



Q3 2022 RESULTS

PRESS RELEASE

London, October 27, 2022

Shell plc Chief Executive Officer, Ben van Beurden

"We are delivering robust results at a time of ongoing volatility in global energy markets. We continue to strengthen Shell's portfolio through disciplined investment and transform the company for a low-carbon future. At the same time we are working closely with governments and customers to address their short and long-term energy needs.

Today we are announcing a new share buyback programme resulting in an additional \$4 billion of distributions, which we expect to complete by our Q4 2022 results announcement. Furthermore, we plan to increase the dividend per share (DPS) for the fourth quarter, which will be paid in March 2023, by an expected 15%, subject to Board approval."

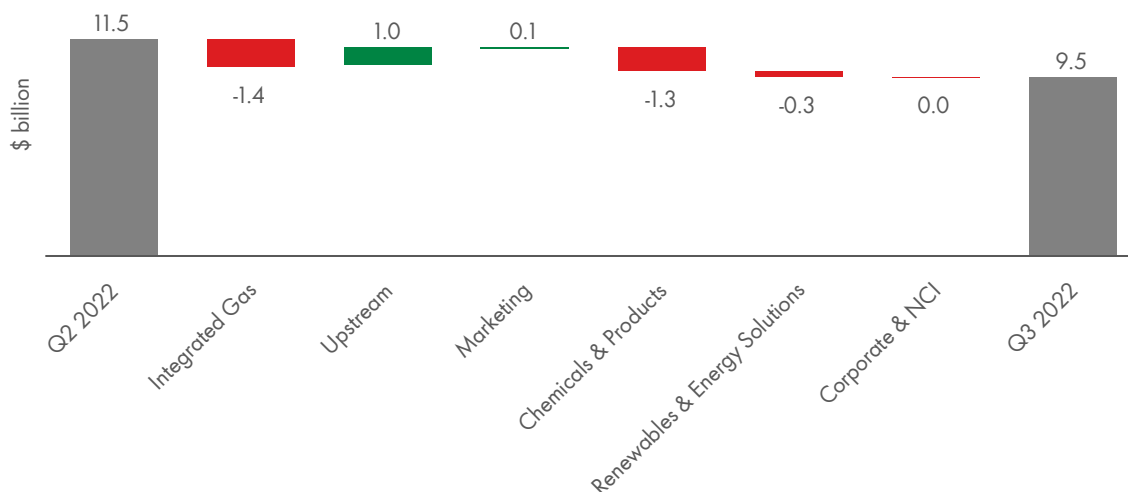
ROBUST RESULTS FROM A RESILIENT PORTFOLIO

- Robust performance in a turbulent economic environment with lower crude prices and higher gas prices compared with Q2 2022. Adjusted Earnings of \$9.5 billion in Q3 2022, with Adjusted EBITDA of \$21.5 billion.
- Strengthening and simplifying the portfolio through the energy transition with completion of the Sprng Energy (India) acquisition, participation in the North Field South LNG expansion (Qatar) in October, the Rosmari-Marjoram field FID (Malaysia), the announced Aera Energy divestment (California, USA) and the acquisition of Shell Midstream Partners (USA).
- Disciplined cash capex: expected to be in the \$23 - 27 billion range in 2022, evenly split between our Growth, Transition and Upstream pillars.
- \$4 billion share buybacks announced, expected to be completed by Q4 2022 results announcement; total distributions in excess of 30% of CFFO for the last four quarters. Subject to Board approval, intention to increase DPS by an expected 15% for the fourth quarter, which will be paid in March 2023. Announced 2022 shareholder distributions ~\$26 billion.
- Wael Sawan to succeed Ben van Beurden as Chief Executive Officer, effective January 1, 2023.

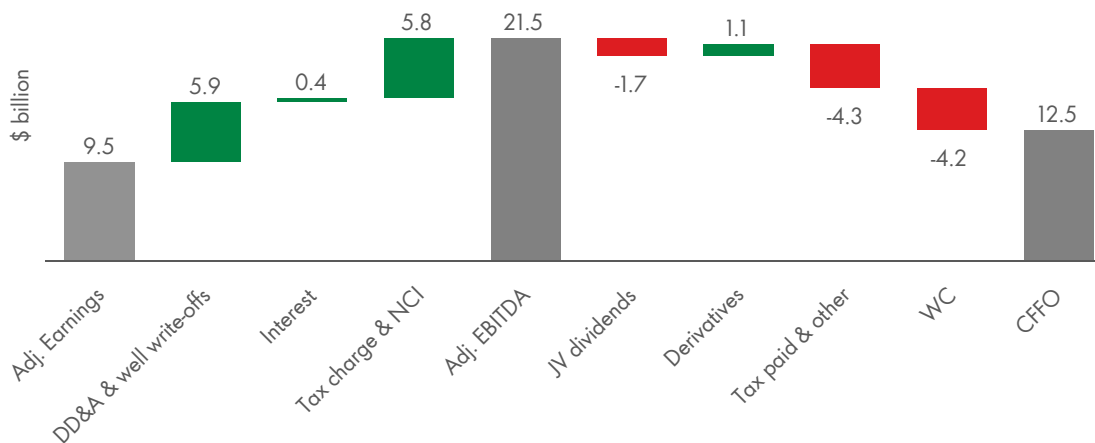
\$ million	Adj. Earnings ¹	Adj. EBITDA	CFFO	Cash capex
Integrated Gas	2,319	5,393	6,664	956
Upstream	5,896	12,539	8,343	1,733
Marketing	820	1,505	2,299	746
<i>Mobility</i>	645	1,150		501
<i>Lubricants</i>	103	230		55
<i>Sectors & Decarbonisation</i>	72	125		190
Chemicals & Products	772	1,797	3,385	828
<i>Chemicals</i>	(555)	(426)		527
<i>Products</i>	1,327	2,223		301
Renewables & Energy Solutions	383	530	(8,051)	1,086
Corporate	(571)	(251)	(100)	78
Less: Non-controlling interest	165			
Shell				
Q3 2022	9,454	21,512	12,539	5,426
Q2 2022	11,472	23,150	18,655	7,024

¹Income/(loss) attributable to shareholders for Q3 2022 is \$6.7 billion. Reconciliation of non-GAAP measures can be found in the unaudited results, available on www.shell.com/investors.

Adjusted Earnings - by segment



Cash conversion Q3



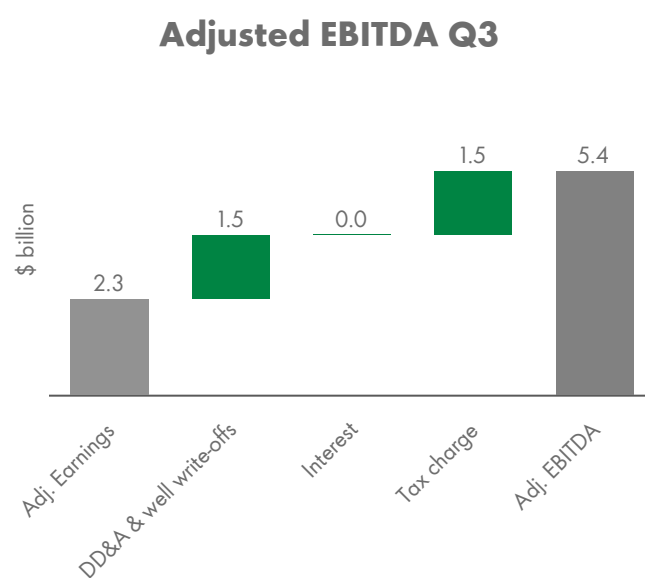
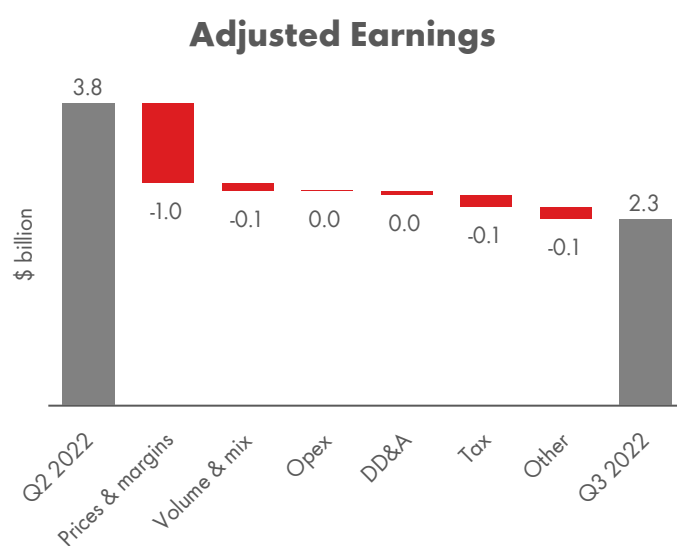
- CFO of \$12.5 billion for Q3 2022 is driven by lower Adjusted EBITDA compared with Q2 2022 and working capital outflows. In working capital, the inventory price help in Q3 2022 resulting from lower crude prices is more than offset by the European gas inventory build-up and initial margin outflows in our Renewable and Energy Solutions business as well as regular accounts receivable and payable movements across the portfolio. As a result, net debt increased by ~\$2.0 billion (~4%), to \$48.3 billion in Q3 2022, which includes the absorption of Sprng Energy's debt.

\$ billion	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022
Divestment proceeds	1.3	9.1	0.7	0.8	0.3
Free cash flow	12.2	10.7	10.5	12.4	7.5
Net debt	57.5	52.6	48.5	46.4	48.3

Q3 2022 FINANCIAL PERFORMANCE DRIVERS

INTEGRATED GAS

Key data	Q2 2022	Q3 2022	Q4 2022 outlook
Realised liquids price (\$/bbl)	90.37	76.75	–
Realised gas price (\$/mscf)	11.28	13.18	–
Production (kboe/d)	944	924	910 - 960
LNG liquefaction volumes (MT)	7.66	7.24	7.0 - 7.6
LNG sales volumes (MT)	15.21	15.66	–

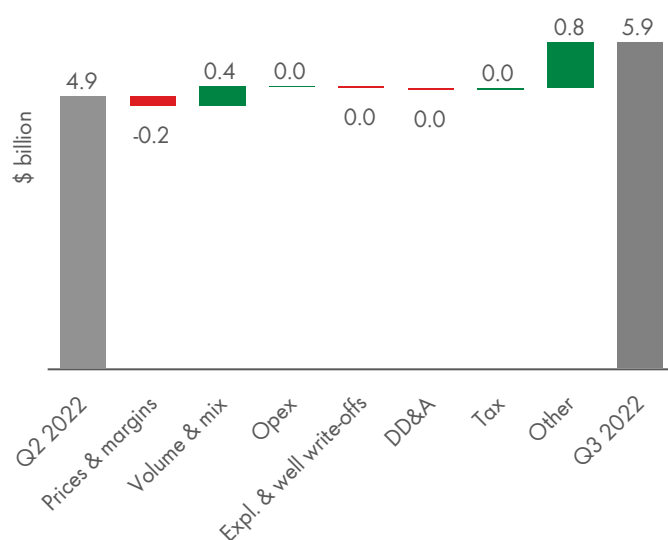


- Adjusted Earnings below Q2 2022 mainly reflecting lower trading and optimisation results in addition to lower volumes including the impact of maintenance and the Permitted Industrial Actions at Prelude.
- Trading and optimisation results impacted by seasonality and supply constraints, coupled with substantial differences between paper and physical realisation in a volatile and dislocated market.
- Q4 2022 outlook includes a similar level of midstream maintenance activities to Q3 2022.

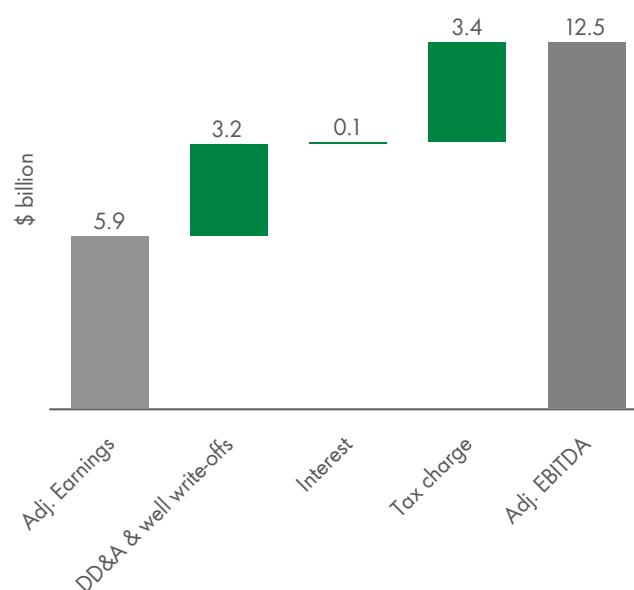
UPSTREAM

Key data	Q2 2022	Q3 2022	Q4 2022 outlook
Realised liquids price (\$/bbl)	101.42	93.02	–
Realised gas price (\$/mscf)	13.85	18.38	–
Liquids production (kboe/d)	1,325	1,273	–
Gas production (mscf/d)	3,428	2,995	–
Total production (kboe/d)	1,917	1,789	1,750 - 1,950

Adjusted Earnings



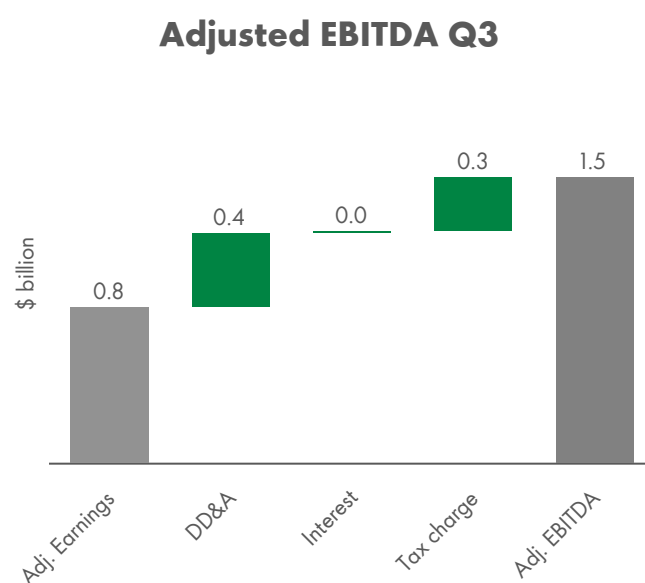
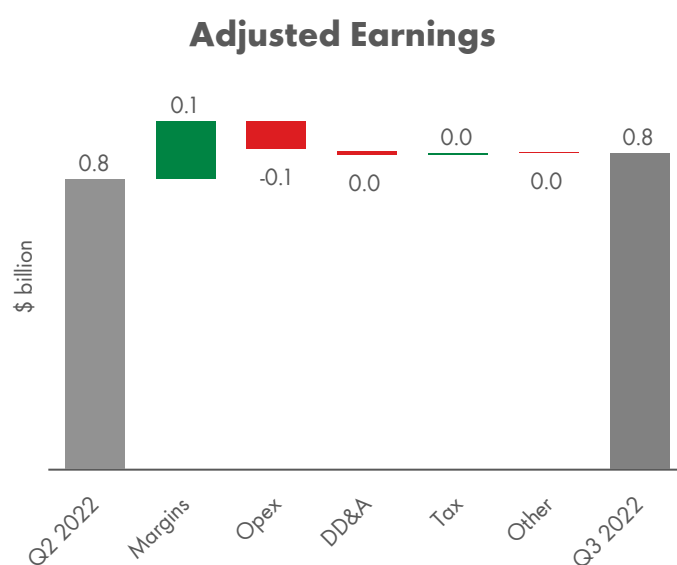
Adjusted EBITDA Q3



- Strong operational performance in Deep Water, resulting in Upstream benefiting from high-value barrels in Q3 production mix.
- Adjusted Earnings benefited from non-cash provision releases and gains related to storage transfer effects in a joint venture.
- Production was lower than in Q2 2022, mainly driven by the derecognition of Salym in Russia, along with unscheduled deferrals, partly offset by higher scheduled maintenance in Q2.

MARKETING

Key data	Q2 2022	Q3 2022	Q4 2022 outlook
Marketing sales volumes (kb/d)	2,515	2,581	2,250 - 2,750
Mobility (kb/d)	1,672	1,686	–
Lubricants (kb/d)	86	80	–
Sectors & Decarbonisation (kb/d)	757	815	–

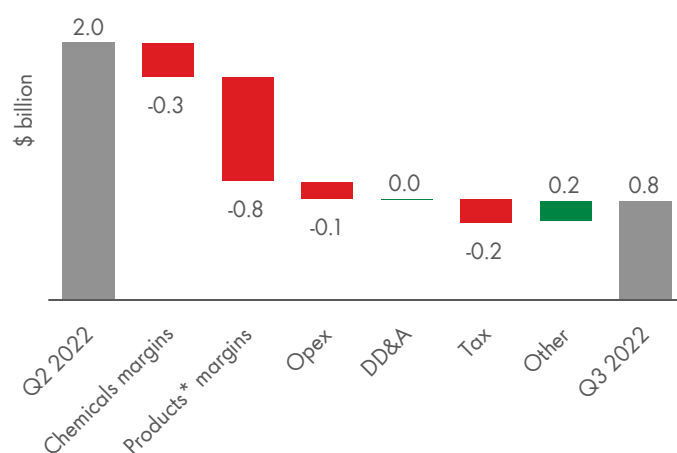


- Marketing margins were higher than in Q2 2022, with seasonal impact of higher unit margins in Mobility, partly offset by lower margins in Lubricants and Sectors & Decarbonisation.

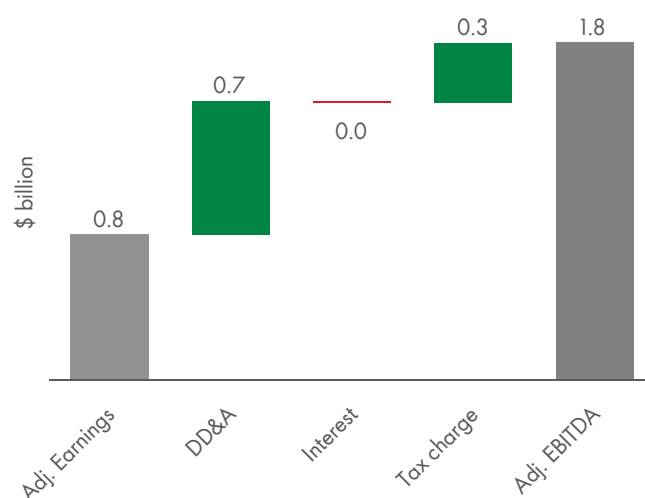
CHEMICALS & PRODUCTS

Key data	Q2 2022	Q3 2022	Q4 2022 outlook
Refining & Trading sales volumes (kb/d)	1,596	1,803	–
Chemicals sales volumes (kT)	3,054	2,879	2,700 - 3,200
Refinery utilisation ** (%)	84	88	88 - 96
Chemicals manufacturing plant utilisation** (%)	78	76	72 - 80
Global indicative refining margin (\$/bbl)	28	15	–
Global indicative chemical margin (\$/t)	86	(27)	–

Adjusted Earnings



Adjusted EBITDA Q3



* Products covers refining and trading

- Lower Refining margins in Q3 2022 due to a recovery in global product supply to meet demand.
- Trading and optimisation results in line with Q2 2022.
- Lower Chemicals margins due to higher feedstock and utility costs.
- Q4 2022 chemicals manufacturing plant utilisation outlook in line with Q3 2022, reflecting economic optimisation of our assets in the current margin environment.

**With effect from Q2 2022, the methodology applied in calculating both Chemicals manufacturing plant utilisation and Refinery utilisation has been revised. For details, see the Quarterly Results Announcement.

RENEWABLES & ENERGY SOLUTIONS

Key data	Q2 2022	Q3 2022
Adj. Earnings (\$ billion)*	0.7	0.4
Adj. EBITDA (\$ billion)	1.0	0.5
External power sales (TWh)	54	67
Sales of natural gas to end-use customers (TWh)	188	157
Renewables power generation capacity**	2.9	5.2
- in operation (GW)	0.5	2.2
- under construction and/or committed for sale (GW)***	2.4	3.0

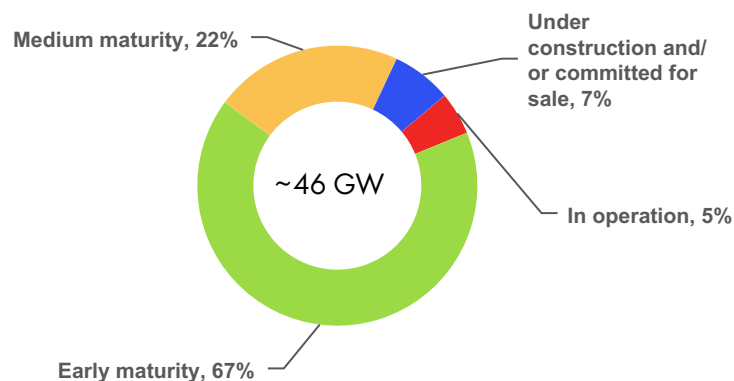
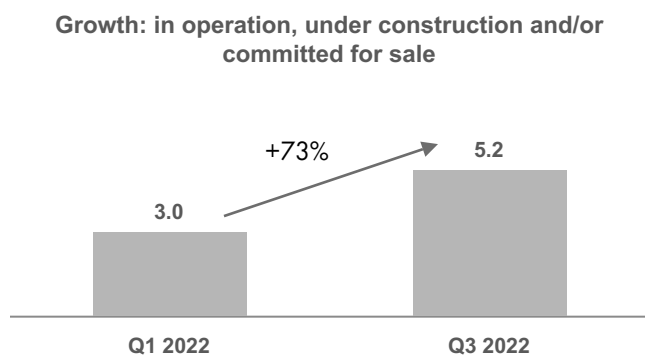
*Segment Earnings for Q3 2022 is -\$4.0 billion. Reconciliation of non-GAAP measures can be found in the unaudited results, available on www.shell.com/investors.

**Excluding Shell's equity share of associates where information cannot be obtained and prior period comparatives have been revised accordingly

*** Q2 2022 has been revised for updated information.

- Q3 2022 Adjusted Earnings and Adjusted EBITDA resulted from very strong trading and optimisation margins for gas and power, due to continued significant gas and power price volatility.
- Completed the acquisition of Sprng Energy group in India, significantly increasing operational renewable power generation capacity in the portfolio.
- Signed an agreement to acquire Daystar Power Group, a provider of Solar-as-a-Service and Power-as-a-Service solutions to commercial and industrial customers in West Africa.
- Acquired development rights for standalone battery energy storage systems in three projects across two sites in California.

Renewables capacity funnel in GW, Shell share



The Renewables and Energy Solutions segment includes Shell's Integrated Power activities, comprising electricity generation, marketing, trading and optimisation of power and pipeline gas, and digitally enabled customer solutions. The segment also includes production and marketing of hydrogen, development of commercial carbon capture storage hubs, trading of carbon credits and investment in nature-based projects that avoid or reduce carbon.

CORPORATE

Key data	Q2 2022	Q3 2022	Q4 2022 outlook
Adjusted Earnings (\$ million)	(626)	(571)	(650) - (450)

- The Adjusted Earnings outlook is a net expense of \$2,200 - 2,400 million for the full year 2022. This excludes the impact of currency exchange effects.

UPCOMING INVESTOR EVENTS

2 February 2023 Fourth quarter 2022 results and dividends

4 May 2023 First quarter 2023 results and dividends

27 July 2023 Second quarter 2023 results and dividends

2 November 2023 Third quarter 2023 results and dividends

USEFUL LINKS

[Results materials Q3 2022](#)

[Quarterly Databook Q3 2022](#)

[Dividend announcement Q3 2022](#)

[Webcast registration Q3 2022](#)

ALTERNATIVE PERFORMANCE (NON-GAAP) MEASURES

This announcement includes certain measures that are calculated and presented on the basis of methodologies other than in accordance with generally accepted accounting principles (GAAP) such as IFRS, including Adjusted Earnings, Adjusted EBITDA, CFFO excluding working capital movements, Cash capital expenditure, free cash flow, Divestment proceeds and Net debt. This information, along with comparable GAAP measures, is useful to investors because it provides a basis for measuring Shell plc's operating performance and ability to retire debt and invest in new business opportunities. Shell plc's management uses these financial measures, along with the most directly comparable GAAP financial measures, in evaluating the business performance.

This announcement contains a forward-looking non-GAAP measure for cash capital expenditure. We are unable to provide a reconciliation of this forward-looking non-GAAP measure to the most comparable GAAP financial measure because certain information needed to reconcile the non-GAAP measure to the most comparable GAAP financial measure is dependent on future events some of which are outside the control of the company, such as oil and gas prices, interest rates and exchange rates. Moreover, estimating such GAAP measure with the required precision necessary to provide a meaningful reconciliation is extremely difficult and could not be accomplished without unreasonable effort. Non-GAAP measures in respect of future periods which cannot be reconciled to the most comparable GAAP financial measure are estimated in a manner which is consistent with the accounting policies applied in Shell plc's consolidated financial statements.

CAUTIONARY STATEMENT

All amounts shown throughout this announcement are unaudited. The numbers presented throughout this announcement may not sum precisely to the totals provided and percentages may not precisely reflect the absolute figures, due to rounding.

The companies in which Shell plc directly and indirectly owns investments are separate legal entities. In this announcement "Shell", "Shell Group" and "Group" are sometimes used for convenience where references are made to Shell plc and its subsidiaries in general. Likewise, the words "we", "us" and "our" are also used to refer to Shell plc and its subsidiaries in general or to those who work for them. These terms are also used where no useful purpose is served by identifying the particular entity or entities. "Subsidiaries", "Shell subsidiaries" and "Shell companies" as used in this announcement refer to entities over which Shell plc either directly or indirectly has control. Entities and unincorporated arrangements over which Shell has joint control are generally referred to as "joint ventures" and "joint operations", respectively. "Joint ventures" and "joint operations" are collectively referred to as "joint arrangements". Entities over which Shell has significant influence but neither control nor joint control are referred to as "associates". The term "Shell interest" is used for convenience to indicate the direct and/or indirect ownership interest held by Shell in an entity or unincorporated joint arrangement, after exclusion of all third-party interest.

This announcement contains forward-looking statements (within the meaning of the U.S. Private Securities Litigation Reform Act of 1995) concerning the financial condition, results of operations and businesses of Shell. 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 Shell 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 "aim", "ambition", "anticipate", "believe", "could", "estimate", "expect", "goals", "intend", "may", "milestones", "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 Shell and could cause those results to differ materially from those expressed in the forward-looking statements included in this announcement, 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, judicial, 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; (m) risks associated with the impact of pandemics, such as the COVID-19 (coronavirus) outbreak; and (n) 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 announcement are expressly qualified in their entirety by the cautionary statements contained or referred to in this section. Readers should not place undue reliance on forward-looking statements. Additional risk factors that may affect future results are contained in Shell plc's Form 20-F for the year ended December 31, 2021 (available at www.shell.com/investor and www.sec.gov). These risk factors also expressly qualify all forward-looking statements contained in this announcement and should be considered by the reader. Each forward-looking statement speaks only as of the date of this announcement, October 27, 2022. Neither Shell plc 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 announcement.

Shell's Net Carbon Footprint

Also, in this announcement we may refer to Shell's "Net Carbon Footprint" or "Net Carbon Intensity", which include Shell's carbon emissions from the production of our energy products, our suppliers' carbon emissions in supplying energy for that production and our customers' carbon emissions associated with their use of the energy products we sell. Shell only controls its own emissions. The use of the terms Shell's "Net Carbon Footprint" or "Net Carbon Intensity" is for convenience only and not intended to suggest these emissions are those of Shell plc or its subsidiaries.

Shell's Net-Zero Emissions Target

Shell's operating plan, outlook and budgets are forecasted for a ten-year period and are updated every year. They reflect the current economic environment and what we can reasonably expect to see over the next ten years. Accordingly, they reflect our Scope 1, Scope 2 and Net Carbon Footprint (NCF) targets over the next ten years. However, Shell's operating plans cannot reflect our 2050 net-zero emissions target and 2035 NCF target, as these targets are currently outside our planning period. In the future, as society moves towards net-zero emissions, we expect Shell's operating plans to reflect this movement. However, if society is not net zero in 2050, as of today, there would be significant risk that Shell may not meet this target.

The content of websites referred to in this announcement does not form part of this announcement.

We may have used certain terms, such as resources, in this announcement that the United States Securities and Exchange Commission (SEC) strictly prohibits us from including in our filings with the SEC. Investors are urged to consider closely the disclosure in our Form 20-F, File No 1-32575, available on the SEC website www.sec.gov.

The financial information presented in this announcement does not constitute statutory accounts within the meaning of section 434(3) of the Companies Act 2006 ("the Act"). Statutory accounts for the year ended December 31, 2021 were published in Shell's Annual Report and Accounts, a copy of which was delivered to the Registrar of Companies for England and Wales, and in Shell's Form 20-F. The auditor's report on those accounts was unqualified, did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying the report and did not contain a statement under sections 498(2) or 498(3) of the Act.

The information in this announcement does not constitute the unaudited condensed consolidated financial statements which are contained in Shell's third quarter 2022 unaudited results available on www.shell.com/investors.

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