



Nortegas Energía Distribución S.A.U. and Subsidiaries

2024 Full Year Results

June 2025

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1 Key Highlights

Steady CP and Volume Growth Across Segments

- Nortegas continues growing in **Residential & Commercial segments**, proving resilience and long-term prospects for gas distribution despite a market impacted by above-average temperatures throughout the year
 - **+5.1k additional net connection points** (+13.6k gross new connection points)
- **22.4 TWh of aggregate remunerated volume** in 2024 (+3.9% vs. 2023)
 - Domestic & Commercial volumes benefited from **more stable prices** still impacted by **higher than average temperatures**
 - Recovery of industrial volumes driven by a **stable client base and new clients**

Resilient Financial Performance with Stable Cash Generation

- 2024 revenues amounting to **€198M**, (-1.5% YoY decrease) mainly **affected by 2021-26 remuneration framework cut**
- Recurring 2024 EBITDA of **€146M** (-0.9% YoY decrease) with a **continuous focus on cost management and accretive growth**
- **Stable cash generation¹** of €125M

De-Risked Investment Grade Capital Structure with Strong Liquidity Position

- Long-term maturity profile with **100% fixed cost** protecting from market fluctuations
- **No short-term refinancing requirements**
- **Strong liquidity position**, with €120m of undrawn facilities and €107m of cash
- Financial policy aiming to **preserve Investment Grade rating (S&P: BBB - / negative outlook, March 2025)**

Fully Committed with ESG Goals and Promotion of Renewable Gases

- Investments at group level are focused on **promoting natural gas and developing businesses based on green gases**
- **4 stars** in GRESB ESG 2024 performance assessment with **95 points** (vs. 95 points in 2023)
- Successfully reduced **GHG Scope 1 and 2 emissions by 45%** compared to 2018-2020 average emissions
- Diversity, Equity and Inclusion initiatives to **foster equal opportunity and non-discrimination**

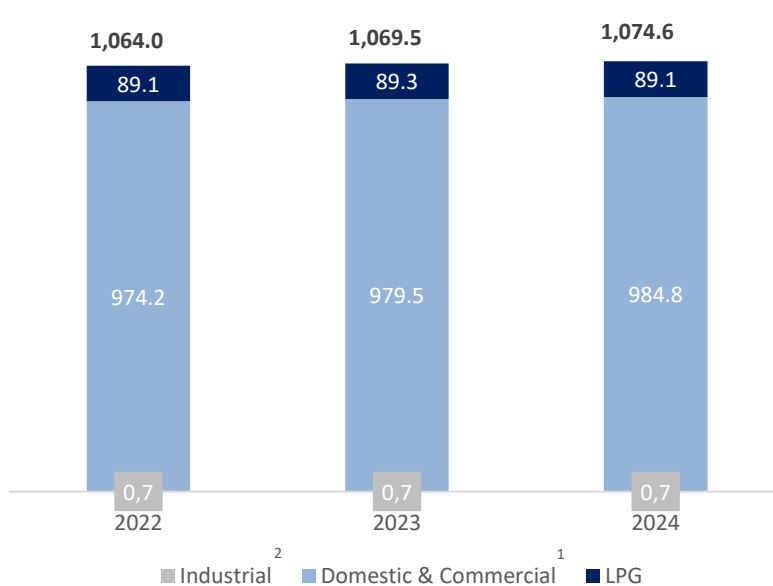
2 Operational Review

Connection Points and Volumes

Evolution of CPs by Segment

CPs (k#), as of 31st of Dec. of each year

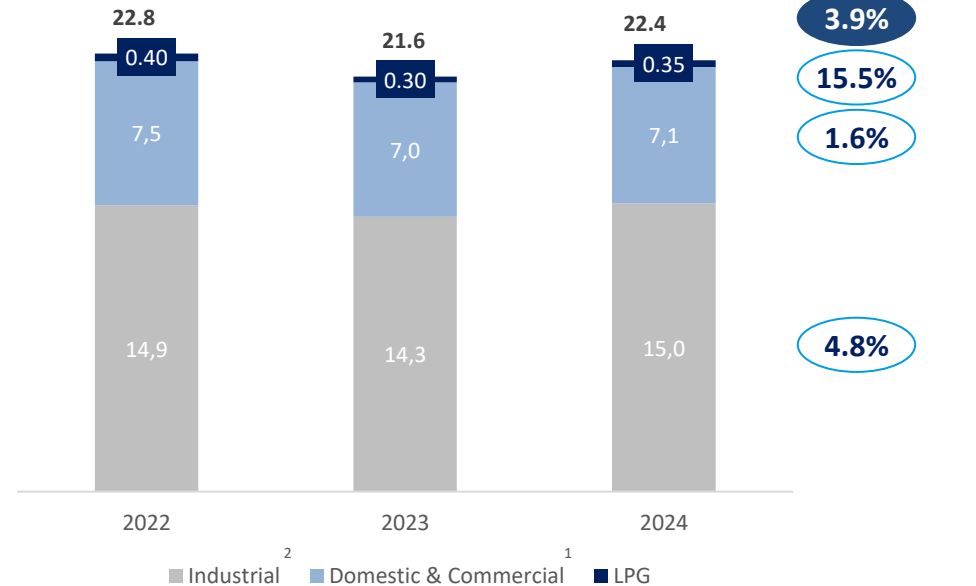
CAGR 0.5%



Evolution of Volumes by Segment

TWh, as of 31st of Dec. of each year

CAGR (0.8)%



- Sustainable CP growth during 2024: **+13.6k gross CPs (+5.1k net CPs)**, largely centred on the Domestic & Commercial segment growth
- **Domestic & Commercial segment** experienced a **1.6% YoY increase in volumes** in 2024 given the lower temperatures, while the **Industrial sector grew by 4.8%** due to new clients and recovery of demand

3 Financial Review

Nortegas Consolidated Income Statement

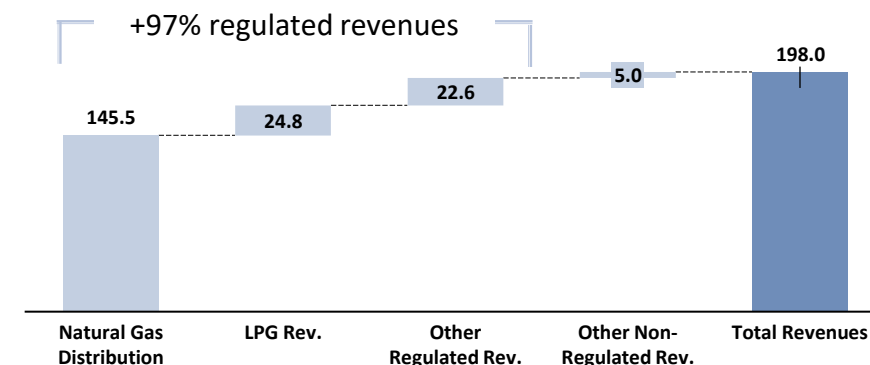
Income Statement as of 31st December 2024

€M	2023	2024
A Revenues	201	198
Natural gas distribution remuneration	150	146
LPG regulated revenues	25	25
Other regulated revenues	23	23
Other revenues	3	5
B Supplies	(23)	(22)
Self-constructed assets	7	7
Other Income	2	1
C Operating Expenses	(39)	(37)
Recurring EBITDA	148	146
Margin	73.5%	73.9%
Margin ex-LPG ¹	80.7%	80.8%
Non-recurring expenses ²	0	-4
Operating Profit before amortisation	148	142
Amortisation Expenses	(84)	(84)
EBIT	64	58
Margin	31.6%	29.3%
Net Financial Expenses	(17)	(16)
Profit before income tax	47	42
Income Tax	(9)	(8)
Profit for the year	38	34

Comments

- A Revenue decrease** due to a lower remuneration on distributed natural gas mainly driven by **2021-26 regulatory framework** adjustment, despite recovery of demand vs. 2023
 - **Regulated revenues** remain high at **97%** of total revenues
- B Supplies decrease** mainly derived from lower regulated prices affecting LPG business, with **limited margin impact** due to regulated margin
- C Operating Expenses:** Nortegas delivering on its strategy to continue improving margin through **active cost management and digitalization**

Revenue Breakdown (FY 2024)



(1) Deducting the cost of the LPG from LPG Revenues to show the net margin of the LPG in the revenues (similar to natural gas distribution remuneration)
 (2) Includes Early Retirement Plan one-off costs

3 Financial Review

Nortegas Consolidated Cash Flow Statement

Cash Flow Statement as of 31st December 2024

€M	2023	2024
Recurring EBITDA	148	146
Corporate Tax payments	-12	-11
Change in Current Assets & Liabilities & Others ¹	-5	1
A Capex	-23	-22
B Interest payments	-16	-15
Cash-flow from operating and investing activities after third party financing activities	92	100

End of Period Cash and Cash Equivalents	68	107
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€M	2023	2024
Recurring EBITDA	148	146
CapEx	(23)	(22)
C Cash Generation (Recurring EBITDA-Capex)	125	125
<i>Cash Conversion</i>	<i>84.7%</i>	<i>85.3%</i>

Comments

A CapEx:

- Gross investment of **€22M in 2024 (-€1M vs. 2023), including:**
 - Discretionary and accretive** expansion Investments to sustain the development of Natural Gas and LPG CPs
 - Limited maintenance CapEx** related to works for network substitution thanks to a **state-of-the art long life network**
 - Investment in IT as part of the **digital transformation** strategy of the Company to continue driving **safety, customer service and efficiencies**

- B** **Interest payments** include mainly bond interests (100% fixed cost)

- C** **Sustained trend on Strong cash generation:** Recurring EBITDA-CapEx of €125M in 2024 (vs. €125M in 2023) deriving in **strong and stable cash conversion ratio** of 85.3% (vs. 84.7% in 2023)

3 Financial Review

Nortegas Consolidated Balance Sheet

Balance Sheet as of 31st December 2024

€M	2023	2024
Property, plant and equipment	884	847
Goodwill	46	46
Other intangible assets	1,370	1,344
Right-of-use assets	1	1
Other non-current financial assets	1	1
Deferred tax assets	0	0
Total non-current assets	2,303	2,240
Other current assets	42	34
Cash and cash equivalents	68	107
Total current assets	110	141
Total assets	2,413	2,381

Total equity	965	933
Financial liabilities from issuing bonds	1,122	1,122
Leases	1	1
Other non-current financial liabilities	1	1
Other non-current liabilities	22	26
Deferred tax liabilities	263	260
Total non-current liabilities	1,409	1,410
Current financial liabilities	8	8
Leases	0	0
Debt with group companies and associates	15	13
Other current liabilities	16	17
Total current liabilities	39	38
Total equity and liabilities	2,413	2,381

Comments

- Total **Cash on Balance Sheet** at 2024 year-end amounted **€107M vs €68M in Dec 2023**
- Total **Equity at year end 2024 amounted to €933M**
- Total **Net Debt at year end 2024 amounted to €1,039M** representing a **reduction of €40m** in comparison to 2023 figures, **mainly driven by the cash position increase**
- Financial policy driven by Nortegas' BoD and management commitment to **maintain Investment Grade credit rating**

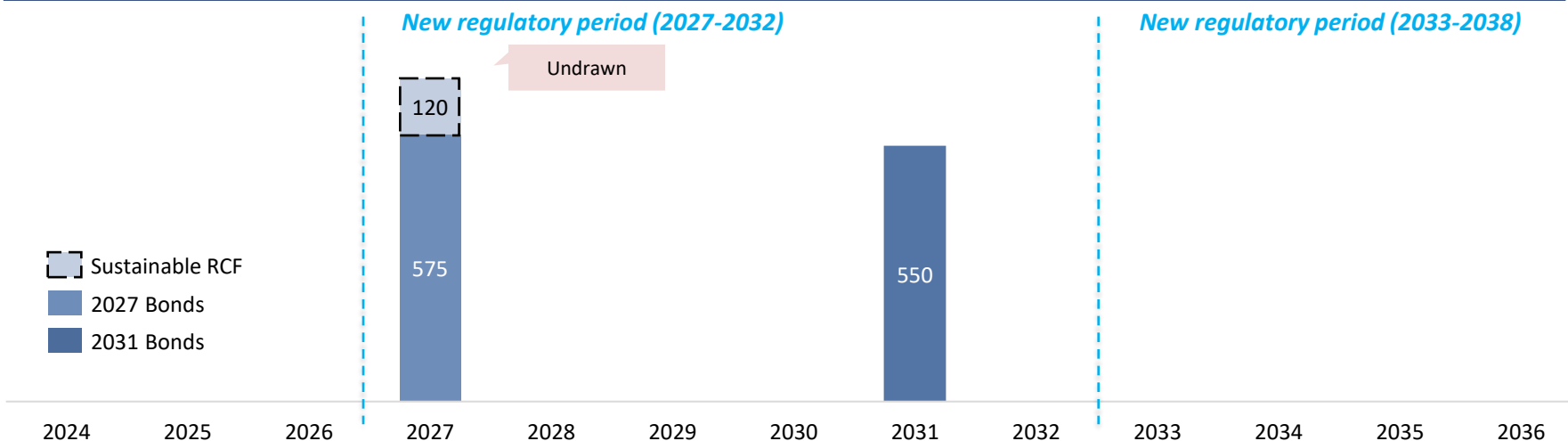
3 Financial Overview

Financial Policy and Capital Structure Supporting Investment Grade Rating

Debt and Liquidity Position as of 31st December 2024 (Nortegas Energía Distribución, S.A.U. and subsidiaries)

Instrument	Available (€M)	Drawn (€M)	Coupon
September 2027 Bonds ²	--	575	2.065%
January 2031 Bonds ²	--	550	0.905%
Sustainable Revolving Credit Facility ³	120	--	Euribor + 0.75%
Cash on Balance Sheet	107	--	--
Total	227	1,125	--

Debt and Liquidity Position as of 31st December 2024 (Nortegas Energía Distribución, S.A.U. and subsidiaries)



Key Data Points (as of 31st December 2024)

Net Debt €1,039M	ND/EBITDA ¹ 7.1x	Rating S&P ² BBB- Negative outlook (March 2025)	Liquidity €227M	Average Maturity 4.5 yrs	Average Financial Cost 1.30%
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4 ESG Review

Key 2024 indicators



- **45%** GHG emissions reduction in comparison with the 2018-2020 average emissions ¹



- **0** accidents own personnel / contractors



- **44%** women in workforce / **40%** women in leadership position



- **15%** compensation incentives linked to ESG criteria



- **123** volunteers have dedicated a total of **179** hours across 15 volunteering activities



★★★★☆ 2024



Environmental



Social



Governance

4 ESG Review

Continuous promotion of ESG, targeting responsible investments and a better risk management for more sustainable long-term returns

Support Energy Objectives Towards Decarbonization

- Climate Risk assessment incorporated into strategy according to Task Force on Climate Related Financial Disclosures (TCFD) since 2021
- Climate change mitigation and adaptation plan:
 - Support the development of biomethane and green hydrogen and enable injection into the gas distribution network
 - Carbon footprint 2024: preliminary audit in February 2025 according to the UNE-EN ISO 14064-1:2019 in its scope 1, 2 and 3
 - Scope 1 stationary combustion and fugitive emissions reduction
 - Spanish Ecological Transition Ministry's Emission Factors' application for Scopes 1 and 2
 - New emission sources addition to the Scope 3
- First follow-up audit under ISO 14001:2015 expected to take place in April 2025

Social Impact & Stakeholder Focus

- ISO 45001: 2018 HSE fully integrated in business activities and in the supply chain
- Foster diversity, equity and inclusion (DEI), talent and work-life balance
- High employee and family participation in the ImplicAcción corporate volunteering program and community development initiatives
- Promote technology R&D in collaboration with regional & national development authorities

Transparency, integrity, ensuring sustainable growth in the business

- Ethics code approved by the Board of Directors ("BoD")
- Focus on ESG training: BoD and all the employees
- Risk management system reviewed
- Accountability and Transparency:
 - Clients' satisfaction surveys
 - Employees working environment survey
 - Sustainable facilities aligned with the Loan Market Association's (LMA) Sustainability Linked Loan Principles (SLLP)



Certifications



5 Closing Remarks

Resilient business based on **regulated revenues, balanced customer profile** and **sustained CP growth**

Stable and predictable cash conversion coupled with **strong liquidity position**

100% fixed debt with **no short-term maturities**, providing visibility and protecting from macro conditions

Disciplined financial policy designed to maintain **Investment Grade** rating

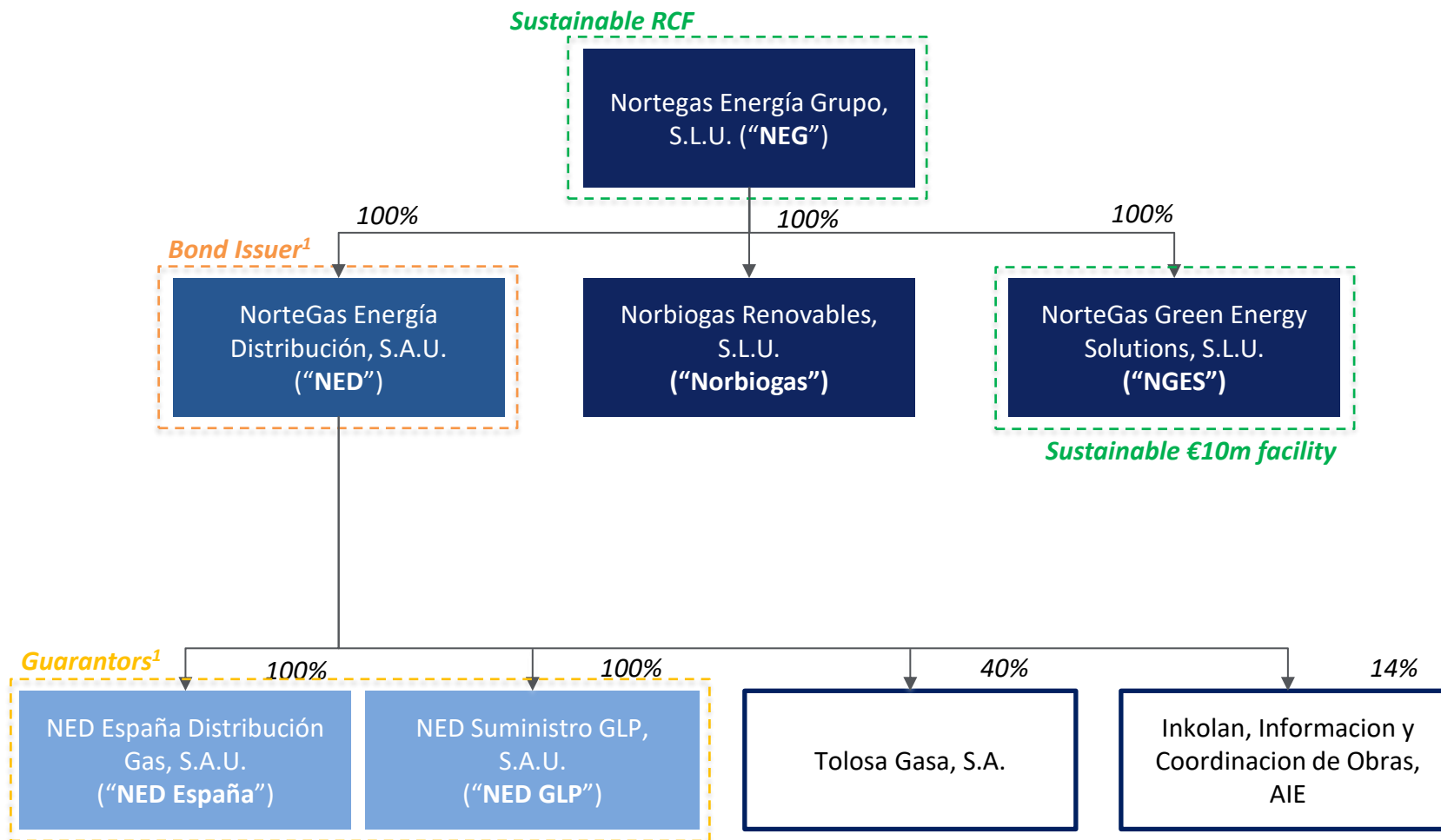
ESG at the core of the strategy, targeting responsible investments and a better risk management

Advancing on the **promotion and development of renewable gases, accelerating decarbonization and energy transition** through **existing distribution infrastructure** ready for renewable gases

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Appendix

Simplified Legal Chart (as of December 2024)



(1) Following the completion of the consent solicitation launched on June 10, 2025, NEG to become bond issuer, with NEG España and NEG GLP ceasing to be guarantors of the bonds. Neutral impact of the consent confirmed by S&P on June 10th, 2025.

New Business and Renewable Gases Update

Integrated infrastructure company with ancillary energy services..

LPG Individual Boilers

Significant growth since the launch of “A Punto” maintenance service

- **+16k active** customers



Natural Gas for Vehicles

Agreement with **Repsol** for the development and operation of NGV stations

- **9 public stations** fully operational



Boiler Rooms

Transformation of more polluting boiler rooms (e.g. coal, diesel) and **renewal** of oldergas installations

- **120 offers signed as Dec-24** (38 signed in 2024)
- **2,678 Tn of CO2 emissions** avoided with 2024 transformations



Increase of **commercial distribution volumes**



... supporting the energy transition through complementary green energy investments

Biomethane

Comprehensive biomethane plan in place with:

- **22.0 GWh of biomethane injected** into the grid as of Dec-24
- **Significant project pipeline** under development
- First agreement with **EIB** to finance development of biomethane projects



Hydrogen Distribution Infrastructure

Nortegas as a first mover:

- First 100% H₂ pipeline in Spain completed and H₂ valleys under design
- R&D project tests completed with **20% H₂ blending with Natural Gas**
- **H2bidea** R&D project facilities, currently under construction
 - 100% H₂ loop
 - Define technical recommendations for the safe distribution and use of hydrogen



