1Q 2023 Results

25 April 2023

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1Q2023 Milestones

1.1 Execution of the Strategic Plan

High level of Strategic Plan 2022 – 2030 execution

Morelos	TAP
▪ On 24 April, Enagás completed the **sale of its entire stake** in the Mexican company **Gasoducto de Morelos** for **~$95 million**. ▪ This transaction represents a **net capital gain of ~€40 million for Enagás**. ▪ This transaction is part of the **asset rotation process** announced by Enagás in its 2022-2030 Strategic Plan, whose strategic priorities are **security of supply in Spain and Europe and decarbonisation**.	▪ On 27 January 2023, Enagás agreed to **acquire a further 4% stake in TAP** in addition to the 16% it already holds in TAP. ▪ The **final shareholding** in TAP would be **balanced** with an equal shareholding of **20%** of all partners. ▪ Additional 4% stake **investment: 168 million euros** ▪ In 2023 **TAP** will contribute **dividends to Enagás amounting to ~€70 M** ▪ **TAP is included in the European Hydrogen Backbone** (EHB)**map** and **could be adapted for green hydrogen transport**, thus contributing to Europe's decarbonisation goals

Note: The transaction is expected to be completed in H2 2023

1.1 Execution of the Strategic Plan

High level of Strategic Plan 2022 – 2030 execution

Reganosa / El Musel	El Musel
▪ **On 28 February 2023, Enagás and Reganosa reached an agreement** in which: Enagás acquired Reganosa's 130 km gas pipeline network for €54 M, and Reganosa bought 25% of the El Musel regasification plant in Gijón for €95 M. ▪ **The operation strengthened the Spanish Gas System**. ▪ Enagás became the developer for the **Guitiriz-Zamora hydrogen pipeline** scheduled for 2030. ▪ It will allow the **synergies of the two companies** to be exploited and new opportunities for cooperation to be explored in order to contribute to **security of supply and advance the decarbonisation goals of Spain and Europe**.	▪ On 17 February, the El Musel terminal received the **approval of the unique economic regime as a plant for logistical use** by the CNMC. ▪ On 6 March, the **capacity allocation process** *(Open Season*) **for logistics services of the plant** began, awakening high interest from the involved operators ▪ The terminal, which is part of the Government's More Energy Security Plan, **will reinforce** the **security of European energy supply** with its role as a logistics service provider **with LNG unloading, storage and loading operations**

Note: The transaction is expected to be completed in H2 2023

1.2 Behaviour of the gas system

The Gas System faces 2023 with maximum robustness and confidence

- **Availability** of **100%** of the facilities

- **Guarantee of supply of 100%** in the winter period in which there have been 2 cold snaps

- Total **exports**: **+104%**
- Record first quarter of the year of **exports to France** (8 TWh)

- Filling level of the **underground storage at 78%** at the end of the 2022-2023 season
- European regulatory filling milestone for Sep. 2023 met 5 months ahead of schedule

- **Increase in vessel cargo** (124% vs Q1 2022)

- **Increase in number of vessels unloaded** (+9% vs Q1 2022)

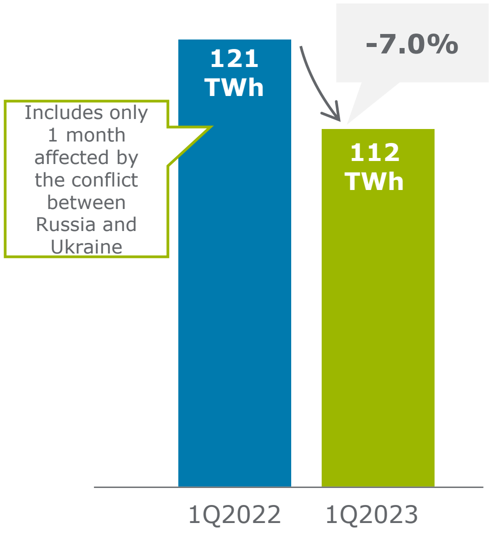
1.2 Behaviour of the gas system

Evolution of natural gas demand

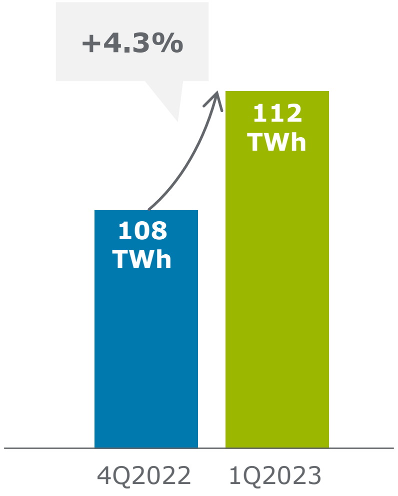
The Spanish Gas System has consolidated its position as an entry point for supplies to Europe. The number of reloaded vessels increased by +124% vs. Q1-2022, with Italy remaining the main destination.

Significant increase in exports to France, mainly in the month of March 2023 due to the strike there that led to the stoppage of 3 of its 4 regasification plants.

Evolution of demand + NG and LNG exports



- The **total demand for natural gas along with exports decreased by -7.0% in 1Q23** compared to 1Q22:
  - **Conventional demand in 1Q23 decreased by -13.9%** compared to 1Q2022. This decrease is mainly due to lower industrial consumption due to the effect of the war in Ukraine, which began to show its effect from 2Q2022, and to the government's energy saving and efficiency measures, especially notable in the domestic sector.
  - The **demand for gas for electricity generation decreased by -26.3%** in 1Q23 vs. 1Q22 due to the increase in renewable generation.

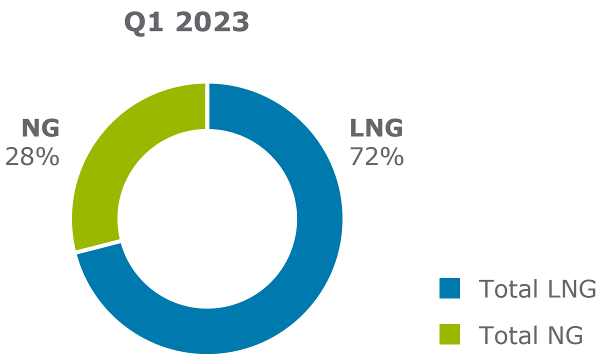


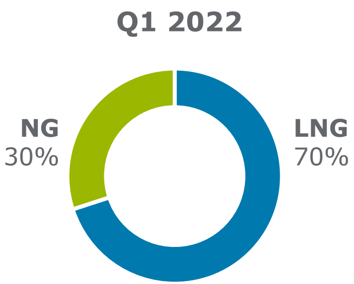
- The **total demand for natural gas together with exports increased by +4.3% in 1Q23** compared to 4Q22:
  - **Conventional demand increased by +37.5%,** mainly driven by the refining and chemical/pharmaceutical sectors, as well as the effect of weather conditions (two cold snaps in 1Q23 vs none in 4Q22).
  - **Lower demand for gas for electricity generation (-35%)** due to greater renewable generation, mainly hydraulic and solar.

Source: Enagás GTS
Note: Conventional demand = industrial demand + domestic commercial demand

1.2 Behaviour of the gas system

Origin of natural gas supply





Source: Enagás GTS

- **In the first quarter of 2023, Spain** received natural gas from **13 different sources,** two more than in the same period of the previous year.
- **Average fill level of underground storage at ~78%** at the end of the 2022-2023 season (complying with European regulations for Sep. 2023 met 5 months in advance).

02

1Q2023 Results

2.1 Income statement

First quarter results on track to meet the annual target included in the 2022-2030 Strategic Plan

Containment of operating and financial expenses, according with the efficiency plan communicated by the Company

€M	Q1 2023	Q1 2022	Var. %
Total revenues	**220.6**	**233.9**	**(5.7%)**
Operating expenses	(83.6)	(92.3)	(9.4%)
Income from affiliates	**36.6**	**44.2**	**(17.1%)**
EBITDA	**173.6**	**185.8**	**(6.5%)**
Depreciation and amortisation	(64.9)	(66.4)	(2.3%)
PPA	(12.8)	(14.4)	(11.1%)
EBIT	**95.9**	**104.9**	**(8.6%)**
Financial result	(25.3)	(22.9)	10.5%
Corporate income tax	(15.8)	(12.6)	25.2%
Non-controlling interests	(0.2)	(0.2)	45.5%
Net profit	**54.6**	**69.3**	**(21.2%)**

COMMENTS

- **Regulated revenues** show a reduction of -€14.3M compared to the same date of the previous year. These revenues decreased due to the application of the 2021-2026 regulatory framework (-€12.3M) and lower audited costs (-€6M), with no impact on EBITDA. This reduction was partially offset by the increase in other regulated revenues (COPEX, etc.).
- The evolution of operating expenses in the first quarter of the year shows the **effectiveness of the cost efficiency plan**, implemented by the company to minimize the impact of inflation on manageable costs. **Recurring operating expenses have remained in line with respect to 1Q22.**
- **Income from affiliates** in 1Q2022 included 12 million euros of GNL Quintero. This asset was sold in 2022.
- **Net profit as planned to achieve the target for the year**, considering the net capital gain (~40 million euros) generated with the closing of the sale of the stake in the Gasoducto de Morelos, which took place on April 24, and, therefore, is not included in the first quarter of the year.

2.2 Financial results

Cash flows and change in net debt

Cash flow generation and change in debt in the first quarter as planned with the year-end debt target.

Note (1): Includes corporate income tax payment associated with the GNLQ sale of ~€67.5 M
Note (2): Includes payment of the cash repatriation tax associated with the GNLQ sale of ~€42.5 M
Note (3): Closing exchange rate 2022 $1.07/€ vs closing March 2023 $1.08/€

2.3 Financial results

Sound financial structure and strong liquidity position

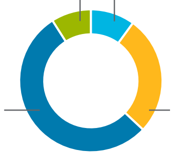
Leverage and liquidity	Mar. 2023	Dec. 2022
Net debt	€3.477 Bn	€3.469 Bn
Net debt/adjusted EBITDA[1]	4.9x	4.8x
FFO/Net Debt	16.7%	17.6%
Financial cost of debt	2.7%	1.8%
Liquidity	€3.352 Bn	€3.794 Bn

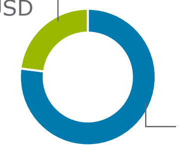
Liquidity	Mar. 2023	Dec. 2022	Current maturity
Cash	€875 M	€1.359 Bn	
Club Deal	€1.55 Bn	€1.5 Bn	January 2028
Operational lines	€927 M	€934 M	Dec 2023 - Oct 2024
TOTAL	€3.352 Bn	€3.794 Bn	

The financial cost of debt is 2.7%

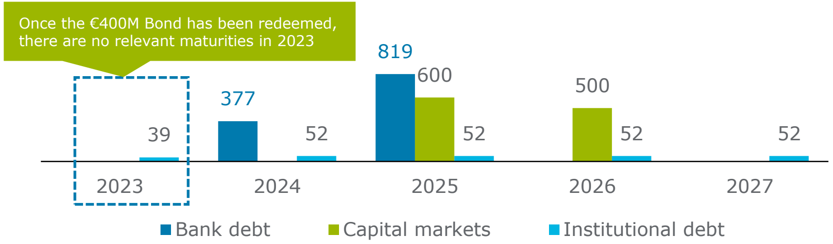
The leverage ratios are consistent with a BBB credit rating.

Type of debt





Debt maturities (€M)



Fixed-rate debt over 80%[2]

Average maturity of debt 4.6 years

(1) EBITDA adjusted by dividends received from affiliates.
(2) Including interest rate hedging instruments.
(3) The decrease in liquidity is a consequence of the amortization of the Bond of 400 million euros in the first quarter of 2023.

03

ESG positioning

Leadership in the main sustainability stock indices

In 2022, Enagás was included for the **15th year in a row** in the **Dow Jones Sustainability Index scoring 88**, in the **Top 5% S&P Global ESG Score 2022**, among the companies with a **maximum level of performance**.

Enagás has been recognized as a **world leader in the Utilities sector** in the 2023 **Bloomberg Gender-Equality Index (GEI)**, for its **transparency in gender** information and commitment to **equality**.

Enagás has obtained the **Supplier Engagement Leader 2022** distinction from **CDP Climate Change**, in recognition of the **climate management of its value chain**.

Enagás has been recognized for the **thirteenth consecutive year** by the **Top Employer Institute** as a **Top Employers Spain 2023** company, highlighting the **Enagas's human capital management**.

Commitment to transparency

Enagás has published the **2022 Annual Report**, which includes the **Consolidated Management Report**. This report is prepared, under an **Internal Control System for Non-Financial Information**, in accordance with the requirements established by **Law 11/2018 on non-financial information and diversity** and by the **European Taxonomy Regulation on sustainable environmental activities**.

04

2023 Targets

Conclusions

Confirmation 2023 targets

- Net profit

€310 M - €320 M*

- EBITDA

~ €770 M

- Dividends from affiliates

€190 M - €200 M

- Net Debt

~ €3.70 Bn

- Net investment in accordance with Strategic Plan

~€250 M**

- Efficiency plan for operational and financial expenditure

Recurrent operating expenditure in line with 2022

Control of financial expenses (expected financial result ~€110 M)

- Financial structure

FFO/ND > 14% compatible with BBB credit rating
(without credit remedies)

- Dividend policy

1.74 euros/share

Note*: includes the net capital gain from the sale of Gasoducto Morelos (~€40 M) and the contribution from the increase of the 4% stake in TAP (~€5.5 M). The assumptions established for the GSP ruling are maintained based on the considerations of the legal advisors.
Note**: 2023 Capex includes the increased stake in TAP, and the cash inflow from the closing of the sale of Gasoducto de Morelos (~87 million euros).
Note: Exchange rate used for the calculation of the budget €1=USD 1.05

Conclusions

- In the first quarter of 2023, **the company continued to implement the 2022 - 2023 strategic plan at a high level**. Highlights include the completion of the sale of the **Gasoducto de Morelos**, the acquisition of an additional 4% in **TAP** and the agreement reached with **Reganosa**
- First quarter **results on track to achieve all targets** set for the year 2023
- Containment of operating and financial expenses, complying with the **Efficiency Plan** communicated by the Company
- The **Gas System** faces 2023 with the **maximum robustness and confidence** to contribute to the Security of Supply in Spain and Europe
- **ESG** as a **driver of the Company's strategy**

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Thank you very much