

## **NATURGY ENERGY GROUP, S.A.**

NATURGY ENERGY GROUP, S.A., in compliance with the provisions of Article 17 of Regulation (EU) 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse and Article 226 of Law 6/2023, of March 17, on Securities Markets and Investment Services, hereby notifies the following

### **INSIDE INFORMATION**

Naturgy Energy Group's Board of Directors reports on the agreements adopted in the meeting held yesterday afternoon:

1. The Board of Directors has revised its estimates for the results for year 2023 and has decided to publish an update in the form of the document enclosed herein.
2. The Board of Directors has agreed to distribute a 0.5€ per share interim dividend against 2023 results and which will be paid on 7 November.
3. The Board of Directors has agreed to name Mr. Jon Ganuza Fernández de Arroyabe as Head of Energy Procurement and Wholesale Markets following the voluntary departure of the previous Director, Mr. Antoni Basolas Tena. The Board expresses its gratitude to Mr. Basolas and his 18 years of service for the Group.

**Madrid, 24 October 2023**

# September 2023 Market update

24 October 2023



# Market update as of September 2023



Continued to execute on our Strategic Plan revising our estimates upwards



Invested €1.9bn



+730MW of renewable capacity and progressing to bring +1.5GW into operation in 2024



Reinforced our balance sheet and flexibility to fund future growth



Market update



Continued focus on security of energy supply at affordable prices for our clients



More than 50 renewable gas projects in different stages of development



Increased regulatory visibility in some LatAm markets



Managed our gas exposure to increase visibility and de-risking

## Key figures as of September 2023

Higher EBITDA and Investment while reducing Net debt

€bn

EBITDA

4.3

Investment

1.9

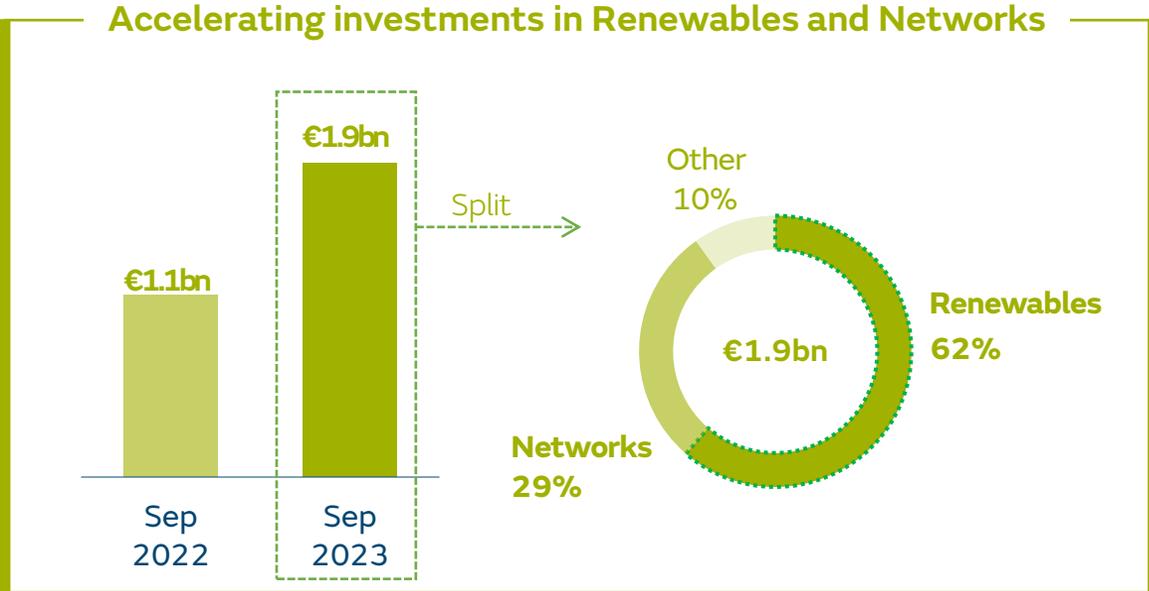
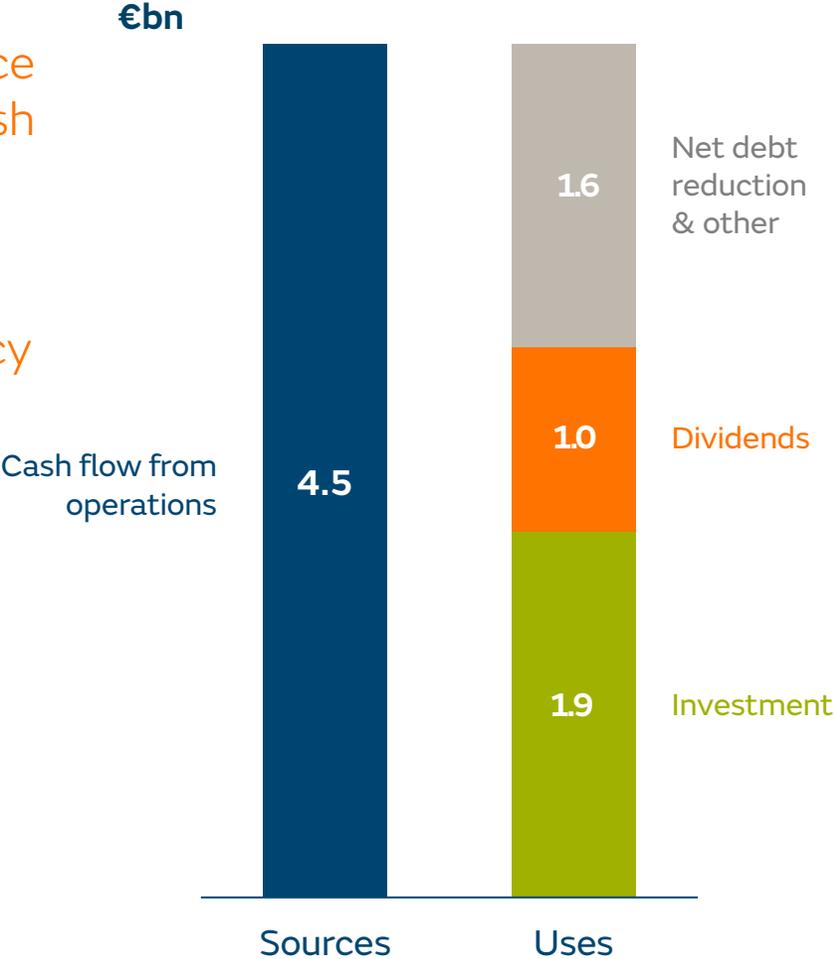
Net debt

11.2

- 1 Trends until September 2023 support year end EBITDA expectations above initial guidance
- 2 70% Investment increase
- 3 Continued Net debt reduction
- 4 First 2023 interim dividend of 0.50 €/sh. paid on 7 August; second interim dividend of 0.50 €/sh. payable on 7 November

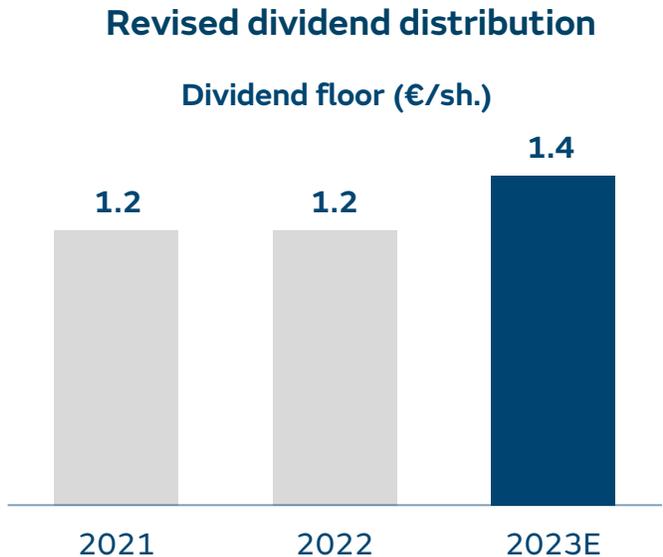
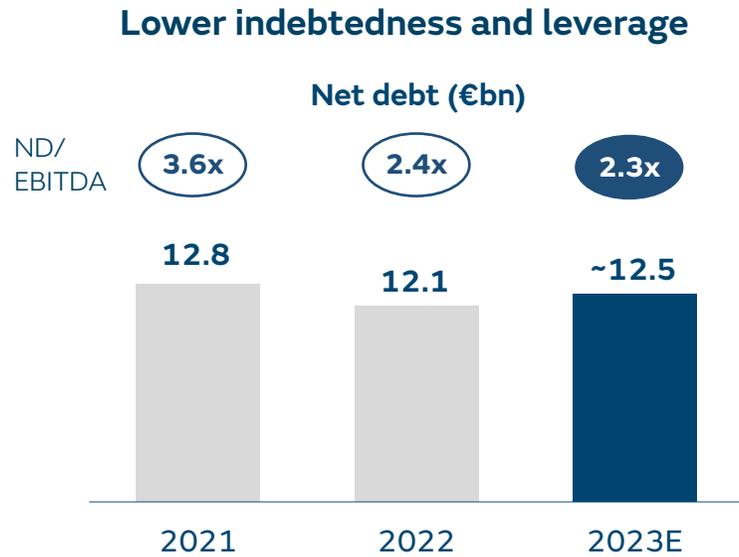
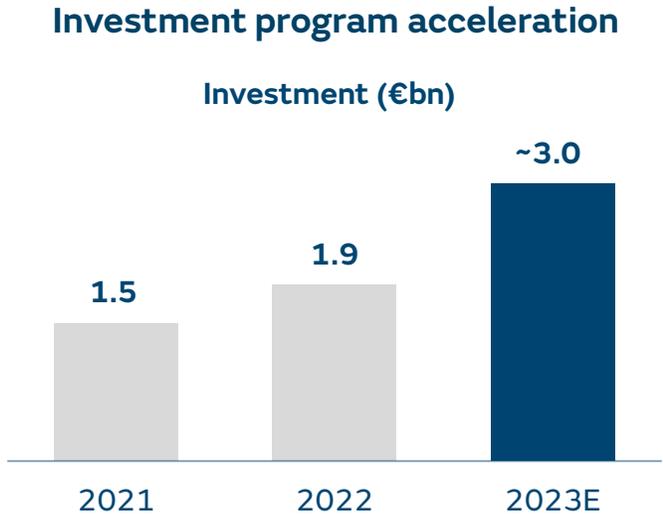
# Sources and uses of cash 2023YTD

Strong balance sheet and cash flow to fund attractive growth and dividend policy



# 2023 revised guidance based on current energy scenario

Growing EBITDA, Investment and dividends while reducing Net debt



# Appendix

# Alternative Performance Metrics

Naturgy's financial disclosures contain magnitudes and metrics drafted in accordance with International Financial Reporting Standards (IFRS) and others that are based on the Group's disclosure model, referred to as Alternative Performance Metrics (APM), which are viewed as adjusted figures with respect to those presented in accordance with IFRS.

The chosen APMs are useful for persons consulting the financial information as they allow an analysis of the financial performance, cash flows and financial situation of Naturgy, and a comparison with other companies.

Below is a glossary of terms with the definition of the APMs:

Alternative performance metrics	Definition and terms	Reconciliation of values		Relevance of use
		30 September 2023	30 September 2022	
EBITDA	EBITDA = Revenue – Procurements + Other operating income – Personnel expenses – Other operating expenses + Gain/(loss) on disposals of fixed assets + Release of fixed asset grants to Income and other	Euros 4,313 million	Euros 3,502 million	EBITDA (“Earnings Before Interest, Taxes, Depreciation and Amortization”) measures the Group’s operating profit before deducting interests, taxes, depreciations and amortizations. By dispensing with the financial, tax and accounting expenses magnitudes that do not entail a cash outflow, it allows evaluating the comparability of the results over time. It is an indicator widely used in the markets to compare the results of different companies.
Investments (CAPEX)	Investments in intangible assets + Investments in property, plant & equipment	Euros 1,378 million = 209 + 1,169	Euros 1,119 million = 211 + 909	Measure of the investment effort of each period in assets of the different businesses, including accrued and unpaid investments. It allows to know the allocation of its resources and facilitate the comparison of the investment effort between periods. It is made up both of maintenance and growth investments (funds invested in the development or for the expansion of the Group's activities).
Gross financial debt	“Non-current financial liabilities” + “Current financial liabilities”	Euros 15,550 million = 12,616 + 2,934	Euros 16,301 million = 13,999 + 2,302	Measure of the Group's level of financial debt. Includes current and non-current concepts. This indicator is widely used in capital markets to compare different companies.
Net financial debt	Gross financial debt - “Cash and cash equivalents” - “Derivative financial assets associated with financial liabilities”	Euros 11,171 million = 15,550 – 4,106 – 273	Euros 12,070 million = 16,301 - 3,985 – 246	Measure of the Group's level of financial debt including current and non-current items, after discounting the cash and cash equivalents balance and asset derivatives linked to financial liabilities. This indicator is widely used in capital markets to compare different companies.

## Disclaimer

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This document is the property of Naturgy Energy Group, S.A. (Naturgy) and has been prepared for information purposes only and contains inside information per the 2014 market abuse regulation.

This communication contains forward-looking information and statements about Naturgy. Such information can include financial projections and estimates, statements regarding plans, objectives and expectations with respect to future results, operations, capital expenditures or strategy.

Naturgy cautions that forward-looking information is subject to various risks and uncertainties, difficult to predict and generally beyond the control of Naturgy. These risks and uncertainties include the current volatile market and regulatory uncertainty, as well as those identified in the documents containing more comprehensive information filed by Naturgy and their subsidiaries in the different supervisory authorities of the securities markets in which their securities are listed and, in particular, the Spanish National Securities Market Commission.

Except as required by applicable law, Naturgy does not undertake any obligation to publicly update or revise any forward-looking information and statements, whether as a result of new information, future events or otherwise.

This document includes certain alternative performance measures (“APMs”), as defined in the Guidelines on Alternative Performance Measures issued by the European Securities and Markets Authority in October 2015.

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*Transforming together*