Limited Review Report
REDEIA CORPORACIÓN, S.A. AND SUBSIDIARIES
Interim Condensed Consolidated Financial Statements
and interim consolidated management report
for the six months ended
June 30, 2025

Building a better working world

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REPORT ON LIMITED REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Translation of a report and financial statements originally issued in Spanish. In the event of discrepancy, the Spanish-language version prevails.

To the shareholders of REDEIA CORPORACIÓN, S.A.:

Report on the interim condensed consolidated financial statements

Foreword

We have carried out a limited review of the accompanying interim condensed consolidated financial statements (hereinafter, the interim financial statements) of REDEIA CORPORACIÓN, S.A. (hereinafter, the Parent) and subsidiaries (hereinafter the Group), which comprise the condensed consolidated statement of financial position at 30 June 2025, the statement of profit or loss, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows and the explanatory notes, all of which condensed and consolidated, for the six months then ended. The Parent's directors are responsible for the preparation of the interim financial statements in accordance with the requirements established by International Accounting Standard (IAS) 34 Interim Financial Reporting as adopted by the European Union, as stipulated in article 12 of Royal Decree 1362/2007. Our responsibility is to express a conclusion on this interim financial information based on our limited review.

Scope of the review

We conducted our review in accordance with the International Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A limited review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A limited review is substantially less in scope than an audit conducted in accordance with the regulations governing financial statement audits prevailing in Spain and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an opinion on the accompanying interim financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim financial statements for the six months ended 30 June 2025 are not prepared, in all material respects, in accordance with the requirements established by International Accounting Standard (IAS) 34 Interim Financial Reporting as adopted by the European Union, as stipulated in article 12 of Royal Decree 1362/2007.

Emphasis of Matters

We draw attention to what is stated in Note 22 of the accompanying explanatory notes, which describes the grave incident in the peninsular electricity system that occurred on April 28, 2025. In that note, among other issues, it is indicated that the Parent's directors estimate that, with the information currently available, it is not probable that the blackout will imply an outflow of resources for the Group in the future. It is also noted that several investigations remain ongoing, including that being undertaken by the National Commission of Markets and Competition (CNMC), so this estimate made by the directors could change in the future. This matter does not modify our conclusion.

Additionally, we draw attention to the matter described in note 2.a) of the accompanying explanatory notes, which indicates that the accompanying interim financial statements do not include all the information that would be required for a complete set of consolidated financial statements prepared in accordance with International Financial Reporting Standards as adopted by the European Union and, therefore, the accompanying interim financial statements should be read in conjunction with the Group's consolidated financial statements for the year ended 31 December 2024. This matter does not modify our conclusion.

Report on other legal and regulatory requirements

The accompanying interim consolidated management report for the six months ended 30 June 2025 contains such explanations as the Parent's directors consider necessary regarding significant events which occurred during this period and their effect on these interim financial statements, of which it is not an integral part, as well as on the information required in conformity with article 15 of Royal Decree 1362/2007. We have checked that the accounting information included in the above-mentioned report agrees with the interim financial statements for the six months ended 30 June 2025. Our work is limited to verifying the interim consolidated management report in accordance with the scope mentioned in this paragraph, and does not include the review of information other than that obtained from the accounting records of REDEIA CORPORACIÓN, S.A. and its subsidiaries.

Paragraph on other matters

This report has been prepared at the request of the Parent's directors with regard to the publication of the interim financial report required by article 100 of Law 6/2023, of 17 March, on securities markets and investment services.

ERNST & YOUNG, S.L.

(Signed on the original Spanish version)

David Ruiz-Roso Moyano

July 30, 2025

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Interim condensed consolidated financial statements and interim consolidated management report for the six months ended 30 June 2025

Redeia

Consolidated statement of financial position at 30 June 2025

Thousands of euros

Assets	Note	30 Jun. 2025	31 Dec. 2024
Non-current assets			
Intangible assets	6	452,878	492,182
Property, plant and equipment	6	10,051,071	9,753,148
Investment properties	6	558	558
Investments accounted for using the equity method	7	773,179	803,500
Non-current financial assets	13	511,871	445,092
At fair value through other comprehensive income		102,548	76,194
At fair value through profit or loss		27,959	17,696
At amortised cost		381,364	351,202
Non-current derivatives	13	11,853	20,984
Deferred tax assets	15	40,409	30,937
Other non-current assets		948	1,023
Total non-current assets		**11,842,767**	**11,547,424**
Current assets			
Non-current assets held for sale	5	1,191,078	1,242,539
Inventories	8	142,714	97,741
Trade and other receivables	9	1,568,616	1,259,065
Trade receivables		33,009	16,749
Other receivables		1,534,910	1,240,951
Current tax assets		697	1,365
Other current financial assets	13	67,498	33,618
At amortised cost		67,498	33,618
Current derivatives		12,161	20,194
Cash and cash equivalents		546,280	889,638
Total current assets		**3,528,347**	**3,542,795**
Total assets		**15,371,114**	**15,090,219**

The accompanying notes 1 to 24 and Appendix I are an integral part of these interim condensed consolidated financial statements.

Redeia

Consolidated statement of financial position at 30 June 2025

Thousands of euros

Liabilities and equity	Note	30 Jun. 2025	31 Dec. 2024
Equity			
Capital and reserves		5,247,920	5,307,863
Capital		270,540	270,540
Reserves		4,219,671	4,288,747
Own shares (-)		(11,780)	(11,780)
Profit for the year attributable to equity holders of the parent		269,489	368,438
Interim dividend (-)		–	(108,082)
Other equity instruments		500,000	500,000
Valuation adjustments		(143,344)	(153,906)
Financial assets at fair value through other comprehensive income		35,946	9,592
Hedging transactions		(655)	6,728
Translation differences		(178,635)	(170,226)
Equity attributable to equity holders of the parent		**5,104,576**	**5,153,957**
Equity attributable to non-controlling interests		108,126	106,111
Total equity	10	**5,212,702**	**5,260,068**
Non-current liabilities			
Grants and other items	11	1,438,587	1,121,850
Non-current provisions		104,897	123,368
Non-current financial liabilities	13	4,765,548	5,143,185
Bank borrowings, notes and other marketable securities		4,754,486	5,131,362
Other non-current financial liabilities		11,062	11,823
Deferred tax liabilities	15	363,691	363,076
Non-current derivatives	13	4,412	10,824
Other non-current liabilities		55,168	58,062
Total non-current liabilities		**6,732,303**	**6,820,365**
Current liabilities			
Liabilities associated with assets held for sale	5	427,071	478,532
Current provisions		2,848	3,172
Current financial liabilities	13	2,136,062	1,859,172
Bank borrowings, notes and other marketable securities		1,440,889	1,269,950
Other current financial liabilities		695,173	589,222
Trade and other payables	14	860,001	668,910
Trade payables		388,776	379,673
Other accounts payable		424,460	278,050
Current tax liabilities		46,765	11,187
Current derivatives	13	127	–
Total current liabilities		**3,426,109**	**3,009,786**
Total equity and liabilities		**15,371,114**	**15,090,219**

The accompanying notes 1 to 24 and Appendix I are an integral part of these interim condensed consolidated financial statements.

Redeia

Interim condensed consolidated statement of profit or loss for the six

Thousands of euros

	Note	First half 2025	First half 2024
Revenue	16.a	811,885	790,407
Self-constructed assets	6	31,768	28,983
Share of profits of equity-accounted investees (with similar businesses to that of the Group)	17	31,419	35,147
Cost of sales	16.c	(12,102)	(9,510)
Other operating income	16.b	49,215	43,812
Employee benefits expense	16.d	(91,493)	(86,973)
Other operating expenses	16.c	(184,700)	(183,166)
Depreciation and amortisation	6	(233,904)	(223,998)
Release of grants related to non-financial assets and other grants		14,082	6,522
Impairment of and gains/(losses) on disposal of fixed assets		(2)	–
Operating profit		**416,168**	**401,224**
Finance income		15,549	28,981
Finance costs		(64,424)	(67,244)
Change in fair value of financial instruments		(231)	(165)
Exchange differences		499	(19)
Net finance cost		**(48,607)**	**(38,447)**
Profit before tax		**367,561**	**362,777**
Income tax		(82,687)	(82,055)
Profit/(loss) for the period from continuing operations		**284,874**	**280,722**
Profit/(loss) after tax for the period from discontinued operations	5	**–**	**4,062**
Profit for the period		**284,874**	**284,784**
A) Profit for the period attributable to equity holders of the parent		**269,489**	**269,346**
A.1) Profit for the period from continuing operations attributable to equity holders of the parent		**269,489**	**265,408**
A.2) Profit for the period from discontinued operations attributable to equity holders of the parent		**–**	**3,938**
B) Profit for the period attributable to non-controlling interests	**2.e**	**15,385**	**15,438**
B.1) Profit for the period from continuing operations attributable to non-controlling interests		15,385	15,314
B.2) Profit for the period from discontinued operations attributable to non-controlling interests		–	124
Earnings per share (euros)			
Basic earnings per share (euros)	23	0.50	0.50
Diluted earnings per share (euros)	23	0.50	0.50

The accompanying notes 1 to 24 and Appendix I are an integral part of these interim condensed consolidated financial statements.

Redeia

Consolidated statement of comprehensive income for the six months ended

Thousands of euros

	First half 2025	First half 2024
A) Profit for the period (as per statement of profit or loss)	**284,874**	**284,784**
B) Other comprehensive income - Items that will not be reclassified to	**27,564**	**(859)**
Actuarial gains/(losses)	1,613	(1,146)
Equity instruments at fair value through other comprehensive income	26,354	–
Tax effect	(403)	287
C) Other comprehensive income - Items that may be reclassified to profit or loss in subsequent periods:	**(15,792)**	**(43,825)**
Hedging transactions:	1,136	3,183
a) Valuation gains/(losses)	(1,260)	(1,755)
b) Amounts reclassified to profit or loss	2,396	4,938
Translation differences:	(8,409)	(50,081)
a) Valuation gains/(losses)	(8,409)	(50,081)
Share of other comprehensive income of joint ventures and associates	(8,235)	3,869
a) Valuation gains/(losses)	(8,235)	3,869
Tax effect	(284)	(796)
Total comprehensive income for the period (A + B + C)	**296,646**	**240,100**
a) Attributable to equity holders of the parent	**281,261**	**224,346**
Continuing operations	281,261	224,346
Discontinued operations	–	–
b) Attributable to non-controlling interests	**15,385**	**15,754**
Continuing operations	15,385	15,754
Discontinued operations	—	—

The accompanying notes 1 to 24 and Appendix I are an integral part of these interim condensed consolidated financial statements.

Redeia

Consolidated statement of changes in equity for the six months ended 30 June 2025 and 2024
Thousands of euros

Equity	Share capital	Reserves and interim dividend	Own shares	Profit for the period attributable to equity holders of the parent	Other equity instruments	Valuation adjustments	Non-controlling interests	Total equity
Balance at 1 January 2024	**270,540**	**4,012,640**	**(19,496)**	**689,640**	**500,000**	**(44,564)**	**120,297**	**5,529,057**
1. Total comprehensive income	**–**	**(859)**	**–**	**269,346**	**–**	**(44,141)**	**15,754**	**240,100**
II. Transactions with shareholders or owners	**–**	**147,249**	**–**	**(540,670)**	**–**	**–**	**(13,287)**	**(406,708)**
- Dividend distribution	–	147,249	–	(540,670)	–	–	(13,287)	(406,708)
III. Other changes in equity	**–**	**148,970**	**–**	**(148,970)**	**–**	**–**	**–**	**–**
- Transfers between equity items	–	148,970	–	(148,970)	–	–	–	–
Balance at 30 June 2024	**270,540**	**4,308,000**	**(19,496)**	**269,346**	**500,000**	**(88,705)**	**122,764**	**5,362,449**
Balance at 31 December 2024	**270,540**	**4,180,665**	**(11,780)**	**368,438**	**500,000**	**(153,906)**	**106,111**	**5,260,068**
Balance at 1 January 2025	**270,540**	**4,180,665**	**(11,780)**	**368,438**	**500,000**	**(153,906)**	**106,111**	**5,260,068**
1. Total comprehensive income	**–**	**1,210**	**–**	**269,489**		**10,562**	**15,385**	**296,646**
II. Transactions with shareholders or owners	**–**	**108,082**	**–**	**(432,730)**	**–**	**–**	**(11,208)**	**(335,856)**
- Dividend distribution	–	108,082	–	(432,730)	–	–	(11,208)	(335,856)
III. Other changes in equity	**–**	**(70,286)**	**–**	**64,292**	**–**	**–**	**(2,162)**	**(8,156)**
- Transfers between equity items	–	(64,292)	–	64,292	–	–	–	–
- Other changes	–	(5,994)	–	–	–	–	(2,162)	(8,156)
Balance at 30 June 2025	**270,540**	**4,219,671**	**(11,780)**	**269,489**	**500,000**	**(143,344)**	**108,126**	**5,212,702**

The accompanying notes 1 to 24 and Appendix I are an integral part of these interim condensed consolidated financial statements.

Redeia

Consolidated statement of cash flows for the six months ended 30 June

Thousands of euros

	Note	First half 2025	First half 2024
Net cash flows from operating activities		**547,957**	**426,159**
Profit before tax		**367,561**	**362,777**
Adjustments to reconcile profit before tax to net cash flows:		213,649	213,154
Depreciation and amortisation	6	233,904	223,998
Other adjustments to profit		(20,255)	(10,844)
Share of profit of equity-accounted investees		(31,419)	(35,147)
Gains/losses on disposal/impairment of non-financial assets and financial instruments		233	165
Accrual of finance income		(15,549)	(28,981)
Accrual of finance costs		64,424	67,244
Recognition/reversal of provisions		(3,822)	5,869
Release of grants related to assets and other grants		(23,761)	(14,862)
Other income and expenses		(10,361)	(5,132)
Working capital changes		75,390	(209,287)
Other cash flows (used in)/from operating activities:		(108,643)	59,515
Interest paid		(74,880)	(94,901)
Dividends received		3,102	3,734
Interest received		11,527	10,800
Income tax received/(paid)		(46,597)	142,030
Other operating activity receipts/(payments)		(1,795)	(2,148)
Net cash flows used in investing activities		**(648,283)**	**(1,233,292)**
Payments for investments		(705,821)	(1,272,400)
PP&E, intangible assets and investment properties		(636,110)	(412,450)
Group companies, associates and business units		–	(1,645)
Other financial assets		(69,711)	(858,305)
Proceeds from disposals		24,311	2,253
Other financial assets		24,311	2,253
Other cash flows from investing activities		33,227	36,855
Other proceeds from investing activities		33,227	36,855
Net cash flows (used in)/from financing activities		**(239,976)**	**387,319**
Proceeds from/(repayment) of financial liabilities	13	(118,385)	507,587
Issuance and drawdown		906,857	554,970
Repayment		(1,025,242)	(47,383)
Dividends and payments on other equity instruments	10	(119,289)	(158,029)
Other cash flows (used in)/from financing activities		(2,302)	37,761
Other (payments for)/proceeds from financing activities		(2,302)	37,761
Net foreign exchange difference		**(3,056)**	**709**
Net decrease in cash and cash equivalents - Continuing operations		**(343,358)**	**(419,105)**
Cash and cash equivalents at 1 January - Continuing operations		**889,638**	**555,527**
Cash and cash equivalents at 30 June - Continuing operations		**546,280**	**136,422**
Net decrease in cash and cash equivalents - Discontinued operations		**(34,273)**	**(25,446)**
Cash and cash equivalents at 1 January - Discontinued operations		**102,672**	**119,889**
Cash and cash equivalents at 30 June - Discontinued operations		**68,399**	**94,443**

The accompanying notes 1 to 24 and Appendix I are an integral part of these interim condensed consolidated financial statements.

Contents

In order to make it easier to understand the information provided in this document, certain alternative performance measures have been included. The definition of those alternative performance measures can be retrieved from:

https://www.redeia.com/en/shareholders-and-investors/financial-information/alternative-performance-measures

1 Activities of the Group companies

Redeia Corporación, S.A. (formerly called Red Eléctrica Corporación, S.A.) is the parent (hereinafter, the Parent or the Company) of a Group of subsidiaries. The Group also has investments in joint operations together with other venturers. The Parent and its subsidiaries comprise Redeia (hereinafter, the Group or Redeia). The Parent's registered office is located in Alcobendas (Madrid) and its shares are traded on the Spanish stock exchange as part of the IBEX 35 index of blue chip stocks.

The Group's business is articulated around three main segments:

- **Management and operation of domestic electricity infrastructure:** this includes the transmission of electricity, operation of the system and management of the Spanish electricity transmission grid. These regulated activities are carried out by Red Eléctrica de España S.A.U. (hereinafter, Red Eléctrica), which is Spain's transmission and system operator (TSO).
- **Management and operation of international electricity infrastructure:** the Group carries out electricity transmission activities outside of Spain through Red Eléctrica Internacional S.A.U. and its investees (hereinafter, Redinter).
- **Telecommunications (satellites and fibre optic):** The Group provides telecommunications services to third parties through Redeia Infraestructuras de Telecomunicación, S.A. (hereinafter, Reintel), mainly via the lease of its dark fibre backbone network, and through the Hispasat subgroup (hereinafter, Hispasat), which operates satellites. As disclosed in note 5, at year-end 2024, the Group classified its satellite communications business, carried out by Hispasat, as a discontinued operation, so that the assets and liabilities associated with that subgroup, which do not yet qualify for recognition as a completed sale, are presented as non-current assets held for sale and the earnings of that subgroup are classified within discontinued operations, as prescribed in IFRS 5 - *Non-current assets held for sale and discontinued operations*.

In addition, the Group carries out activities designed to stimulate and accelerate technological innovation through Elewit S.A.U. (hereinafter, Elewit).

Through its subsidiaries, the Group also carries out activities aimed at financing its businesses and hedging its risks by reinsuring its assets and activities. Lastly, it develops and builds electricity infrastructure and plant through its subsidiaries and investees, Red Eléctrica Infraestructuras en Canarias, S.A.U. (Reincan) and Interconexión Eléctrica Francia-España, S.A.S. (Inelfe).

Appendix I itemises the business activities and registered offices of the Parent and its subsidiaries, indicating the Parent's direct and indirect shareholdings in its various investees.

2 Basis of presentation of the interim condensed consolidated financial statements

a) General information

The accompanying interim condensed consolidated financial statements were authorised for issue by the directors of the Parent at a board meeting held on 29 July 2025 and have been prepared to present fairly the equity and financial position of the Company and its subsidiaries at 30 June 2025, as well as its financial performance, cash flows and the changes in its equity, all of which on a consolidated basis, for the six months then ended.

These interim condensed consolidated financial statements were prepared from the individual accounting records of the Company and the rest of the Group companies, which together form Redeia (Appendix I). Each company prepares its separate financial statements using the principles and criteria in effect in the country in which they operate; accordingly, uniformity adjustments and reclassifications are made upon consolidation to align these principles and criteria with IFRS-EU.

The accounting policies used by the consolidated companies are adjusted as necessary to ensure uniformity with those applied by the Company.

The accompanying interim condensed consolidated financial statements for the six months ended 30 June 2025 were prepared in accordance with IAS 34 *Interim financial reporting* and are presented in thousands of euros, unless otherwise indicated.

In keeping with IAS 34, the interim financial information has been prepared solely for the purpose of providing an update with respect to the last complete set of annual consolidated financial statements authorised for issue and accordingly focuses on new activities, events and circumstances arising in the six-month period and does not duplicate the information previously reported in the Group's most recent annual consolidated financial statements.

Therefore, for an adequate understanding of the information provided in these interim condensed consolidated financial statements, they should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2024, which were prepared under the International Financial Reporting Standards adopted by the European Union (IFRS-EU) in effect at the time and were approved at the Annual General Meeting held on 30 June 2025.

The Group has not omitted any mandatory accounting principle with a significant effect on the interim condensed consolidated financial statements.

b) New standards and amendments to IFRS-EU

These interim condensed consolidated financial statements were prepared using the improvements to IFRS issued and approved for application in the European Union from 1 January 2025:

Effective from:	Accounting standard amendments
1 January 2025	Amendments to IAS 21 - *The effects of changes in foreign exchange rates*: *Lack of exchangeability* (issued on 15 August 2023)

The amendments to IAS 21 specify how to assess whether a currency is exchangeable and how to determine a spot exchange rate if it is not; they also specify when additional disclosures are required. These amendments have not had any impact on the Group's financial statements.

Below are the standards and standard amendments issued by the IASB that will become mandatorily applicable in the future but are still pending adoption by the European Union:

Effective from:	Accounting standard amendments
1 January 2026	Amendments to IFRS 7 and IFRS 9 - *Classification and measurement of financial instruments* (issued on 30 May 2024)
	Annual improvements to IFRS accounting standards - Volume 11 (issued on 18 July 2024)
	Amendments to IFRS 7 and IFRS 9 - *Accounting for contracts referencing nature-dependent electricity* (issued on 18 December 2024)
1 January 2027	IFRS 19 - *Subsidiaries without public accountability* (issued on 9 May 2024)
	IFRS 18 - *Presentation and disclosure in financial statements* (issued on 9 April 2024)

The targeted amendments to IFRS 7 and IFRS 9 issued on 30 May 2024 clarify the criteria for classifying certain financial assets, as well as the criteria for derecognising financial liabilities settled through an electronic cash transfer system. They also introduce additional disclosure requirements.

The annual improvements to IFRS (Volume 11) are aimed at enhancing the quality of the standards by amending existing financial standards in order to clarify guidance and wording or correct minor aspects.

The targeted amendments to IFRS 7 and IFRS 9 issued on 18 December 2024 clarify how to account for electricity contracts, differentiating between contracts to buy and sell electricity and those that need to be recognised as financial instruments.

The amendments to IFRS 19 detail the disclosures that a subsidiary without public accountability may apply optionally when issuing its financial statements.

The future IFRS 18 - *Presentation and disclosure in financial statements*, will replace the current IAS 1. This standard introduces, among other changes, three new requirements designed to improve the information companies provide about their financial performance and offer investors a better basis for analysing and comparing companies:

- Improving the comparability of the statement of financial performance by introducing three new categories (operating, investing and financing activities) and new subtotals (operating profit or loss, profit or loss before financing activities and income taxes);
- Enhancing transparency around management-defined performance measures by introducing new guidance and disclosure requirements; and
- Facilitating guidance for more usefully aggregating financial statement information.

The Group does not expect the standards or amendments pending adoption to have a significant impact on its consolidated financial statements. However, the Group is analysing IFRS 18 in order to identify what impacts its future application will have on its primary financial statements and the accompanying notes. The preliminary analysis suggests that application of the new standard will primarily affect the presentation of items of income and expense without triggering changes in how those items are recognised or measured.

c) Use of estimates and assumptions

Preparation of the interim condensed consolidated financial statements in accordance with IFRS-EU requires the Group's management to use judgement and make estimates and assumptions that affect application of its accounting policies and the recognised amounts of assets, liabilities, income and expenses. The estimates and assumptions made by the Group are based on past experience and other factors considered reasonable under the circumstances. The reader should note that actual results may differ from these estimates and that these interim condensed consolidated financial statements were prepared on a going concern basis.

The estimates are based on the best information available in the circumstances, as outlined in note 2.c) "Use of estimates and assumptions" of the 2024 annual consolidated financial statements.

d) Basis of consolidation

These interim condensed consolidated financial statements were prepared using the same consolidation principles as were used to prepare the 2024 annual consolidated financial statements.

e) Non-controlling interests

There were no changes in the scope of consolidation in the first half of 2025 affecting the percentage interests held by non-controlling shareholders.

f) Comparative information

These interim condensed consolidated financial statements were prepared using the same consolidation principles as were used to prepare the 2024 annual consolidated financial statements.

As outlined in note 5, the consolidated statement of profit or loss, consolidated statement of comprehensive income and consolidated statement of cash flows for the six months ended 30 June 2024 provided in these interim condensed consolidated financial statements for comparative purposes have been restated for uniformity purposes, specifically to reflect the classification of the satellite telecommunications business as a discontinued operation.

g) Changes in the consolidated Group

In the first half of 2025, Axess Networks Solutions Perú S.A.C. was merged into Hispasat Perú S.A.C. and then dissolved and extinguished, without any impact on the Group's consolidation scope.

3 Sector regulations

a) The electricity sector in Spain

As noted in the 2024 annual consolidated financial statements, the Spanish electricity sector's regulatory framework is based on Law 24/2013 (26 December 2013), the Electricity Sector Act.

The above-mentioned annual consolidated financial statements for 2024 detail the general remuneration regime applicable to the regulated activities carried out by Red Eléctrica in its capacity as transmission and system operator (TSO) derived from Royal Decree-Law 1/2019 and the remuneration circulars issued by the sector watchdog, the CNMC, in 2019. Note that the CNMC is expected to approve the circulars that define the remuneration model and parameters for 2026 - 2031 soon (this process having got underway with the consultations undertaken in the second quarter of 2024). This process will include its update of the financial rate of return, the methodology for calculating the remuneration for transmitting electricity and the unit values for investment and operation and maintenance. In fact, the CNMC has already published the proposed amendment to Circular 2/2019, establishing the methodology for calculating the financial rate of return, which is currently being hears and is open to comment until 4 August 2025.

As for the regulatory developments in the first half of 2025 of greatest relevance to Red Eléctrica, we would highlight:

- CNMC Resolution of 12 March 2025, establishing the remuneration assigned to owners of electricity transmission facilities corresponding to 2022. In the case of Red Eléctrica, that remuneration amounts to 1.46 billion euros.
- Royal Decree 534/2025 of 24 June 2025, regulating the direct award of grants with a charge against the funds associated with the Recovery, Transformation and Resilience Plan for the execution of investments in the electricity transmission grid related with strategic decarbonisation projects. The total volume of grants is 931 million euros, with 510 million euros to be allocated in 2025 and 421 million euros in 2026.

On the European front, the European Commission published the Clean Industrial Deal, which is part of the Affordable Energy Action Plan. One of the key initiatives is the Grids Package, under which Regulation (EU) 2022/869 of the European Parliament and of the Council of 30 May 2022 on guidelines for trans-European energy infrastructure will be revised.

b) International electricity sector regulations

There have been no significant legislative developments in electricity sector regulations in Peru or Brazil since publication of the 2024 annual consolidated financial statements.

Chile's Energy Transition Act (Law 21,721) of 27 December 2024, amending the General Electric Services Act with respect to electricity transmission, was implemented in 2025 by means of Regulatory Resolutions issued by Chile’s National Energy Commission (CNE) in March 2025.

c) Telecommunications sector

In the telecommunications sector, there have been no significant legislative developments since publication of the annual consolidated financial statements for 2024.

4 Material accounting policies

These interim condensed consolidated financial statements were prepared using the same accounting principles as were used to prepare the annual consolidated financial statements for 2024.

5 Non-current assets held for sale and discontinued operations

These interim condensed consolidated financial statements were prepared using the same accounting principles as were used to prepare the annual consolidated financial statements for 2024.

On 31 January 2025, Redeia, through its subsidiary, Redeia Sistemas de Telecomunicaciones S.A.U., agreed to sell Indra Sistemas S.A. (Indra) its 89.68% interest in the share capital of Hispasat, S.A. (Hispasat) for 725 million euros.

The sale is expected to close in 2025 as it is subject to delivery of certain suspensive conditions, including approval by Spain's Council of Ministers, the anti-trust authorities and several regulators in both Spain and other jurisdictions; it is also subject to approval at Indra's Annual General Meeting and to the execution of certain agreements so that Indra can increase its interest and consolidate Hisdesat, a government satellite services operator in the areas of defence, security, intelligence and foreign affairs, for accounting purposes.

As a result, at 31 December 2024, the assets and liabilities belonging to the satellite telecommunications segment carried out by the Hispasat subgroup, whose parent company is Hispasat, S.A. and which is controlled by Redeia through its 89.68% shareholding, were classified as non-current assets held for sale.

This classification meets the criteria prescribed in IFRS 5 - *Non-current assets held for sale and discontinued operations* (note 4.y of the annual consolidated financial statements for 2024). Moreover, since the satellite telecommunications business represents a separate major line of business, the Group has classified its operations as a discontinued operation in its consolidated statement of profit or loss, as the Group estimated that the conditions for reclassification under IFRS were met at 31 December 2024.

The satellite telecommunications business continues to be classified as a discontinued operation at 30 June 2025 so that the comparative figures for the six months ended 30 June 2024 have been likewise reclassified into a single line item in Redeia's consolidated statement of profit or loss.

The breakdown of non-current assets held for sale and the associated liabilities at 30 June 2025 and 31 December 2024 and the post-tax profit or loss of discontinued operations for the six months then ended:

30 Jun. 2025			31 Dec. 2024		
Non-current assets held for sale	Liabilities associated with assets held for sale	Profit/(loss) after tax for the period from discontinued operations	Non-current assets held for sale	Liabilities associated with assets held for sale	Profit/(loss) after tax for the period from discontinued operations
1,191,078	427,071	—	1,242,539	478,532	(138,245)

The next table itemises the impact of the discontinuation of the satellite telecommunications business by statement of financial position line item at 30 June 2025 and 31 December 2024:

Thousands of euros	30 Jun. 2025	31 Dec. 2024
Assets		
Intangible assets, property, plant and equipment and investment properties	852,841	908,422
Investments accounted for using the equity method	92,684	89,402
Other non-current assets	99,097	86,922
Total non-current assets	**1,044,622**	**1,084,746**
Inventories	1,281	1,448
Trade and other receivables	70,991	51,441
Other current assets	2,648	2,231
Cash and cash equivalents	71,739	102,673
Total current assets	**146,659**	**157,793**
Total assets	**1,191,281**	**1,242,539**

Thousands of euros	30 Jun. 2025	31 Dec. 2024
Liabilities		
Grants and other items	40,330	46,514
Non-current financial liabilities	185,704	235,916
Other non-current liabilities	66,739	66,631
Total non-current liabilities	**292,773**	**349,061**
Current financial liabilities	56,907	51,929
Trade and other payables	77,391	77,542
Total current liabilities	**134,298**	**129,471**
Total liabilities	**427,071**	**478,532**

Non-current assets held for sale (1,191 million euros at 30 June 2025 and 1,243 million euros at 31 December 2024) less total liabilities directly associated with the assets held for sale (427 million euros at 30 June 2025 and 479 million euros at 31 December 2024) less the non-controlling interests in the Hispasat subgroup (39 million euros at 30 June 2025 and 39 million euros at 31 December 2024) is equivalent to the offer received in the amount of 725 million euros.

The breakdown of the earnings of the discontinued operation in the first six months of 2025 and 2024:

Thousands of euros	First half 2025	First half 2024
Revenue	101,027	120,405
Share of profits of equity-accounted investees (with similar businesses to that of the Group)	3,305	2,392
Other operating income	5,275	3,402
Total income	**109,607**	**126,199**
Other operating expenses	(54,248)	(58,176)
Depreciation and amortisation	(51,012)	(60,984)
Release of grants related to non-financial assets and other grants	4,824	5,455
Impairment of and gains/(losses) on disposal of fixed assets	(2,520)	(53)
Operating profit	**6,651**	**12,441**
Net finance cost	**(6,962)**	**(5,573)**
Profit before tax	**(311)**	**6,868**
Income tax	**311**	**(2,806)**
PROFIT/(LOSS) AFTER TAX FOR THE PERIOD FROM DISCONTINUED OPERATIONS	**—**	**4,062**

The breakdown of profit/(loss) after tax for the period from discontinued operations:

Millions of euros	Total	Attributable to equity holders of the parent	Attributable to non-controlling interests
Profit/(loss) after tax attributable to the Hispasat subgroup	2,279	2,279	—
Impairment of goodwill	(2,566)	(2,566)	—
Other income derived from adjustments recognised as part of the	287	287	—
Profit/(loss) after tax for the period from discontinued operations	**—**	**—**	**—**

At 30 June 2025, the Group wrote the value of the net assets of its satellite business down to their fair value of 725 million euros, the benchmark provided by the above sale agreement. This adjustment triggered an additional goodwill impairment charge (included within non-current assets held for sale) of 2.6 million euros, on top of the 74 euros of goodwill impairment recognised at 31 December 2024.

The net cash flows attributable to the operating, investing and financing activities of the discontinued operation in the first six months of 2025 and 2024:

Thousands of euros	First half 2025	First half 2024
Net cash flows from operating activities	25,032	59,552
Net cash flows used in investing activities	(7,892)	(13,300)
Net cash flows used in financing activities	(51,413)	(71,698)
Impact on cash flows	**(34,273)**	**(25,446)**

6 Intangible assets, property, plant and equipment and investment properties

The Group's main intangible assets at 30 June 2025:

- 287 million euros, net of accumulated amortisation, related with the concessions held by the Peruvian companies Redesur, Tesur, Tesur 2, Tesur 3, Tesur 4 and CCNCM.
- 114 million euros, net of accumulated amortisation, related with software.
- 48 million euros related to the perpetual right to regulated tariffs held by Redenor 2 of Chile (an asset with indefinite useful life).
- 3.5 million euros of goodwill originated by the Concesionaria Línea de Transmisión CCNCM, S.A.C. (hereinafter, CCNCM) business combination.

The Group's main items of property, plant and equipment at 30 June 2025:

- 9,692 million euros, net of accumulated depreciation charges, of electricity facilities.
- 252 million euros, net of accumulated depreciation charges, of telecommunications facilities.

The additions recognised under intangible assets, property plant and equipment and investment properties in the first half of 2025, excluding the assets recognised as a result of application of IFRS 16, totalled 553 million euros (405 million euros in the first half of 2024) and related primarily to the recognition of electricity facilities generated by Red Eléctrica. Application of IFRS 16 gave rise to the recognition of 1.4 million euros of assets in the first half of 2025 (6.8 million euros in the first half of 2024). The Group did not derecognise any assets in the first half of 2025 (it derecognised 2.2 million euros in the first half of 2024).

Amortisation and depreciation charges totalled 233,904 thousand euros in the first half of 2025 (223,998 thousand euros in the first half of 2024).

During the first six months of 2025, the Group capitalised 31,768 thousand euros of operating expenses (28,983 thousand euros in the first half of 2024). The Group includes all operating expenses incurred in providing support to the units directly involved in the business as capitalised expenditure.

It also capitalised 10,060 thousand euros of borrowing costs during the first half of 2025 (7,066 thousand euros in the first half of 2024).

There were no significant stoppages of facilities under construction in the first six months of 2025 or 2024 (note 12).

There were no additions, derecognitions or significant changes in lease terms with respect to those reflected in the annual consolidated financial statements for 2024.

As disclosed in notes 6 and 7 of the annual consolidated financial statements for 2024, at year-end 2024, the Group tested its intangible assets and property, plant and equipment for impairment by calculating the value in use of the CGUs to which those assets have been allocated, without identifying any impairment losses. The assumptions underlying those impairments tests are outlined in detail in notes 6 and 7 of those annual consolidated financial statements. At 30 June 2025, the Group checked its non-financial assets for indications of impairment, without detecting any.

The Group's investment properties are measured at a market value of approximately 1.4 million euros (1.2 million euros at 30 June 2024).

7 Investments accounted for using the equity method

The reconciliation of the Group's equity-accounted investees at the beginning and end of the reporting period is as follows:

Thousands of euros	31 Dec. 2024	Additions	Share of profit/(loss)	Dividends	Translation differences	Valuation and other adjustments	Transfers to/of non-current assets held for sale and discontinued	30 Jun. 2025
Transmisora Eléctrica del Norte S.A. (TEN)	264,178	–	3,353	–	(25,629)	(8,235)	–	233,667
Argo Energia Empreendimentos e Participações S.A.	532,577	–	28,045	(38,421)	9,842	–	–	532,043
Hisdesat Servicios Estratégicos, S.A.	–	–	3,346	–	–	–	(3,346)	–
Grupo Sylvestris, S.L.	–	–	(41)	–	–	–	41	–
Elewit investees (significant interest)	5,552	826	–	–	–	–	–	6,378
COIESA	1,193	–	21	–	(123)	–	–	1,091
Total	**803,500**	**826**	**34,724**	**(38,421)**	**(15,910)**	**(8,235)**	**(3,305)**	**773,179**

In the first half of 2025, the Group's share of the profit of the Hisdesat investees, Grupo Sylvestris, S.L. and GSS, in the amount of 3,305 thousand euros, is recognised under profit/(loss) after tax for the period from discontinued operations in the accompanying consolidated statement of profit or loss (notes 1 and 5).

8 Inventories

The breakdown of “Inventories” at 30 June 2025 and 31 December 2024:

Thousands of euros	**30 Jun. 2025**	**31 Dec. 2024**
Inventories	185,034	136,348
Impairment	(42,320)	(38,607)
Total	**142,714**	**97,741**

The Group’s inventories mainly comprise the equipment, materials and spare parts used to maintain the electricity transmission network.

The Group companies calculate inventory impairment losses regularly on the basis of ageing and surplus stock schedules; inventory impairment was not significant during the six months ended 30 June 2025.

9 Trade and other receivables

The breakdown of “Trade and other receivables” at 30 June 2025 and 31 December 2024:

Thousands of euros	**30 Jun. 2025**	**31 Dec. 2024**
Trade receivables	33,009	16,749
Grants pending collection (note 11)	307,600	–
Other receivables	1,227,310	1,240,951
Current tax assets	697	1,365
Total	**1,568,616**	**1,259,065**

Trade receivables primarily includes contract assets.

Other receivables mainly include balances pending collection from the provision of regulated transmission and system operation services in Spain.

Current tax assets essentially reflect the settlements due from the tax authorities with respect to the Group’s corporate income tax.

No material amounts were past due by more than 12 months at 30 June 2025 or 31 December 2024.

The fair value estimates reflect market participant assumptions based on available market information and conditions at the measurement date.

10 Equity

Capital risk management

The Group's capital management objectives are to safeguard its ability to continue as a going concern in order to generate returns for its shareholders and maintain an optimum capital structure to reduce the cost of capital.

To maintain or adjust the capital structure, the Group can adjust the dividends it pays shareholders, return capital to shareholders or issue new shares.

The Group monitors its capital using a leverage ratio, in line with sector practice. Specifically, it measures the ratio of net debt over Group equity plus net debt. Net debt is calculated as follows:

Thousands of euros	30 Jun. 2025	31 Dec. 2024
Non-current borrowings (*)	4,754,381	5,131,182
Current borrowings (*)	1,368,380	1,188,015
Foreign exchange derivatives	(10,071)	(34,708)
Short-term money market investments (**)	(27,000)	(25,000)
Cash and cash equivalents	(546,280)	(889,638)
Net debt (A)	**5,539,410**	**5,369,851**
Equity (B)	**5,212,702**	**5,260,068**
Leverage ratio = A/(A+B)	**51.52%**	**50.52%**

(*) Interest payable was excluded from both the 2025 and 2024 ratios.

(**) Term deposits and other similar financial assets that are recognised under “Other current financial assets” at amortised cost that do not meet the criteria for classification within “Cash and cash equivalents” despite being identical in nature to a cash equivalent.

During the first half of 2025, Standard & Poor’s placed Redeia’s issuer credit rating of 'A-' on credit watch negative, signalling a possible rating downgrade of one notch within a period of three months. Elsewhere, the Company continues to hold a long-term credit rating of ‘A-’ with a stable outlook and a short-term rating of ‘F1’ from Fitch Ratings.

Equity attributable to equity holders of the parent

- **Capital and reserves**
  - Share capital

At 30 June 2025, the Parent’s share capital comprised 541,080,000 shares represented by book entries, all subscribed and paid in, carrying the same voting and dividend rights (notwithstanding the limits outlined in the paragraph below), with a unit par value of fifty euro cents. They are admitted to trading on the four Spanish stock exchanges and are traded through the continuous market (SIBE for its acronym in Spanish).

The Parent is subject to the shareholder limitations stipulated in additional provision twenty-three of the Spanish Law 54/1997 (27 November 1997) and article 30, Law 24/2013 of the Electricity Sector Act.

Specifically, any individual or entity may hold shares in the Parent, provided that the sum of their direct or indirect interests in its share capital does not exceed 5% and their voting rights do not surpass 3% of the total. These shares may not be syndicated for any purpose. Voting rights in the Parent are limited to 1% in the case of entities that carry out activities in the electricity sector, and individuals and entities that hold direct or indirect interests exceeding 5% of the share capital of such companies, notwithstanding the limits applicable to generators and agents under article 30 of the Electricity Sector Act. The above limits on shareholdings in the Parent do not apply to the state industrial holding company, SEPI for its acronym in Spanish, which must maintain a shareholding of at least 10%. At 30 June 2025 and 31 December 2024, SEPI held 20% of the Parent’s share capital.

◦ Reserves

This heading includes:

* Legal reserve

Spanish companies must transfer 10% of profit for the year to a legal reserve until this reserve is equivalent to at least 20% of share capital. This reserve cannot be distributed to shareholders until that threshold is met and may only be used to offset losses, provided no other reserves are available. Under certain conditions, this reserve may also be used to increase share capital. At 30 June 2025, the Parent's legal reserve was equal to 20% of its share capital (54,199 thousand euros).

* Other reserves

This heading includes the Parent's voluntary reserves, its reserves in subsidiaries and first-time application reserves. At 30 June 2025, these reserves amounted to 4,165,472 thousand euros and included reserves set up pursuant to legal obligations in the amount of 475,171 thousand euros.

* Own shares

At 30 June 2025, the Parent held own shares representing 0.12% of its share capital; specifically, it held 671,942 shares with an aggregate par value of 336 thousand euros, which it acquired at an average price of 17.53 euros per share.

These shares are recognised as a reduction in the Group's equity and were carried at 11,780 thousand euros at 30 June 2025.

The Parent is compliant with all of its obligations under article 509 of the Corporate Enterprises Act which stipulates, in relation to shares listed on an official exchange, other than in the exceptional cases itemised in company law, that the par value of any own shares acquired, plus those already held by the Parent and its subsidiaries, may not exceed 10% of share capital. The subsidiaries do not hold any own shares or any Parent shares.

◦ Other equity instruments

This heading relates to a subordinated perpetual bond issue (hybrid instruments) issued on 24 January 2023. The Company can, at its sole discretion, elect to defer any payment of interest on the securities.

The size of the issue was 500 million euros; it was structured into a single tranche. The securities qualify as green bonds. The par value of each security was 100,000 euros and they were issued at a price of 99.67% of par.

◦ Profit for the period attributable to equity holders of the parent

Profit for the first half of 2025 amounted to 269,489 thousand euros (269,343 thousand euros in the first half of 2024).

◦ Interim dividends and motion for the distribution of dividends by the Parent

The dividends paid in the first half of 2025 and 2024 are shown in the table below:

	30 Jun. 2025			30 Jun. 2024		
Thousands of euros	% of par value	Euros per share	Amount	% of par value	Euros per share	Amount
Ordinary shares	40.00%	0.20	108,082	54.00%	0.27	147,249
Total dividends paid	**40.00%**	**0.20**	**108,082**	**54.00%**	**0.27**	**147,249**
Dividends charged against profit	**40.00%**	**0.20**	**108,082**	**54.00%**	**0.27**	**147,249**

At the Annual General Meeting held on 30 June 2025, the Parent's shareholders ratified the motion for the payment of a final dividend from 2024 profits of 0.6 euros per share for a total dividend against 2024 earnings of 0.8 euros per share. The final dividend was paid out on 8 July 2025.

- **Valuation adjustments**

This heading mainly reflects the movements in the Group's financial assets at fair value through other comprehensive income generated by its equity instruments, hedging derivatives, as well as exchange differences originated at subsidiaries whose functional currency is different from that of the Group.

Those movements implied a loss of 143,344 thousand euros in the six months ended 30 June 2025 (loss of 153,906 thousand euros in the first half of 2024). The positive valuation differences arose primarily on the measurement of equity instruments at fair value through other comprehensive income, specifically the Group's equity investment in REN, and were more than offset by translation losses, caused mainly by US dollar depreciation.

Equity attributable to non-controlling interests

This heading of the accompanying consolidated statement of financial position reflects the non-controlling interests in Reintel, the Hispasat Subgroup and Redenor, of Chile.

During the first half of 2025, Redeia paid 11.2 million euros of dividends to non-controlling interests through Infraestructuras de Telecomunicación, S.A.U.

11 Grants and other non-current advances received

This heading includes grants related to assets, which in turn mainly reflect the sums collected by Red Eléctrica to finance the construction of electricity facilities. It also includes other subsidies and advances received, including tax relief in exchange for investments in fixed assets in the Canary Islands, which, by nature are equivalent to grants related to assets, as well as the amounts of technical facilities received by the Group under agreements with third parties.

During the first half of 2025, the Group recognised grants totalling 340,498 thousand euros (34,380 thousand euros in the first half of 2024). In the first half of 2025, they mainly reflect the direct award of grants with a charge against the funds associated with the Recovery, Transformation and Resilience Plan for the execution of investments in the electricity transmission grid related with strategic decarbonisation projects that have been allocated to Red Eléctrica, in the amount of 931 million euros. At the date of authorising these interim condensed consolidated financial statements for issue, the Group has recognised the funds related with the facilities commissioned in 2024 and the first half of 2025, which are still pending collection (note 9).

In the first six months of 2025, the Group recognised 23,761 thousand euros of grants and other non-current advances collected within revenue (14,862 thousand euros in the first half of 2024), specifically 14,082 thousand euros of grants and 9,680 thousand euros of other advances.

12 Financial risk management policy

The Group's financial risk management policy establishes principles and guidelines to ensure that any significant risks that could compromise the objectives and activities of Redeia are identified, analysed, assessed, managed and controlled, and that these processes are carried out systematically, framed by uniform criteria.

In the first half of the year, the Group continued to apply the financial risk management policies disclosed in note 17 of the annual consolidated financial statements for 2024. The main guidelines can be summed up as follows:

- Risk management should be fundamentally proactive and directed towards the medium and long term, taking into account possible scenarios in an increasingly global environment.
- Risk should generally be managed in accordance with consistent criteria, distinguishing between the importance of the risk (probability/impact) and the cost and resources needed to mitigate it.
- Financial risk management should be designed to avoid undesirable movements in the Group's value, rather than generating extraordinary gains.

The Group's finance management is responsible for managing financial risk, ensuring consistency with the Group's strategy and coordinating risk management across the various Group companies, identifying the main risks and defining the initiatives to be taken, based on different financial scenarios.

The methodology for identifying, measuring, monitoring and controlling financial risks, as well as the performance indicators and measurement and control tools specific to each risk, follow the guidelines and criteria laid down in the Group's Comprehensive Risk Management Policy and its General Risk Management and Control Procedure.

There were no significant changes in the Group's financial risk management policies during the six months ended 30 June 2025. Nor were there any significant changes in the economic or business circumstances that could affect the fair value of the Group's financial assets and liabilities.

In the first half of 2025, the Group drew down 907 million euros under credit facilities with banks. In the wake of these new transactions, and having repaid the debt falling due and settled all payments arising in the course of its activities, the Group had 2,827 million euros of liquidity at 30 June 2025 (573 million euros of unrestricted cash, deposits and financial assets and 2,254 million euros of undrawn credit lines), so ensuring its ability to meet its operating cash flow requirements and honouring its debt maturities for the next 24 months.

13 Financial assets, financial liabilities and derivatives

a) Financial assets

The breakdown of the Group's current and non-current financial assets at 30 June 2025 and 31 December 2024:

	30 Jun. 2025				
Thousands of euros	At fair value through other comprehensive income	At fair value through profit or loss	At amortised cost	Hedging derivatives	Total
Equity instruments	102,548	18,448	–	–	120,996
Derivatives	–	–	–	11,853	11,853
Other financial assets	–	9,511	381,364	–	390,875
Non-current	**102,548**	**27,959**	**381,364**	**11,853**	**523,724**
Other financial assets	–	–	67,498	–	67,498
Derivatives	–	–	–	12,161	12,161
Current	**–**	**–**	**67,498**	**12,161**	**79,659**
Total	**102,548**	**27,959**	**448,862**	**24,014**	**603,383**

	31 Dec. 2024				
Thousands of euros	At fair value through other comprehensive income	At fair value through profit or loss	At amortised cost	Hedging derivatives	Total
Equity instruments	76,194	16,153	–	–	92,347
Derivatives	–	–	–	20,984	20,984
Other financial assets	–	1,543	351,202	–	352,745
Non-current	**76,194**	**17,696**	**351,202**	**20,984**	**466,076**
Other financial assets	–	–	33,618	–	33,618
Derivatives	–	–	–	20,194	20,194
Current	**–**	**–**	**33,618**	**20,194**	**53,812**
Total	**76,194**	**17,696**	**384,820**	**41,178**	**519,888**

Equity instruments at fair value through other comprehensive income mainly include the Group's 5% shareholding in REN, the holding company for the operation of the electricity transmission assets and a number of items of gas infrastructure in Portugal. At 30 June 2025, this investment was valued at 102,080 thousand euros (31 December 2024: 75,726 thousand euros).

The Group acquired its investment in REN in 2007 for 98,822 thousand euros. The value of this investment varies as a function of its share price performance. The increase in the fair value of this equity instrument in 2025 was recognised directly in equity.

Equity instruments at fair value through profit or loss include the investments held by Elewit in a number of different innovation-focused funds and companies. During the first half of 2025, the Group made additional equity investments totalling 2,525 thousand euros and recognised a loss of 231 thousand euros in profit and loss to reflect the movement in the value of these investments.

Other financial assets at fair value through profit and loss include the Group's investments in economic interest groupings which lease assets that are managed by another company that is unrelated to the Group, which retains substantially all the risks and rewards associated with the assets, with the Group simply availing itself of the tax incentives provided for in Spanish legislation. The Group recognises the tax losses generated by these economic interest groupings against the value of its investments in them. The difference between the amounts so recognised and the carrying amount of the investments is recognised as finance income.

Derivatives includes outstanding derivative financial instruments used as hedges whose fair value is positive.

Other non-current financial assets at amortised cost mainly include the financial asset recognised following application of IFRIC 12 *Service concession arrangements* in respect of the non-current balance pending invoice and collection from the grantor in relation to the 200-MW pumped storage hydropower facility in Salto de Chira in Gran Canary Island in the amount of 299,518 thousand euros (266,084 thousand euros at 31 December 2024). This heading also includes the credit facility extended by Reintel to its non-controlling shareholder, Rudolph Bidco, S.à.r.l. The size of that facility is 72,500 thousand euros and it was drawn down by 41,034 thousand euros at 30 June 2025 (31 December 2024: 41,034 thousand euros). This heading also includes the loan extended to the equity-accounted investee, TEN, in the amount of 15,084 thousand euros (31 December 2024: 16,118 thousand euros). The rest of the current and non-current balances recognised under other financial assets at amortised cost relate to other loans and security and other deposits.

The following table provides the Group's financial assets carried at fair value as a function of the level of inputs used to calculate their fair value at 30 June 2025 and 31 December 2024:

	30 Jun. 2025			
Thousands of euros	Level 1:	Level 2:	Level 3:	Total
Equity instruments	102,080	–	18,916	120,996
Derivatives	–	24,014	–	24,014
Other financial assets	–	9,511	–	9,511

	31 Dec. 2024			
Thousands of euros	Level 1:	Level 2:	Level 3:	Total
Equity instruments	75,726	–	16,621	92,347
Derivatives	–	41,178	–	41,178
Other financial assets	–	1,543	–	1,543

The equity instruments valued using Level 1 inputs are the shares in REN. The Level 2 category mainly includes the Group's interest rate and foreign exchange derivatives and its investments in economic interest groupings classified within "Other financial assets". The Level 3 investments are mainly those made by Elewit in companies focused on innovation.

b) **Financial liabilities**

The breakdown of the Group's current and non-current financial liabilities at 30 June 2025 and 31 December 2024:

Thousands of euros	30 Jun. 2025		
	Financial liabilities	Hedging derivatives	Total
Bank borrowings	1,573,512	–	1,573,512
Notes and other marketable securities	3,180,974	–	3,180,974
Derivatives	–	4,412	4,412
Other financial liabilities	11,062	–	11,062
Non-current	**4,765,548**	**4,412**	**4,769,960**
Bank borrowings	747,168	–	747,168
Notes and other marketable securities	693,721	–	693,721
Derivatives	–	127	127
Other financial liabilities	695,173	–	695,173
Current	**2,136,062**	**127**	**2,136,189**
Total	**6,901,610**	**4,539**	**6,906,149**

Thousands of euros	31 Dec. 2024		
	Financial liabilities	Hedging derivatives	Total
Bank borrowings	1,427,753	–	1,427,753
Notes and other marketable securities	3,703,609	–	3,703,609
Derivatives	–	10,824	10,824
Other financial liabilities	11,823	–	11,823
Non-current	**5,143,185**	**10,824**	**5,154,009**
Bank borrowings	151,501	–	151,501
Notes and other marketable securities	1,118,449	–	1,118,449
Derivatives	–	–	–
Other financial liabilities	589,222	–	589,222
Current	**1,859,172**	**–**	**1,859,172**
Total	**7,002,357**	**10,824**	**7,013,181**

Bank borrowings and notes and other marketable securities include the amount of principal and any interest accrued and pending payment as of the reporting date.

Derivatives includes outstanding hedging derivative financial instruments.

The carrying amount and fair value of bank borrowings and notes and other marketable securities at 30 June 2025 and 31 December 2024, excluding unpaid accrued interest, are shown below:

Thousands of euros	Carrying amount		Fair value	
	30 Jun. 2025	31 Dec. 2024	30 Jun. 2025	31 Dec. 2024
Issues in euros	3,468,308	4,362,331	3,257,053	4,111,081
Issues in US dollars	348,208	390,782	409,773	421,808
Bank borrowings in euros	1,899,998	1,114,752	1,871,954	1,019,227
Bank borrowings in other currencies	406,247	451,332	421,316	450,978
Total	**6,122,761**	**6,319,197**	**5,960,096**	**6,003,094**

The movements in debt securities derived from issues, repurchases and repayments in the six months ended 30 June 2025 and the year ended 31 December 2024:

Thousands of euros	First half 2025				
	Balance outstanding at 31 Dec. 2024	(+) Issues	(-) Repurchases or redemptions	(+/-) Exchange rate and other	Balance outstanding at 30 June 2025
Debt securities issued in an EU member state requiring the registration of a prospectus	4,362,331	–	(900,000)	5,978	3,468,309
Other debt securities issued outside an EU member state	390,782	–	(3,954)	(38,621)	348,207
Total	**4,753,113**	**–**	**(903,954)**	**(32,643)**	**3,816,516**

Thousands of euros	31 Dec. 2024				
	Balance outstanding at 31 Dec. 2023	(+) Issues	(-) Repurchases or redemptions	(+/-) Exchange rate and other	Balance outstanding at 31 Dec. 2024
Debt securities issued in an EU member state requiring the registration of a prospectus	3,357,027	1,000,000	–	5,304	4,362,331
Other debt securities issued outside an EU member state	373,352	–	(6,786)	24,216	390,782
Total	**3,730,379**	**1,000,000**	**(6,786)**	**29,520**	**4,753,113**

The outstanding balance of debt securities issued in a market requiring the registration of a prospectus at 30 June 2025 and 31 December 2024 relates to issues registered in Luxembourg.

At 30 June 2025, the interest accrued and outstanding on these issues amounted to 35,054 thousand euros. At 30 June 2025, this heading included interest outstanding on other equity instruments in the amount of 23,125 thousand euros.

The fair value of the Group’s bank borrowings and notes and other marketable securities was estimated using a valuation technique based on discounting the securities’ future cash flows at the rate of interest prevailing at each measurement date.

The following table provides the carrying amount of the Group’s financial liabilities as a function of the level of inputs used to calculate their fair value at 30 June 2025 and 31 December 2024:

Thousands of euros	30 Jun. 2025			
	Level 1:	Level 2:	Level 3:	Total
Bank borrowings	–	2,306,245	–	2,306,245
Notes and other marketable securities	–	3,816,516	–	3,816,516
Derivatives	–	4,539	–	4,539
Total	**–**	**6,127,300**	**–**	**6,127,300**

Thousands of euros	31 Dec. 2024			
	Level 1:	Level 2:	Level 3:	Total
Bank borrowings	–	1,566,084	–	1,566,084
Notes and other marketable securities	–	4,753,113	–	4,753,113
Derivatives	–	10,824	–	10,824
Total	**–**	**6,330,021**	**–**	**6,330,021**

The liabilities measured using Level 2 inputs include the Group's bank borrowings, notes and other issued securities and its foreign exchange and interest rate derivatives.

The fair value estimates reflect market participant assumptions based on available market information and conditions at the date of preparing these interim condensed consolidated financial statements. The estimates include own and counterparty credit risk adjustments. Management additionally considered whether unobservable inputs had become significant.

14 Trade and other payables

The breakdown of this consolidated statement of financial position heading at 30 June 2025 and 31 December 2024:

Thousands of euros	30 Jun. 2025	31 Dec. 2024
Trade payables	388,776	379,673
Other accounts payable	424,460	278,050
Current tax liabilities	46,765	11,187
Total	**860,001**	**668,910**

Trade payables reflect balances due payment for the purchase of goods and services in the ordinary course of the Group's business, mainly as a result of repair, maintenance and facility upgrade work.

Other accounts payable mainly include items pending reimbursement to customers as a result of the application of provisional rates generated by the difference between the amount charged and collected and the income accrued between 2023 and 2025. This heading also includes the balances payable to the tax authorities with respect to VAT, remuneration pending payment and other small amounts payable but not yet due.

Current tax liabilities corresponds to income tax payable in both reporting periods.

15 Tax matters

The tax group headed up by Redeia Corporación has been paying tax under the consolidated tax regime in Spain since 2002 (Tax Group No. 57/02).

In addition to the Parent, at 30 June 2025, the Tax Group included the following companies: Red Eléctrica, Redinter, Redeia Financiaciones, Red Eléctrica Financiaciones, Red Eléctrica Infraestructuras en Canarias, Redeia Sistemas de Telecomunicaciones, Elewit, Hispasat, Hispasat Canarias, Hispamar Exterior and Safedelimit.

Hispasat and Hispasat Canarias joined the Redeia Tax Group with effect from 1 January 2020 and Hispamar Exterior joined it on 1 January 2022. Hispasat was the parent of the Hispasat tax group until 31 December 2019.

The Group companies that are not part of the Tax Group apply the tax legislation applicable in their countries of domicile.

The breakdown of deferred taxes is as follows:

Thousands of euros	30 Jun. 2025	31 Dec. 2024
Deferred tax assets	40,409	30,937
Deferred tax liabilities	(363,691)	(363,076)
Total	**(323,282)**	**(332,139)**

There were no significant movements in deferred tax assets or deferred tax liabilities in the first half of 2025. The deferred tax liabilities at both reporting dates related mainly to the accelerated depreciation of certain fixed assets for tax purposes.

In accordance with prevailing tax legislation, tax returns cannot be considered final until they have been inspected by the tax authorities or until the applicable inspection period has elapsed.

In 2022, the authorities initiated general inspection proceedings with respect to corporate income tax (consolidated tax regime) covering 2017 to 2020. In 2023, the Group received notice of the expansion of the partial proceedings to 2021 and to 2015 - 2019 in the case of Hispasat and Hispasat Canarias.

Settlement agreements were received from the authorities in 2024 seeking payment of 34,316 thousand euros, of which appeals covering 33,727 thousand euros have been lodged before the National Economic-Administrative Court.

The agreements reflect the authorities' understanding that the adjustment of taxable income under article 31.2 of the Income Tax Act is not applicable and that the IT expenses deducted, related mainly to the costs incurred by Hispasat Canarias, S.L.U. to manufacture the Amazonas Nexus, are not deductible for tax purposes.

The Group, based on the opinion of its tax advisors, expects the outcome of the positions questioned in the wake of the inspections to be favourable to its interests and that the probability that a higher court of instance will hand down a favourable ruling is at least 50%, to which end it has not recognised any provisions in connection with these matters.

On 1 April 2025, the tax authorities initiated general inspection proceedings covering the period elapsing between April 2021 and December 2023 with respect to personal income tax withholdings and payments at Redeia Corporación, Red Eléctrica, Hispasat and Hispasat Canarias and, for the same period, with respect to value added tax at Redeia Corporación, Red Eléctrica and Hispasat and non-resident withholdings, only at Redeia Corporación. As regards income tax (consolidated tax regime), the general inspection proceedings cover 2022 to 2023.

These inspection proceedings are at the documentation-gathering phase.

In Spain, the Group remains party to certain ongoing court proceedings related with its income tax from 2011 and 2016.

In 2025, the Group received a firm, favourable sentence from the National Appellate Court in related to the income tax proceedings covering 2011 to 2014, specifically regarding the deductibility of the remuneration received by the members of the Board of Directors.

The Tax Group has also requested the rectification of the tax paid in instalments between 2016 and 2025. In 2020, the tax authorities ruled in favour of the rectification requested in respect of 2016 and 2017 and the decision regarding the other years requested has been appealed.

Since existing tax law and regulations are subject to interpretation, tax inspections initiated in the future for years open to inspection could give rise to tax liabilities that are currently not possible to quantify objectively. However, the Group estimates that any liabilities that could arise as a result of any such inspections would not have a material impact on its future earnings.

16 Income and expenses

a) Revenue

The breakdown of the revenue recognised in the first six months of 2025 and 2024 by geography is provided below:

Thousands of euros	First half 2025	First half 2024
Spain	757,688	737,830
Other	54,197	52,577
Total	**811,885**	**790,407**

The revenue generated in Spain mainly includes revenue from the provision of TSO services, which accounted for 85% of total Group revenue in the first half of 2025. This heading also includes revenue from the provision of telecommunications (fibre optic) services in Spain, which accounted for 5% of total Group revenue in the first six months of the year.

Other in the table above mainly includes revenue generated in the European Union from the provision of reinsurance services and the revenue generated from the provision of electricity transmission and telecommunications services by Group companies in Latin America.

The revenue recognised from the provision of both TSO and telecommunications services is recognised over time.

b) Other operating income

In the first half of 2025, this consolidated statement of profit or loss heading mainly includes revenue recognised using the stage-of-completion method from the construction of the 200-MW pumped storage hydropower station in Salto de Chira, as well as the finance income recognised using the effective interest method on the financial asset in the amount of 33,429 thousand euros (39,690 thousand euros in the first half of 2024) (note 13.a).

In both reporting periods, this heading also included claims received from insurance companies in relation to covered damage and breakdowns and other ancillary income. Lastly, it includes the recognition of grants related to income in profit or loss.

c) Cost of sales and other external expenses

Cost of sales and other external expenses mainly include the expenses derived from the repair, maintenance and conservation of the Group's electricity facilities and telecommunications networks, in addition to expenses associated with IT services, advisory services, leases, levies and other services.

d) Employee benefits expense

The breakdown of this consolidated statement of profit or loss heading in the first six months of 2025 and 2024:

Thousands of euros	First half 2025	First half 2024
Wages, salaries and other remuneration	69,843	65,161
Social security	17,599	16,577
Contributions to pension funds and similar obligations	1,368	1,337
Other items and employee benefits	2,683	3,898
Total	**91,493**	**86,973**

- Headcount

The breakdown by gender of the average headcount, including employees at discontinued operations, of the Group and Parent in the first six months of 2025 and 2024:

	Redeia Group		Redeia Corporación S.A.	
	First half 2025	First half 2024	First half 2025	First half 2024
Men	1,790	1,747	199	193
Women	736	716	241	223
Total	**2,526**	**2,463**	**440**	**416**

e) Income tax

The effective tax rate was 22.50% in the first half of 2025 (22.58% in the first half of 2024). The difference with respect to the headline rate of 25% is attributable mainly to the higher contribution to profit before tax of the Group’s share of equity-accounted investee profits, which are recognised net of tax.

17 Transactions with equity-accounted investees and related parties

The transactions completed with related parties, as defined in IAS 24, were carried out at arm's length, are disclosed below:

Thousands of euros	First half 2025		
	Group companies	Other related parties	Total
Expenses and income:			
Other expenses	78	20,663	20,741
Expenses	**78**	**20,663**	**20,741**
Provision of services	1,116	12,746	13,862
Finance income	619	—	619
Income	**1,735**	**12,746**	**14,481**
Other transactions:			
Financing agreements: loans and capital contributions (lender)	15,084	—	15,084
Other transactions	**15,084**	**—**	**15,084**
Outstanding balances at the reporting date:			
Trade receivables	667	(4,913)	(4,245)
Trade payables	9	1,735	1,744

Thousands of euros	31 Dec. 2024		
	Group companies	Other related parties	Total
Expenses and income:			
Other expenses	208	39,081	39,289
Expenses	**208**	**39,081**	**39,289**
Provision of services	2,394	27,858	30,252
Finance income	1,345	—	1,345
Income	**3,739**	**27,858**	**31,597**
Other transactions:			
Financing agreements: loans and capital contributions (lender)	16,118	—	16,118
Other transactions	**16,118**	**—**	**16,118**
Outstanding balances at the reporting date:			
Trade receivables	16	3,659	3,675
Trade payables	(11)	4,008	3,997

The transactions completed with Group companies were carried out with TEN and Hisdesat. The balance recognised under "Financing agreements: loans and capital contributions (lender)" in the tables above relate principally to the loan outstanding at 30 June 2025 and 31 December 2024 under a credit facility with TEN.

Other related party transactions includes transactions performed with public sector entities, mainly transactions between ADIF, which provides fibre optic network maintenance services, and Group company, Reintel. It also reflects transactions between Indra Sistemas group companies and Redeia companies.

18 Director remuneration

At the Annual General Meeting held on 30 June 2025, and as stipulated in the Company's bylaws, the Parent's shareholders ratified the motion presented by the Board of Directors for the approval of the Annual Report on Director Remuneration, which included, among other matters, the proposal for director remuneration in 2025.

The remuneration approved, which covers the members of the Board of Directors, the Chairwoman and the CEO, is unchanged from 2024.

The Chairwoman, in her capacity as non-executive chair, receives a fixed annual sum in addition to remuneration for her membership of the Board of Directors. She only receives fixed remuneration, i.e., she has not been allocated any variable remuneration (neither an annual bonus nor participation in long-term incentive schemes) and she is not entitled to any termination benefits.

The CEO, on the other hand, receives fixed and variable remuneration (an annual bonus and participation in a long-term incentive scheme) for the performance of his executive duties, and a fixed amount in his capacity as member of the Board of Directors. He also receives certain benefits. Some of both components of his variable remuneration is settled via the delivery of Company shares.

In addition, the CEO is a beneficiary of a defined contribution pension scheme, covering retirement, death and permanent disability. Redeia Corporación, S.A.'s obligation under this scheme is limited to making an annual contribution equivalent to 20% of the CEO's fixed compensation for his performance of executive duties.

The CEO's annual variable remuneration is framed by predetermined and quantifiable objective criteria and targets established by the Parent's Board of Directors on the basis of a report from its Appointments and Remuneration Committee at the start of each year. The targets are aligned with the strategies and initiatives laid down in the Group's Strategic Plan and their delivery is assessed by the Board of Directors, again based on a report from the Appointments and Remuneration Committee.

The CEO also participates in the Long-Term Incentive Plan (LTIP) for Promoting the Energy Transition, Reducing the Digital Divide and Boosting Diversification. That Plan's targets are likewise associated with those set out in the Group's Strategic Plan and are aligned with the key aspects of the Director Remuneration Policy. The LTIP has a duration of six years and will end on 31 December 2025.

Under the Director Remuneration Policy, the CEO's contract, in line with generally accepted market practice, includes a termination benefit equivalent to one year's remuneration in the event his contract is terminated by the Company or as a result of a change of control.

Likewise in line with market practices in these cases, following his appointment as CEO, his previous employment contract was suspended. In the event of his termination, he would accrue, for severance purposes, the remuneration in force at the date of suspension, taking into consideration his length of service at the Group up until his appointment as CEO (15 years) plus the period during which he provides his services, if any, following his discontinuation as CEO, all of which in keeping with prevailing labour legislation.

As for the members of the Board of Directors, their remuneration consists of a fixed annual payment, remuneration for attending board meetings, remuneration for membership of the board committees, as the case may be, and specific annual remuneration for the chairs of those committees and for the position of lead independent director. These remuneration concepts and the related amounts have not changed in 2025.

Lastly, the directors are compensated or reimbursed for reasonable and duly justified expenses incurred in order to attend the meetings and perform other tasks directly related with their director duties, such as travel, accommodation and meals.

The breakdown of the remuneration accrued by the members of the Parent's Board of Directors in the first six months of 2025 and 2024 is provided below:

Thousands of euros	First half	First half
Total remuneration in their capacity as directors	1,262	1,262
Remuneration of certain directors in their capacity as executives (1)	371	371
Total	**1,633**	**1,633**

(1) Includes the fixed remuneration and the annual variable remuneration accrued

The breakdown by item of the remuneration accrued by the members of the Parent's Board of Directors in the first six months of 2025 and 2024 is provided below:

Thousands of euros	First half	First half
Fixed remuneration	1,159	1,159
Variable remuneration	131	131
Attendance fees	108	108
Committee membership (1)	170	170
Other remuneration	65	65
Total	**1,633**	**1,633**

(1) Includes the remuneration of the chairs of the board committees and of the lead independent

The Group did not recognise any loans, advances or guarantees extended to the members of the Parent's Board of Directors on its consolidated statement of financial position at either 30 June 2025 or 31 December 2024. Not did it have any pension or life insurance obligations, other than as outlined above, on their behalf at either reporting date.

The Group had arranged director and officer liability insurance at both reporting dates. Those policies cover the directors and executives of the various Group companies. The annual cost of the related premiums, including tax, is 436 thousand euros in 2025 (2024: 460 thousand euros). These premiums are calculated based the nature of the Group's activities and as a function of its financial metrics, so that it is not feasible to apportion them between the directors and key management personnel or to allocate them to each individual.

The members of the Board of Directors did not perform any transactions with the Parent or its Group companies, either directly or through persons acting on their behalf, outside of the ordinary course of business or other than on an arm's length basis in either reporting period.

At the Annual General Meeting held on 30 June 2025, at the proposal of the Board of Directors, it was agreed to re-elect José María Abad Hernández as independent director, to newly appoint Natalia Fabra Portela and Albert Castellanos Maduell as independent directors and to appoint María Aránzazu González Laya as the natural person representing the proprietary director, SEPI. Ricardo García Herrera, Marcos Vaquer Caballería and Elisenda Malaret García stepped down from the Board of Directors. The directors newly named to the Board of Directors at the Annual General Meeting of 30 June 2025 did not accrue any remuneration in the first half of 2025.

19 KMP remuneration

The key management personnel who provided services to the Group in the first half of 2025 and 2024 and their positions at 30 June 2025 are as follows:

Name	Position
Concepción Sánchez Pérez	Chief Operating Officer
Ángel Luis Mahou Fernández	Managing Director of Transmission
Juan Majada Tortosa	Managing Director of International Business
Mariano Aparicio Bueno	Managing Director of Telecommunications
Emilio Cerezo Díez	Chief Financial Officer
Carlos Méndez-Trelles García	General Secretary and Secretary of the Board of Directors
José Antonio Vernia Peris	Chief Resources Officer
Miryam Aguilar Muñoz	Chief Communications Officer
Eva Pagán Díaz	Chief Sustainability Officer
Silvia María Bruno De La Cruz	Director of Innovation and Technology
Carlos Puente Pérez	Director of Corporate Development
Eva Rodicio González	Director of Internal Audit and Risk Control
Mónica Moraleda Saceda (1)	Director of Legal Services
Julián Díaz-Peñalver Carrasco (1)	Director of Regulation
Laura de Rivera García de Leániz (2)	Director of Regulation and Legal Services

(1) The former Regulation and Legal Services Department was restructured on 27 May 2024 to create two separate departments, the Regulation Department and the Legal Services Department.
(2) Laura de Rivera García de Leániz resigned from the Group on 18 January 2024.

In the first half of 2025, the Group's key management personnel accrued 1,971 thousand euros of remuneration, which has been recognised under "Employee benefits expense" in the accompanying consolidated statement of profit or loss Note that there were organisational changes and changes in the consolidation scope in 2024 that affected the number of key management personnel and the composition and members of that team. On a like-for-like basis, i.e., only analysing remuneration for the professionals who were part of the Group's key management personnel for all of the first six months of 2024 and 2025, the year-on-year increase in their remuneration was 2.73%.

These amounts include the accrual of variable annual remuneration, on the assumption that the objectives set each year will be met. After delivery of the corresponding targets has been verified, these bonuses are paid out in the early months of the following year, adjusted for the definitive delivery metrics.

Of the total remuneration accrued by key management personnel in the first half of 2025, 59 thousand euros was accounted for by contributions to life insurance and pension plans (first half 2024: 65 thousand euros).

The Group had not extended any advances or loans to these executives at either 30 June 2025 or 2024. At 30 June 2025, the Group had assumed life insurance commitments on behalf of these executives; the premiums on those policies cost it approximately 19 thousand euros in the first half of 2025 (26 thousand euros in the first half of 2024).

The key management personnel also participate in the Long-Term Incentive Plan (LTIP) for Promoting the Energy Transition, Reducing the Digital Divide and Boosting Diversification. That Plan's targets are likewise associated with those set out in the Group's Strategic Plan and are aligned with the key aspects of the Director Remuneration Policy. The LTIP has a duration of six years and will end on 31 December 2025.

Note that in order to reinforce the TSO's independence, the Operations Department of Red Eléctrica de España, S.A.U. has been assigned a series of specific targets that exclude all aspects unrelated to the operation of Spain's electricity system.

The Group's serving key management personnel do not enjoy any guarantees or golden parachute clauses in the event of dismissal. In the event of the termination of their employment agreements, their severance would be calculated in keeping with ordinary labour legislation.

In 2015, the Group implemented a Structural Management Plan that applies to some of its key management personnel. The beneficiaries of this Plan must comply with certain requirements and their participation can be modified or revoked by the Group under certain circumstances.

The Group had arranged director and officer liability insurance at both reporting dates. These policies cover all of the Group's key management personnel. The annual cost of the premiums for 2025 amounts to 436 thousand euros, including tax (460 thousand euros for 2024). These premiums are calculated based the nature of the Group's activities and as a function of its financial metrics, so that it is not feasible to apportion them between the key management personnel and directors or to allocate them to each individual.

20 Segment information

Redeia articulates its reportable operating segments around the main lines of business considered by the Group in its management and decision-making.

At 30 June 2025, the Group was divided into the following operating segments whose main products, services and operations are outlined next:

- **Management and operation of domestic electricity infrastructure**

  This segment comprises the Group's main business activity, as the sole transmission and system operator (TSO) for the Spanish electricity system. Its mission is to guarantee the security and continuity of the electricity supply and manage high-voltage electricity transmission.

  The Group engages in the high-voltage transmission of electricity through Red Eléctrica. To this end, it manages the electricity transmission network infrastructure that connects the power plants to the consumer distribution points. As transmission network manager, Red Eléctrica is responsible for the development and expansion of the network, its maintenance, managing the transfer of electricity between island systems and the mainland, and guaranteeing equal, third-party access to the transmission network.

  In addition, Red Eléctrica operates the mainland Spanish electricity system and the non-mainland systems in the Canary Islands, Balearic Islands, Ceuta and Melilla, guaranteeing the security and continuity of the electricity supply at all times. Operation of the system encompasses the activities that are necessary to guarantee security and continuity, as well as proper coordination between the generation system and transmission network, ensuring that the energy produced by the generators is transmitted to the distribution networks at the standards of quality required under applicable legislation.

- **Telecommunications (satellites and fibre optic):**

  The telecommunications segment comprises the operation of satellite infrastructure and the provision of satellite services in Spain, Portugal and South America, as well as the lease in Spain of a broad dark fibre backbone network, and technical sites and spaces for housing customers' telecommunications equipment. The main services provided are the provision of satellite capacity and telecommunications services in the wholesale satellite internet services market, as well as the lease and concession of fibre optics, the lease of sites, the maintenance of telecommunications facilities, and the provision of end-to-end telecommunications infrastructure solutions (towers, fibre optics, technical spaces and electricity supply) for telecommunications operators to provide mobile telephone voice and data services on high-speed train (AVE) lines.

- **Management and operation of international electricity infrastructure**

  This segment comprises activities related to international business development, mainly focused on the construction and operation of electricity transmission networks outside of Spain, specifically in Peru, Chile and Brazil at 30 June 2025.

The Group also carries out reinsurance activities and fosters innovation in the electricity and telecommunications sectors. These activities do not meet the quantitative thresholds for presentation as separate reportable operating segments.

Inter-segment sales prices are established at arm's length, i.e., at the same price agreed in a comparable transaction between two unrelated parties.

Below are the key measures for the operating segments so identified:

Business segments at 30 June 2025

Thousands of euros	Management and operation of national electricity infrastructure	Management and operation of international electricity infrastructure	Telecommunications		Other, corporation & adjustments	Total
			Satellites (*)	Fibre optic		
Revenue	714,876	40,772	–	74,461	(18,224)	811,885
External customers	713,283	37,705	–	42,308	–	793,296
Inter-segment revenue	1,593	3,067	–	32,153	(18,224)	18,589
Share of profits of equity-accounted investees (with comparable businesses)	–	31,419	–	–	–	31,419
Depreciation and amortisation	(203,387)	(10,711)	–	(12,363)	(7,443)	(233,904)
Impairment of and gains/(losses) on fixed asset disposals	–	(2)	–	–	–	(2)
Operating profit	**313,585**	**48,892**	**–**	**43,096**	**10,595**	**416,168**
Finance income	6,118	6,158	–	3,141	132	15,549
Finance costs	(32,268)	(21,589)	–	(5,395)	(5,172)	(64,424)
Income tax	(67,858)	1,126	–	(10,240)	(5,715)	(82,687)
Profit after tax from continuing operations attributable to equity holders of the parent	**219,570**	**34,834**	**–**	**15,599**	**(514)**	**269,489**
Profit after tax from discontinued operations attributable to equity holders of the parent	**–**	**–**	**–**	**–**	**–**	**–**
Profit/(loss) for the period	**219,570**	**35,216**	**–**	**30,602**	**(514)**	**284,874**
Segment assets	**12,106,407**	**1,629,988**	**1,191,078**	**494,054**	**(50,413)**	**15,371,114**
Equity-accounted investments	–	766,801	–	–	6,378	773,179
Segment liabilities	**6,790,727**	**743,467**	**427,071**	**394,492**	**1,802,655**	**10,158,412**

(*) Presented within "Profit after tax from discontinued operations attributable to equity holders of the parent".

Business segments at 30 June 2024

Thousands of euros	Management and operation of national electricity infrastructure	Management and operation of international electricity infrastructure	Telecommunications		Other, corporation & adjustments	Total
			Satellites (*)	Fibre optic		
Revenue	691,277	38,940	–	76,210	(16,020)	790,407
External customers	689,767	38,940	–	47,946	12,674	789,327
Inter-segment revenue	1,510	–	–	28,264	(28,694)	1,080
Share of profits of equity-accounted investees (with comparable businesses)	–	34,518	–	–	629	35,147
Depreciation and amortisation	(196,829)	(10,886)	–	(11,978)	(4,305)	(223,998)
Impairment of and gains/(losses) on fixed asset disposals	–	–	–	–	–	–
Operating profit	**292,075**	**50,727**	**–**	**44,721**	**13,701**	**401,224**
Finance income	23,071	5,162	–	3,949	(3,201)	28,981
Finance costs	(54,188)	(24,484)	–	(6,192)	17,620	(67,244)
Income tax	(59,989)	631	–	(10,658)	(12,039)	(82,055)
Profit after tax from continuing operations attributable to equity holders of the parent	**200,969**	**32,308**	**–**	**16,235**	**15,893**	**265,405**
Profit after tax from discontinued operations attributable to equity holders of the parent	**–**	**–**	**3,938**	**–**	**–**	**3,938**
Profit/(loss) for the period	**200,969**	**32,308**	**3,938**	**31,676**	**15,893**	**284,784**
Segment assets	**11,054,809**	**1,674,162**	**1,254,750**	**500,585**	**402,976**	**14,887,282**
Equity-accounted investments	–	874,776	98,357	–	(7,146)	965,987
Segment liabilities	**7,247,715**	**785,016**	**555,761**	**387,602**	**548,741**	**9,524,835**

(*) Presented within "Profit after tax from discontinued operations attributable to equity holders of the parent".

The breakdown by geography of revenue in the first six months of 2025 and 2024 and of non-current assets at 30 June 2025 and 31 December 2024:

Revenue

Thousands of euros	First half 2025	First half 2024
Spain	757,688	737,830
International	54,197	52,577
a) European Union	**13,425**	**13,636**
a.1) Eurozone	13,425	13,636
b) Other countries	40,772	38,941
Total	**811,885**	**790,407**

Fixed assets (*)

Thousands of euros	30 Jun. 2025	30 Jun. 2024
Spain	9,994,264	9,509,980
Other	1,282,864	1,538,850
Total	**11,277,128**	**11,048,830**

(*) Excludes non-current financial assets, deferred tax assets, trade receivables and other non-current receivables.

21 Guarantees and other commitments extended to third parties and other contingent liabilities

At 30 June 2025, the Group was party to a series of proceedings, mainly administrative and disciplinary proceedings. The Group has assessed the related risks and does not expect any events to arise that would result in liabilities and/or provisions that have not been recognised in its interim condensed consolidated financial statements or that would have a significant impact on its earnings, having estimated its maximum exposure to these possible risks at around 196 million euros.

22 Grave incident in the electricity system

The electricity system in the Iberian Peninsula suffered a loss of electricity supply on 28 April 2025 (the “system blackout”). From the outset, Redeia (essentially through its subsidiary, Red Eléctrica), along with other sector companies, worked to restore the supply of electricity throughout the mainland as soon as possible. The process of restarting the grid took place rapidly and without significant incidents in the transmission grid managed by Red Eléctrica, with supply restored in the majority of areas affected over the course of that day and the following evening.

On 17 June 2025, the committee set up to analyse the circumstances leading to the system blackout of 28 April, presided by the Third Vice President and Minister of Ecological Transition and Demographic Challenge, issued a report with the approval of the National Security Council of Spain, the CSN. In tandem, on 18 June 2025, Red Eléctrica, as transmission system operator and in compliance with applicable regulations (Operating Procedure No. 9) presented its analytical report providing an account of the events that led to the system blackout on 28 April. Both reports provide an account of the causes of the system blackout and propose measures to prevent a similar event from recurring in the future or minimise its effects in the event of materialisation.

Likewise, both reports conclude that multiple factors caused the incident, namely a series of cumulative circumstances that far exceeded the N-1 safety criterion and led to a surge in voltage, triggering a cascading shutdown of generation plants.

With respect to the events that led to the system blackout, the report presented by the TSO noted that from 12.03pm on 28 April 2025 there was, firstly, a ‘forced’ oscillation, brought about by an anomaly at a generation plant in the province of Badajoz, which recurred at 12.16pm, and, later, another inter-area oscillation at 12.19pm, both of which obliged the TSO to take protocol damping measures and which, having been effective, shaped an electricity system configuration that was very different from that initially contemplated for that day; in addition, one generation group was determined to have incorrectly triggered generation, while another, subject to Operating Procedure No. 7.4 at the time, did not comply with its stipulated voltage control regulations. These circumstances triggered a surge in voltage and a cascade of generation losses, leading to a total loss of power in the system at 12.33pm. As it does every day, the TSO made the appropriate calculations for programming the technical restrictions, assuming that all generation groups would comply with the obligations imposed under the current regulations.

As at the date of authorising these interim condensed consolidated financial statements for the first half of 2025 for issue, the European Network of Transmission System Operators (entso-e) had yet to present its Expert Panel’s technical report on the causes of the incident and the power restoration process, while the CNMC and National Appellate Court’s investigations were ongoing.

Examination of the applicable regulatory framework reveals three potential sources of legal liability:

a) That materialising from potential contractual or non-contractual civil liability for the damage caused by other parties for negligent actions or omissions.

b) That related to the contents of article 27.4 of Royal Decree 1955/2000, which regulates, among other things, the possibility of applying discounts to the invoices of consumers directly connected to the transmission grid.

c) That consisting of the alleged commission of any of the infractions defined in the prevailing Electricity Sector Act (Law 24/2013).

It is not presently feasible to objectively quantify the amounts that may derive from claims for damages; the volume of claims received to date is not significant but the term for presenting such claims has not yet prescribed. Moreover, the information and analysis needed to quantify the eventuality contemplated in the above-mentioned article 27.4 of Royal Decree 1955/2000 is not yet available; moreover, there is no specific regulation governing how the TSO could, if found liable, apply the hypothetical discounts, or how the parties to which the discounts may apply could respond. Redeia has insurance policies that cover the above-listed concepts up to a certain limit.

Elsewhere, the penalties that could be applied, in keeping with article 67.1 of the Electricity Sector Act, would be the following:

- In the event of a very serious infraction: a fine of between 6 million euros and 60 million euros, depending on the circumstances.
- In the event of a serious infraction: a fine of no less than 0.6 million euros and no more than 6 million euros.

On the basis of the internal analysis carried out and the information currently at hand (particularly the report issued by the TSO in keeping with applicable regulations), in the opinion of Redeia's Legal Department and its independent legal advisors, it is not probable that the blackout will imply an outflow of resources for the Group in the future, which is why no related provision has been recognised in these interim financial statements for the six months ended 30 June 2025. Given that several investigations remain ongoing, including that being undertaken by the CNMC, this estimate made by the directors could change in the future.

23 Earnings per share

The earnings per share amounts for the first six months of 2025 and 2024:

	First half 2025	First half 2024
Earnings (thousands of euros)	269,489	269,346
Number of shares	541,080,000	541,080,000
Average number of own shares	671,942	1,449,953
Basic earnings per share (euros)	0.50	0.50
Diluted earnings per share (euros)	0.50	0.50

Basic and diluted earnings per share coincided in both reporting periods.

24 Events after 30 June 2025

No significant events have occurred between the reporting date and the date on which these interim condensed consolidated financial statements were authorised for issue.

Appendix I List of investees at 30 June 2025

Redeia
Breakdown of equity investments at 30 June 2025

- Company - Registered office - Core business	2025 Percentage interest [1] Direct	 Indirect
Redeia Corporación S.A., the Parent, incorporated in 1985.		
- Paseo Conde de los Gaitanes, 177. Alcobendas. Madrid. (Spain).		
- Management of the group of companies, provision of assistance/support services to investees and operation of the property owned by the Company.		
A) Fully consolidated subsidiaries		
Red Eléctrica de España, S.A.U. (Red Eléctrica) - Paseo Conde de los Gaitanes, 177. Alcobendas. Madrid. (Spain). - Transmission and operation of the Spanish electricity system and management of the transmission network.	100%	_
Red Eléctrica Internacional, S.A.U. (Redinter) - Paseo Conde de los Gaitanes, 177. Alcobendas. Madrid. (Spain). - Acquisition and holding of international equity investments. Provision of advisory, engineering and construction services. Performance of electricity activities outside the Spanish electricity system.	100%	_
Redeia Infraestructuras de Telecomunicación, S.A. - Paseo Conde de los Gaitanes, 177. Alcobendas. Madrid. (Spain). - Provision of advisory, engineering and construction services.	51%	_
Red Eléctrica Infraestructuras en Canarias, S.A.U. - Calle Juan de Quesada, 9. Las Palmas (Gran Canary Island) (Spain). - Management of the construction of energy storage facilities and of the water cycle.	100%	_
Redeia Financiaciones, S.L.U. - Paseo Conde de los Gaitanes, 177. Alcobendas. Madrid. (Spain). - Financing activities.	100%	_
Red Eléctrica Financiaciones, S.A.U. - Paseo Conde de los Gaitanes, 177. Alcobendas. Madrid. (Spain). - Financing activities.	100%	_
Redeia Sistemas de Telecomunicaciones, S.A.U. - Paseo Conde de los Gaitanes, 177. Alcobendas. Madrid. (Spain). - Acquisition, holding, management and administration of Spanish and foreign equity securities.	100%	_
Elewit, S.A.U. - Paseo Conde de los Gaitanes, 177. Alcobendas. Madrid. (Spain). - Activities geared towards driving and accelerating technological innovation.	100%	_
Safedelimit, S.L. - Paseo Conde de los Gaitanes, 177. Alcobendas. Madrid. (Spain). - Development and sale of safety devices for personal and industrial use.	_	94.94% (l)
Redeia Reaseguros, S.A. (Redcor) - 26, Rue Louvigny. (Luxembourg). - Reinsurance activities. Incorporated in 2010 in Luxembourg in order to reinsure the risks of the Group companies, thereby guaranteeing better access to the international reinsurance markets.	100%	_
Red Eléctrica Andina, S.A.C. (REA) -Av. Javier Prado Este 492 Int. 1001 Urb. Jardín San Isidro. Lima (Peru) - Provision of line and substation maintenance services.	_	100% (a)
Red Eléctrica del Sur, S.A.C. (Redesur) -Av. Javier Prado Este 492 Int. 1001 Urb. Jardín San Isidro. Lima (Peru) - Electricity transmission and operation and maintenance of electricity transmission networks.	_	100% (a)

- Company - Registered office - Core business	2025 Percentage interest [1] Direct	 Indirect
Transmisora Eléctrica del Sur , S.A.C. (Tesur) -Av. Javier Prado Este 492 Int. 1001 Urb. Jardín San Isidro. Lima (Peru) - Electricity transmission and operation and maintenance of electricity transmission networks.	_	100% (c)
Transmisora Eléctrica del Sur 2 , S.A.C. (Tesur 2) -Av. Javier Prado Este 492 Int. 1001 Urb. Jardín San Isidro. Lima (Peru) - Electricity transmission and operation and maintenance of electricity transmission networks.	_	100% (c)
Transmisora Eléctrica del Sur 3 , S.A.C. (Tesur 3) -Av. Javier Prado Este 492 Int. 1001 Urb. Jardín San Isidro. Lima (Peru) - Electricity transmission and operation and maintenance of electricity transmission networks.	_	100% (c)
Transmisora Eléctrica del Sur 4 , S.A.C. (Tesur 4) -Av. Javier Prado Este 492 Int. 1001 Urb. Jardín San Isidro. Lima (Peru) - Electricity transmission and operation and maintenance of electricity transmission networks.	_	100% (c)
Red Eléctrica del Norte Perú, S.A.C. (Redelnor) -Av. Javier Prado Este 492 Int. 1001 Urb. Jardín San Isidro. Lima (Peru) - Electricity transmission and operation and maintenance of electricity transmission networks.	_	100% (a)
Concesionaria Línea de Transmisión CCNCM, S.A.C. (CCNCM) -Av. Javier Prado Este 492 Int. 1001 Urb. Jardín San Isidro. Lima (Peru) - Electricity transmission and operation and maintenance of electricity transmission networks.	_	100% (d)
Red Eléctrica Chile S.P.A. (Rech) - Isidora Goyenechea 3000, Oficina 1602 Las Condes, Santiago (Chile) - Acquisition, holding, management and administration of securities.	_	100% (a)
Red Eléctrica del Norte S.A. (Redenor) - Isidora Goyenechea 3000, Oficina 1602 Las Condes, Santiago (Chile) - Electricity transmission and operation and maintenance of electricity transmission networks.	_	69.9% (e)
Red Eléctrica del Norte 2 S.A. (Redenor 2) - Isidora Goyenechea 3000, Oficina 1602 Las Condes, Santiago (Chile) - Electricity transmission and operation and maintenance of electricity transmission networks.	_	100% (e)
Red Eléctrica Brasil Holding Ltda. (REB) -Av. Brigadeiro Faria Lima, No. 3729, 5, 04538-905. São Paulo (Brazil) - Acquisition, holding, management and administration of securities.	_	100% (a)
Hispasat S.A. (*) - Calle de Anabel Segura, 11. Alcobendas. Madrid. (Spain). - Parent of the Hispasat Subgroup. Operation of the satellite communications system and provision of space segment services for the geostationary orbital slots allocated to the Spanish state.	_	89.68% (f) (g)
Hispasat Canarias, S.L.U. (*) - Calle Practicante Ignacio Rodriguez s/n Edificio Polivalente IV. Las Palmas (Gran Canary Island) (Spain). - Sale and lease of satellites and their capacity.	_	89.68% (g)
Hispasat Brasil, Ltda. (*) - Praia do Flamengo, 200 Rio de Janeiro (Brazil). - Sale and marketing of satellite capacity.	_	89.68% (g)
Hispamar Satélites, S.A. (*) - Praia do Flamengo, 200 Rio de Janeiro (Brazil). - Sale and marketing of satellite capacity.	_	89.68% (g)
Hispamar Exterior, S.L.U. (*) - Calle de Anabel Segura, 11. Alcobendas. Madrid. (Spain). - Sale and marketing of satellite capacity.	_	89.68% (g)

- Company - Registered office - Core business	2025 Percentage interest [1] Direct	 Indirect
Hispasat de México, S.A. de C.V. (*) - Agustín Manuel Chávez 1-001 Col. Centro de Ciudad Santa Fe, Mexico City (Mexico) - Use of radio spectrum, telecommunications networks and satellite communication.	_	89.68% (g)
Consultek Inc. (*) - 1036 Country Club Drive, Suite 202, Moraga, CA 94556. (USA). - Technical consultancy services.	_	89.68% (g)
Hispamar Satélites, S.A. (Venezuela) (*) - Torre Phelps, piso 10 ofic. 10, Caracas (Venezuela) - Sale and provision of satellite telecommunications services.	_	89.68% (g)
Hispasat UK, Ltd. (*) 30 Finsbury Square, London. (England) - Sale and provision of satellite telecommunications services.	_	89.68% (g)
Hispasat Perú, S.A.C. (*) Jr. Carlos Baca Flor 307, Dpto. No. 701, Distrito de Magdalena del Mar. Lima (Peru) - Sale and provision of satellite telecommunications services.	_	89.68% (g)
Axess Networks Solutions Holding Germany, GmbH (*) Falkenweg 1, 53809, Ruppichteroth (Germany) - Acquisition, holding and management of investments in companies involved in the telecommunications technology field.	_	89.68% (g)
Axess Networks Solutions Germany, GmbH (*) Falkenweg 1, 53809, Ruppichteroth (Germany) - Provision of telecommunications services.	_	89.68% (g)
Axess Networks Solutions UK Ltd - IN LIQUIDATION - (*) 2nd Floor, 168 Shoreditch High Street, E1 6RA, London (United Kingdom) - Provision of telecommunications services.	_	89.68% (g)
Axess Networks Solutions Colombia, S.A.S. (*) Carrera 7 No. 71-52 Torre B, Oficina 501 in Bogota City, Department of Cundinamarca (Colombia) - Provision of telecommunications services.	_	89.68% (g)
Axess Networks Cyprus LTD - IN LIQUIDATION - (*) Ethnikis Antistaseos, 23, Flat/Office 303, 3025, Llimasol (Cyprus) - Provision of telecommunications services.	_	89.68% (g)
Axess Networks Solutions Ecuador, S.A. (*) Avenida de los Shyris E9-38 y Bélgica Edificio Shyris Century, Piso 7 Quito (Ecuador) - Provision of telecommunications services.	_	89.68% (g)
Axess Networks Solutions Perú, S.A.C. - MERGED COMPANY - (*) Av. Alfredo Benavides No. 1555 Dpto. 301 – Urb. San Antonio – Miraflores – Lima. (Peru) - Provision of telecommunications services.	_	89.68% (g) (h)
Axess Networks Solutions Chile S.A. (*) Isidora Goyenechea 3365, Piso 9, Comuna de Las Condes, Santiago de Chile. (Chile) - Provision of telecommunications services.	_	89.68% (g)
HPS Corporativo S. de R.L de C.V. (*) Mariano Escobedo No. 353-B, Interior 3A, Col. Polanco V Sección, Del. Miguel Hidalgo, CP 11560, Mexico City. (Mexico) Provision of telecommunications services.	_	89.68% (g)
B) Investees accounted using the proportionate method		
Interconexión Eléctrica Francia-España, S.A.S. (Inelfe) - Inmueble Window, 7 C Place du Dôme. Paris. (France) - Study and execution of interconnections between Spain and France.	_	50% (b)

- Company - Registered office - Core business	2025 Percentage interest [1] Direct	 Indirect
C) Equity-accounted investees		
Transmisora Eléctrica del Norte S.A. (TEN) - Avenida Apoquindo No. 3721, piso 6, Las Condes, Santiago (Chile) - Electricity transmission and operation and maintenance of electricity transmission networks.	_	50% (e)
Compañía Operadora de Infraestructuras Eléctrica, S.A. (COIESA) - Rómulo Peña nº 4008, Antofagasta, Santiago (Chile) - Monitoring, control and supervision of the national electricity system.	_	50% (e)
Argo Energía Empreendimentos y Participações S.A. - Calle Tabapuã, 841 – 5º andar – Itaim Bibi – São Paulo/SP (Brazil) - Acquisition, holding, management and administration of securities.	_	50% (i) (k)
Argo Transmissão de Energia S.A. (Argo I) - Calle Tabapuã, 841 – 5º andar – Itaim Bibi – São Paulo/SP (Brazil) - Electricity transmission and operation and maintenance of electricity transmission networks.	_	50% (k)
Argo II Transmissão de Energia S.A. (Argo II) - Calle Tabapuã, 841 – 5º andar – Itaim Bibi – São Paulo/SP (Brazil) - Electricity transmission and operation and maintenance of electricity transmission networks.	_	50% (k)
Argo III T Transmissão de Energia S.A. (Argo III) - Calle Tabapuã, 841 – 5º andar – Itaim Bibi – São Paulo/SP (Brazil) - Electricity transmission and operation and maintenance of electricity transmission networks.	_	50% (k)
Argo IV Transmissão de Energia S.A. (Argo IV) - Calle Tabapuã, 841 – 5º andar – Itaim Bibi – São Paulo/SP (Brazil) - Electricity transmission and operation and maintenance of electricity transmission networks.	_	50% (k)
Argeb Energia Empreendimentos e Participações S.A. (Argeb) - Calle Tabapuã, 841 – 5º andar – Itaim Bibi – São Paulo/SP (Brazil) - Acquisition, holding, management and administration of securities.	_	31.25% (k)
Argo V Transmissão de Energia S.A. (Argo V) - Calle Tabapuã, 841 – 5º andar – Itaim Bibi – São Paulo/SP (Brazil) - Electricity transmission and operation and maintenance of electricity transmission networks.	_	31.25% (k)
Argo VI Transmissão de Energia S.A. (Argo VI) - Calle Tabapuã, 841 – 5º andar – Itaim Bibi – São Paulo/SP (Brazil) - Electricity transmission and operation and maintenance of electricity transmission networks.	_	31.25% (k)
Transmissora José Maria de Macedo de Eletricidade S.A. (Argo VII) - Calle Tabapuã, 841 – 5º andar – Itaim Bibi – São Paulo/SP (Brazil) - Electricity transmission and operation and maintenance of electricity transmission networks.	_	31.25% (k)
Giovanni Sanguinetti Transmissora de Energia S.A. (Argo VIII) - Calle Tabapuã, 841 – 5º andar – Itaim Bibi – São Paulo/SP (Brazil) - Electricity transmission and operation and maintenance of electricity transmission networks.	_	31.25% (k)
Argo IX Transmissão de Energia S.A. (Argo IX) - Calle Tabapuã, 841 – 5º andar – Itaim Bibi – São Paulo/SP (Brazil) - Electricity transmission and operation and maintenance of electricity transmission networks.	_	31.25% (k)
Hisdesat Servicios Estratégicos, S.A. - Paseo de la Castellana 143, 28046 Madrid (Spain) - Sale and marketing of space systems for government use.	_	38.56% (g)
Grupo de Navegación Sistemas y Servicios, S.L. - IN LIQUIDATION - - Calle Isaac Newton 1, Madrid (Spain) - Operation of satellite systems.	_	12.82% (g)

- Company - Registered office - Core business	2025 Percentage interest [1] Direct	 Indirect
Grupo Sylvestris, S.L. Paseo de la Ermita del Santo 5, 28011 Madrid (Spain) - Reforestation, gardening and rural development, combining engineering and social impact.	_	9.73% (g)
Okto Grid ApS Gammel Kongevej 11, 5. 1610 København V (Denmark) - Measurement systems for the energy industry.	_	13.85% (l)
Hybrid Energy Storage Solutions, S.L. -Av. Benjamín Franklin, 12, Mód. No. 24, 46980 Paterna, Valencia (Spain) - Design, production and sale of energy storage technology solutions for next-generation electricity networks.	_	14.40% (l)
Aerolaser System, S.L. -Av. José Mesa y López, 45, L. D4, 35010 Las Palmaa, Gran Canary Island (Spain) - Development and sale of sensory technological solutions for geospatial technology.	_	24.01% (l)
Unusuals World, S.L. -Av. Gregorio Peces-Barba, 1, 28918 Leganes. Madrid. (Spain) - Development of artificial intelligence solutions for the detection of anomalies in network maintenance.	_	17.04% (l)

(1) Equivalent to voting rights.
(a) Shareholding held through Red Eléctrica Internacional, S.A.U.
(b) Shareholding held through Red Eléctrica de España, S.A.U.
(c) Shareholding held through Red Eléctrica del Sur, S.A.C.
(d) Shareholding held through Red Eléctrica del Norte Perú, S.A.C.
(e) Shareholding held through Red Eléctrica Chile, SpA.
(f) Shareholding held through Redeia Sistemas de Telecomunicaciones, S.A.U.
(g) Company belonging to the Hispasat Subgroup, whose parent is Hispasat, S.A.
(h) Axess Networks Solutions Perú, S.A.C. was merged into Hispasat Perú, S.A.C. in January 2025.
(i) Shareholding held through Red Eléctrica Brasil Holding Ltda.
(j) Shareholding held through Red Eléctrica del Sur, S.A.C. and Red Eléctrica Internacional, S.A.U.
(k) Company belonging to the Argo Subgroup whose parent is Argo Energía Empreendimentos y Participações S.A.
(l) Shareholding held through Elewit, S.A.U.
(*) Companies reclassified to discontinued operations (note 5).

redeia

El valor de lo esencial

Interim consolidated management report for the six months ended 30 June 2025

Contents

The various sections of this consolidated management report contain certain forward-looking information reflecting projections and estimates and their underlying assumptions, statements referring to plans, objectives and expectations around future transactions, investments, synergies, products and services, as well as statements concerning future earnings and dividends and estimates made by the directors, based on assumptions they consider reasonable.

While the Group considers the expectations reflected in those statements to be reasonable, investors and holders of shares in the Parent are cautioned that the forward-looking information and statements are subject to risks and uncertainties, many of which are difficult to foresee and generally beyond the Group's control. As a result of such risks, actual performance and developments could differ significantly from those expressed, implied or forecast in the forward-looking information and statements.

The forward-looking statements are not guarantees of future performance and have not been reviewed by the Group's external auditors or by other independent third parties. Investors and holders of shares in the Parent are cautioned not to take decisions on the basis of forward-looking statements that refer exclusively to information available as at the date of this report. All of the forward-looking statements contained in this report are expressly subject to this disclaimer. The forward-looking statements included in this document are based on the information available as at the date of this management report. Unless required otherwise under applicable law, the Group undertakes no obligation to publicly update any forward-looking statement or revise its forecasts, whether as a result of new information, future events or otherwise.

In order to make it easier to understand the information provided in this document, certain alternative performance measures have been included. The definition of those alternative performance measures can be retrieved from: *https://www.redeia.com/en/shareholders-and-investors/financial-information/alternative-performance-measures*

1 Significant developments during the interim reporting period and outlook

Redeia Corporación, S.A. (hereinafter, the Parent or the Company) is the Parent of a Group of subsidiaries. The Group also has investments in joint operations together with other venturers. The Parent and its subsidiaries comprise Redeia (hereinafter, the Group or Redeia).

The Group’s core business is the management and operation of electricity infrastructure in Spain through Red Eléctrica de España, S.A.U. (Red Eléctrica) and internationally, through Red Eléctrica Internacional, S.A.U. and its investees (Redinter). The Group also provides telecommunications services over fibre optic to third parties in Spain through Redeia Infraestructuras de Telecomunicación, S.A. (Reintel).

Redeia spearheads innovation, business creation and technology development, which it views as a key enabler of sustainability, through its subsidiary, Elewit, S.A.U. (Elewit).

On 31 January 2025, Redeia, through its subsidiary, Redeia Sistemas de Telecomunicaciones S.A.U., agreed to sell Indra Sistemas S.A. (Indra) its 89.68% interest in the share capital of Hispasat, S.A. (Hispasat) for 725 million euros.

The sale is expected to close in the second half of 2025 as it is subject to delivery of certain suspensive conditions, including approval by Spain’s Council of Ministers, the anti-trust authorities and several regulators in both Spain and other jurisdictions; it is also subject to approval at Indra’s Annual General Meeting and to the execution of certain agreements so that Indra, once it has increased its ownership interest in Hisdesat, can consolidate that investee for accounting purposes.

Management and operation of domestic electricity infrastructure

Red Eléctrica, as Spain's TSO, is entrusted with ensuring the correct functioning of the Spanish electricity system and guaranteeing the continuity and security of the electricity supply at all times. To this end, it oversees and coordinates the high-voltage electricity system and manages the development of the transmission network. Its pursuit of this mission is framed by the principles of neutrality, transparency, independence and economic efficiency, so as to offer a secure, efficient and high-quality electricity service to society as a whole.

The electricity system in the Iberian Peninsula suffered a loss of electricity supply on 28 April 2025 (the “system blackout”). From the outset, Redeia (essentially through its subsidiary, Red Eléctrica), along with other sector companies, worked to restore the supply of electricity throughout the mainland as soon as possible. The process of restarting the grid took place rapidly and without significant incidents in the transmission grid managed by Red Eléctrica, with supply restored in the majority of areas affected over the course of that day and the following evening.

On 17 June 2025, the committee set up to analyse the circumstances leading to the system blackout of 28 April, presided by the Third Vice President and Minister of Ecological Transition and Demographic Challenge, issued a report with the approval of the National Security Council of Spain, the CSN. In tandem, on 18 June 2025, Red Eléctrica, as transmission system operator and in compliance with applicable regulations (Operating Procedure No. 9) presented its analytical report providing an account of the events that led to the system blackout on 28 April. Both reports provide an account of the causes of the system blackout and propose measures to prevent a similar event from recurring in the future or minimise its effects in the event of materialisation.

Likewise, both reports conclude that multiple factors caused the incident, namely a series of cumulative circumstances that far exceeded the N-1 safety criterion and led to a surge in voltage, triggering a cascading shutdown of generation plants.

With respect to the events that led to the system blackout, the report presented by the TSO noted that from 12.03pm on 28 April 2025 there was, firstly, a 'forced' oscillation, brought about by an anomaly at a generation plant in the province of Badajoz, which recurred at 12.16pm, and, later, another inter-area oscillation at 12.19pm, both of which obliged the TSO to take protocol damping measures and which, having been effective, shaped an electricity system configuration that was very different from that initially contemplated for that day; in addition, one generation group was determined to have incorrectly triggered generation, while another, subject to Operating Procedure No. 7.4 at the time, did not comply with its stipulated voltage control regulations. These circumstances triggered a surge in voltage and a cascade of generation losses, leading to a total loss of power in the system at 12.33pm. As it does every day, the TSO made the appropriate calculations for programming the technical restrictions, assuming that all generation groups would comply with the obligations imposed under the current regulations.

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Examination of the applicable regulatory framework reveals three potential sources of legal liability:

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c) That consisting of the alleged commission of any of the infractions defined in the prevailing Electricity Sector Act (Law 24/2013).

It is not presently feasible to objectively quantify the amounts that may derive from claims for damages; the volume of claims received to date is not significant but the term for presenting such claims has not yet prescribed. Moreover, the information and analysis needed to quantify the eventuality contemplated in the above-mentioned article 27.4 of Royal Decree 1955/2000 is not yet available; moreover, there is no specific regulation governing how the TSO could, if found liable, apply the hypothetical discounts, or how the parties to which the discounts may apply could respond. Redeia has insurance policies that cover the above-listed concepts up to a certain limit.

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- In the event of a serious infraction: a fine of no less than 0,6 million euros and no more than 6 million euros.

On the basis of the internal analysis carried out and the information currently at hand (particularly the report issued by the TSO in keeping with applicable regulations), in the opinion of Redeia's Legal Department and its independent legal advisors, it is not probable that the blackout will imply an outflow of resources for the Group in the future, which is why no related provision has been recognised in these interim financial statements for the six months ended 30 June 2025. Given that several investigations remain ongoing, including that being undertaken by the CNMC, this estimate made by the directors could change in the future.

Capital expenditure

Through Red Eléctrica, Redeia invested 517 million euros in the Spanish transmission grid in the first half of 2025.

During this period, the Group remained committed to efficient development of the transmission grid by commissioning facilities that contribute to the energy transition, with the aim of integrating as much renewable power as possible and furthering electrification, thus ensuring security of supply and service quality.

The new developments of the first half of 2025 notably included receipt of the permit for operating several sections of the Mangraners - Espluga - Begues (Catalonia) line (36 km) and for operating the Rosario - Guajara (Canaries) line (11 km), as well as the Fuente de Maestre substation (4 positions), renovation of the Trillo substation (3 positions) and the reconductoring of the Almaraz CN - Trujillo line and the Escatrón - Espartal line.

Red Eléctrica also obtained government permits in the first half totalling 220 million euros allowing the start of construction work, notably including work at the new Alcobendas - Fuente Hito line in Madrid (19 million euros) and the renovation work at the Badalona - Guixeres line in Catalonia (20 million euros).

Mainland electricity system

The most noteworthy statistics for the first half of 2025 were as follows:

- Demand for electricity on the mainland amounted to 117,678 GWh, up 2.7% from the first half of 2024. Adjusting for calendar effects and temperatures, the year-on-year increase falls to 1.3%.
- Demand in terms of average hourly power and daily electricity peaked on 16 January at 39,938 MWh and 794 GWh, respectively, marking growth of 4.6% and 2.3%, respectively, from the peaks recorded in the first half of 2024.
- 60.4% of demand was met from renewable generation, down 2.9 percentage points from the first half of 2024, due mainly to lower generation using wind, solar-thermal and renewable waste technologies.
- Peak instantaneous power and daily electricity from wind power were recorded on 27 January, at 19,914 MW and 393 GWh, respectively, marking decreases of 1.4% and 5.4% from the first-half 2024 peaks.
- International electricity exchanges yielded another net export balance of 6,902 GWh for Spain in the first half of 2025.
- Red Eléctrica's mainland transmission grid performed very well. Without considering the incident of 28 April, which is currently under analysis in order to determine responsibility for the cause of the interruption, the continuity of supply indicators remained below the thresholds set out in Royal Decree 1955/2000, with accumulated ENS (energy not supplied) and AIT (average interruption time) metrics in the first half of 2025 of 105.64 MWh and 0.234 minutes, respectively (7.80 MWh and 0.018 minutes in the first half of 2024), evidencing the continuing high degree of security and quality provided by Red Eléctrica's facilities.

Non-mainland electricity system

- Demand in the Balearic Islands increased by 3.9% year-on-year in the first half of 2025. The number of working days and the temperature factor increased demand by 0.1% and 2.1%, respectively. The HDVC-250 kV Morvedre-Santa-Ponça link-up continues to provide supply security and quality, with power from the mainland covering 23.0% of demand in the Balearics in the first half of 2025 (26.3% in the first half of 2024), shaped by the difference in generation costs between the two systems.

- In the Canary Islands system, demand decreased by 0.5% year-on-year in the first half of the year. Generation from renewable sources (hydraulic, wind, photovoltaic solar, other renewable sources and hydropower) accounted for 20.5% of the total generation mix (19.2% in the first half of 2024).

Management and operation of international electricity infrastructure (Redinter)

Redeia's international business is carried out through Red Eléctrica Internacional, S.A.U. (Redinter), which currently has a presence in Peru, Chile and Brazil.

Redeia manages a network stretching 7,676 km in these three countries (1,691 km in Peru, 1,776 km in Chile and 4,209 km in Brazil), all of which is operational.

Activities in Peru

In Peru, Redinter is the leading transmission company in the south of the country, and, since 2019, also operates in the north, through CCNCM (a company 100%-owned by Redelnor). It operates under concessions, all of which operational, with terms of 30 years.

In the first half of 2025, the Group entered into an agreement with Zelestra for the remote operation of the substations associated with its photovoltaic solar power station, San Martín (implying total revenue of approximately USD 0.22 million over two years), another with Buenaventura for the provision of operation and maintenance services (implying revenue of USD 0.21 million this year) and a contract with Dragados covering remote operation services (implying revenue of USD 0.16 million this year).

As of 30 June 2025, the various concessions reported cumulative availability of 99.87%, compared to a target of 99.88%. The cumulative availability metrics for TESUR (100%), TESUR2 (99.99%) and TESUR4 (99.89%) were above target, with the other concessions - REDESUR (99.87%), TESUR3 (99.68%) and CCNCM (99.82%) - trailing just below.

Activities in Chile

The transmission business in Chile is grouped under the holding company in that market, Red Eléctrica Chile S.P.A. (RECH), incorporated in 2015, which holds 50% of Transmisora Eléctrica del Norte, S.A. (TEN), the owner of the electricity interconnection between northern and central Chile, which gave rise to the national electricity system in 2017; 69.9% of Red Eléctrica del Norte, S.A. (Redenor), which has one substation and three lines in northern Chile, close to the border with Peru, operational since 2022; and 100% of Red Eléctrica del Norte 2, S.A. (Redenor 2), which operates four transmission lines and is currently finalising the work to expand one position to connect up a project for the mining company, AMSA. RECH also owns 50% of Nexpertia, a company which monitors, controls, supervises and operates electricity facilities in the national electricity system in real time.

In the first half of 2025, RECH signed several contracts for the provision of permit management and legal advisory services and a contract for the implementation of storage developments for Ríos Renovables in Chile (implying total revenue this year of approximately USD 0.26 million). In addition, Redenor entered into an agreement with Telefónica giving the latter usufruct rights over its fibre optic network (implying total revenue of approximately USD 0.19 million over five years).

As of 30 June 2025, the cumulative availability reading for all the Chilean companies was tracking at 99.92%, compared to a target of 99.78%; the Redenor and Redenor2 concessions were running ahead of target, with Redenor at 100% availability, while TEN was running slightly below the target, at 99.75%.

Activities in Brazil

In Brazil, through Red Eléctrica Brasil (REB), Redinter owns 50% of the holding company Argo Energía Empreendimentos e Participaçoes S.A. (Argo), which in turn holds four concessionaires: Argo I, Argo II, Argo III and Argo IV. Argo I has been operating 1,110 km of 500kV lines and five substations in northeast Brazil since the end of 2019. Argo II, comprising the expansion of a substation, and Argo III, which operates 320 km of 230kV lines and five substations in the state of Rondonia, have been operating commercially since 2022. Argo IV operates 313 km of 500kV lines and was acquired in 2022.

Elsewhere, at the end of 2022, Argo acquired 62.5% of Argeb Energía Empreendimentos e Participações S.A. (ARGEB) and its five concessionaires: Argo V, Argo VI, Argo VII, Argo VIII and Argo IX. All five concessionaires are operational and run 2,467 km of 500 kV and 230 kV transmission lines and 20 substations in northeast Brazil.

Overall, Redinter has 4,209 km of lines in Brazil, making it a leading transmission provider with a strong position in the northeast, one of the regions with highest potential in renewable power and greatest need for transmission network development.

As of 30 June 2025, cumulative availability for all the Brazilian companies stood at 99.92%, with all of them, except for Argo III (97.60%) ahead of the target of 99.50%; specifically, cumulative availability was 99.88% at Argo I, 99.80% at Argo II, 99.93% at Argo IV, 100% at Argo V, 99.95% at Argo VI, 99.91% at Argo VII, 99.83% at Argo VIII and 99.95% at Argo IX.

Telecommunications

Satellite business

The satellite telecommunications business used to be carried out through the Hispasat subgroup (hereinafter, Hispasat). Redeia Sistemas de Telecomunicaciones, S.A.U., a subsidiary of Red Eléctrica Corporación, held an 89.68% stake in Hispasat as of June 2025.

As disclosed above, on 31 January 2025, a binding agreement was reached for the sale of the satellite business, with the seller and buyer committed to bringing that transaction to a close in the coming months.

Fibre optic business

Redeia's fibre optic telecommunications business is based on the commercial operation in Spain of surplus capacity in the fibre optic network and infrastructure associated with the electricity transmission system and the railway network owned by ADIF-Alta Velocidad, to which the Group holds the rights of use and exploitation.

Reintel currently manages and markets a fibre optic network of over 53,503 km rolled out over the electricity transmission and railway networks, with 43 interconnections between the two. It offers equal and transparent access to the telecommunications sector players. Reintel also provides Red Eléctrica with the telecommunications services it needs in its business, including the maintenance of fibre optic cables and telecommunications equipment.

Throughout the first half of 2025, Reintel continued to develop and execute its business plan, articulated around the provision of the following services: (1) the rental and maintenance of dark fibre to/for the telecommunications operators and new sector players, such as data processing centres and cloud infrastructure and services companies (hyperscalers); and (2) connectivity between submarine cables which make land in the Iberian Peninsula and mobile telephony telecommunication towers. Reintel has also undertaken investments at the request of its customers in order to generate additional revenue. This entails advancing on the interconnection between the electricity and railway networks and the deployment of selective fibre optic cable in order to offer its customers new solutions, such as access points and redundancy services. All of which without neglecting its high standards of service.

The business continued to proactively manage its customer base and collections throughout the first half of 2025 to prevent non-performance or adverse impacts on any key financial indicators in 2025.

2 Business and earnings performance

Revenue and share of profits of equity-accounted investees (with similar businesses)

Revenue plus the Group's **share of profits of equity-accounted investees** (with similar businesses to that of the Group) amounted to 843.3 million euros, up 2.2% from the 825.6 million euros recognised in the first half of 2024.

The revenue performance by main business line was as follows:

- **Management and operation of national electricity infrastructure:** this business line generated 714.9 million euros of revenue, year-on-year growth of 3.4%, shaped by the increase revenue resulting from the application of a financial rate of return in line with the draft published by the regulator (CNMC) for the assets subject to the N+2 safety criterion (from 1 January 2012), recognised on an accrual basis, and newly commissioned assets net of subsidies, partially offset by depreciation of the regulatory asset base (RAB) in keeping with the remuneration model. Revenue from system operation registered slight growth (+0.6 million euros).
- **International electricity transmission:** revenue plus the share of equity investee profits amounted to 72.2 million euros, a year-on-year decrease of 1.7%. The breakdown of that change is as follows:
  - Revenue came to 40.8 million euros, compared to 38.9 million euros in the first half of 2024. The growth of 4.7% is attributable mainly to healthy performances in Peru and Chile.
  - The Group's share of its international equity-accounted investees' profits totalled 31.4 million euros, down from 34.5 million euros in the first half of 2024, affected by the impact of the movement in the Brazilian real on Argo's earnings (Brazil)
- **Fibre optic:** at 74.5 million euros, revenue decreased by 2.3% year-on-year due to the impact of the renegotiation of contracts in a very competitive market, partially offset by the impact of inflation on the contracts benchmarked to CPI.

Other income: Other operating income and self-constructed assets

These two headings amounted to 81.0 million euros in the first half of 2025, year-on-year growth of 11.2% from 72.8 million euros the year before.

"**Self-constructed assets**" amounted to 31.8 million euros, compared to 29.0 million euros in the first half of 2024, due to a higher volume of projects capitalised in Spain.

"**Other operating income**" includes the income related with the Chira-Soria pumped-storage hydropower station, which the Group has been accounting for as a finance asset under IFRIC 12 *Service concession arrangements* since December 2022. This accounting method implied the recognition of income of 33.4 million euros in the first half of 2025 (23.0 million euros of revenue related with construction and 10.4 million euros derived from the unwinding of the discount), compared to 39.7 million euros in the first half of 2024, shaped by lower revenue from construction, partially mitigated by higher finance income thanks to the increased size of the asset. The remainder of this heading amounted to 15.8 million euros, up on the first-half 2024 figure due mainly to higher income from insurance claims.

Operating expenses

Operating expenses amounted to 288.3 million euros, up 3.1% from the first half of 2024. Without considering the expenses with offsetting entries in other operating income (Salto de Chira and the cost of projects carried out for third parties), operating expenses climbed by 2.4%, broken down as follows:

- The remaining cost of sales and other external expenses increased by a combined 2.1 million euros.
- Employee benefits expense increased by 4.5 million euros due to a higher average headcount and higher average wage costs.

Following the deconsolidation of Hispasat, the headcount at 30 June 2025 was 2,030, compared to 1,923 at June 2024. The headcount averaged 1,975 in the first half (1,922 in the first half of 2024).

Earnings

EBITDA amounted to 636.0 million euros, up 2.8% from the first half of 2024.

The trend in EBITDA by business is broken down below:

- **Management and operation of national electricity infrastructure**: EBITDA in this business amounted to 504.1 million euros, a year-on-year increase of 4.3%, due primarily to the above-mentioned increase in revenue from transmission.
- **International power transmission**: here, EBITDA came to 59.6 million euros, which is 2.0 million euros less than in the first half of 2024 (-3.3%), shaped by a lower contribution by equity-accounted investees, in turn affected by the trend in the Brazilian currency, as noted above.
- **Fibre optic:** EBITDA decreased by 1.9% year-on-year to 57.8 million euros, affected by the 1.7 million euro decrease in revenue, outlined above, slightly offset by a year-on-year reduction in operating expenses of 0.6 million euros.

EBIT amounted to 416.2 million euros, marking growth of 3.7% from the first half of 2024. In addition to the above-mentioned trend in EBITDA, the trend in EBIT was shaped by higher depreciation charges, mainly at Red Eléctrica, due to more assets in operation. Grants released increased by 7.6 million euros to 14.1 million euros due to the recognition of grants related to the Recovery, Transformation and Resilience Plan, with a balancing entry of the same amount under depreciation and amortisation.

The **net finance cost** widened by 26.4% to 48.6 million euros (net cost of 38.4 million euros in the first half of 2024). Finance costs amounted to 64.4 million euros, down 2.8 million euros from the first half of 2024, thanks to a lower average borrowing cost, which dipped to 2.2% (2.22% in the first half of 2024), and increased capitalisation of borrowings costs on the back of higher capital expenditure, partially eroded by a higher average gross debt balance. Finance income decreased by 13.4 million euros year-on-year due to lower returns on cash surpluses, of 15.5 million euros in the first half of 2025.

The **profit after tax for the period from discontinued operations** reflects the earnings contribution of the satellite business in the first half of 2024, which amounted to 4.1 million euros. In the first half of 2025, the consolidated statement of profit or loss does not include any amount under this heading since, under the terms of the contractual arrangements, the earnings of Hispasat no longer affect the Group's earnings.

The Group's **effective income tax rate**, excluding its share of equity-accounted investee earnings, was 24.6%, compared to 25.1% in the first half of 2024.

Lastly, the **profit attributable to equity holders of the parent** amounted to 269.5 million euros, up 0.1% year-on-year, while profit attributable to non-controlling interests was 15.4 million euros, which was flat year-on-year. By business line, the trend in profit attributable to equity holders of the parent was as follows:

- **Management and operation of national electricity infrastructure**: the profit for the period attributable to this business amounted to 219.6 million euros, up 18.6 million euros year-on-year.

  At the end of 2024, this business was capitalised by 1 billion euros, unlocking an improvement in its net finance cost, which, coupled with a healthy business performance, drove significant earnings growth.
- **International electricity transmission**: attributable profit of 34.8 million euros versus 32.3 million euros in the first half of 2024. In addition to the above-mentioned growth in EBITDA, this business benefitted from lower interest expense.
- **Fibre optic:** the profit after tax attributable to equity holders of the parent from this activity amounted to 15.6 million euros, compared to 16.2 million euros in the first half of 2024.

Capital expenditure

In the first half of 2025, capital expenditure amounted to 602.7 million euros, with Redeia continuing to accelerate its investment plan for the regulated Spanish market, embracing its duty to articulate the energy transition.

The investments related with the **management and operation of national electricity infrastructure** totalled 564.2 million euros, year-on-year growth of 34%, and were aimed at facilitating the energy transition in Spain by paving the way for the integration of more renewable energy generation capacity. The breakdown by business line:

- **Development of the national transmission grid**: a total of 517.0 million euros of capital expenditure, compared to 366.7 million euros in the first half of 2024, reflecting intensification of the effort to build new lines and substations and upgrade assets, together with progress on the interconnections with other countries and between the mainland and island systems.
- In its capacity as **TSO**, Redeia invested 13.6 million euros, up from 15.0 million euros in the first half of 2024.
- Lastly, the Group invested 33.6 million euros in **storage in the Canary Islands**, compared to 39.7 million euros in the first half of 2024.

Investment in the **management and operation of international electricity infrastructure** totalled 1.0 million euros, compared to 1.9 million euros in the first half of 2024.

Investment in the **fibre optic** business amounted to 7.5 million euros, compared to 4.5 million euros in the first half of 2024, in line with the capital expenditure plan.

Lastly, the Group invested 30.1 million euros in other areas, including in technology and corporate applications for the Group and the investments made by Elewit, Redeia's private equity investment vehicle.

Cash flows

The main movements in cash flows in the first half of 2025 are analysed next:

Funds from operations (FFO) amounted to 472.6 million euros, down 25.6% year-on-year; note that in the first half of 2024, the Group collected an income tax reimbursement in respect of 2022, in the amount of 193 million euros, related mainly with the gain on the sale on Reintel. Excluding that non-recurring effect, FFO would have increased by 6.8% year-on-year in the first half of 2025, thanks to higher pre-tax profit and lower interest payments.

Working capital changes implied a cash inflow of 75.4 million euros, compared to a net outflow in the first half of 2024 of 209.3 million euros, shaped by a reduction in balances payable to the system and the differences in refunds to the system in relation to surplus transmission tariffs collected in prior years (in 1H25, refunds in this connection amounted to 13 million euros, compared to 122 million euros in 1H24). The surplus pending repayment at June 2025 stood at around 351 million euros and is expected to be settled in the coming months.

Cash outflows for **capital expenditure** amounted to 602.7 million euro in the first half of 2025, growth of 34.2% year-on-year, driven mainly by higher investment in the regulated electricity business in Spain.

The **movement in other assets and liabilities** amounted to 30.2 million euros, down 61.1% from the 77.6 million euros recorded in the first half of 2024, due to the collection of fewer grants associated with access points at Red Eléctrica, as well as the fact that the Group collected money from derivative settlements in 2024. In the first half of 2025, this heading includes 21 million euros of European grants under the scope of the electricity interconnection being built between Spain and France.

Dividends paid decreased by 24.5% to 119.3 million euros.

The trend in these headings explains the increase in **net debt** of 169.6 million euros with respect to the year-end 2024 balance.

Trend in net debt

Net debt stood at 5,539.4 million euros at 30 June 2025, growth of 169.6 million euros from the year-end 2024 balance of 5,369.9 million euros, reflecting heavy investments throughout the period, partially offset by funds from operations and the collection of approximately 21 million euros of grants under the scope of the interconnection being built between Spain and France.

At 30 June 2025, all of the borrowings arranged by the Group were **non-current**. **79%** the Group's debt carries **fixed rates**, with the remaining **21%** arranged at **floating** rates of interest.

The Group's **average cost of debt** was **2.20%** in the first half of 2025, compared to 2.22% in the first six months of 2024.

Gross debt averaged 6,097 million euros in the first half of 2025, compared to 5,909 million euros a year earlier.

Redeia has **pledged that 100% of its debt will be tied to ESG criteria by 2030**. Evidencing its progress towards achieving this target, at 30 June 2025, **80%** of the Group's borrowings already included **ESG criteria**, up from 69% at 31 December 2024.

Trend in equity

Redeia's **equity** stood at 5,212.7 million euros at 30 June 2025, down 47.4 million euros from the year-end 2024 figure. The year-on-year reduction mainly reflects the approved final dividend and the increase in negative translation differences driven by US dollar depreciation, offset by the profit for the period.

3 Key risks and sources of uncertainty in the second half of the

Redeia is exposed to a number of implicit business and market risks whose materialisation could have an adverse effect on its earnings.

The Comprehensive Risk Management System manages the Group's risks end to end and continuously; it encompasses each business unit and subsidiary, as well as all of the corporate support areas. It is designed to ensure that any risks that could affect the achievement of its strategies and objectives are systematically identified, analysed, assessed, managed and controlled, framed by uniform criteria and within the established risk levels, in order to facilitate compliance with the Group's strategies and objectives. Redeia has an end-to-end risk management and control policy and procedure which are articulated around the Internal Control Integrated Framework published by the Committee of Sponsoring Organization (COSO) and ISO 31000.

In the course of identifying, analysing, assessing and controlling the Group's risks, steps are established and taken as needed to reduce the level of risk to an acceptable level. To monitor the various risks, the System contemplates oversight of numerous action plans designed to reduce risk levels, together with a broad number of performance indicators for control purposes. At least twice yearly in the case of high-level risks and other risks of particular relevance, and when warranted under the specific circumstances, the Internal Audit and Risk Control Department reviews developments with the managing units and the effectiveness of the action plans put in place for mitigating them. The Audit Committee supervises the entire process at least twice a year and reports on its findings the Board of Directors.

Elsewhere, the Group's processes have risk mitigation considerations built in. These processes have been integrated into structured management systems in keeping with international standards (ISO 9001, ISO 14001 and ISO 45001, among others), whose design and effective implementation are subject to systematic internal and external controls. The processes also feature controls over the various targets to be delivered.

Moreover, Redeia has contingency plans for addressing various crises that could arise in the event of an incident affecting service continuity, the environment, people, business operations, system availability or earnings or indeed any other event that could impact the Group's reputation. Redeia has an action plan for managing cyber incidents which establishes the criteria and guidelines for managing any incident related with cybersecurity, no matter where it originates.

This effort is complemented by Redeia's internal control over financial reporting (ICFR) system, which is designed to ensure efficient and secure reporting, framed by international best practices.

The main risks to which Redeia is exposed and which could jeopardise delivery of its targets are strategic risks, notable among which regulatory risks, as the Group's main businesses are closely regulated. It is also exposed to operational risks, through its activities in the electricity and telecommunications businesses, and financial risks.

Regulatory risks

Regulatory risk considerations relate to the determination of the Group's revenue and the environment and conditions in which it carries out its main activities. Here it is worth highlighting the risk of changes in the legal framework regulating the Group's activities across its various geographic markets, which could affect its income and its costs, either directly or by imposing new performance requirements.

Redeia also faces business risks as a result of its diversification into different business activities and regions.

Operational risks

Redeia's activities expose it to a series of operational risks, including faults in its electricity transmission network, fibre optic network or satellite infrastructure, facility fires, adverse climate events, accidents in the transmission network, incidents affecting physical or logical security and other events that could harm the Group's facilities causing damage to its assets and/or people. The Group has established controls which have functioned as intended until now.

Redeia also has corporate insurance to cover its assets and limit the potential fallout from events such as these on its earnings.

Financial risks

The Group is exposed to volatility in interest and exchange rates, which could affect its financial situation.

The Group's foreign exchange risk management strategy addresses all unfavourable movements in exchange rates that could affect the Group's forecast earnings.

This risk factor encompasses transaction risk as a result of having to collect or pay cash in a currency other than the euro and translation risk as a result of translating the financial statements of subsidiaries whose functional currency is not the euro. In order to eliminate the foreign exchange risk derived from the Group's private placements in the US, it has arranged cash flow hedges, specifically USD/EUR cross-currency swaps which cover the total amount and duration of those placements until 2035. The Group mitigates the translation risk arising on assets located in countries whose functional currency is not the euro by financing part of these investments in those countries' functional currencies. The Group has also arranged a hedge of its net investment in US dollars in the form of a cross-currency swap to 2026.

As of 30 June 2025, the Group's debt structure implied low exposure to interest rate risk as 79% of its borrowings carry fixed rates, framed by the Group's borrowing policy, specifically including its target of aligning its borrowing cost with the rate of return applied to the Group's regulated assets.

4 Events after 30 June 2025

No significant events have occurred between the reporting date and the date on which these interim condensed consolidated financial statements were authorised for issue.