

1Q 2023 RESULTS

Shell Pilipinas Corporation (formerly Pilipinas Shell Petroleum Corporation)

May 11, 2023

#PoweringProgress

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References in this presentation to “our Company” or the “Corporation” and to “SPC” 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 2022 (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.

Executive Summary



Key Messages

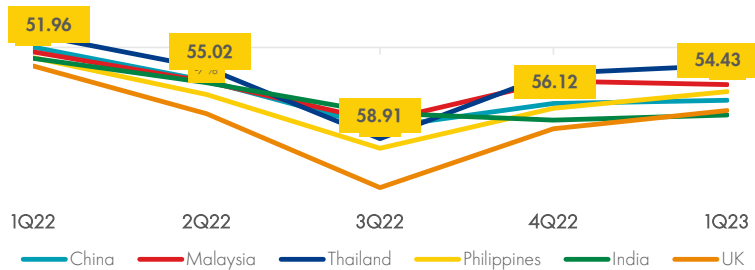
- Core earnings up 45% vs prior year as marketing businesses continue to deliver higher volumes & margins, sustaining the 2H 2022 momentum
- Marketing delivers 8% volume growth despite higher inflation & softer consumer spending in the Philippines
- Inventory losses outweigh marketing delivery, closes the quarter with PHP0.3b net loss
- Non-Fuels Retail profit now 39% above pre-pandemic level
- Providing lower carbon products & services while maintaining high premium product penetration across sectors

Global & local recovery muted by inflation & high interest rates

GLOBAL

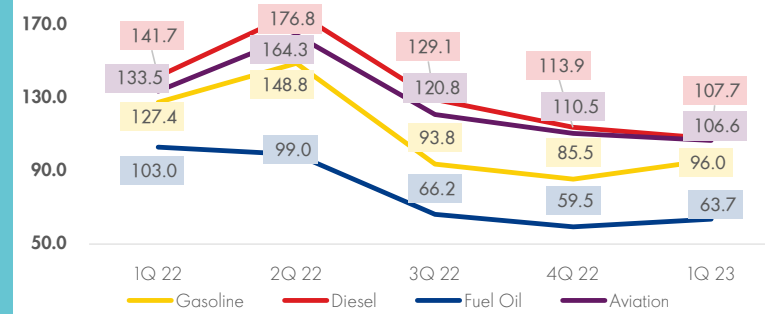
Strengthening of peso continues in 1Q 2023

Currencies vs USD as of March 2023



GLOBAL

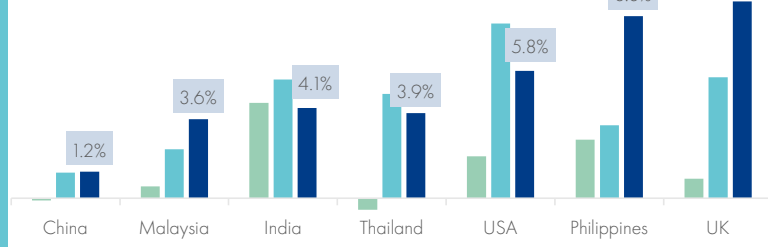
Fuel prices at a downtrend since 3Q22



GLOBAL

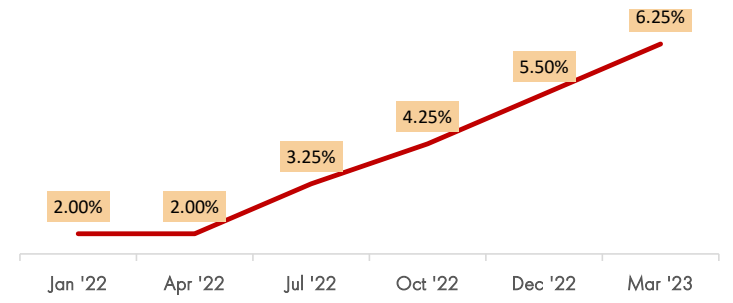
Inflation continues to increase globally; 1Q23 PH inflation up 5% vs 2022

1Q 21 1Q 22 1Q 23



LOCAL

BSP increases borrowing costs, highest since 2008, to curb increase in inflation



Sources: <https://exchangerates.org.uk> (China, Malaysia, Thailand, United States, India, Great Britain); <https://www.inflation.eu/en/inflation-rates> (China, India, United States, Great Britain); <https://tradingeconomics.com/inflation-cpi> (Malaysia, Thailand); <https://psa.gov.ph/price-indices/cpi-ir/title/Summary%20Inflation%20Report%20Consumer%20Price%20Index%20282018%3D100%29%3A%20March%202023>; https://www.bsp.gov.ph/Statistics/Financial%20System%20Accounts/tab19_dir.aspx; <https://www.bsp.gov.ph/SitePages/MediaAndResearch/MediaDisp.aspx?ItemId=6657>, Mean of Platts Singapore

Core Earnings up 45% at PHP0.8b vs PY, driven by strong marketing delivery

Q1 2023 at PHP0.3b loss vs PHP3.5b income in PY due to inventory holding losses



Net Income After Tax
-PHP0.3b
vs PHP3.5b in prior year



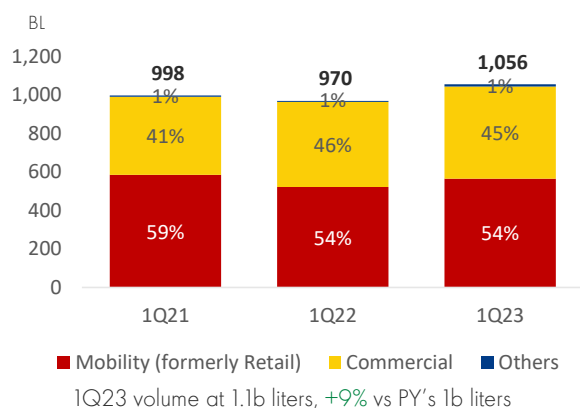
Core Earnings (excl. COSA & one-offs)
PHP0.8b
vs 0.5b in prior year

One-offs: -PHP1.1b inventory holding losses



NFR Income
PHP0.7b
+15% vs prior year, +46% vs 1Q21

Fuels Volume



ROACE (rolling)
5%

20% in prior year, -20% in 1Q21



Cash flow from operations
-PHP3.6b
CFFO excl. working capital at +1.4b



New Mobility Sites
7
4 CO, 3 DO; 5 disposals

Premium Products Penetration



V-Power (B2C)
27%

FO Plus
28%

Premium Lubes
(incl Mobility)
20%

Goal Zero Days
1,321



On-time, In-Full
96%
94% vs prior year



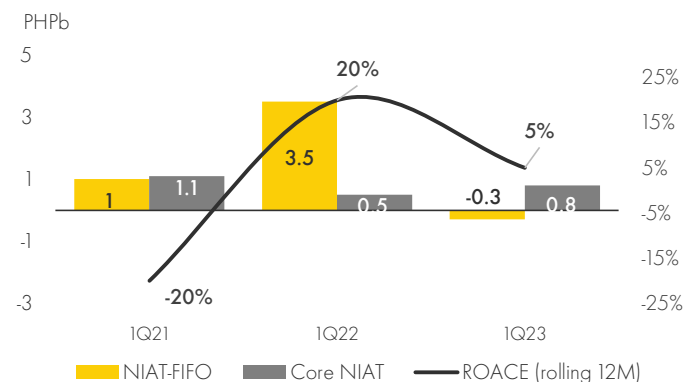
Gearing
56%

1Q22 at 45%, 46% in 1Q21

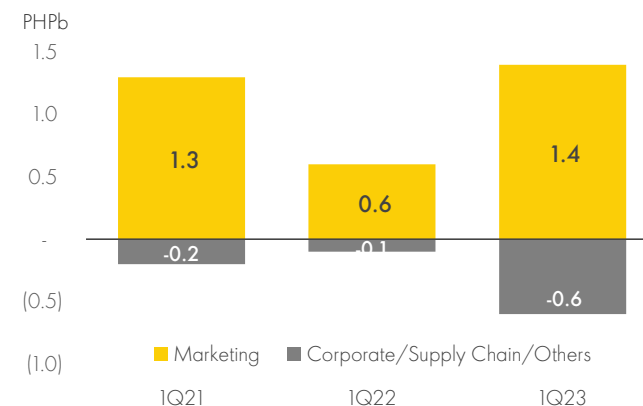
Core earnings up 45% driven by higher marketing volumes & margins

- Marketing net income more than doubled compared to PY
- Inventory losses (PHP1.1b) and borrowing costs (PHP0.4b) outweigh marketing delivery

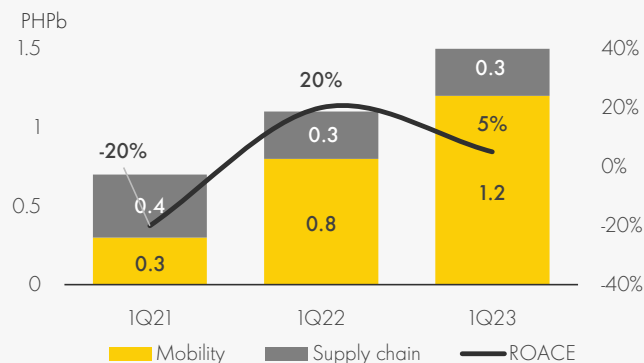
Net Earnings/(Loss)



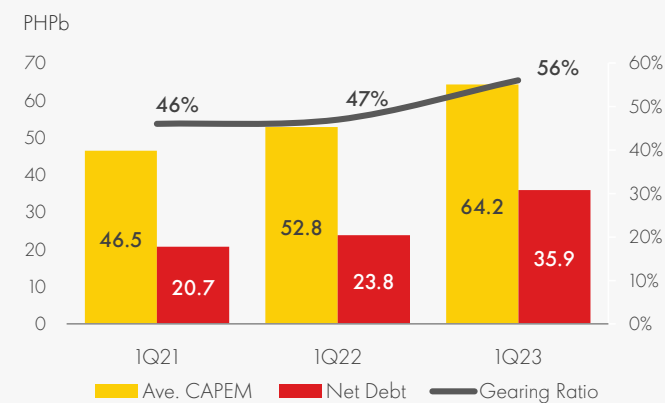
Core Earnings



Capital Investments + ROACE



Borrowings + Gearing



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.

MOBILITY

Enhancing our footprint while recovering our volumes profitably

Marketing initiatives & optimizations deliver higher income



1Q 2023 VOLUME
+8% Increase in Volume
vs 1Q 2022

27% Premium Fuel Penetration

1Q 2023 NEW SITES
7 >1,150 sites in total
vs 3 new sites in 1Q22

Premium Products Push

V-Power volume up 10% vs 1Q 2022 since the new V-Power launch in February



Enhancing Customer Experience



- Launched the 4th Site of the Future in Cebu
- Replicated sustainable installations for sites of the future to deliver lower carbon operations



- Opened 3rd Shell Café in Cebu Country Club
- Safer & contactless mobility experience
- New offers fully integrated in convenience retail

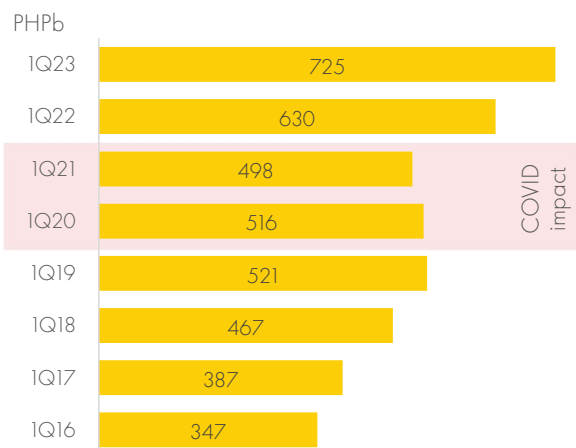
MOBILITY

Non-Fuels Retail profits now 39% higher than pre-pandemic levels

- Store footprint growth continues
- Cleaner energy solutions established to test the market

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Operating Profit



+109%

Increase in NFR Income since 2016

+15% vs PY
+39% vs 2019 (pre-COVID)

Store format	Total	New
Select Express	~223	-
Select & Deli2go	~223	+6
SHOC+/HSC *	~482	+3
Co-locators	~217	+15
Clip Ins	~108	+14

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



Promoting Sustainable Electric Transportation



Shell Recharge: Electric Vehicle Chargers

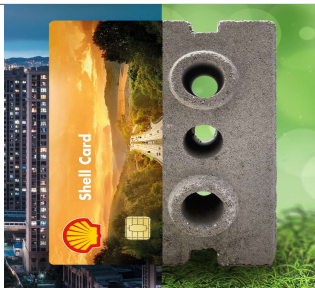
- Opened 3rd recharge station at Tarlac-Pangasinan-La Union Expressway (TPLEX)
- High performance fast charger with 4 charging points, allowing cars to charge simultaneously
- Full charge at 30 to 45mins with range of ~300kms¹
- Expanding to new locations and making EV charging more accessible and convenient

¹Varies based on vehicle make and brand



Driving sustainability through lower carbon offers and operations

LOWER CARBON PRODUCTS & SERVICES

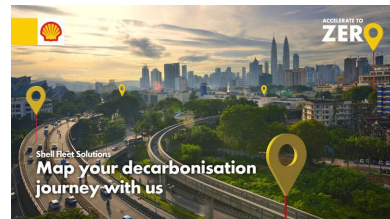


Shell Card Reclaimed Program

Launched in January 2023, this service allows fleet card customers to recycle their damaged or expired Shell Fleet cards into Eco-bricks in exchange for carbon credits.



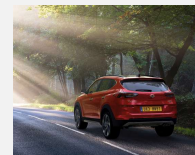
We aim to provide a comprehensive strategy for our customers looking to rapidly decarbonize their fleets. Our program designs a roadmap for customers to achieve their mobility decarbonization targets by providing a bespoke journey to net-zero emissions.



LOWER CARBON OPERATIONS

Low Carbon Mobility Hub Installations @ 2025

LED lights	444	500
Solar panels	152	400
Inverter technology	380	400
Eco brick Installation	93	180
Greenwall	134	200
Paint	ALL SITES painted with non-harmful Knox-out paints	



COMMERCIAL

B2B continues growth momentum as volumes increase by 8%

Protecting & capturing new customers through CVPs and product differentiation

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Aviation

- 1Q 2023 volume up 48% vs PY, more than doubled vs 1Q 2021
- Almost 80% recovered vs pre-pandemic level

Commercial fuels

- Providing more value to new & existing customers
- Manufacturing, power and mining sectors continue to drive growth

Construction & Road (formerly Specialities)

- Market leader in Bitumen business while sustaining premium sales
- Attaining key projects across regions
- Decarbonization journey continues – growing sustainable products

Commercial Road Transport

- 1Q 2023 volume up by 283% vs PY
- CRT covers companies whose main business is road transport, predominantly with heavy duty vehicles.
- Helps keep heavy duty fleets on the road to deliver progress at every turn.



Lubricants

- 1Q 2023 volume up 2% vs PY, +15% vs 1Q 2021 coming from new customer wins & utilization of e-commerce platforms
- Delivering the highest value compared to previous quarters



Cultivating trust and maintaining customer loyalty. Shell has secured an exclusive partnership with Ducati Philippines



Shell Rimula is an engine oil designed for the protection of diesel-powered engines and equipment. Its new campaign called "Sabay sa Galing Mo" empowers and recognizes the hardworking truckers, mechanics, and fleet business owners of the country.



Delivering reliably & safely while reducing carbon emissions



Investments continue to enhance the supply chain

- **Strong HSSE Performance.** 1,321 days of goal zero
- **96% on-time and in-full** pick-up & road delivered
- **~2,000 number of trees** equivalent CO2 reduction from road transport optimization & use of renewable energy in SHIFT
- **100% compliant on Fuel Marking initiatives.** Prepared for further innovations to be initiated by the government

HSSE milestones



~20 thousand road transport trips
13.8 million km travelled



103 local vessel movements
39 imports received



1.2 million contractor manhours
LTI FREE

SHELL PILIPINAS CORPORATION

STRONG PARTNER
IN NATION BUILDING



2023 TARGETS

- Volume & core earnings in line or higher than 2023 GDP
- Positive Retained Earnings for Dividend Distribution
- P5-6b CAPEX: 40-60 new mobility sites + supply chain enhancements
- Double digit growth in NFR
- High premium penetration across sectors
- Reduction of P0.3b in operating expenses

STRATEGIC INTENT: Powering progress in the Philippines. Attractive dividend policy, Protecting the environment
STRATEGIC LEVERS: Customer centricity, Competitive supply chain network, Disciplined cost & capital management
COMPETITIVE ADVANTAGES: Shell brand & integration, Leading corporate governance & reputation, World-class talent

Q&A

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