



Q1 2022 RESULTS

A RESET AND REFOCUSED STRATEGY

May 16, 2022

Pilipinas Shell Petroleum Corporation

#MakeTheFuture

Definitions and cautionary note

References in this presentation to “our Company” or the “Corporation” and to “PSPC” refer to SHLPH. The words “we”, “us” and “our” are used to refer to SHLPH or to those who work for SHLPH.

This presentation contains forward-looking statements concerning the financial condition, results of operations and businesses of SHLPH.

All statements other than statements of historical fact are, or may be deemed to be, forward-looking statements. Forward-looking statements are statements of future expectations that are based on management’s current expectations and assumptions 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 these statements. Forward-looking statements include, among other things, statements concerning the potential exposure of SHLPH to market risks and statements expressing management’s expectations, beliefs, estimates, forecasts, projections and assumptions. These forward-looking statements are identified by their use of terms and phrases such as “anticipate”, “believe”, “could”, “estimate”, “expect”, “goals”, “intend”, “may”, “objectives”, “outlook”, “plan”, “probably”, “project”, “risks”, “schedule”, “seek”, “should”, “target”, “will” and similar terms and phrases. There are a number of factors that could affect the future operations of SHLPH and could cause those results to differ materially from those expressed in the forward-looking statements included in this presentation, including (without limitation): (a) price fluctuations in crude oil and natural gas; (b) changes in demand for Shell’s products; (c) currency fluctuations; (d) drilling and production results; (e) reserves estimates; (f) loss of market share and industry competition; (g) environmental and physical risks; (h) risks associated with the identification of suitable potential acquisition properties and targets, and successful negotiation and completion of such transactions; (i) the risk of doing business in developing countries and countries subject to international sanctions; (j) legislative, fiscal and regulatory developments including regulatory measures addressing climate change; (k) economic and financial market conditions in various countries and regions; (l) political risks, including the risks of expropriation and renegotiation of the terms of contracts with governmental entities, delays or advancements in the approval of projects and delays in the reimbursement for shared costs; and (m) changes in trading conditions. No assurance is provided that future dividend payments will match or exceed previous dividend payments. All forward-looking statements contained in this presentation are expressly qualified in their entirety by the disclaimer contained or referred to herein. Audience should not place undue reliance on forward-looking statements. Additional risk factors that may affect future results are contained in SHLPH Annual Report for the year ended 31 December 2021 (available at <http://pilipinas.shell.com.ph/investors/financial-reports.html> and <http://edge.pse.com.ph>). These risk factors also expressly qualify all forward looking statements contained in this presentation and should be considered by the audience. Each forward-looking statement speaks only as of the date of this Report. Neither SHLPH nor any of its subsidiaries undertake any obligation to publicly update or revise any forward-looking statement as a result of new information, future events or other information. In light of these risks, results could differ materially from those stated, implied or inferred from the forward-looking statements contained in this presentation.

Summary



Key Messages

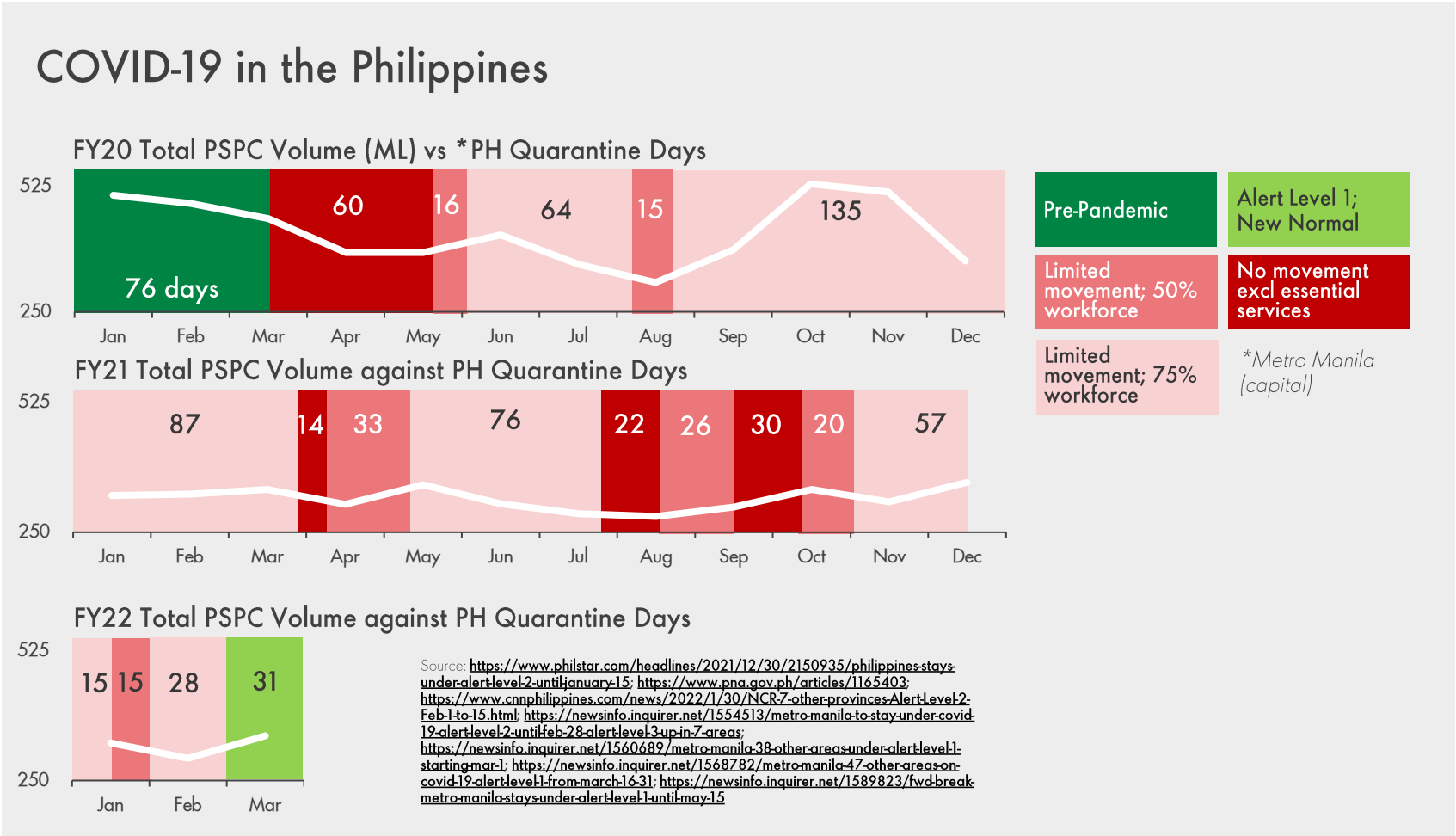
- B2B volume improves; B2C recovery impacted by Omicron surge. Customers continued to be served safely and reliably nationwide
- Continuous enhancements through customer-centric offers and lower carbon products, sustaining high premium penetration & value retention
- Groundbreaking of new terminal in Davao promises stronger and more competitive supply chain

1Q 2022

- PHP3.5b net income driven by marketing delivery, high inventory gains
- PHP0.5b core income (excl inventory gains)
- Non-Fuel Retail income 20% above pre-pandemic levels
- Gearing at 45%



Travel restrictions experienced at the start of Q1 due to Omicron surge; Global crude prices reach historic highs



ALERT LEVEL 1: The 'living with the virus' level of caution 'in-between phase' of Pandemic & Endemic

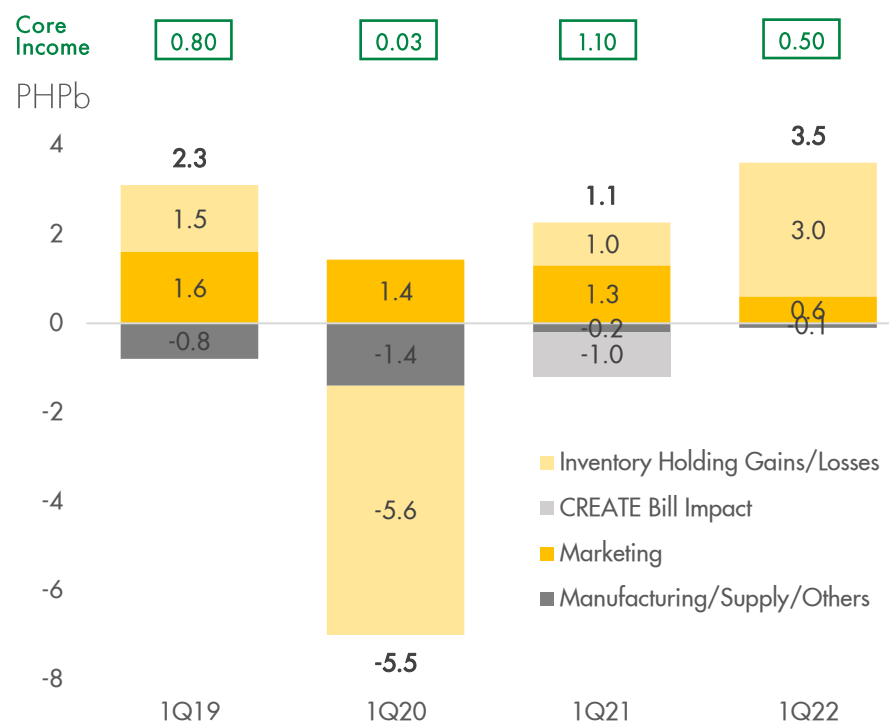
- Masks to stay on
- All workplaces, establishments may operate at 100% capacity
- Full capacity on public transport
- No paper-based contact tracing; digital contact tracing 'optional'
- Proof of vaccination required for adults

Source: Department of Health as of March 1 2022

Financial highlights



2022: Sustained recovery amidst challenges



Note: (1) Inventory holding gains/losses driven by changes in crude/finished products prices is removed to reflect the underlying performance of the Company. This methodology calculates the cost of goods sold as the monthly average of goods purchased and is consistent with the basis of reporting used by other oil refining groups. For 1Q22, PHP0.4b of the PHP3.0b are Marketing-led inventory gains which offsets the price lag losses reported under core earnings arising from the extreme volatility of product prices during the quarter. (2) CREATE bill was signed into law last March 26, 2021 effective July 1, 2020. This requires deferred tax assets adjusted from 30% to 25% resulting in remeasurement losses of PHP1.0b

Net income more than triples at PHP3.5b from PY's PHP1.1b

3.5

NIAT (PHPb)

Core income at PHP0.5b

1.0

Total volume (Bn litres)

0.1

Cash flow from operations (PHPb)

CFFO excl working capital at PHP6.1b

20

ROACE (%)

45

Gearing (%)

4.9

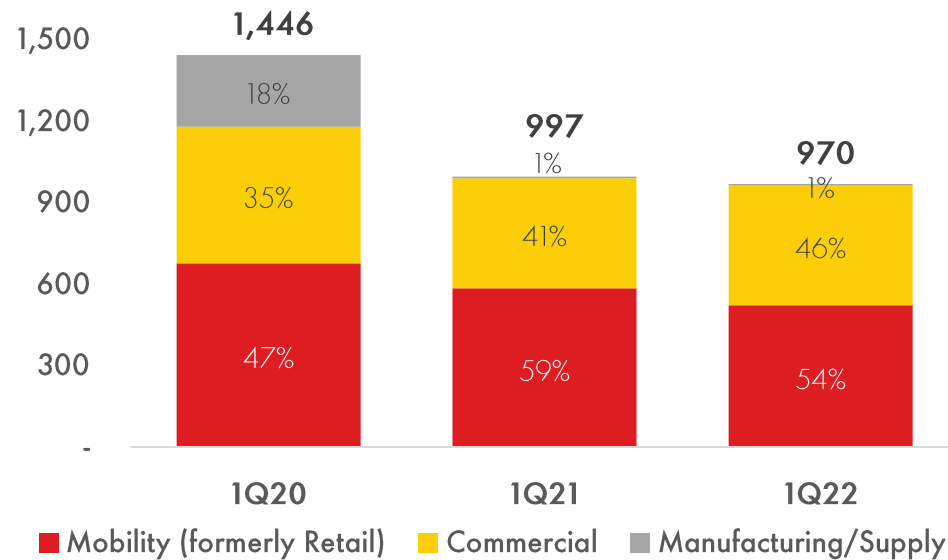
Retained Earnings (PHPb)

Unappropriated



Mobility investments accelerated in line with annual CAPEX program; Industry-leading ROACE at 20%

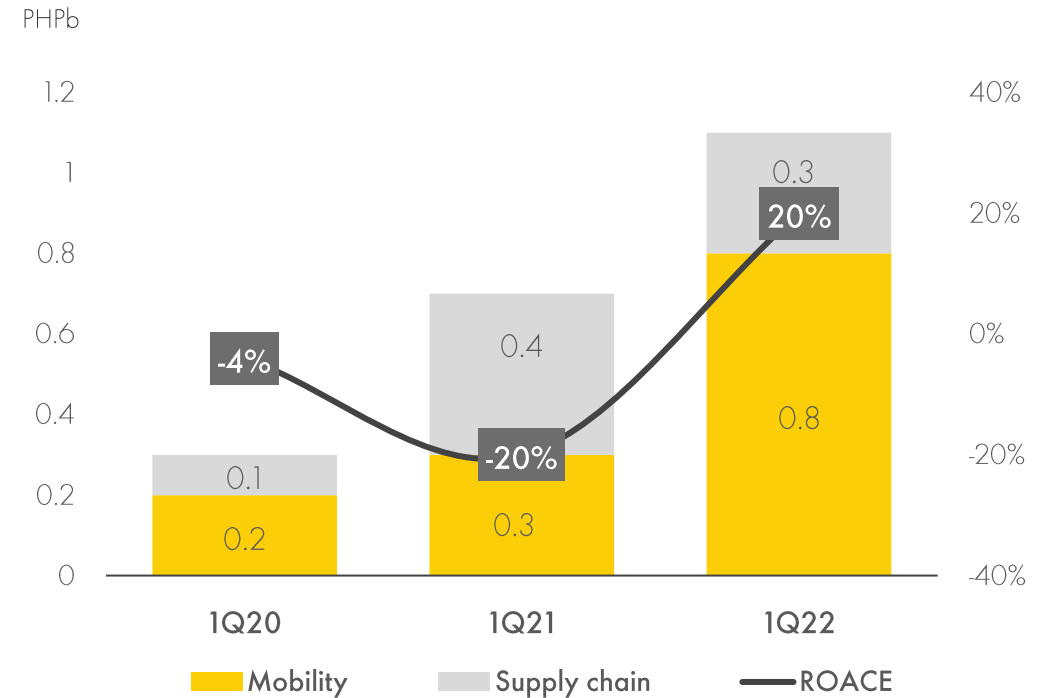
Volume Split (ML)



Note: 1Q22 Commercial Volume breakdown - Commercial Fuels (85%), Aviation (8%), Bitumen (2%), Lubricants (2%) & Commercial & Road Transport (3%)

Total PSPC volume delivery at -4% vs PY

Capital Investments + Rolling ROACE

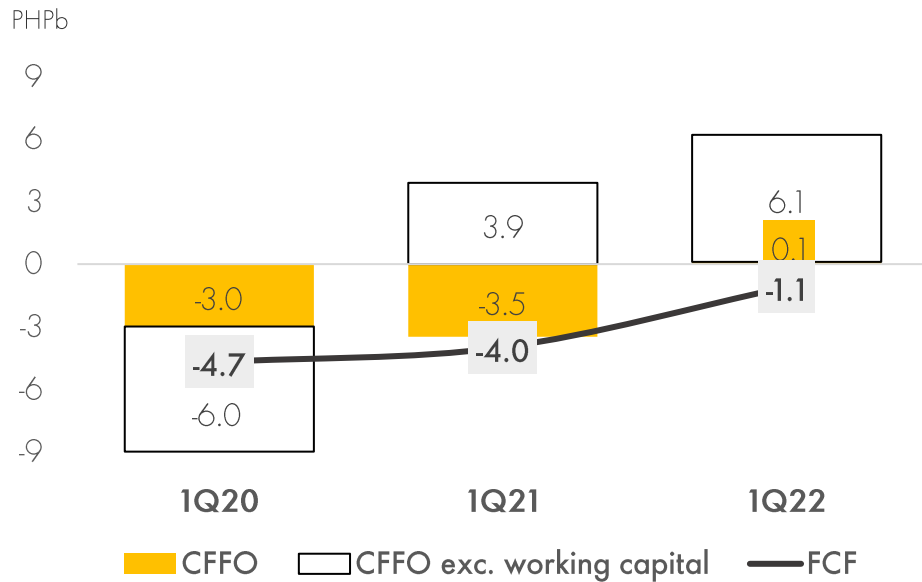


ROACE now at positive territory. Delivered CAPEX spending of PHP1.1b to grow our mobility (formerly retail) footprint (73%) and strengthen supply chain (27%).



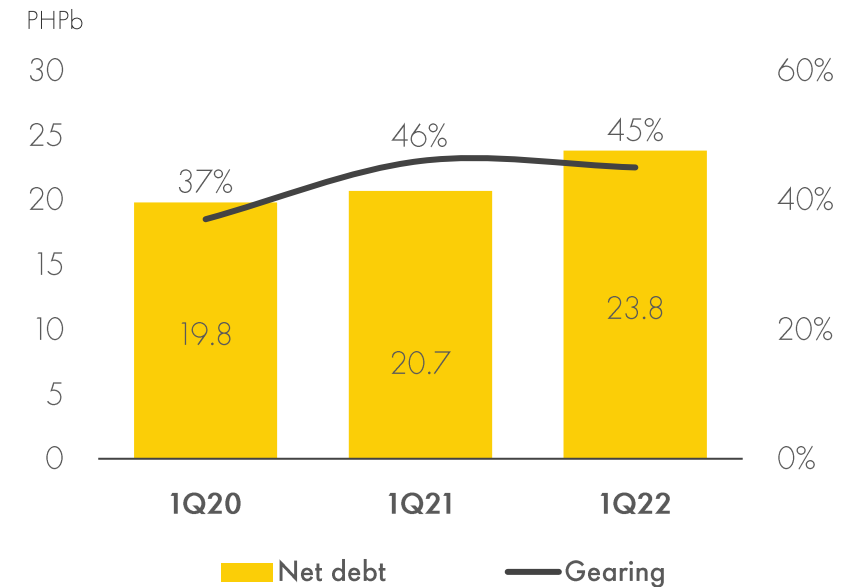
CFFO improves from higher earnings; Increase in net debt used to bridge working capital requirements

Cash flow from operations



Excluding working capital impact, CFFO at PHP6.1b attributed to higher net earnings. Changes in working capital up due to higher inventory prices and identified one-off payments.

Borrowings + Gearing

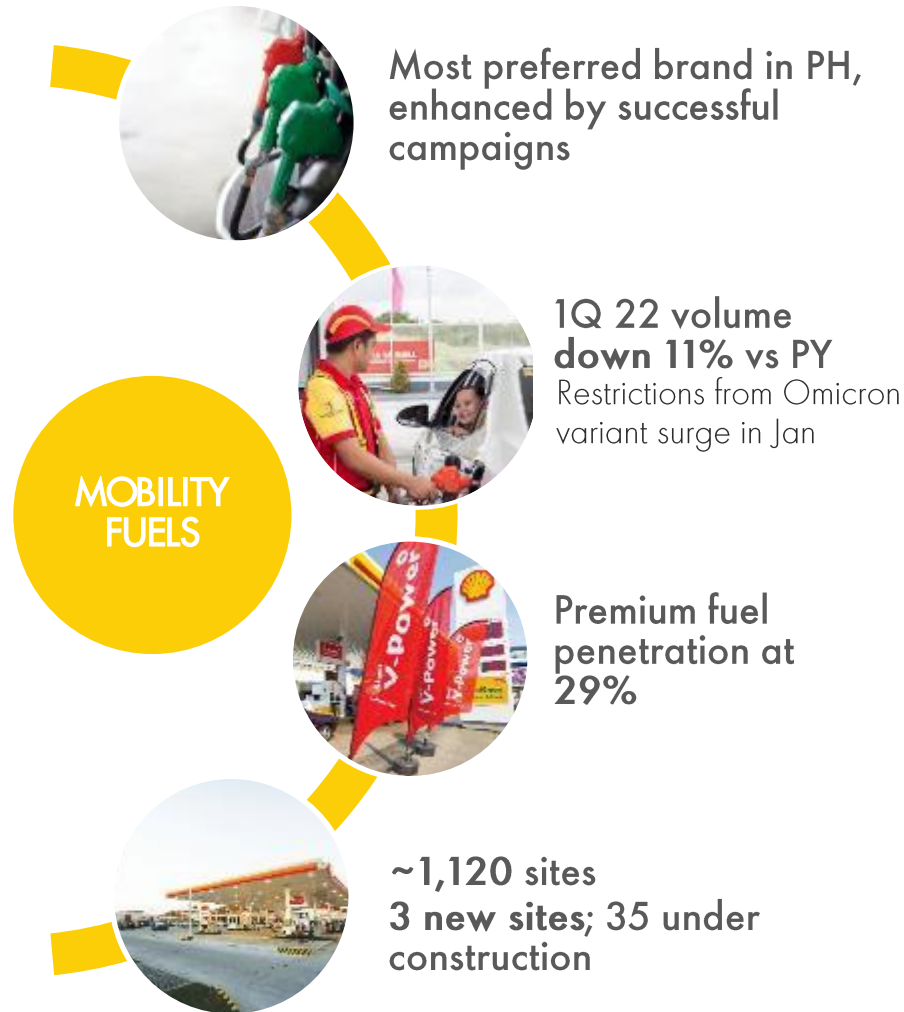


Gearing lower vs PY despite ~57% increase in product prices

Notes: Return on average capital employed is defined as EBIT as a percentage of the average capital employed for the period. Capital employed consists of short-term borrowings and loans payable, and total equity. Average capital is calculated as the mean of the opening and closing balances of capital employed for that period. Net earnings based on net income after tax. Gearing ratio is defined as net debt (total debt less cash and cash equivalents) as a percentage of total capital (net debt plus total equity).

Value preservation tactics continues; Pioneering innovation to serve changing customer needs

Volume remains challenged

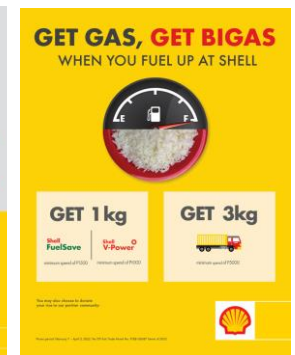


Sole Energy Company receiving GCash's Industry Pioneer Award. This award is given to partners who embraced digitalization and changed the game with Gcash in the early stages of its journey



Increased B2B customer engagements highlights our Carbon Offset offerings, & other ways we can help in their Decarbonization Journey

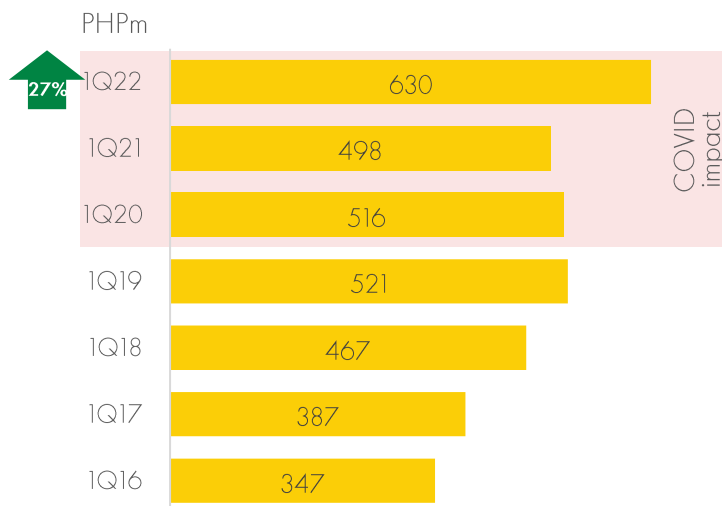
Targeted Marketing Campaigns & Shell GO+ integrated offers successfully grows our loyalty volume; Subscriber count increases to 1.3 million



Expansion continues, focused alliances push NFR income to historical highs

Double digit growth across NFR segments

Gross Profit Contribution to Mobility



+80% Increase in Convenience Retail Income since 1Q16
+27% vs PY, +21% vs 2019 (Pre-COVID)

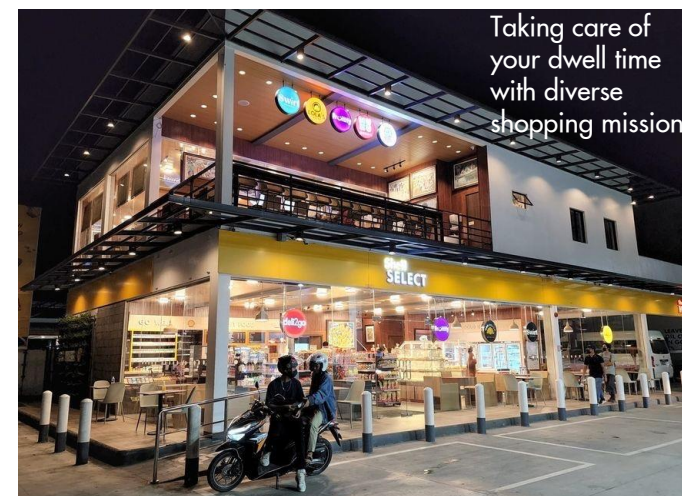
Total Non-fuel retail footprint

Store format	Total
Select Express	~223
Select & Deli2go	~191
SHOC+/HSC	~456

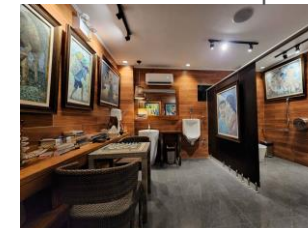
Note: Shell Helix Oil Change (SHOC+) & Helix Service Center (HSC)



Shell Select, your Trusted Local Destination



Comfort at its masterpiece



Shell Mobility Haven – Pioneering innovation in vehicle care



Now a biker destination



Lounge in Select while you pamper your car



Volume recovers as industries open; aviation bounces back from PY's worst delivery

High premium penetration across all segments

Commercial fuels

- Essential sector volumes remains resilient (power, manufacturing, mining); spot sale opportunities captured
- New wins in Marine, Fishing and Steel
- Introduced more product grades to address the changing needs of customers
- Commercial Road and Transport (CRT) remains agile on demand recovery

Lubricants

- Volume up 12% vs PY
- Record high performance in volume and income
- Increased customer engagement programs and promos implemented nationwide

Aviation

Volume up by 74% driven by cargo flights, increase in consumer confidence to travel, and opening of domestic and international borders



Construction and Road (formerly Specialities, Bitumen)

- Increased market share vs PY
- High premium penetration maintained
- New products introduced like carbon sink asphalt; and fit for purpose products for B2B customers



In Picture: Lubricant's TechStream 2.0 – a webinar series running from April to November for B2B distributors in the construction, general manufacturing and the transportation sector. The interactive engagement discusses operational excellence best practices, new products & services, and maximization of our customers' fleet and equipment, amongst others. Over 100 different business partners were invited in the first 2 runs of the series.



PILIPINAS SHELL BREAKS GROUND ITS 4TH IMPORT FACILITY IN MINDANAO



In picture: Darong Import Facility groundbreaking led by Kit Bermudez, Pilipinas Shell VP for Supply and Distribution (3rd from left); Municipality of Sta. Cruz Mayor Engr. Jaime G. Lao, Jr. (4th from left); President of DMCI Holdings, Inc. Sid Consunji (5th from left)

Darong Import Facility

*Darong, Sta. Cruz, Davao Del Sur
Southern Mindanao*

- 67ML MR-capable import terminal operational by ~2024
- ~4 hectares of land between Davao & General Santos City
- Will enhance product availability, competitiveness, and reliability particularly Southern Philippines' growing market

SUPPLY AND DISTRIBUTION

- **Strong HSSE Performance**, zero incidents
- **98% on-time and in-full** pick-up and road delivered
- **Continued reliable supply** of high-quality fuels from various refineries through Shell Group's global trading and supply team
- **100% compliant** on the government's Fuel Marking initiatives
- CAPEX Program **on-track**



HSSE Contractors Forum

Supply and Operations
Awards for Shipowners
HSSE, Operational
Excellence and
Commerciality Recognition





Other recognitions and updates

RECOGNITION



Pilipinas Shell landed Top 3 in LinkedIn's Top 15 Philippines Companies To Work For in 2022

- Only energy company in the Top 15 list
- Selection based on employees' ability to advance, skills growth, Company stability, D&I, others

DISCLOSURES

**POWERING
PROGRESS**
SUSTAINABLE
SOLUTIONS FOR
THE FUTURE



Pilipinas Shell Petroleum Corporation
Annual Sustainability Report 2021



Pilipinas Shell's sixth Annual Sustainability Report.

- Increased our overall female talent representation, including at senior levels
- Significant reduction in GHG 1; vented and flared hydrocarbons footprint nil starting this 2021
- Continued high community work and social relevance with COVID vaccination and agile disaster response

Access the report [here](#).

PILIPINAS SHELL PETROLEUM CORPORATION

STRATEGIC INTENT

Strong partner in nation building

Powering progress

Meeting the country's energy needs today and tomorrow



Attractive dividends

Generating strong cash flow at competitive returns



Protect the environment

Moving towards lower carbon operations, products, and solutions



STRATEGIC LEVERS

Customer centricity

Competitive supply chain network

Disciplined cost and capital management

COMPETITIVE ADVANTAGES

World-class talent

Shell brand and integration

Leading corporate governance and reputation

Q&A

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