

4Q21 Trading Update

The information below aims to provide the key macroeconomic, operational and trading conditions experienced by Galp during the fourth quarter of 2021.

All data referred to below is currently provisional and may differ from the final figures, which will be reported together with the quarter results materials.

Galp's 4Q21 and full year 2021 results, together with a short-term outlook, will be published on February 21, before the opening of Euronext Lisbon. The Company will hold a Q&A conference call and webcast on February 21, at 2 p.m. (Lisbon/London time). Further details can be found at the end of this document.

Financial Position

- Galp's strong operational cash flow in the fourth quarter will be partially offset by a working capital build, mostly related with temporary effects from high margin account balances at YE21 (hedges to cover TTF vs Brent spread risks).
- Galp's net debt is therefore estimated to increase during the fourth quarter of 2021, with net debt to RCA Ebitda expected to stand at >1x by year end 2021.
- Considering that these working capital effects are in the process of being reversed during 2022, Galp's Board of Directors will consider a discretionary adjustment to the guidelines supporting the distributions to shareholders related to the 2021 fiscal year. The adjustment will be announced on the results date.

Upstream

	4Q20	3Q21	4Q21	Var. YoY	Var. QoQ
Working interest production (kboepd)	122.8	128.2	124.8	2%	(3%)
Oil production (kbpd)	111.1	117.5	111.2	0%	(5%)
Net entitlement production (kboepd)	121.1	126.6	123.0	2%	(3%)
Angola (kbpd)	11.3	10.9	10.7	(5%)	(2%)
Brazil (kboepd)	109.8	115.7	112.3	2%	(3%)

- WI production increased YoY, while QoQ variation reflected concentration of maintenance and inspection activities in the quarter.

Commercial

	4Q20	3Q21	4Q21	Var. YoY	Var. QoQ
Oil products - client sales (mton)	1.5	1.8	1.8	22%	3%
Natural gas sales - client sales (TWh)	5.8	4.4	4.5	(23%)	3%
Electricity - client sales (GWh)	881	1,086	1,121	27%	3%

- Oil products sales supported on increased B2B volumes, whilst sales from higher-value B2C segment declined following seasonality.
- Natural gas and electricity sales evolution mostly following seasonality.

Industrial & Energy Management

	4Q20	3Q21	4Q21	Var. YoY	Var. QoQ
Raw materials processed (mboe)	23.5	22.3	13.6	(42%)	(39%)
Galp refining margin (USD/boe)	1.6	4.1	5.6	s.s.	36%
Oil products supply ¹ (mton)	3.7	3.9	3.7	1%	(5%)
NG/LNG supply & trading volumes ¹ (TWh)	19.2	16.6	14.5	(25%)	(13%)
Trading (TWh)	6.4	7.5	6.8	6%	(10%)
Sales of electricity from cogeneration (GWh)	351	261	119	(66%)	(54%)

¹ Includes volumes sold to the Commercial segment.

Note: Following Galp's decision to discontinue refining activities in Matosinhos, 2021 refining indicators only reflect Sines refinery operations.

- Refining raw materials processed impacted by planned maintenance in the hydrocracker and the unplanned event in one of the furnaces of the atmospheric distillation unit. The system resumed normal operations in mid-December.
- Refining margin supported by improved international market context, despite the operational constraints in the quarter.
- NG/LNG supply & trading volumes still reflecting sourcing restrictions during the period.

Renewables & New Businesses

	4Q20	3Q21	4Q21	Var. YoY	Var. QoQ
Renewable installed capacity ¹ (MW)					
Gross (100%)	927	927	963	4%	4%
Equity to Galp	692	692	719	4%	4%
Renewable generation (GWh)					
Gross (100%)	170	408	213	26%	(48%)
Equity to Galp	125	304	157	26%	(48%)

¹ Installed capacity by the end of the period.

- Renewable energy generation reflecting seasonally lower sunlight hours and despite the addition of 36 MW of new solar capacity online in Spain, during the period.

Market Indicators

	4Q20	3Q21	4Q21	Var. YoY	Var. QoQ
Exchange rate (EUR/USD)	1.19	1.18	1.14	(4%)	(3%)
Dated Brent price (USD/bbl)	44.2	73.5	79.8	81%	8%
Japan/Korea Marker LNG price (USD/mbtu)	7.9	18.7	35.2	s.s.	88%
Dutch TTF natural gas price (EUR/MWh)	14.8	47.4	92.0	s.s.	94%
Iberian MIBGAS natural gas price (EUR/MWh)	15.3	48.7	94.2	s.s.	93%
Iberian power baseload price (EUR/MWh)	40.1	117.8	211.1	s.s.	79%
Iberian solar market price (EUR/MWh)	39.6	110.9	202.2	s.s.	82%

Source: Platts/MIBGAS/Bloomberg/OMIE/REE.

4Q21 Consensus | Results Presentation Details

Company collected consensus

The Company's collected consensus for quarterly earnings is scheduled to be opened for submission between February 3 and February 11 and will be published on February 14.

Results presentation details

Galp's 4Q21 and full year 2021 results, together with a short-term outlook, will be published on February 21, before the opening of Euronext Lisbon.

The Company will hold a Q&A conference call and webcast on February 21, at 2 p.m. (Lisbon/London time). The conference call and webcast details are provided below:

Webcast

- <https://edge.media-server.com/mmc/p/tredpag9>

Dial-in numbers

- UK: +44 (0) 207 192 8000 or +44 (0) 800 376 7922 (UK toll free)
- Portugal: +351 308 800 848

Conference ID: 5678957

To listen the Q&A session, please dial in 10 minutes before the scheduled time to ensure your registration.

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