ANNOUNCEMENT
October 24, 2022

Third quarter and nine months of 2022 results

All the materials related with the results and the short-term outlook, including the video presentation from Galp’s executives, are available here. Galp’s analyst Q&A session will be held at 14h (Portugal / U.K. time). Additional details below.

"During the quarter Galp posted a solid set of results based on a strong operational performance, as we continue to capture the strong, but volatile macro environment. Our Ebitda was close to €800 m and our Cash Flow from Operations over €1 bn. This allowed us to continue to deliver on our key projects and making progress in our decarbonization journey. We continue to execute our distribution policy and further reduce our Net Debt/ Ebitda ratio, now at 0.6x even after accounting for the Titan acquisition and its associated debt.

I would like to take this moment to express my thanks to the people of Galp for their unwavering support over the last two years. Given the exceptional quality of the Galp team and assets, I am confident that the company will continue to transform, decarbonize and profitably grow. During my time leading Galp, which will continue to the end of the year, I have seen Galp develop to become a more open, dynamic and profitable Company, adapting its portfolio to the cleaner energies of the future. I wish Galp and its people all the best for the future, I am sure it will be a bright one!"

Andy Brown, CEO

Third quarter 2022

Galp’s 3Q22 results reflect a strong operational performance across the business segments, with Upstream and Industrial activities capturing the strong macro environment. Free cash flow generation was robust, enabling net debt to be reduced during the period.

Excluding inorganic moves related with the Titan Solar deal, net debt would have been reduced by c.€390 m.

RCA Ebitda reached €784 m, 29% higher YoY:

- Upstream: RCA Ebitda was €612 m, up YoY, reflecting improved oil differentials and gas realisations, although including a €138 m impact from the Berbição/Suruuru unitisation agreement and increased in-transit volumes. Working Interest (WI) production was in line YoY, but up 7% from last quarter reflecting a lower concentration of maintenance activities in the period.

- Commercial: RCA Ebitda was €103 m, mostly supported by a continued recovery of the aviation and maritime bunkers activities within the B2B segment. Sales of natural gas and electricity were impacted by a reduction in industrial activity.

- Industrial & Energy Management: RCA Ebitda was €48 m, with the robust contribution from the refining activity partially offset by the natural gas supply and trading activities, mostly given persistent natural gas sourcing restrictions.

- Renewables & New Businesses: RCA Ebitda was €38 m, reflecting the consolidation of Titan Solar from August onwards, following the acquisition of the remaining 25% stake.

During the quarter, equity renewable power generation more than doubled YoY, driven by the higher capacity installed, now including the first project located in Portugal.
Group RCA Ebit was €408 m, including an impairment of €34 m in Upstream, related with the exploration well in São Tomé and Príncipe, and the booking as recurring of all 2022 provisions related to the decommissioning and transformation project of the Matosinhos site, amounting to €88 m.

RCA net income was €187 m, also benefiting from a positive effect of €114 m from mark-to-market swings on Brent and refining margin hedges, under financial results.

Galp’s adjusted operating cash flow (OCF) was €484 m, whilst cash flow from operations (CFFO) reached €1,024 m, with a €693 m working capital release driven by the decrease in commodities prices and which includes a roll off in natural gas derivatives exposure of €306 m, as planned. FCF was positive at €427 m.

Net debt decreased €89 m since the end of the second quarter, after accounting for the €140 m expenditure related with Titan Solar’s stake acquisition and the consolidation of the respective net debt of €157 m, and also €289 m in shareholder distributions, of which €213 m in dividends and €77 m within the share buyback programme in place since May.

Nine months of 2022

Galp’s RCA Ebitda was €2,897 m, while OCF was €2,087 m.

Net Capex totalled €924 m, mostly directed towards Upstream’s developments and Renewables’s portfolio execution and acquisition of Titan Solar’s remaining stake.

FCF amounted to €944 m, with the strong cash generation supported by the operational performance and margin account roll-off being partially offset by a working capital outflow resulting from the increased commodity price environment.

Considering distributions of €536 m (cash dividends and buybacks) and dividends to non-controlling interests of €145 m, as well as other adjustments, net debt decreased €261 m, compared to the end of last year.

At the end of the period, net debt amounted to €2,096 m and net debt to RCA Ebitda was at 0.6x.

Note: Adjusted operating cash flow (OCF) indicator represents a proxy of Galp’s operational performance excluding inventory effects, working capital changes and special items. The reconciliation of this indicator with CFFO using IFRS is in chapter 6.3 Cash Flow of the report.
Short term outlook

Galp is adjusting its key financial guidance for the full year 2022, mostly to reflect the first nine months results while keeping the operational guidance unchanged.

### Assumptions for 4Q22

<table>
<thead>
<tr>
<th>Brent</th>
<th>$/boe</th>
<th>90</th>
</tr>
</thead>
<tbody>
<tr>
<td>Realised refining margin</td>
<td>$/boe</td>
<td>15</td>
</tr>
<tr>
<td>Iberia solar capture price</td>
<td>€/MWh</td>
<td>1.30</td>
</tr>
<tr>
<td>Average exchange rate</td>
<td>EUR/USD</td>
<td>1</td>
</tr>
</tbody>
</table>

### Operational indicators (full year 2022)

#### Upstream

- WI production mboepd Flat YoY
- Upstream production costs $/boe <3

#### Commercial

- Oil products sales to direct clients mton <7.0
- EV charging points # 2k

#### Industrial & Energy Management

- Sines refining throughput mboe <.50
- Sines refining cash costs $/boe c.2.0

#### Renewables

- Renewable generation capacity by YE (@100%) GW 1.4
- Renewable generation (@100%) TWh 2.0

### Financial indicators

- RCA Ebitda € bn c.3.8
- Upstream € bn <3.0
- Commercial € m >3.0
- Industrial & Energy Management € m c.500
- Renewables & NB € m c.50
- Net capex € bn 1.1-1.2
- Net debt to RCA Ebitda by YE - <1
- Total expected distributions - 1/3 OCF

---

**Galp Energia, SGPS, S.A.**

**Investor Relations:**

- Otelo Ruivo, Head
- João G. Pereira
- Teresa Toscano
- Tommaso Fornaciari
- César Teixeira

**Contacts:**

- Tel: +351 21 724 08 66
- Fax: +351 21 724 29 65
- Address: Rua Tomás da Fonseca, Torre A, 1600-209 Lisbon, Portugal

**Website:** www.galp.com/corp/en/

**Email:** investor.relations@galp.com

**Reuters:** GALP.LS

**Bloomberg:** GALP.PL

---

This document may include forward-looking statements, including, without limitation, regarding future results, namely cash flows, dividends, and shareholder returns; liquidity; capital and operating expenditures; performance levels, operational or environmental goals, targets or commitments and project plans, timing, and outcomes; production rates; developments of Galp’s markets; and impacts of the COVID-19 pandemic on Galp’s businesses and results; any of which may significantly differ depending on a number of factors, including supply and demand for oil, gas, petroleum products, power and other market factors affecting them; the outcome of government policies and actions, including actions taken to address COVID-19 and to maintain the functioning of national and international economies and markets; the impacts of the COVID-19 pandemic on people and economies; the impact of Galp’s actions to protect the health and safety of its employees, customers, suppliers and communities; actions of Galp’s competitors and commercial counterparts; the ability to access short- and long-term debt markets on a timely and affordable basis; the actions of consumers; other legal and political factors, including changes in law and regulations and obtaining necessary permits; unexpected operating events or technical difficulties; the outcome of commercial negotiations, including negotiations with governments and private entities; and other factors discussed in Galp’s Management Report & Accounts filed with the Portuguese Securities Market Commission (CMVM) for the year ended December 31, 2021 and available on our website at galp.com. 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 statements. Galp and its respective representatives, agents, employees or advisors do not intend to, and expressly disclaim any duty, undertaking or obligation to, make or disseminate any supplement, amendment, update or revision to any of the information, opinions or forward-looking statements contained in this document to reflect any change in events, conditions or circumstances. This document does not constitute investment advice nor forms part of and should not be construed as an offer to sell or issue or the solicitation of an offer to buy or otherwise acquire securities of Galp or any of its subsidiaries or affiliates in any jurisdiction or an inducement to engage in any investment activity in any jurisdiction.