allowed us to increase our results in the Midstream.

It is also important to analyse that the Venture Global contract represents additional cargoes also from the US. That is also an important factor to leverage the results in the quarter and for the nine months up to now. Of course, we are looking into additional flexibility, and we will not underestimate the opportunity even to renegotiate additional volumes from the African countries.

That is something that we believe we can do along the side of the 20 years now that we have been with these parties. That is a reference that we should also take with us. Thank you.

Maria João Carioca - Co-CEO & CFO

James, let me pick up on the price lag effect. Indeed, only an accounting effect, not cash, as I am sure you are well aware. No major changes.

We do have accounting mismatches between how we price sales versus how we price the cost of those sales. However, we have gone through some of those effects already in the first quarter, and at this moment, we are eroding some of those effects and now continuing to experience them as markets continue to have significant volatility.

Nothing major there, no changes in those accounting effects, and as you well put it, a little bit of it has to some extent been absorbed by the business and by the natural good performance of the business. Nothing striking there. Thank you.

Naisheng Cui – Barclays

Hi, good morning, everyone. Thanks for taking my questions. My first question is on the full-year refining margin guidance around $25/boe.

If my maths is right, the new guidance implies more than $30/boe margin for Q4. I wonder if you could share some assumptions there, please, just for Q4, including some shipping cost levels. Thank you.

My second question is on Brazil. Given your significant Brazil exposure, I wonder, has anything changed in how you assess the fiscal and the regulatory risk when allocating incremental capital to Brazil versus other parts of the portfolio? Thank you.

Maria João Carioca - Co-CEO & CFO

Thank you, Naish. Not much to be said in terms of full-year refining margin. It has been a bumpy ride, but now what we are fundamentally looking at is forward.

We do see some rebound, and as you well put it, it has been a year with quite some fluctuations, but we see that within the performance that we have been achieving so far. We should have comfortable numbers throughout the end of the year, as the third quarter has demonstrated.

On Brazil, we have been in Brazil long term, right? We have been in Brazil throughout many different stages in their political panorama. We do not comment on any political or electoral results.

We continue to have open dialogues with all the relevant authorities, both within the industry context and with our partners. We believe that Brazil is very much aware of the fact that continued investment will be critical to develop its resources. Open dialogue on the impacts of fiscal stability and clear rules towards management of international investment are, of course, differential, and we seek those out.

In any case, we have been through many different stages in Brazil. We see ourselves as being in Brazil for the long term. We have positive relationships and have always been able to engage in productive dialogue, so we will continue to do so and are confident that it will continue to be a powerful growth engine for us.