Video Presentation
Strategy and Business Overview

Filipe Silva, CEO

Hello. It is great to be here today, now also as CEO. I will cover the main highlights of 2022 and how we see the next 3 years unfolding.

But first, our gratitude to Andy for his good contributions to Galp over the last past 2 years. Really appreciated.

2022 was a year of very strong operating performance. We achieved most of our targets across the 4 business units. And, financially, Ebitda was strong, over €3.8 bn, with our asset base really well positioned to capture the macro tailwinds.

We did have headwinds in our gas supply activities into Europe. Unlike our competitors, Galp does not produce much gas - we have to source most of it from third parties, which had their own restrictions. So, while others have enjoyed record gas results during 2022, Galp actually lost money here. This will change in 2023.

OCF was €2.8 bn in 2022. So, we will go ahead with a €500 m buyback program. This will start now and will be executed throughout 2023. The DPS related to 2022 will be €0.52 per share, subject to the AGM decision in May, of which half was already paid out.

We remain very committed with ESG and responsible practices. We are pleased to continue to be ranked as a leading Energy Transition champion and to have been, once again, recognized as such by all key independent agencies in their sustainability rankings.

Now, a word on our four business units:

Upstream production during 2022 was according to guidance, 127 kboepd, also supported by the start-up of Coral South FLNG in Mozambique, on time and budget.

We made good progress in our key developments in Brazil, even though we are having Covid-related challenges on the execution of Bacalhau, with first oil now in our plan for 2025.

We have now taken the decision to divest from our mature Upstream stakes in Angola. We saw this as an opportunity to high grade our portfolio, focusing on our lowest carbon-intensity barrels. We will use the proceeds to fund our investment plan. So, with regards to oil, Galp Upstream has become a pure play on Brazil, at least until we have more news from STP and Namibia.

Excluding Angola, our production this year and next is expected to be just above 110 kboepd. With Bacalhau, this should go up 30% once plateau is reached in 2026.

On Renewables, we expanded our pipeline of new projects and took full control of Titan Solar. This is where most of our Spanish renewable portfolio sits. The business is fully consolidated in our books. For reference, in 2022, this was a €220 m Ebitda business, on a 100% basis.

Installed operating capacity was up 40% during 2022, to 1.4 GW, all in Iberia. This, despite persistent challenges with permitting and licensing. We expect to reach 1.6 GW of operating capacity during 2023 and to start construction of several new projects which will significantly boost our installed capacity during 2024.

We stick to our target of 4 GW installed by 2025.

We are also advancing engineering work and permitting for the Lithium processing facility in Portugal through our 50/50 JV with Northvolt.

On Industrial, during 2022, our asset base demonstrated very high reliability and flexibility, navigating through the constraints of non-Russian VGO supply, and elevated gas prices.

For 2023, we expect refining to be supported by healthy cracks, but we have significant maintenance planned for this year. This will temporarily reduce throughput and increase overall cash costs, in 2023 only.

We expect to FID our HVO unit during H1 this year. And 100 MW of electrolyser capacity, which will be our first meaningful grey-to-green step to decarbonize Sines with green hydrogen.

The Energy Management organization is now contributing meaningfully across all business units, where the revenues actually get booked. Within Industrial & Midstream, we have Gas & Power trading, also managed by Energy Management, and here we maintain a conservative view on the sourcing conditions from our long-term suppliers over the next few months. But overall, European gas trading should recover its positive contribution to Galp during 2023, also with the support of gas inflows from the US later in 2023.

Commercial remains a stable cash flow contributor. We continue to successfully transform this important business, from a mostly oil volumes business, towards increased non-fuel services and convenience offer, and new low-carbon contributors such as EV charging and distributed solar.

You know the quality and longevity of our existing Brazilian Upstream portfolio, and this will get even better once Bacalhau comes onstream – this is also a giant, low carbon-intensity, field. We have the basis to continue to build our low carbon businesses, which attract much higher valuations, much higher multiples and, simultaneously, remunerates our shareholders competitively.

The balance sheet is strong and most of Galp's net debt today is already mostly entirely associated to green projects, for which funding is plentiful and very long dated.

We stick to the same strategic and capital allocation guidelines as before, with a strict focus on returns when we decide on any new investments. Our low carbon investments are selected very carefully, and often planned for integration within our own established businesses, where we have very significant competitive advantages. For example, we need green electrons from Renewables to produce green hydrogen, and HVO, which are key elements to decarbonize our own industrial activities and those of our clients.

Our financial discipline will continue, with cumulative net capex during 2023 to 25 of about €3 bn. This averages about €1 bn per year, aligned with what we said before. This, despite the consolidation of our Renewables' business, and already pricing in higher inflation, and a stronger dollar.

This discipline is achievable given the long-life nature of our Upstream assets - less capex is required to fight production decline. Selective divestments will also be considered to crystalize value, as was the case with today´s Angolan announcement.

To wrap it up, under our current macro assumptions, 2023 Ebitda guidance is €3.2 bn which, after taxation, leads to an OCF of €2.2 bn.

Over the next three years, cumulative OCF should be €7 bn to €8 bn, with a profitable and growing low carbon mix. This OCF will cover our net capex requirements, dividends, buybacks and allowing for further deleveraging.

Thank you for watching. We look forward to catching up with you soon.

Q&A session

Q&A Introduction

Otelo Ruivo, Head of IR

Hello everyone. Welcome to the analyst Q&A session related with Galp's fourth quarter and 2022 results. Earlier this morning, we released all the results materials and a video presentation from Filipe highlighting the key achievements during the year and covering the financial results. We also announced divestment from our Angolan upstream assets, as I'm sure you all saw. Therefore, after some initial words from Filipe, we will go straight to Q&A. We have Filipe, Teresa, Georgios, and Thore from the Executive Team, and Rodrigo, our Head of Energy Management, here to take your questions.

Before we start, I would like to remind you all that we will be making forward-looking statements that refer to our estimates. Actual results may differ due to factors included in the cautionary statement presented at the end of our presentation, that we advise you to read.

Filipe, the line is yours.

Filipe Silva, CEO

Thank you, Otelo. Good afternoon.

During 2022, Galp met most of its operating targets. So, a very strong performance across our physical asset base. Helped by the macro, OCF (Adjusted operating cash flow) was €2.8 bn, as per guidance. Now, this allowed us to make very good progress with our growth and transformation investments and reinforce our financial position, while allowing for a competitive return to our shareholders. So, the dividend goes up 4%, and we will go ahead with €500 m in share buybacks as expected.

Going forward, we will keep average net capex at €1 bn per year until 2025 and we will continue to grow this Company and, at the same time, drive its gradual transformation from grey to green. We will continue to grow upstream to 2030, even with the divestment in Angola we announced today. So, this is the basis on which we will continue to expand our renewables business, which will also help decarbonise our industrial and commercial footprint.

So, let's go straight to Q&A, but let me just say this before: with the Galp share you are getting growth; you are getting a competitive yield, so good returns; and you are actively participating in the energy transition with meaningful value creation. Thank you.

Questions & Answers Session

Biraj Borkhataria – RBC

Hi there. Thanks for taking my question and I appreciate the more condensed format. So, two questions please.

The first one is on the €1 bn net capex guidance. When you're building that up, do you only include the Angola divestment in there, to get to the net, or are you assuming you'll do further divestments over the 2023 to 2025 period?

And then the second question is on low carbon growth and financing. One of your peers talked about basically reducing the use of project financing given the way interest rates have moved and how balance sheets have improved. So, could you talk about any changes in the assumption there between project financing and how much you're going to take as equity financing? Thank you.

Filipe Silva, CEO

Thank you, Biraj. So, the net capex guidance is net. And why is Galp so focused on the net number? If you have less divestments, then we can do less investments. So, we target the overall net number, it keeps the discipline to rotate assets and to high grade the assets within an envelope that is pre-set. Now, as we invest more in renewables and because we have now consolidated renewables, we want to show green Ebitda as part of our overall mix of Ebitda.

Could there be more divestments? There could be depending on how quickly we want to ramp up other low carbon initiatives and that is not just renewables; it can be the pace at which we do hydrogen, for example, or the pace at which we do HVO. So, what is important is that we continue to invest in upstream very significantly, but the overall envelope for upstream is net zero, frankly. And even for renewables, if we see value in rotating renewable assets, we will do so as well to keep within the guidance.

On low carbon project finance, and you will have seen this morning's publication, that almost all of Galp's net debt is already green and will be completely green very soon. So, no need for Galp to issue a green bond because we are green almost by definition given the legacy free cash flow release of the high carbon businesses. The appetite from lenders for green projects is immense because we consolidate those, we set up structures whereby we get a bit the benefit of project finance allocated or earmarked for green projects, but they will sit on the balance sheets without necessarily having to have all the of strings attached of a typical project finance exercise, including high cash balances, high debt service coverage ratios. Thank you.

Josh Stone – Barclays

Thanks and good afternoon. Two questions please. First, if we could just go to Brazil and the volume guide does look at about 6 to 7 kboepd lighter than your previous guidance. So, can you just better flash out what's going on there? Are the reservoirs declining more quickly than you first thought? And if that is the case, what confidence can you give us that that's not going to be an ongoing area of disappointment?

And then secondly on the Angolan disposal, congratulations for getting that away at an attractive price. You talked about using those proceeds for increased capex but to what extent would you consider using some of those proceeds for distributions to shareholders? Thank you.

Thore E. Kristiansen, COO Production & Operations

Thank you, Josh, and let me try to answer your first regarding Brazilian production. What we have done over the last few years is that we have worked enormously internally in order to develop better methodology in order to be able to predict how the production is going to be. As you know, we are not standing on the wells ourselves. These are really non-operated assets. We have actually developed a very good probabilistic model in order to try to forecast production, hence also what happened the last year where we really were spot on in our forecasting.

We are doing the same this year, factoring in that there is a significant larger downside than upside. On a good day we are producing one percentage point better, on a bad day it goes to zero. This is then factoring in that the assets in Brazil have reached peak for now on Tupi and Iracema, in particular, but in Iara it will also come. And this is then a prudent way to try to forecast where we will be in the next two years, until Bacalhau comes on stream.

I think it is prudent, but that is also the way we should be guiding you. The decline rate for Tupi/ Iracema is still, in my 36 years of experience in this business, astounding that it doesn't decline faster. We see a decline rate that is below 5% per year. So, it still is a very good reservoir, but it has peaked and there is natural decline and that is what we're trying to factor in. It's still really, really profitable barrels that is coming out for Galp in Brazil. Thank you.

Filipe Silva, CEO

Josh, on Angola divestments, we like to be in giant low carbon intensity reservoirs, even if we are a minority. So, we are focusing on the Brazil pre-salt, which includes Lula, Bacalhau of course, which are much younger fields and they're very also long life. Our Angolan assets have CO_2 emissions per barrel pretty much in line with industry average, which is reasonable.

But our Brazilian barrels have an emission intensity which is well below that. So, this divestment also improves our overall intensity.

You asked about the use of proceeds. So, our upstream is still growing. Bacalhau will bring some 40 kbpd, Angola was just 12 kbpd and declining. Bacalhau alone is $1.6 bn of capex to Galp. That's two times the Angolan proceeds. So, as I said before, if we're taking net zero seriously in 2050, we need to keep discipline in overall upstream, increased exposure to upstream. So, we need to rotate, and we need to high-grade.

Now, word of caution that São Tomé and Namibia could change this if they are successful, given the sheer size of those two assets. The market was not attributing also the value we managed to crystallise Angola at, $830 m is quite above market consensus, which by the way this applies to most of our assets. So, the use of the proceeds is to keep the overall net capex number within the €1 bn as we develop Bacalhau, as we invest in decarbonising Industrial and building up the renewable portfolio. The market was concerned, as we consolidate renewables, that our capex numbers will be much higher than €1 bn. So, keeping the €1 bn is our way of using the proceeds. Thank you.

Alessandro Pozzi – Mediobanca

Hi there, thank you for taking my questions. The first one is on the long term production outlook, certainly Bacalhau coming on stream gives a bit of a boost, but I was a bit surprised to see a bit of a production coming down soon after Bacalhau, and then the same time I see that you haven't included much upside from Mozambique, and I was wondering whether you believe Mozambique is now coming on stream before 2030 or you're just taking a more prudent approach there.

And, also if you can give us a maybe a bit more colour on DD&A in upstream, how that will change in 2023. Of course, we're going to have the addition of Coral South, but also Angola is coming out. So, I was wondering maybe if you can give us an update on where DD&A is going to go in 2023. Thank you.

Thore E. Kristiansen, COO Production & Operations

So, thank you Alessandro, and I'd like to start first on your question regarding the production outlook. So first and foremost, our key focus is now to get Bacalhau on stream. As we have said, mid-2025 is now our focus. It's an extremely profitable asset for Galp. It's significant, as Filipe said, with 40 kbpd per day, but it's also with a very high level of profitability. So that's number one.

Number two, as you correctly are alluding to, for sure there's upside in Mozambique. It is promising and interesting to see that our colleagues in Total have just recently been to

Mozambique. The report from the ground is pointing to that the security situation is improving and that is a very positive sign with respect to also the further development of Mozambique. And by the way let me also say that we are extremely happy so far with how Coral South is ramping up. It is an astounding achievement by the teams that have been involved; that an FLNG product is already producing the way it is doing. But yes, Mozambique represents an upside.

And then let me underline once more, which Filipe just did in his previous intervention, Galp has two really big diamonds in its portfolio, being Namibia, where in my view, we have the best zip code. We have around 2,000 metres water depth. Some of our colleagues that are in neighbouring blocks operates at 3,000 metres and deeper. So, of course if we make a discovery there, this can be extremely profitable barrels.

And also São Tomé and Príncipe. We have drilled the first well, and being in a region where we drilled sixty-six wells before we found any oil, this actually hit. In the first well we proved there's a working petroleum system in São Tomé and Príncipe and Galp sits very well positioned in three very interesting opportunities in São Tomé: Blocks 6, 11 and 12. And I think you should look forward to the further de-risking of that in the next years to come. So yes, Galp has for sure upside in its longer term production outlook and I think you can expect more profitable barrels to come on stream.

Alessandro Pozzi – Mediobanca

On Mozambique is there any update on the potential second floating vessel?

Thore E. Kristiansen, COO Production & Operations

Alessandro what is being evaluated in Mozambique is one: to look into if is there a fast way to further develop the Coral part of the reservoir, but where the majority of the efforts are now is actually what should be done in the onshore development, so that we really can materialise these significant resources, that as you know we think there are around 85 tcf of natural gas in place in just Area 4. Onshore we're looking into smaller train, modularised train, learning from what so successfully has been done in the U.S. and that is what is now being discussed intensively in the partnership and it's also being matured. So, as soon as we feel confident on the on-ground situation there could be new products that would be launched in Mozambique.

Filipe Silva, CEO

Alessandro, on DD&A, we will have less DD&A from Angola. Of course, per barrel we have less DD&A in Brazil. So, the overall DD&A, even with Coral, will go down meaningfully from next year. So, from $13-14/boe if I'm not mistaken to something around $10/boe. Thank you.

Pablo Cuadrado – Kepler Cheuvreux

Hi. Good afternoon, everyone. Just two quick questions on my side.

The first one will be on the upstream guidance. And I was probably keen if you can guide us a little bit with the difference between the guidelines that were in for this year and actually next year, I mean you reported €3.1 bn Ebitda and now you are guiding for more than €2 bn. I recognize that the commodities prices assumptions you are making are clearly different and you have the Angola disposal, but running through the sensitivities that you are providing it looks to me at least that the €1.1 bn drop for me is difficult to get. So, if you can probably help us a little bit to understand what's driving the €1.1 bn Ebitda drop on upstream.

The second one will be a quick one on working capital. Clearly last year you were widely highlighting there was like a dual effect, clearly much more negative in 1H22 but much more positive in 2H22. So, to the best of your knowledge and looking at the environment at the moment what's your expectations for this year?

Filipe Silva, CEO

So, the upstream Ebitda guidance. Do bear in mind that the guidance is ex-Angola. We have assumed lower oil prices. We're using the (U.S) dollar at 1.15 to the euro. If you look at the sensitivities page in the appendix, €0.05 on the dollar is about €120 m overall at Galp and a lot of this is driven by upstream.

On working capital what happened in 2022 was exactly as we had expected and as we had explained throughout the year. So, we had very significant margin calls underlining our hedges to protect risk. These have rolled off, as expected, throughout the year so that money is no longer tied up. During 2022 the commodity prices went way up, so we have a lot more normal working capital tied up in inventories and client receivables. Assuming what we are assuming on macro commodity assumptions we would not expect working capital to change much from the end of 2022. Thank you.

Sasikanth Chilukuru – Morgan Stanley

Hi. Thanks for taking my questions. I had two please. The first: I just wanted to understand more on the production at the Tupi field. When I look at the data provided by ANP, I do calculate an annual decline rate of around 7% for the Tupi field, which includes of course Iracema. In fact, some of the annual decline rates at some FPSOs, including P69 and P66, is close to 20% in 2022. I was just wondering if you could kind of comment on the decline rates, especially on some of these facilities there. Is it fair to assume such kind of levels of decline rates?

And also, I just wanted to understand the progress made for the Tupi redetermination plan, especially the importance of this for the operator Petrobras who has, of course, other growth projects to focus on as well. So, when you talk about this 30% increase in production between 2023 to 2026, have you included any contribution from the Tupi redetermination plan at all? And if yes, is it possible to highlight from when do you expect this contribution to come from?

The second question was on net debt. I just wanted to understand, will net debt increase or decrease by end 2023? In your current guidance of €2.2 bn OCF, €500 m of buyback, dividend payments of around €400 m, Angolan cash proceeds as well, I was just wondering what's the trajectory of the net debt levels including this guidance as well? Thanks.

Thore E. Kristiansen, COO Production & Operations

Thank you, Sasi for your question. If I then try to take the first regarding the production and the redetermination. What we see, based on our own in-house models, is that we see a decline rate for our Brazilian assets that is below 5%. That is what we have in our business plan and what we have factored in. I believe that is prudent. You are correct that on Iracema, there is a higher decline rate than there is on the rest of the Tupi field, just to mention that it has to do with the fact that it's a much significantly smaller resource pool. But overall, what we see is the decline rate that is just below 5% for our Brazilian assets.

With respect to redetermination, that has just kicked off. We've just had the first initial alignment meeting in the partnership, and it is way too early to factor in any results of that. This is going to be a lengthy process that will go over several years and we have not factored in any outcome of this process at this stage. Thank you.

Filipe Silva, CEO

On net debt. The guidance we are providing are these are really averages 23 to 25. So, it's not a year-by-year guidance. Having said this, net debt is pretty controlled, but I would also say given the mix of our assets, the long life nature of our assets and the weight of renewable assets in our portfolio going forward, we're actually happy, conceptually, to see net debt going up in euro terms. The asset is increasingly green. Our green competitors have net debt to Ebitda of four times, for example, or five times. We are at 0.4x. So, it is a very low base and there's no reason on how this new Galp in transformation would continue to stick with such low oil and gas net debt in its balance sheet. Thank you.

Henri Patricot – UBS

I have two questions please. The first one is just a bit of a follow up on what we just discussed. On the capex guidance for the three years, can you give us a sense of all that will be paid across the period - maybe not on net capex but if you can give us a sense of the underlying organic capex, whether we should expect that to be a bit more back end loaded?

And then secondly, I wanted to ask you about your HVO project that you expect to FID this year. Can you give us your latest thoughts around planning for the startup, the feedstock strategy. And you mentioned at the beginning, that you could be doing more on HVO. So, it would also be interesting to hear what are you waiting to see before committing more materially to that business? Thank you.

Filipe Silva, CEO

On capex, again, we're not providing gross capex guidance, and what is organic and what is divestment because one will depend on the other. We have significant leeway to pace our gross capex commitments and we would slow them down if there are no divestments or we would speed up investments if we can monetise some assets faster. So, where we're sitting today it does not look as if it's going to be back end loaded. No, it is not. But do keep in mind the €1 bn net capex numbers as you drive your models. Thank you.

Thore E. Kristiansen, COO Production & Operations

And with the respect to the HVO product, Henri, it is moving ahead very much according to plan, and we do expect to take the final investment decision on this project during the course of this year, actually in the first half of 2023. This is a significant project for us when it comes to also turning the refinery complex into a green energy hub.

We are really well advanced when it comes to securing the feedstock in two dimensions: one, and Rodrigo might want to elaborate on this, we are mainly sourcing this ourselves; we also have teamed up with an international partner with a strong foothold in the Far East. So, we have two major legs to stand on when it comes to sourcing. As we see it, we're feeling quite comfortable with the sourcing, and we expect to start off this project in 2025. But would you like to elaborate a little bit on sourcing, Rodrigo?

Rodrigo Vilanova, COO Energy Management

Thank you, Thore. As you well said, we are expanding the sourcing of feedstock with our existing suppliers, who are already active in this business. We are doing so through increasing throughput, co-processing the refinery tolling agreements, and also partnering with an international provider. Thank you.

Matt Lofting – J.P. Morgan

Thanks, gents, for taking the questions. Two, if I could, please. First, it sort of strikes me that in parallel with the value proposition that you referenced earlier, the rationalisation move around Angola and the associated gross-to-net capex comments that you've made, in some respects, signals a degree of fruition coming through in the more agile operating model at Galp, that that has been talked about in recent history. Any thoughts in terms of connecting those two things in terms of how you've thought about the model going forward? And also, are there other rationalisation moves that you're looking at, in particular given the weight of renewable capex that is showing through to mid-decade? I wonder whether there's a case for partnerships or JVs, if the right opportunity comes through over the medium term in that business.

And then secondly, just on cash return. I guess the one third, or up to one third OCF policy is unchanged. The threshold around that, to date, I think has been net debt to Ebitda being less than 1x. Given the extent to which you're showing the evolution of the capital employed and net capex through the coming years, I wonder whether that's still the right threshold for that cash return policy, or whether if there's a case commensurate with that balance sheet evolution, then that threshold can also be eased as the capital employed mix changes?

Filipe Silva, CEO

Let me take that second question first. The distributions: the dividend goes up 4% per year. There's no terminal date, and so it's 4% every year and it's compounded. One third of OCF remains the benchmark, remains the intention. If we continue to de-lever very quickly, I think that the Board would look at a revised distribution policy. If, somehow, some of our capex gets delayed, or the macro gets different from what we're expecting., the rule is not set in stone. If we divest and net debt becomes so low, I am sure the board will look at distributions carefully.

I think your first question was on our business model and partnerships. The way we're thinking longer term is, and we have a graph in the documents we published this morning, on the colour of the OCF. So, as we become greener and greener, as we invest in renewables production, we have access to these green electrons to decarbonise our industrial business – where we are an incumbent in Iberia and we have a very significant asset base – we have competitive advantages. Decarbonising the existing operations – be it with biofuels, be it with hydrogen – is very low hanging fruit for us and there will come a time, and I guess we're all playing the multiples game here, there will be a time when people will look at Galp and it is no longer a 3-4x Ebitda business but much, much closer to a greener business.

Whether we do this alone or in partnership? Clearly we don't need the money, so the partner would need to bring assets or feedstock, something that would complement our existing business. But we want to control this business ourselves, and ideally everything that is green should be consolidated so that the balance sheet and the cash flow statement shows how much has become legacy and how much is going to be a high multiple business.

Ignacio Domenech – JB Capital

Hi my question is on the gas trading division. You are now expecting a growing contribution up to 2025. So, I was wondering if you could give us the assumption or the rationale behind these contributions. You were mentioning volumes increasing 15% but maybe the assumptions behind this and some colour on the margin on distribution. Thank you.

Rodrigo Vilanova, COO Energy Management

Regarding the outlook for the gas trading business, in the slides that were provided earlier today, you have some of the big numbers on volumes and expected Ebitda. The main thing that I would highlight is that, from a supply perspective, later this year we will have an additional source of supply coming from the US which would be FOB and free destination, and on top of that we do not have relevant hedges or pre-sold volumes, which delivers a flexible portfolio for us in 2023.

Giacomo Romeo – Jefferies

Two questions for me. First is for Filipe. You talked about the envelope for upstream remaining net zero and that, effectively, future growth will have to happen in parallel to divestments. You talked also about the fact that you think that other assets, other than Angola, are undervalued in your portfolio. Does it mean that you will look at potential opportunities for divestments of some of your more mature and resilient assets at some point or are those off the table?

The other question I have is related to renewables returns and quite a lot of your peers have flagged about the concerns around the lower returns, particularly, as we discussed earlier, as the leverage attractiveness from project finance is less clear. I am just wondering if you made any sort of adjustments or changes to your renewables investment plans on the back of these trends and what's your thinking around the returns patterns you're seeing?

Filipe Silva, CEO

The net zero capex in upstream: this is guidance to 2025 and Angola clearly falls in 2023, so the Angolan transaction is already helping significantly our guidance. But let me be very clear, Brazil is not going to be considered as a divestment candidate. We will pace investments and divestments in the Group depending on net capex numbers, so we can play with both angles: how much we invest and how much we divest.

Today we're only spending exploration capex in São Tomé and Namibia. By 2025, if not before that, we will know a lot more about these two assets. And so, everything could change depending on if these are discoveries or not. So let me caveat that as well.

Renewable returns: I'm not surprised by the question given what we've seen some of our competitors doing over the last few years, and I hope you give us the benefit of the doubt when you look at the returns that Galp is generating in renewables. We are not in the megawatt game: if we see value, we will invest; if we don't see value, we will not invest. But renewables at Galp is to create value for the shareholders, it is not to destroy value, and it is also to integrate - at least a big part of our renewables electrons will be integrated so that we decarbonise our existing operations.

Closing Remarks

Otelo Ruivo, Head of IR

Okay, we have now reached the end of this Q&A session. I hope it was a useful one. As always, the team is here to help on any further clarification you might need. I look forward to seeing you all soon. Take care.