FY24 Results

20 February 2025

Naturgy

Transforming together

Contents

1. Executive summary

FY24 review

(€m)	FY24	FY23	Change
EBITDA	5,365	5,475	-2.0%
Net income	1,901	1,986	-4.3%
Capex	2,280	2,747[1]	-17.0%
Net debt	12,201	12,090	0.9%
Free cash flow after minorities	1,418	1,925[1]	-26.3%

FY24 has been marked by lower energy prices compared to FY23, both in gas and electricity, resulting in a more challenging energy scenario. Following the volatility experienced in recent years, energy prices have gradually rebalanced towards pre-energy crisis levels but remain sensitive to ongoing global developments.

Naturgy business focus and risk management initiatives contributed to deliver strong and resilient results amid the less favorable backdrop. During the period, the Group's EBITDA reached €5,365m, a decrease of 2.0% compared to FY23, maintaining a balanced contribution between regulated and liberalized activities, which represented approximately 53% and 47% of total EBITDA respectively. Net income reached €1,901m in FY24, a decrease of 4.3% compared to FY23. Naturgy has delivered strong results only slightly below FY23 record highs despite the less favorable energy scenario. Moreover, Naturgy has exceeded its guidance and successfully delivered on its commitments for FY24.

Throughout 2024, liberalized activities saw a decline in profitability and contribution compared to the previous year. Specifically, Energy management and Supply activities faced significant margin contraction after exceptionally strong performances in 2022 and 2023. On the other hand, regulated activities proved resilient and experienced growth, supported by the positive regulatory developments in some LatAm regions and growth in Spain electricity.

During 2024, Naturgy invested €2,280m, mainly in renewable developments and networks. Renewable installed capacity reached 7.3GW and approximately 1.6GW renewable capacity are currently under construction, of which 838MW in Spain, 360MW in Australia, and 387MW in the USA. Approximately additional 0.9GW are expected to become operational during 2025.

Moreover, Naturgy continued to progress on renewable gases in Spain and has formed a partnership with agricultural and livestock waste management firm Hispania Silva to develop up to 30 biomethane plants across Spain until 2030, with an annual generation capacity of approximately 2.5TWh, equivalent to the consumption of 500,000 homes, contributing to the decarbonization of the economy, with the reduction of 450,000 tons of CO_2. Naturgy aims to be the leading company in promoting renewable gases in Iberia and is well-positioned to take advantage of this opportunity and willing to deploy significant investments and resources in this business.

Naturgy's Net debt as of 31 December 2024 stood at €12,201m compared to €12,090m at the end of 2023. Net debt to EBITDA stands at 2.3x, slightly above FY23. Moreover, this small increase in Net debt includes the €500m hybrids redeemed in April 2024 (not accounted as financial debt), and therefore Naturgy's overall indebtedness and balance sheet has continued to strengthen in the period. Furthermore, Naturgy maintains an ample liquidity buffer, with €11.2bn in available cash and equivalents and undrawn credit lines as of year-end 2024.

During 2024, Naturgy distributed €1,345m in dividends, including the 2023 final dividend of €0.40 €/share paid in April 2024, and the two interim dividends against 2024 results of 0.50 €/share each, paid in August and November 2024, respectively. Additionally, Naturgy will propose to the Annual General Meeting in March 2025 a 2024 final dividend of 0.60 €/share for a total upsized dividend of 1.60 €/share in 2024.

[1] This measure has been redefined to better reflect the investment effort of the Group's businesses (see Annex III of APM)

Energy demand and commodity prices

During 2024, average gas and electricity prices in Europe were substantially lower compared to 2023, affected by supply and demand dynamics and mild temperatures. In this context, gas prices on major hubs experienced relevant declines, with the TTF, JKM and HH comparing on average –29.6%, -26.7% and –20.7% below 2023 respectively. Wholesale electricity prices for their part compared 27.7% below on average vs. 2023. Finally, average Brent prices were 2.2% lower than in 2023.

Demand had a positive evolution across markets, with higher distributed energy in all markets. Spain gas remained stable (+0.8%), while Mexico, Brazil, Chile and Argentina experienced growth of 10.3%, 14.6%, 1.2% and 5.0% respectively. In electricity distribution, Spain, Panama and Argentina posted 6.5%, 3.4% and 5.3% growth respectively.

Other developments

During 2024, Naturgy's share price was influenced by external factors beyond management's control, such as the negotiations between Criteria Caixa and TAQA in the first half of the year or the exclusion from the MSCI indices in February 2024. Notwithstanding, Naturgy's management team remained focused on executing its strategic roadmap, investing in profitable growth projects, proactively managing regulatory developments and uncertainties and improving long-term visibility, reaching a price agreement with Sonatrach for 2024 and ensuring competitive energy supply for the country, as well as optimizing the Company's capital structure, among other relevant achievements. The Company is today in a position of strength to continue its transformation.

Shareholder structure developments

During the second quarter of 2024, news flow pointed to the fact that some of Naturgy's shareholders had been exploring alternatives with regards to their shareholdings.

On 16 April 2024, Criteria Caixa confirmed it was in talks with a potential investor group that was in contact with some of Naturgy's reference shareholders and was interested in reaching a potential partnership agreement with Criteria. Criteria's conversations with this investor were considered at a preliminary stage.

On 17 April 2024, TAQA, an energy company controlled by the government of Abu Dhabi, confirmed it was holding talks with Criteria, regarding a possible cooperation agreement related to Naturgy. TAQA confirmed that it was holding talks with CVC and GIP regarding the possible acquisition of their shares in Naturgy. If such an acquisition were to occur, a public acquisition offer for the entire capital of Naturgy should be formulated. No agreement had been reached with Criteria, CVC or GIP.

On 10 June 2024, Criteria informed that its negotiations with TAQA regarding a possible cooperation relating to Naturgy had terminated and no agreement had been reached. Criteria reaffirmed its commitment as an investor to Naturgy's long term industrial plan and reiterated its explicit support to the Company's transformation plan in line with the energy transition.

Naturgy has been a passive subject on the discussions and the Company has continued to operate and advance on its strategic roadmap, managing the Company in the best interest of its stakeholders.

MSCI

MSCI (Morgan Stanley Capital International), a global reference for institutional investors and a benchmark for many mutual funds and Exchange Traded Funds (ETFs) announced constituent changes on various of its indices, following its February 2024 review. As a result, Naturgy was removed as a constituent from various MSCI indices, effective as of the close of the last trading day of February. The exclusion was based on Naturgy's free float market capitalization, which had fallen below the minimum thresholds for MSCI inclusion criteria. The exclusion of Naturgy from the MSCI indices was completely unrelated to its operational and financial performance.

Strategic Plan 2025-27

Naturgy's vision aims to enhance the Company's competitive positioning in response to the evolving energy sector trends, leveraging on its competitive strengths.

Naturgy is a leading multi-energy player, committed to driving the energy transition, achieving operational excellence with exceptional customer service. Naturgy aims to be present across the energy value chain, investing with financial discipline, ensuring a BBB rating and a sustainable shareholder remuneration.

Naturgy is committed to driving decarbonization while balancing sustainable growth, energy security, and price competitiveness. The Group's industrial model focuses on maximizing operational efficiency and capturing integrated margins across the value chain and is based on the following pillars:

Integrated with presence across the value chain

- Networks resilience providing stable cash flows
- Vertical integration between power generation and clients
- Industrial role, capturing integrated margin

Multi energy position

- Presence in power and gas, as a key energy source for the energy transition
- Flexible generation (CCGTs) with selective growth in renewable generation to meet customer needs
- Leadership in biomethane to accelerate decarbonization and consolidate the role of gas

Client centric

- Multi energy offering with value added services to meet all client needs
- Excellence in client service and consolidation of the new commercial model
- Final demand as a key driver for investment decisions across the value chain

The Strategic Roadmap 2025-2027 is underpinned by Naturgy's resilient cash flow and robust balance sheet, which will facilitate the execution of the Group's investment plan and ensure attractive and sustainable shareholder returns. This strategy is guided by the following key principles:

Operational excellence

- Best-in-class operations across business units
- Excellence in commercial delivery
- Innovation in customer service

Financial discipline and profitability

- Commitment to a BBB rating and continuous balance sheet optimization
- Maintaining inorganic growth optionalities
- Thresholds for investments to assure value creation and returns clearly above WACC
- Value over size

Shareholder remuneration and liquidity

- Attractive and sustainable shareholder remuneration
- Promote actions for adequate free-float and being listed

Naturgy has revised its dividend distribution policy for the years 2024-2027, establishing an annual dividend per share trajectory increasing from €1.60 in 2024 to €1.90 in 2027, subject to maintaining a BBB credit rating. The dividend per share may also increase, subject to the number of treasury shares.

Additionally, as part of the 2025-2027 Strategic Plan, the board approved to propose to the next Annual General Meeting the authorization of a public tender offer to acquire shares up to 10% of treasury stock with the aim of subsequently increasing the Company's free float with these shares.

The Board of Directors will also present to the Annual General Meeting the increase in the number of Board members to 16.

2. Key comparability factors

Reporting structure

Following the process of continuous transformation, changes were made to the financial reporting structure in 2023 to adapt it to the grouping of Naturgy's businesses into two major areas: Distribution Networks and Energy Markets. In addition, some changes were made to the composition of Naturgy's operating segments in order to ensure greater clarity on the progress of operations. No significant changes have been made in the reporting structure during 2024.

Perimeter changes

There are no transactions completed in 2024 with a relevant impact in comparability vs. 2023 results.

Foreign exchange impact

Exchange rate fluctuations in the period are summarized below:

	FY24	Change (%)	FX effect (€m)	
			EBITDA	Net income
USD/€	1.08	0.1%	-9	-7
MXN/€	19.82	3.3%	-9	-2
BRL/€	5.83	7.9%	-28	-10
ARS/€[1]	1,067.48	19.3%	-23	-9
CLP/€	1,021.37	12.4%	-27	-11
Other	-	-	-2	-1
Total	**-**	**-**	**-98**	**-40**

Note:
1. Exchange rate as of 31 December 2024 considering Argentina as hyperinflationary economy

3. Consolidated results

(€m)	FY24	FY23	Change
Net sales	19,267	22,617	-14.8%
EBITDA	**5,365**	**5,475**	**-2.0%**
Other results	-202	-55	-
Depreciation, amortisation and impairment expenses	-1,524	-1,742	-12.5%
Impairment of credit losses	-90	-208	-56.7%
EBIT	**3,549**	**3,470**	**2.3%**
Financial result	-465	-518	-10.2%
Profit/(loss) of companies measured under the equity method	120	90	33.3%
Income tax	-835	-768	8.7%
Income from discontinued operations	-22	-	-
Non-controlling interest	-446	-288	54.9%
Net income	**1,901**	**1,986**	**-4.3%**

Net sales totaled €19,267m in FY24, down 14.8% vs. FY23, mainly as a result of lower energy prices compared to the exceptionally high prices experienced during 2023.

Consolidated EBITDA reached €5,365m in FY24, a decrease of 2.0% compared to FY23. The Group posted strong and resilient results despite the less favorable energy scenario, supported by growth in regulated businesses, which was offset by lower contribution from liberalized activities, notably in Energy management and Supply, which experienced lower margins after the exceptionally strong performance in FY23.

Depreciation, amortization, and impairment expenses amounted to €-1,524m for the period, marking a 12.5% decrease compared to FY23. This decline is mainly due to higher impairments reported in FY23 (€288m), most of which related to LatAm thermal generation.

Impairment of credit losses amounted to €-90m in FY24, 56.7% lower compared to FY23. This reduction is mainly attributed to the higher impairments recorded in FY23 related to arbitration processes, which have been partially reversed in FY24 following certain rulings. Other results amounted to €-202m, resulting from various changes and updates in litigation and arbitration processes.

Financial result totaled €-465m, a 10.2% decrease from FY23. Cost of net financial debt increased slightly due to higher average cost of gross financial debt in the period (4.0% vs. 3.9% in FY23)[1]. As of 31 December 2024, 68% of gross debt is at fixed rates and 67% is denominated in Euros.

Financial result (€m)	FY24	FY23	Change
Cost of net financial debt	-490	-485	1.0%
Other financial expenses/income	25	-33	-
Total	**-465**	**-518**	**-10.2%**

Equity-accounted affiliates contributed €120m in FY24 as detailed below:

Profit/(loss) of companies measured under the equity method	FY24	FY23	Change
Qalhat	14	8	75.0%
Electricity Puerto Rico	64	59	8.5%
Chile societies	23	17	35.3%
Renewable Generation and Cogeneration	-3	-14	-78.6%
Medgaz/Medina	18	16	12.5%
Others	4	4	-
Total	**120**	**90**	**33.3%**

Note:
1. both excluding cost from IFRS 16 debt

The effective tax rate for FY24 stood at 26.1%, vs. 25.2% in FY23.

Income from discontinued operations amounted to €-22m in FY24, reflecting certain adjustments from activities sold in previous years.

Income from discontinued operations (€m)	FY24	FY23	Change
Gas distribution Italy	-4	-	-
Electricity distribution Chile	-18	-	-
Total	**-22**	**-**	**-**

Income attributed to non-controlling interests totaled €-446m in FY24, significantly increasing vs. FY23, as exhibited in the following table:

Income attributed to non-controlling interests (€m)	FY24	FY23	Change
Spain gas Networks	-66	-73	-9.6%
Chile gas Networks	-159	-79	-
Other affiliates[1]	-198	-102	94.1%
Other equity instruments	-23	-34	-32.4%
Total	**-446**	**-288**	**54.9%**

Note:
1. Including LatAm thermal, LatAm and Australia renewables, gas distribution in Brazil, Mexico and Argentina, and electricity distribution in Panama

The increase is mainly due to improved results from LatAm businesses with significant minority interests, particularly in Gas Chile and Renewable generation Mexico. Conversely, the reduction in Other equity instruments, which includes accrued interest on Deeply Subordinated Notes (hybrids), is explained by the €500m hybrid redemption without replacement completed in April 2024.

Overall, Net income reached €1,901m in FY24, a 4.3% decrease compared to FY23, aligning with the EBITDA trend. The positive evolution of financial results was offset by income from discontinued operations and higher income attributed to non-controlling interests. Overall net income exceeded the guidance provided for FY24.

4. Results by business unit

4.1. Distribution networks

EBITDA (€m)	FY24	FY23	Change
Spain gas	763	822	-7.2%
Mexico gas	274	291	-5.8%
Brazil gas	298	356	-16.3%
Argentina gas	136	20	-
Chile gas	448	323	38.7%
Spain electricity	670	650	3.1%
Panama electricity	238	175	36.0%
Argentina electricity	63	26	-
Holding	**-18**	**-25**	**-28.0%**
Total	**2,872**	**2,638**	**8.9%**

Please refer to Annex for additional P&L disclosure

EBITDA increased by 8.9% to 2,872m during the period, driven by the regulatory review in Panama, substantial tariff updates in Argentina, and provisions adjustments related to the TGN litigation process in Chile. These positives were partly offset by negative tariff updates in Brazil due to lower inflation, and in Mexico.

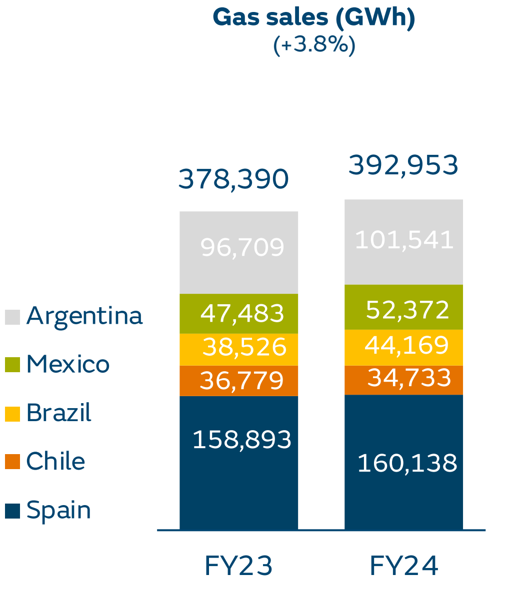
In Spain, growth in electricity distribution networks was fueled by higher asset base, while gas distribution posted weaker results, affected by the annual adjustment in regulated remuneration and lower demand in the residential segment.

The FX impact in the period amounted to €-87m, primarily due to the FX depreciation in Chile (€-29m), Brazil (€-27m) and the Argentinean peso (€-23m), which substantially moderated its depreciation trend compared to recent years.

Spain gas

FY24 EBITDA reached €763m, down 7.2% vs. FY23, driven by the annual adjustment in regulated remuneration, as established in the current regulatory framework, as well as lower demand in the residential segment due to mild temperatures, which was partially compensated by better performance in the industrial and commercial segments.

Operating metrics were quite stable, with gas sales (excluding LPG) increasing by 0.8%, while connection points decreased 0.4% vs. FY23.



Mexico gas

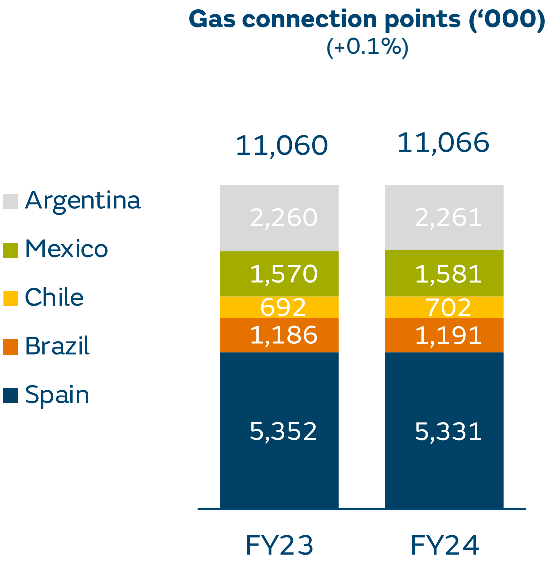
FY24 EBITDA reached €274m, a decrease of 5.8% compared to FY23. This decline was primarily due to regulatory updates in tariffs, lower margins in supply activities, and a slightly negative FX impact (€-8m). These negatives were partially compensated by positive demand evolution in the generation+TPA segment.

Overall gas sales increased by 10.3% while connection points grew by +0.7%.

Brazil gas

FY24 EBITDA totaled €298m, a decrease of 16.3% compared to FY23. This decline was primarily due to regulatory tariff updates in a negative inflationary environment, along with lower demand, particularly in the residential and vehicular segments. FX impact amounted to €-27m.

Overall gas sales increased by 14.6% when compared to FY23. Higher demand in the Generation+TPA segment (+66.9%), due to lower hydro resource vs. FY23 was partly compensated by lower residential demand due to temperatures, as well as lower vehicular demand. Connection points grew 0.4% in the period.



Argentina gas

FY24 EBITDA amounted to €136m, up 6.8x when compared to FY23, reflecting substantial tariff increases during the year and higher overall demand. FX depreciation trends significantly moderated in Argentina compared to recent years and its impact amounted to €-15m in FY24.

Overall gas sales increased by 5.0%, driven by the two biggest segments: Generation+TPA (+9.4%) and retail (+7.1%), while the Industrial segment experienced the highest correction (-14.1%).

Connection points remained stable (+0.0%).

Chile gas

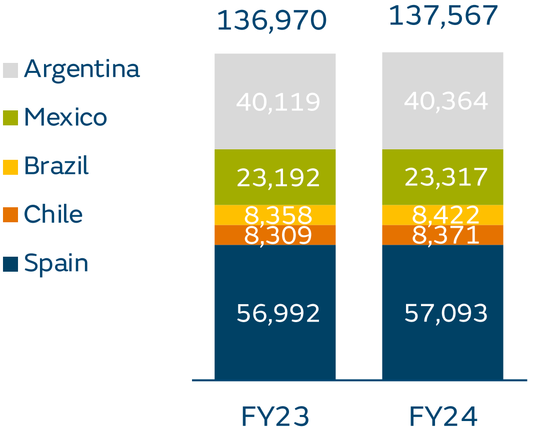
FY24 EBITDA totaled €448m, up 38.7% when compared to FY23. Growth was mainly driven by the distribution networks business, which benefited from provisions adjustments related to the TGN litigation as well as tariff increases and demand growth.

The supply business benefited from higher prices and margins. FX impact totaled (€-29m) including distribution and supply activities.

The supply business experienced higher sales (+19.4%) mainly due to higher surplus sales. Total gas distributed increased moderately by 1.2% mainly driven by the domestic and commercial segments.

Connection points increased by 1.4%.

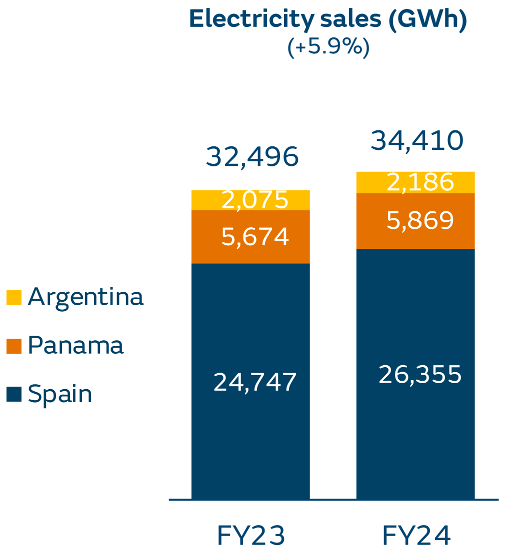
Gas network (km)
(+0.4%)



Spain electricity

FY24 EBITDA amounted to €670m, a 3.1% increase vs. FY23, mainly driven by the higher regulatory asset base and better contribution from lower energy losses compared to FY23.

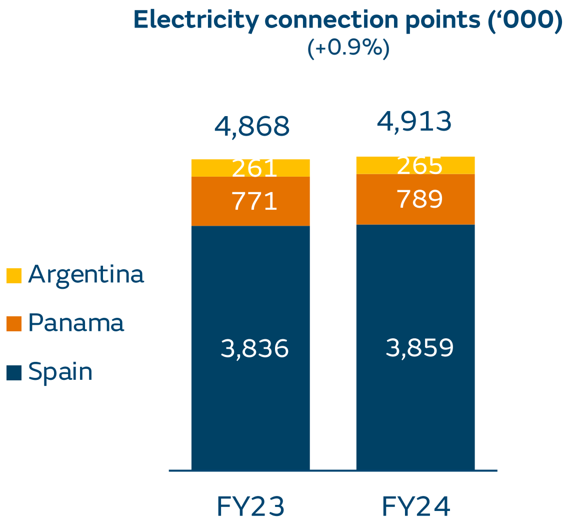
Connection points increased by 0.6% during the period, while electricity sales increased by 6.5%.



Panama electricity

FY24 EBITDA amounted to €238m, up 36.0% vs. FY23, driven by the regulatory review completed in July 2023 and higher demand due to higher temperatures compared to FY23.

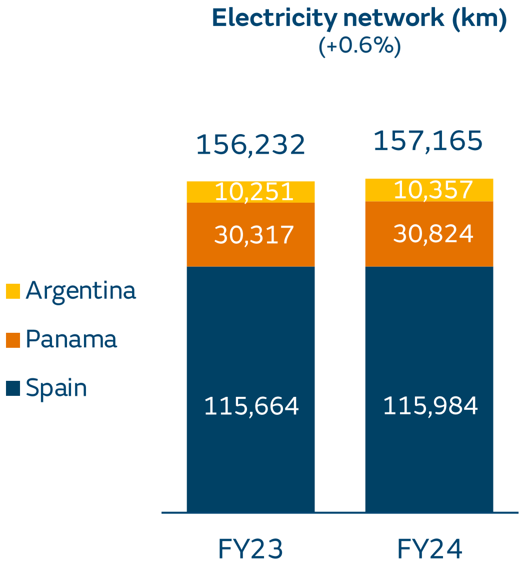
Electricity sales increased by 3.4%, while connection points grew by 2.3%.



Argentina electricity

FY24 EBITDA amounted to €63m, up 2.4x vs. FY23, mainly driven by regulatory tariff updates (August 2023 and January and August 2024) as well as demand growth due to temperatures. FX depreciation significantly moderated compared to recent years and its impact amounted to €-8m in FY24.

Electricity sales grew by 5.3%, while connection points increased by 1.5% when compared to FY23.



4.2. Energy markets

EBITDA (€m)	FY24	FY23	Change
Energy management	**752**	**1,104**	**-31.9%**
Thermal generation	**602**	**670**	**-10.1%**
Spain	279	400	-30.3%
LatAm	323	270	19.6%
Renewable generation	**576**	**529**	**8.9%**
Spain	445	437	1.8%
USA	7	-10	-
LatAm	88	107	-17.8%
Australia	36	-5	-
Renewable gases	**-7**	**-5**	**40.0%**
Supply	**648**	**704**	**-8.0%**
Holding	**-29**	**-53**	**-45.3%**
Total	**2,542**	**2,949**	**-13.8%**

Please refer to Annex for additional P&L disclosure

The Energy markets businesses posted an aggregate EBITDA of €2,542m, a decrease of 13.8% when compared to 2023.

The year 2024 has been marked by lower energy prices compared to 2023, both in gas and electricity. As a result, liberalized activities in 2024 experienced lower results compared to the previous year.

In Energy management the comparison was affected by the reversal in 2023 of the financial hedging ineffectiveness registered in 2022.

Spain thermal generation experienced lower results due to lower production and margins, as higher renewable production translated into a lower thermal gap during the period. LatAm thermal generation for its part experienced better results due to higher availability and production in Mexico.

Positive evolution in Renewable generation is mainly driven by higher installed capacity and production in Spain and Australia, higher overall production in LatAm, and a positive evolution of the mark-to-market valuation of existing PPAs in Australia.

Contribution from the Renewable gases business segment, which includes the management of renewable gas projects, specifically biomethane and green hydrogen, remains non-material.

Finally, the Supply business in Spain benefited from the favorable final court ruling on the electricity subsidies (+€63m) but experienced lower margins compared to FY23 due to lower energy prices, particularly in electricity.

Energy management

Energy management stands for the former LNG and Markets activity.

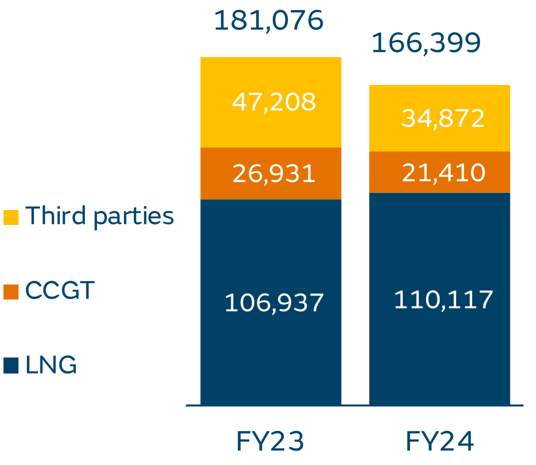
FY24 EBITDA reached €752m, a 31.9% decrease vs. FY23. The comparison was affected by the reversal in 2023 of the financial hedging ineffectiveness registered in 2022. FX impact amounted to €-6m.

Total sales reached 166,399GWh, -8.1% vs. FY23.

Active management of hedged LNG volumes resulted in improved target margins.

Additionally, during the period a price agreement was reached with Sonatrach for FY24, which confirms the solid relationship between Sonatrach and Naturgy, ensures that prices reflect current market conditions, and underlines Naturgy's commitment to security of supply in Spain.

Gas sales (GWh)
(-8.1%)



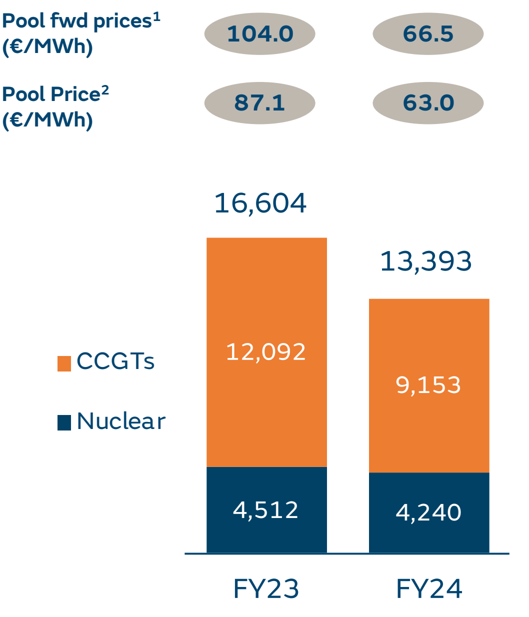
Thermal generation: Spain

FY24 EBITDA reached €279m, a 30.3% decrease vs. FY23, mainly due to lower margins and production resulting from higher renewable production in the period. Results are also affected by higher maintenance costs and levies compared to FY23.

Total production decreased by 19.3%, with CCGTs experiencing a reduction of 24.3% and nuclear production decreasing by 6.0%.

Pool prices decreased by 27.7% vs. FY23, averaging €63.0/MWh in the period.

Spain thermal power production (GWh)
(-19.3%)



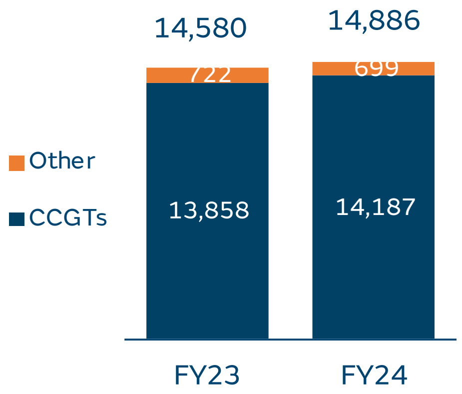
Notes:
1. Average price of 1Y ahead forward Spanish base prices in the Iberian Energy Derivatives Exchange (OMIP) in the period
2. Average price in the daily power generation market

Thermal generation: GPG LatAm

FY24 EBITDA reached €323m, up 19.6% vs. FY23, mainly supported by higher revenues in Mexico due to higher availability and PPA sales. FX impact amounted to €-3m in the period.

Overall production increased by 2.1%, with Mexican CCGTs production up by 2.4% while production in Dominican Republic decreased by 3.2% compared to FY23.

LatAm thermal power production (GWh)
(+2.1%)



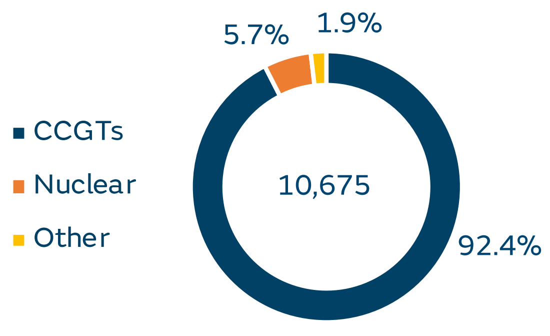
Renewable generation: Spain

FY24 EBITDA amounted to €445m, up 1.8% vs. FY23, which is primarily driven by the commissioning of new capacity as well as higher production in all technologies and notably in conventional hydro and wind. These were partially offset by lower selling prices.

Installed capacity as of 31 December 2024 reached 5,238MW, 271MW higher than in 2023, of which 30MW wind and 241MW solar capacity.

Total production increased by 11.1%, with hydro increasing by 15.0%, wind by 6.0% and solar by 29.3%.

FY24 thermal installed capacity (MW)

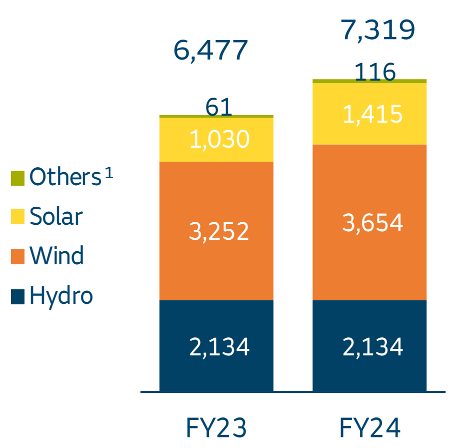


Renewable generation: USA

FY24 EBITDA amounted to €7m, vs €-10m in FY23. Naturgy started operations of its first solar plant in the USA, with an installed capacity of 302MW. Total production in 2024 reached 496GWh. Additionally, Grimes solar plant construction is underway (+262MW COD in 1H25).

Higher revenues were partially offset by higher opex to attend increased capacity.

Total renewable installed capacity (MW)
(+13.0%)



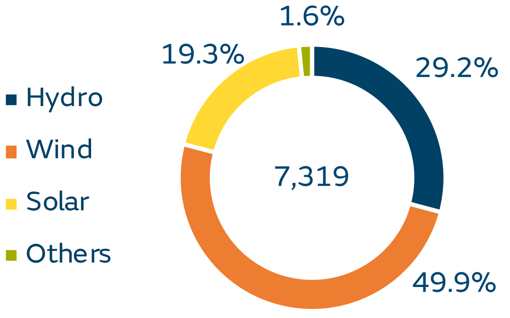
[1] Includes batteries

Renewable generation: GPG LatAm

FY24 EBITDA reached €88m, 17.8% lower than in FY23, driven by lower margins in Chile and Costa Rica, affected by the end of La Joya concession, and lower production in Mexico due to lower wind resource. Brazil performance was stable, while Panama benefited from higher hydro production. FX impact was moderately negative and amounted to €-2m.

Installed capacity reached 828MW as of 31 December 2024, with hydro and wind production decreasing by 10.6% and 5.0% respectively, and solar increased by 3.0%.

FY24 renewable installed capacity (MW)
(technology)



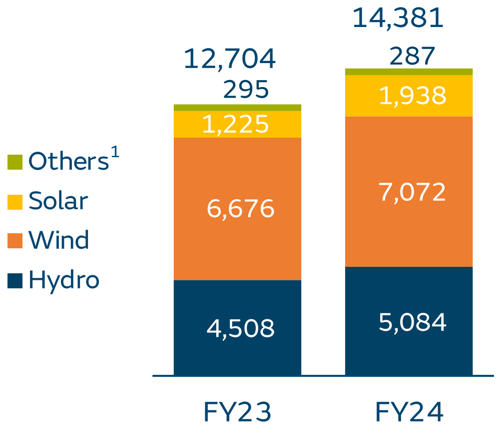
Renewable generation: GPG Australia

FY24 EBITDA amounted €36m compared to €-5m in FY23.

This positive evolution is driven by higher installed capacity and the positive evolution of the mark-to-market valuation of existing PPAs.

Installed capacity as of 31 December 2024 reached 951MW, of which 758MW in wind, 128MW in solar and 65MW in battery storage.

Total renewable production (GWh)
(+13.2%)



Renewable gases

The Renewable gases business segment includes the management of renewable gas projects, specifically biomethane and green hydrogen, whose contribution to consolidated EBITDA at this point remains non-material.

Naturgy manages a wide portfolio of projects across the territory at various stages of development and already has three production plants in operation. In the coming months, one more facility in Utiel (Valencia) is expected to become operational.

Recently, Naturgy formed a partnership with agricultural and livestock waste management firm Hispania Silva to develop up to 30 biomethane plants across Spain until 2030, with an annual generation capacity of approximately 2.5TWh, equivalent to the consumption of 500,000 homes, contributing to the decarbonization of the economy with the reduction of 450,000 tons of CO_2.

Naturgy is well positioned to take advantage of the renewable gases opportunity and is willing to deploy capital and resources in this business, complying with its minimum return hurdles.

[1] Includes batteries

Supply

FY24 EBITDA reached €648m, down 8.0% vs. FY23.

Electricity supply experienced lower margins amid the lower pool prices in the period compared to FY23. On the other hand, the business benefited from the favorable final court ruling on the electricity subsidies for liberalized customers for the 2016-21 period.

Power sales decreased by 7.0%, with the industrial and SME segments decreasing by 18.2% and 3.2% respectively, while retail sales increased by 2.4%.

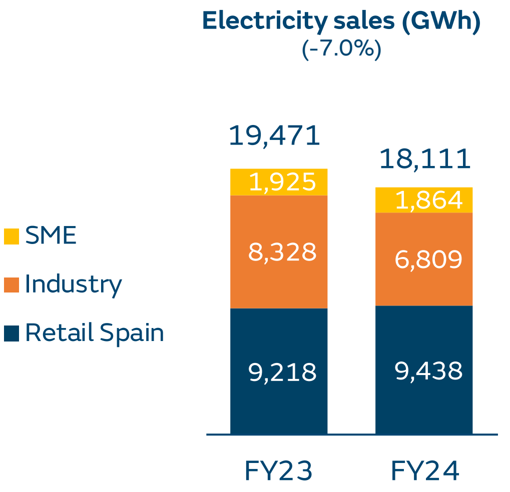
Gas supply experienced some margin pressure in the industrial and SME segments, while margins in the residential segment remained resilient supported by lower volumes indexed to regulated tariffs.

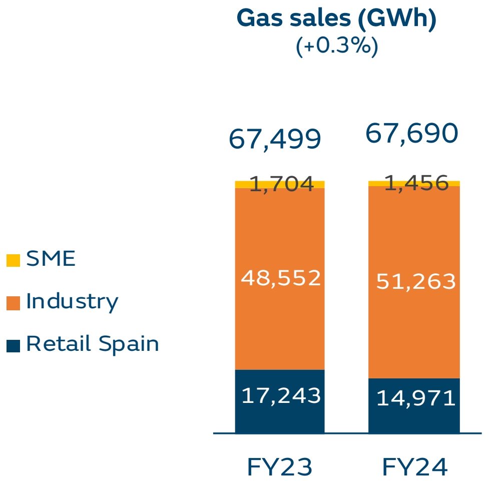
Gas sales remained stable (+0.3%) vs. FY23, with SME and retail segments down by 14.6% and 13.2% respectively, while industry segment grew by a 5.6%.

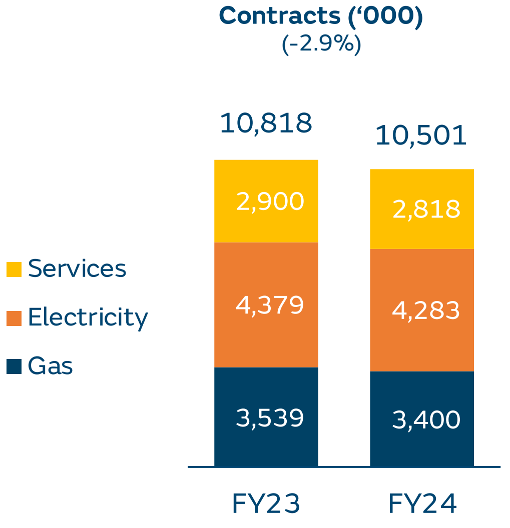
Total number of contracts reduced slightly vs. FY23 (-2.9%).

Naturgy has launched a new digital platform aimed to transform the interaction with the customer, with new AI tools.

Lastly, Naturgy was the first company to redeem energy savings certificates in Spain.

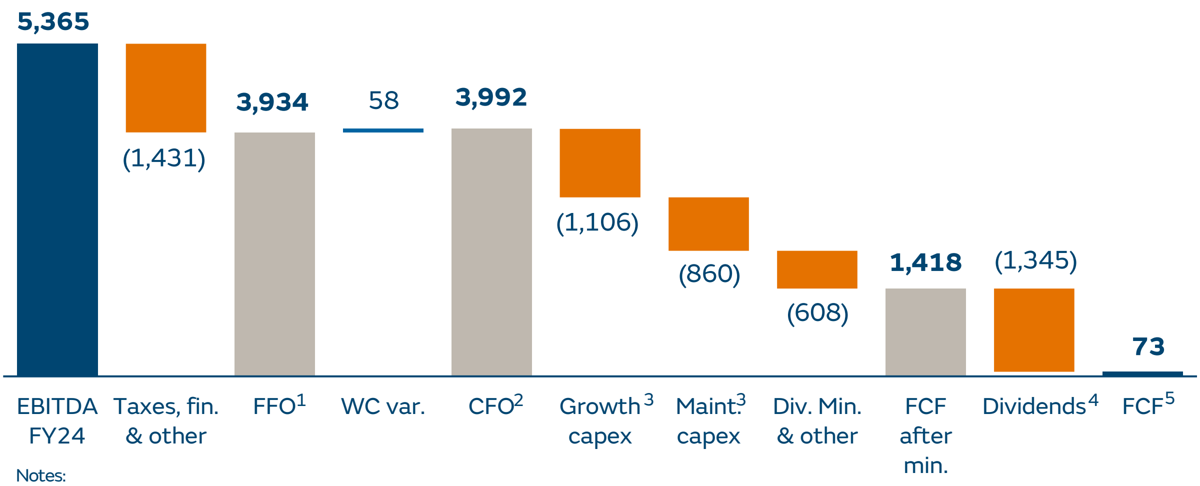






5. Cash flow

Cash flow evolution (€m)



Notes:

1. Funds from operations (FFO)
2. Cash flow from operations (CFO)
3. Net of cessions and contributions
4. Dividends paid net of those received by Group companies
5. Free cash flow (FCF)

FFO was strong in the period underpinned by the overall strong performance of the Networks, Renewable generation and Supply activities, allowing for a positive FCF after dividend distribution and investments. Net debt increased moderately by €111m during 2024 to €12,201m as of 31 December 2024 (vs. €12,090m as of FY23) despite the €500m hybrids redeemed on 24 April 2024 (not accounted as financial debt) and the €1,966m of cash outflows in capex and dividend distributions of €1,345m in the period, corresponding to the final dividend on 2023 results and the two interim dividends against 2024 results. Working capital experienced a small decrease, contributing with €58m cash in the period.

Capex

The breakdown of capex by type and business is exhibited below:

	Maintenance capex		
(€m)	**FY24**	**FY23**	**Change**
Distribution Networks	567	592	-4.2%
Energy Markets	292	235	24.3%
Rest	16	17	-5.9%
Total investments	**875**	**844**	**3.7%**

Maintenance capex in 2024 amounted to €875m, 3.7% above 2023 figure.

	Growth capex		
(€m)	FY24	FY23	Change
Distribution Networks	352	316	11.4%
Energy Markets	1,053	1,587	-33.6%
Total investments	**1,405**	**1,903**	**-26.2%**

Growth capex in the period represented over 60% of total capex and amounted to €1,405m in 2024.

Growth capex in 2024 included:

- A total of €352m invested in networks development in Spain and LatAm, of which €200m in Spain, €57m in Panama, €30m in Mexico, €28m in Chile, €26m in Argentina and €11m in Brazil
- A total of €926m invested in the development of various renewable projects, of which €374m in Spain, €311m in Australia, €240m in USA and €1m in LatAm
- A total of €7m in the development of renewable gases projects
- €120m in the Supply activity

Wind farm in Australia

Naturgy remains committed to renewables development and has reached 7.3GW of installed capacity as of 31 December 2024. In this respect, 842MW of additional capacity came into operation compared to FY23, of which 271MW in Spain, 555MW[1] in Australia and 14MW in LatAm.

In addition, the Group has currently close to 1.6GW of renewable capacity under construction, of which 838MW in Spain, 360MW in Australia, and 387MW in the USA. During 2025 Naturgy expects to put into operation additional 649MW in Spain and 262MW in USA.

In Australia, Naturgy continues the construction and development of Glenellen (260MW) in New South Wales and Bundaberg (100MW) in Queensland, which are expected to become operational during 2026.

Lastly, in the USA Naturgy continues the construction of the Grimes photovoltaic project (262MW) in Texas, which will be its second installation in this geography, with COD in 1H25.

The Company continues leading the renewable gas developments in Spain as a key pilar of decarbonization. Currently, Naturgy has three biomethane production projects in operation: the Elena Plant, in Cerdanyola del Vallès (Barcelona), which was the first to inject renewable gas from landfills into the gas distribution network; the plant located at EDAR Bens (wastewater treatment plant), in A Coruña, and the Vila-sana plant (Lleida), installed on the Porgaporcs livestock farm. To these plants, Naturgy will add one additional plant in Valencia during 2025.

In addition, Naturgy recently formed a partnership with agricultural and livestock waste management firm Hispania Silva to develop up to 30 biomethane plants across Spain until 2030, with an annual generation capacity of approximately 2.5TWh, equivalent to the consumption of 500,000 homes, contributing to the decarbonization of the economy, with the reduction of 450,000 tons of CO_2.

[1] Includes 55MW of batteries

6. Financial position

As of 31 December 2024, Net debt amounted to €12,201m, slightly above the year-end 2023 figure (€12,090m), reflecting the resiliency of Naturgy's businesses during the period.

During 2024, the most relevant transactions and refinancing operations included:

- Refinancing of loans and revolving credit lines in Spain for a total of €3,075m and international businesses for a total of €337m.
- The holding company has formalized new bilateral loans for €1,370m and has drawn down loans for €750m, formalized during 2023. Additionally, international businesses have signed new bilateral loans and revolving credit lines for €1,201m.
- The holding company has agreed on a facility of €1,000m for renewables projects in Spain with the EIB, and whose first drawdown occurs in December 2024 for €400m over 17 years.
- Naturgy Mexico issued a bond for €195m with a maturity of 3 years and rate TIIE + 0.49%.
- Naturgy redeemed €500m deeply subordinated notes on 24 April 2024.
- Through a statutory cross border conversion the issuer vehicle Naturgy Finance B.V. changed to Naturgy Finance Iberia, S.A.
- Naturgy Finance Iberia issued a bond for €500m with a maturity of 6 years and rate 3.25% and a bond for €500m with maturity of 10 years and rate 3.625%. The proceeds of both issues were applied to repurchase bonds for €1,000m and, consequently, the average life of the debt increased.
- Naturgy Finance Iberia has renewed EMTN program of €12,000m and ECP program of €1,000m for a period of 1 year respectively.
- Global Power Generation has formalized a facility for renewable generation projects in operation and development in Australia for €1,293m over 5 years. Initially, it has drawn down €801m and has amortized previous loans for €565m. The Company has hedged the interest rate risk of a portion of the drawdown amount.

Net debt to EBITDA reached 2.3x as of 31 December 2024, slightly above FY23. This demonstrates the Group's strong financial and leverage position, especially considering the €500m hybrids redeemed in April 2024, which are not accounted as financial debt.

Naturgy maintains a solid BBB rating with stable outlook under both S&P and Fitch rating agencies.

Liquidity

Liquidity as of 31 December 2024 stood at €11,237m, including €5,626m in cash and equivalents and €5,611m in undrawn and fully committed credit lines. In addition, the ECP program is completely undrawn as of 31 December 2024.

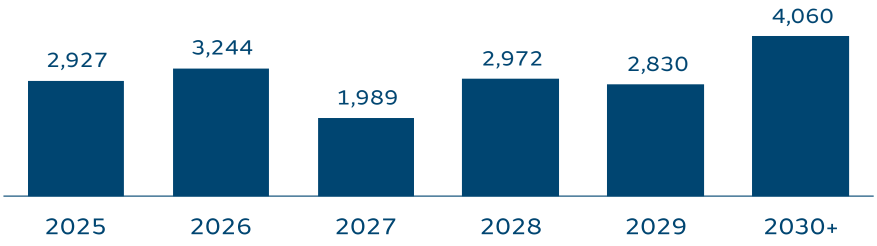
The detail of the Group's current liquidity is exhibited below:

Liquidity		Consolidated Group		Chile		Brazil	Argentina	Mexico	Panama	Holding & others
		FY24	FY23	CLP	USD	BRL	ARS	MXN	USD	EUR/Others
Cash and equivalents	€m	5,626	3,686	135	84	205	83	83	84	4,952
Undrawn commited credit lines	€m	5,611	5,551	-	29	34	-	110	40	5,398
Total	**€m**	**11,237**	**9,237**	**135**	**113**	**239**	**83**	**193**	**124**	**10,350**

The weighted average maturity of the undrawn credit lines stands at over 2 years, according to the following detail:

(€m)	2025	2026	2027	2028	2029	2030+
Undrawn commited credit lines	149	3,887	495	75	1,004	1

Gross debt maturities (€m)



Debt structure

Financial debt by currency		Consolidated Group		Chile		Brazil	Argentina	Mexico	Panama	Australia	Holding & others
		FY24	FY23	CLP	USD	BRL	ARS	MXN	USD	AUD	EUR/Others
Net financial debt	€m	12,201	12,090	222	-24	36	-55	487	969	840	9,726
Average cost of debt[1]	%	4.0	3.9	8.6	8.1	12.1	73.5	10.5	8.1	6.0	2.4
% fixed rated (gross debt)	%	68	75	44	51	1	-	53	10	100	71

Note:
1. Does not include cost from IFRS 16 debt

Credit metrics

Credit metrics	FY24	FY23
EBITDA/Net financial debt cost	10.9	11.3
Net debt /LTM EBITDA	2.3	2.2

7. ESG metrics and highlights

		FY24	FY23	Change	Comments
Health and safety					
Accidents with lost time[1]	units	12	9	33.3%	Naturgy has launched its 24-25 global plan on Health & Safety with transversal actions that should contribute to reduce accidents
LT Frequency rate[2]	units	0.18	0.13	38.5%	
Environment					
GHG Emissions[3]	M tCO2 e	11.9	12.9	-7.8%	Lower CCGT production in Spain due to higher rainfall. Emission factor improvement also as a result of higher renewable installed capacity
Emission factor	t CO2/GWh	234	247	-5.3%	
Emissions-free installed capacity	%	43.7	41.0	6.6%	New renewable capacity coming into operation
Emissions-free net production	%	43.0	38.6	11.4%	Higher hydro production and increase in renewable installed capacity
Interest in people					
Number of employees[4]	persons	6,941	7,010	-1.0%	Stable workforce evolution
Management women representation[5]	%	35.0	33.9	3.3%	Advancing in the implementation of gender diversity policies
Training hours per employee	hours	46.0	41.5	10.8%	New training for the whole organization, of which the course for prevention of working and sexual harassment is to be highlighted
Society and integrity					
Economic value distributed[6]	€m	17,173	20,193	-15.0%	Decrease explained mainly by lower procurement costs
Complaints received by the ethics comittee	units	117	80	46.3%	Increase following a new criteria to assign investigations coming through the ethics channel

Notes:
1. In accordance to OSHA criteria
2. Calculated for every 200,000 working hours
3. Scopes 1 and 2
4. Managed workforce
5. Spain
6. As defined in Alternative Performance Metrics annex

Health & safety metrics show an increase in accident metrics compared to 2023, although fortunately mostly of minor consequences. Nevertheless, Naturgy has launched a global plan on Health & Safety with transversal actions that should contribute to address the situation.

Naturgy has achieved during the period a significant reduction in GHG emissions, both in absolute and relative terms, while continues to increase its emissions-free installed capacity in its core markets, reaching 7.3GW of renewable operational power as of the end 2024.

In terms of governance, the Group continues to progress on gender parity and women representation, while complaints to the Ethics Committee show an increase vs. 2023, mostly explained by a redefined criteria to assign investigations that come through the Ethics channel.

In respect of social initiatives, trainings per hour continue to improve supported by additional and more comprehensive training programs available to employees. In particular, it is worth highlighting the new course on prevention of working and sexual harassment.

ESG targets continue to be a relevant part of management incentives, reaching 20% since 2023, and incorporating four different dimensions: emissions-free installed capacity, employee satisfaction, health & safety and diversity.

Annexes

Annex I: Financial Statements

Consolidated income statement

(€m)	FY24	FY23	Change
Net sales	19,267	22,617	-14.8%
Procurement	-11,565	-15,106	-23.4%
Gross margin	**7,702**	**7,511**	**2.5%**
Operating expenses	-1,305	-1,270	2.8%
Personnel costs	-723	-659	9.7%
Own work capitalised	80	79	1.3%
Other operating income	307	324	-5.2%
Taxes	-696	-510	36.5%
EBITDA	**5,365**	**5,475**	**-2.0%**
Other results	-202	-55	-
Depreciation, amortisation and impairment expenses	-1,524	-1,742	-12.5%
Impairment of credit losses	-90	-208	-56.7%
EBIT	**3,549**	**3,470**	**2.3%**
Financial result	-465	-518	-10.2%
Profit/(loss) of companies measured under the equity method	120	90	33.3%
Profit before taxes	**3,204**	**3,042**	**5.3%**
Income tax	-835	-768	8.7%
Income from discontinued operations	-22	-	-
Non-controlling interest	-446	-288	54.9%
Net income	**1,901**	**1,986**	**-4.3%**

Naturgy

Consolidated balance sheet

(€m)	31/12/2024	31/12/2023
Non-current assets	**30,091**	**29,264**
Intangible assets	5,980	5,969
Property, plant and equipment	19,467	18,666
Right of use assets	1,229	1,189
Equity-accounted investments	647	612
Non-current financial assets	419	484
Other non-current assets	340	425
Deferred tax assets	2,009	1,919
Current assets	**10,745**	**8,629**
Non-current assets available for sale	-	-
Inventories	807	1,254
Trade and other accounts receivable	3,841	3,254
Other current financial assets	471	435
Cash and cash equivalents	5,626	3,686
TOTAL ASSETS	**40,836**	**37,893**

(€m)	31/12/2024	31/12/2023
Equity	**11,653**	**11,929**
Equity attributable to the parent company	9,478	9,448
Non-controlling interest	2,175	2,481
Non-current liabilities	**20,954**	**18,874**
Deferred revenues	1,129	951
Non-current provisions	1,841	1,848
Non-current financial liabilities	15,095	13,426
Deferred tax liabilities	1,945	2,016
Other non-current liabilities	944	633
Current liabilities	**8,229**	**7,090**
Liabilities linked to non-current assets available for sale	-	-
Current provisions	361	543
Current financial liabilities	2,927	2,544
Trade and other accounts payable	4,762	3,721
Other current liabilities	179	282
TOTAL LIABILITIES AND EQUITY	**40,836**	**37,893**

Summary cash flow statement

(€m)	FY24	FY23	Change
EBITDA	**5,365**	**5,475**	**-2.0%**
Taxes	-663	-377	75.9%
Financial result	-465	-518	-10.2%
Other items	-303	-551	-45.0%
Funds from operations	**3,934**	**4,029**	**-2.4%**
Change in working capital	58	828	-93.0%
Cash flow from operations	**3,992**	**4,857**	**-17.8%**
Growth capex	-1,106	-1,833	-39.7%
Maintenance capex	-860	-838	2.6%
Dividends to minorities	-226	-183	23.5%
Others	-382	-78	-
Free cash flow after minorities	**1,418**	**1,925**	**-26.3%**
Dividends, share buy-back & others	-1,345	-1,451	-7.3%
Net free cash flow	**73**	**474**	**-84.6%**

Naturgy

Half-year EBITDA by business unit

(€m)	1H24	2H24	FY24	1H23	2H23	FY23
Distribution Networks	**1,454**	**1,418**	**2,872**	**1,250**	**1,388**	**2,638**
Spain gas	393	370	763	412	410	822
Mexico gas	148	126	274	140	151	291
Brazil gas	138	160	298	165	191	356
Argentina gas	38	98	136	12	8	20
Chile gas	244	204	448	118	205	323
Spain electricity	341	329	670	322	328	650
Panama electricity	128	110	238	77	98	175
Argentina electricity	30	33	63	19	7	26
Holding	**-6**	**-12**	**-18**	**-15**	**-10**	**-25**
Energy Markets	**1,415**	**1,127**	**2,542**	**1,654**	**1,295**	**2,949**
Energy management	**384**	**368**	**752**	**863**	**241**	**1,104**
Thermal generation	**285**	**317**	**602**	**239**	**431**	**670**
Spain	97	182	279	109	291	400
LatAm	188	135	323	130	140	270
Renewable generation	**305**	**271**	**576**	**235**	**294**	**529**
Spain	249	196	445	205	232	437
USA	-3	10	7	-6	-4	-10
LatAm	39	49	88	31	76	107
Australia	20	16	36	5	-10	-5
Renewable gases	**-1**	**-6**	**-7**	**-2**	**-3**	**-5**
Supply	**452**	**196**	**648**	**347**	**357**	**704**
Holding	**-10**	**-19**	**-29**	**-28**	**-25**	**-53**
Rest	**-23**	**-26**	**-49**	**-55**	**-57**	**-112**
TOTAL EBITDA	**2,846**	**2,519**	**5,365**	**2,849**	**2,626**	**5,475**

Results by business unit

1. Distribution networks

Spain gas

(€m)	FY24	FY23	Change
Net sales	987	1,112	-11.2%
Procurement	-54	-148	-63.5%
Gross margin	**933**	**964**	**-3.2%**
Other operating income	34	34	-
Personnel expenses	-80	-52	53.8%
Taxes	-16	-17	-5.9%
Other operating expenses	-108	-107	0.9%
EBITDA	**763**	**822**	**-7.2%**
Depreciation, provisions and other results	-261	-267	-2.2%
EBIT	**502**	**555**	**-9.5%**

Mexico gas

(€m)	FY24	FY23	Change
Net sales	671	718	-6.5%
Procurement	-346	-378	-8.5%
Gross margin	**325**	**340**	**-4.4%**
Other operating income	22	24	-8.3%
Personnel expenses	-21	-21	-
Taxes	-1	-1	-
Other operating expenses	-51	-51	-
EBITDA	**274**	**291**	**-5.8%**
Depreciation, provisions and other results	-73	-80	-8.8%
EBIT	**201**	**211**	**-4.7%**

Brazil gas

(€m)	FY24	FY23	Change
Net sales	1,502	1,753	-14.3%
Procurement	-1,116	-1,312	-14.9%
Gross margin	**386**	**441**	**-12.5%**
Other operating income	39	47	-17.0%
Personnel expenses	-19	-22	-13.6%
Taxes	-6	-6	-
Other operating expenses	-102	-104	-1.9%
EBITDA	**298**	**356**	**-16.3%**
Depreciation, provisions and other results	-67	-75	-10.7%
EBIT	**231**	**281**	**-17.8%**

Argentina gas

(€m)	FY24	FY23	Change
Net sales	642	267	-
Procurement	-346	-160	-
Gross margin	**296**	**107**	**-**
Other operating income	20	8	-
Personnel expenses	-51	-29	75.9%
Taxes	-42	-24	75.0%
Other operating expenses	-87	-42	-
EBITDA	**136**	**20**	**-**
Depreciation, provisions and other results	16	-7	-
EBIT	**152**	**13**	**-**

Chile gas

(€m)	FY24	FY23	Change
Net sales	857	877	-2.3%
Procurement	-335	-483	-30.6%
Gross margin	**522**	**394**	**32.5%**
Other operating income	4	10	-60.0%
Personnel expenses	-27	-29	-6.9%
Taxes	-4	-4	-
Other operating expenses	-47	-48	-2.1%
EBITDA	**448**	**323**	**38.7%**
Depreciation, provisions and other results	-15	-65	-76.9%
EBIT	**433**	**258**	**67.8%**

Spain electricity

(€m)	FY24	FY23	Change
Net sales	851	804	5.8%
Procurement	-	-	-
Gross margin	**851**	**804**	**5.8%**
Other operating income	22	20	10.0%
Personnel expenses	-55	-48	14.6%
Taxes	-24	-24	-
Other operating expenses	-124	-102	21.6%
EBITDA	**670**	**650**	**3.1%**
Depreciation, provisions and other results	-267	-254	5.1%
EBIT	**403**	**396**	**1.8%**

Panama electricity

(€m)	FY24	FY23	Change
Net sales	1,006	887	13.4%
Procurement	-705	-655	7.6%
Gross margin	**301**	**232**	**29.7%**
Other operating income	8	6	33.3%
Personnel expenses	-10	-9	11.1%
Taxes	-7	-7	-
Other operating expenses	-54	-47	14.9%
EBITDA	**238**	**175**	**36.0%**
Depreciation, provisions and other results	-72	-69	4.3%
EBIT	**166**	**106**	**56.6%**

Argentina electricity

(€m)	FY24	FY23	Change
Net sales	223	98	-
Procurement	-108	-44	-
Gross margin	**115**	**54**	**-**
Other operating income	18	7	-
Personnel expenses	-23	-11	-
Taxes	-7	-4	75.0%
Other operating expenses	-40	-20	100.0%
EBITDA	**63**	**26**	**-**
Depreciation, provisions and other results	-3	-2	50.0%
EBIT	**60**	**24**	**-**

Naturgy

Energy management

(€m)	FY24	FY23	Change
Net sales	5,886	8,786	-33.0%
Procurement	-4,875	-7,539	-35.3%
Gross margin	**1,011**	**1,247**	**-18.9%**
Other operating income	19	58	-67.2%
Personnel expenses	-31	-31	-
Taxes	-126	-125	0.8%
Other operating expenses	-121	-45	-
EBITDA	**752**	**1,104**	**-31.9%**
Depreciation, provisions and other results	-281	-164	71.3%
EBIT	**471**	**940**	**-49.9%**

Thermal generation

Spain

(€m)	FY24	FY23	Change
Net sales	1,744	2,410	-27.6%
Procurement	-1,103	-1,756	-37.2%
Gross margin	**641**	**654**	**-2.0%**
Other operating income	26	26	-
Personnel expenses	-65	-60	8.3%
Taxes	-228	-129	76.7%
Other operating expenses	-95	-91	4.4%
EBITDA	**279**	**400**	**-30.3%**
Depreciation, provisions and other results	-146	-159	-8.2%
EBIT	**133**	**241**	**-44.8%**

GPG LatAm

(€m)	FY24	FY23	Change
Net sales	775	777	-0.3%
Procurement	-390	-441	-11.6%
Gross margin	**385**	**336**	**14.6%**
Other operating income	2	-	-
Personnel expenses	-20	-25	-20.0%
Taxes	-1	-1	-
Other operating expenses	-43	-40	7.5%
EBITDA	**323**	**270**	**19.6%**
Depreciation, provisions and other results	-78	-252	-69.0%
EBIT	**245**	**18**	**-**

Renewable generation

Spain

(€m)	FY24	FY23	Change
Net sales	770	707	8.9%
Procurement	-50	-72	-30.6%
Gross margin	**720**	**635**	**13.4%**
Other operating income	19	10	90.0%
Personnel expenses	-44	-45	-2.2%
Taxes	-119	-46	-
Other operating expenses	-131	-117	12.0%
EBITDA	**445**	**437**	**1.8%**
Depreciation, provisions and other results	-241	-202	19.3%
EBIT	**204**	**235**	**-13.2%**

USA

(€m)	FY24	FY23	Change
Net sales	11	-6	-
Procurement	-	-	-
Gross margin	**11**	**-6**	**-**
Other operating income	17	11	54.5%
Personnel expenses	-5	-4	25.0%
Taxes	-3	-1	-
Other operating expenses	-13	-10	30.0%
EBITDA	**7**	**-10**	**-**
Depreciation, provisions and other results	-14	-67	-79.1%
EBIT	**-7**	**-77**	**-90.9%**

GPG LatAm

(€m)	FY24	FY23	Change
Net sales	155	155	-
Procurement	-23	-8	-
Gross margin	**132**	**147**	**-10.2%**
Other operating income	13	15	-13.3%
Personnel expenses	-15	-14	7.1%
Taxes	-2	-3	-33.3%
Other operating expenses	-40	-38	5.3%
EBITDA	**88**	**107**	**-17.8%**
Depreciation, provisions and other results	-32	-55	-41.8%
EBIT	**56**	**52**	**7.7%**

GPG Australia

(€m)	FY24	FY23	Change
Net sales	49	15	-
Procurement	-1	-	-
Gross margin	**48**	**15**	**-**
Other operating income	-	-	-
Personnel expenses	-5	-4	25.0%
Taxes	-1	-1	-
Other operating expenses	-6	-15	-60.0%
EBITDA	**36**	**-5**	**-**
Depreciation, provisions and other results	-30	-21	42.9%
EBIT	**6**	**-26**	**-**

Renewable gases

(€m)	FY24	FY23	Change
Net sales	46	-	-
Procurement	-36	-	-
Gross margin	**10**	**-**	**-**
Other operating income	-	-	-
Personnel expenses	-9	-3	-
Taxes	-1	-	-
Other operating expenses	-7	-2	-
EBITDA	**-7**	**-5**	**40.0%**
Depreciation, provisions and other results	-5	-	-
EBIT	**-12**	**-5**	**-**

Supply

(€m)	FY24	FY23	Change
Net sales	7,130	8,728	-18.3%
Procurement	-6,112	-7,579	-19.4%
Gross margin	**1,018**	**1,149**	**-11.4%**
Other operating income	78	77	1.3%
Personnel expenses	-83	-69	20.3%
Taxes	-102	-115	-11.3%
Other operating expenses	-263	-338	-22.2%
EBITDA	**648**	**704**	**-8.0%**
Depreciation, provisions and other results	-217	-202	7.4%
EBIT	**431**	**502**	**-14.1%**

Capex

Growth capex

(€m)	FY24	FY23	Change
Distribution Networks	**352**	**316**	**11.4%**
Spain gas	37	39	-5.1%
Mexico gas	30	35	-14.3%
Brazil gas	11	19	-42.1%
Argentina gas	5	4	25.0%
Chile gas	28	28	-
Spain electricity	163	132	23.5%
Panama electricity	57	47	21.3%
Argentina electricity	21	12	75.0%
Holding	**-**	**-**	**-**
Energy Markets	**1,053**	**1,587**	**-33.6%**
Energy management	**-**	**1**	**-100.0%**
Thermal generation	**-**	**-**	**-**
Spain	-	-	-
LatAm	-	-	-
Renewable generation	**926**	**1,475**	**-37.2%**
Spain	374	863	-56.7%
USA	240	297	-19.2%
LatAm	1	17	-94.1%
Australia	311	298	4.4%
Renewable gases	**7**	**-**	**-**
Supply	**120**	**111**	**8.1%**
Holding	**-**	**-**	**-**
Rest	**-**	**-**	**-**
TOTAL Capex	**1,405**	**1,903**	**-26.2%**

Maintenance capex

(€m)	FY24	FY23	Change
Distribution Networks	**567**	**592**	**-4.2%**
Spain gas	84	78	7.7%
Mexico gas	35	35	-
Brazil gas	45	49	-8.2%
Argentina gas	24	11	-
Chile gas	23	25	-8.0%
Spain electricity	278	317	-12.3%
Panama electricity	78	77	1.3%
Argentina electricity	-	-	-
Holding	**-**	**-**	**-**
Energy Markets	**292**	**235**	**24.3%**
Energy management	**8**	**3**	**-**
Thermal generation	**176**	**149**	**18.1%**
Spain	130	104	25.0%
LatAm	46	45	2.2%
Renewable generation	**82**	**57**	**43.9%**
Spain	71	55	29.1%
USA	-	-	-
LatAm	7	2	-
Australia	4	-	-
Renewable gases	**-**	**-**	**-**
Supply	**26**	**24**	**8.3%**
Holding	**-**	**2**	**-100.0%**
Rest	**16**	**17**	**-5.9%**
TOTAL Capex	**875**	**844**	**3.7%**

Annex II: Communications to the CNMV

Summarised below are the regulatory disclosures to the Comisión Nacional del Mercado de Valores (CNMV) since 1H24 results' presentation:

Inside Information

- Naturgy discloses the report on earnings for the first half of 2024 (disclosed 23 July 2024, registration number 2326).
- Naturgy files the presentation on earnings for the first half of 2024 (disclosed 23 July 2024, registration number 2327).
- Naturgy reports market update as of September 2024 (disclosed 30 October 2024, registration number 2436).

Other Relevant Information

- Naturgy discloses the first half 2024 financial information (disclosed 24 July 2024, registration number 29879).
- Naturgy announces a tender offer for the repurchase of notes (disclosed 23 September 2024, registration number 30579).
- Naturgy announces a senior unsecured notes issuance for an aggregate amount of €1,000m (disclosed 24 September 2024, registration number 30613).
- Naturgy communicates the Notes tender offer results (disclosed 1 October 2024, registration number 30740).
- BlackRock completes the acquisition of Global Infrastructure Management, LLC (disclosed 4 November 2024, registration number 31198).
- Naturgy announces its FY 2024 results release (disclosed 13 February 2025, registration number 32561).

Additional regulatory disclosures can be found at: www.cnmv.es www.naturgy.com

Annex III: 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. Below is a glossary of terms with the definition of the APMs (available as well in our webpage).

Alternative performance metrics	Definition and terms	Reconciliation of values		Relevance of use
		31 December 2024	31 December 2023	
EBITDA	EBITDA = Net sales (2) – Procurements (2) + Other operating income (2) – Personnel expenses, net (2) – Other operating expenses (2) + Gain/(loss) on disposals of fixed assets (2) + Release of fixed asset grants to income and other (2)	Euros 5,365 million	Euros 5,475 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.
Operating Expenses (OPEX)	Personnel expenses, net. (2) + Own work capitalised (4) (Note 25) + Other operating expenses (2) - Taxes (4) (Note 26)	Euros 2,028 million = 643 + 80 + 2,001 - 696	Euros 1,929 million = 580 + 79 + 1,780 - 510	Measure of the expenses incurred by the Group to carry out its business activities, without considering taxes. Amount allowing comparability with other companies.
Capital expenditure (CAPEX)	Investment in intangible assets (4) (Note 5) + Investment in property, plant and equipment (4) (Note 6) + Investment payments (growth companies, associated and business units) (3)	Euros 2,280 million = 340 + 1,925 + 15	Restatement of 31 december 2023: Euros 2,747 million = 327 + 1,809 + 611 Restatement of 30 june 2024: Euros 947 million = 137 + 800 + 10	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).
Net capital expenditure (Net CAPEX) (6)	CAPEX (5) - Other proceeds from investing activities (3)	Euros 1,966 million = 2,280 – 314	Restatement of 31 december 2023: Euros 2,671 million = 2,747 - 76 Restatement of 30 june 2024: Euros 711 million = 947 - 236	Measurement of the investment effort in each period in assets of the different businesses, including accrued and unpaid investments, and in assets acquired through subsidiary companies. It allows knowing the investment effort in maintenance and growth investments (resources invested in the development and growth of the Group's activities) and in investments, through the acquisition of companies.
Gross financial debt	Non-current financial liabilities (1) (Note 17) + Current financial liabilities (1) (Note 17)	Euros 18.022 million = 15,095+ 2,927	Euros 15,970 million = 13,426+ 2,544	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 (5) – Cash and cash equivalents (1) – Derivative financial assets linked to financial liabilities (4) (Note 18)	Euros 12,201 million = 18,022 - 5,626 – 195	Euros 12,090 million = 15,970 - 3,686 – 194	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.
Leverage (%)	Net financial debt (5) / (Net financial debt (5) + Equity (1))	51.1% = 12,201 / (12,201 + 11,653)	50.3% = 12,090 / (12,090 + 11,929)	Measure of the weight of external resources in the financing of business activity. This indicator is widely used in capital markets to compare different companies.
Cost of net financial debt	Cost of borrowings(4) (Note 30) – Interest income (4) (Note 30)	Euros 490 million = 710 - 220	Euros 485 million = 675 - 190	Measure of the cost of financial debt net of income from financial interests. This indicator is widely used in capital markets to compare different companies.
EBITDA / Cost of net financial debt	EBITDA (5) / Cost of net financial debt (5)	10.9x = 5,365 / 490	11.3x = 5,475 / 485	Measure of the company's ability to generate operating resources in relation to the cost of financial debt. This indicator is widely used in capital markets to compare different companies.
Net financial debt / EBITDA	Net financial debt (5) / EBITDA (5)	2.3x = 12,201 / 5,365	2.2x = 12,090 / 5,475	Measure of the Group's ability to generate resources to meet financial debt payments. This indicator is widely used in capital markets to compare different companies.
Net free cash flow	Cash flow generated from operating activities (3) + Cash flows from investing activities (3) + Cash flows from financing activities (3) – Receipts/payments from financial liability instruments (3)	Euros 73 million = 3,992 – 1,821 - 239 -1,859	Euros 474 million = 4,857 – 2,739 - 2,263 + 619	Measure of cash generation to assess the funds available to debt service.
Free cash flow after non-controlling interests	Net free cash flow (5)+ Parent company dividends net of collectted by other group companies (4) (Note 14) + Purchase of treasury shares (4) (Note 14)	Euros 1,418 million = 73 + 1,345 + 0	Restatement of 31 december 2023: Euros 1,925 million = 474 + 1,441 + 10 Restatement of 30 june 2024: Euros 671 million = 287 + 384 + 0	Measure of cash generation corresponding to operating and investment activities. It is used to evaluate funds available to pay dividends to shareholders, the payment of inorganic investments (acquisitions of companies or businesses) and to attend debt service.
Average cost of gross financial debt	Cost of borrowings (4) (Note 30) - cost of lease financial liabilities (4) (Note 30) - Other refinancing costs (4) (Note 30) / annual average of the monthly weighted average of the gross financial debt (excluding lease financial liabilities) (4) (Note17)	4.0% = (710 - 85 - 15) / 15,251	3.9% = (675 - 84 - 29) / 14,325	Measure of the effective interest rate of financial debt. This indicator is widely used in capital markets to compare different companies.
Liquidity	Cash and other equivalent liquid (1) + Undrawn and fully committed lines of credit (4) (Note 17)	Euros 11,237 million = 5,626 + 5,611	Euros 9,237 million = 3,686 + 5,551	Measure of the Group's ability to face any type of payment.
Economic value distributed	Procurements (2) + Other operating expenses (includes Taxes) (2) + Income tax payments (3) + Personnel expenses (2) + Work carried out for fixed assets (4) (Note 25) + Financial expenses (2) + Dividends paid by the parent company (4) (Note 14)+ Discontinued activities expenses (4) (Note 11)	Euros 17,173 million = 11,565 + 2,001 + 663 + 643 + 80 + 842 + 1,357 +22	Euros 20,193 million = 15,106 + 1,780 + 377 + 580 + 79 + 817 + 1,454 + 0	Measure of the company´s value considering the economic valuation generated by its activities, distributed to the different interest groups (shareholders, suppliers, employees, public administrations and society)
Market capitalisation	No. of shares ('000) outstanding at end of period(4) (Note 14) * Market price at end of period(4) (Note 14)	Euros 22,670 million = 969,614 * 23.38 euros	Euros 26,180 million = 969,614 * 27.00 euros	Measure of the company's market value based on the market price of its shares.

Note:
(1) Consolidated balance sheet line item.
(2) Consolidated income statement line item.
(3) Consolidated statement of cash flows line item.
(4) Figure detailed in the Notes to the consolidated annual accounts.
(5) Figure detailed in the APMs.
(6) Figure detailed in the Directors' Report.

Annex IV: Contact details

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Annex V: Disclaimer

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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. For further information about this matter please refer to this presentation and to the corporate website (www.naturgy.com).

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