

Results 1Q 2024

April 23, 2024

Conference-call/Webcast

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Highlights

Net profit +€65.3 M

- ⚡ **Net profit at March 31, 2024 reached €65.3 million, 19.5% higher** than in the first quarter of 2023, and is on track to reach the annual target of €260– 270 million.

EBITDA €178.3 M

- ⚡ **EBITDA at the end of March 2024, at €178.3 million, was 2.7% higher** than in the first three months of 2023. The following should be emphasised with regard to the positive development of the **gross operating result**:

- Revenue remained at the same level as the same quarter of the previous year, despite the impact of the regulatory environment, mainly thanks to the contribution of COPEX investments and income from the Musel E-Hub plant.
- The intensification of the efficiency plan and the control of operating costs, which remained stable as at March 31 compared to the same date last year.
- The results of the affiliates are more positive than in the first quarter of the previous year and are a clear indication of the good performance of all affiliates. Noteworthy is the higher contribution from TAP due to the acquisition of the additional 4% in July 2023.

Funds from Operations (FFO) €163.3 M

- ⚡ **Funds from operations (FFO) at March 31, 2024 increased** from €81.6 million at the end of the first quarter of 2023 to **€163.3 million, including €40.9 million of dividends from affiliates**.

The first quarter of 2023 FFO included the payment of the capital gain tax on the sale of GNL Quintero for €67.5 million.

Net Debt €3.342 Bn

- ⚡ **Net debt at March 31 amounted to 3.342 billion euros, similar to that recorded at year-end 2023** and in line with the targets set at the end of the year.

More than 80% of the debt is at a fixed rate and the financial cost of gross debt stood at 2.8%.

- ⚡ **The FFO/ND ratio was 19.2% at March 31, compatible with the metrics required by the credit agencies S&P and Fitch to maintain the BBB rating.** Moody's recently upgraded our rating outlook from negative to stable and maintained the rating at Baa2.

Progress in the 2022-2030 Strategic Plan.

⚡ Security of supply and investment with a focus on Spain and Europe:

- On March 21, Enagás announced the final investment decision (FID) and increase of Enagás' stake in HEH (Stade) from 10% to 15%, boosting Enagás' presence in Germany.

⚡ Progress on the energy transition and the hydrogen schedule:

- January 10, 2024: Parliament's approval of the Royal Decree-Law 8/2023 of 27 December: Enagás, provisional manager of the hydrogen backbone.
- January 31, 2024: II Enagás Hydrogen Day
- February 2, 2024: Announcement of the award of the H2Med preliminary engineering research
- February 20, 2024: Approval by the Government of the draft law to re-establish the National Energy Commission (CNE)
- April 8, 2024: Publication of the list of PCI including the projects submitted by Enagás
- April 9, 2024: Enagás H2 Technical Day
- April 11, 2024: Approval in the European Parliament of the European Directive on Hydrogen and Decarbonised Gas Markets. Announcement of the official opening of the application window for CEF funds

Industrial demand

+8.4%

- ⚡ Natural gas demand in the first quarter declined -4.0% compared to the same period in 2023. However, industrial demand increased by +8.4%, **continuing the trend of the second half of the previous year, with demand growing in the refining, chemical, pharmaceutical and co-generation sectors.**

General Shareholders' Meeting 2024

- ⚡ The **Annual General Meeting** held on March 21, 2024 approved all the proposals on the agenda, including the payment of a **dividend of €1.74 gross per share charged to the 2023 year**. This means the payment of a final dividend of €1.044 gross per share charged to the 2024 financial year, which will be paid on July 4.

Key figures

Income statement

Million of euros	1Q 2023	1Q 2024	Var. 23-24
Total revenues	220.6	220.5	0.0%
EBITDA	173.6	178.3	2.7%
EBIT	95.9	92.9	(3.1%)
Net profit	54.6	65.3	19.5%

Balance sheet and leverage ratios

	Dec.-2023	Mar.-2024
Net Debt (€M)	3,347	3,342
Net Debt / EBITDA ⁽¹⁾	4.3x	4.3x
FFO / Net Debt	18.7% ²	19.2% ³
Financial cost of gross debt	2.6%	2.8%

(1) EBITDA adjusted for dividends obtained from affiliates

(2) FFO/ND 18.7%: FFO does not include the payment of taxes associated with the sales of GNL Quintero and Morelos for €72 M. The ratio does not include Rating Agencies' methodology adjustments.

(3) FFO/ND 19.2%: the FFO does not include the payment of taxes associated with the sale of Morelos for €4.5 M. The ratio does not include Rating Agencies' methodology adjustments.

Cash Flow and Investments

Million of euros	1Q 2023	1Q 2024	Var. 23-24
Funds From Operations (FFO)	81.6	163.3	81.7
Operating Cash Flow (OCF)	4.6	65.4	60.8
Dividends from affiliates	41.5	40.9	(0.7)
Net investments	(19.4)	(41.3)	(21.9)

In accordance with the Guidelines on alternative performance measures published by the European Securities and Markets Authority on October 5, 2015 (ESMA/2015/1415es), a glossary of definitions and reconciliation with the items presented in the Financial Statements of certain alternative financial measures used herein is published on the corporate website.

Outcome of results

Income statement

Million of euros (unaudited figures)	1Q 2023	1Q 2024	Var. % 23-24
Income from regulated activities	216.2	215.7	(0.2%)
Other operating income	4.4	4.8	8.3%
Total revenues	220.6	220.5	0.0%
Personnel expenses	(33.6)	(33.3)	(0.8%)
Other operating expenses	(50.0)	(50.4)	0.8%
Operating Expenses	(83.6)	(83.7)	0.2%
Results of Affiliates	36.6	41.5	13.3%
EBITDA	173.6	178.3	2.7%
Depreciation and amortisation	(64.9)	(72.1)	11.1%
PPA	(12.8)	(13.2)	3.2%
EBIT	95.9	92.9	(3.1%)
Financial result	(25.3)	(19.1)	(24.3%)
Corporate income tax	(15.8)	(8.3)	(47.1%)
Income attributable to minority interests	(0.2)	(0.2)	(30.2%)
Net profit	54.6	65.3	19.5%

Operating revenue **€220.5 M**

- ⚡ The **company's total revenues as of March 31, 2024 amounted to €220.5 million**, the same figure as at the end of the first quarter of 2023.

In the **regulated revenues** figure for the first quarter of 2024, the impact of the regulatory framework has been offset by the increase in other revenues (mainly due to the positive contribution of the COPEX investment and the Musel E-Hub plant).

Operating expenses **-€83.7 M**

- ⚡ **Operating expenses at the end of the first quarter of the year 2024** are in line with the results registered at the end of the first quarter of 2023, showing the effectiveness of the cost efficiency plan implemented by the company to minimise the impact of inflation on manageable costs.

Results of affiliates **€41.5 M**

- ⚡ Positive performance by affiliates, whose contribution as at March 31, 2024 amounted to €41.5 million. The contribution of the additional 4% stake in TAP, which closed in July 2023, has been included in the result of the quarter.

EBITDA **€178.3 M (+2.7%)**

- ⚡ EBITDA at March 31, 2024 was €178.3 million, +2.7% higher than in Q1 2023 and on track to reach the annual target of €750 – 760 million.
- ⚡ EBIT amounted to €92.9 million, 3.1% lower than at March 31, 2023. The higher depreciation expense mainly corresponds to the depreciation of the Musel E-Hub plant after its commissioning in July 2023.

Financial result **-€19.1 M**

- ⚡ At March 31, 2024, the company recorded a **financial loss of -€19.1 million**.
- ⚡ The good performance of the financial result is mainly due to higher cash-related financial income compared to the first quarter of 2023 and to a lesser extent to a non-recurring effect booked in the first quarter of the year.
- ⚡ The **financial cost of gross debt at March 31, 2024 stood at 2.8%**, slightly higher than the financial cost of gross debt at December 31, 2023 (2.6%).

Corporate income tax	-€8.3 M
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- Corporate income tax as at March 31, 2024 amounted to -€8.3 million. To highlight, in the first quarter of 2023 a non-recurring effect of +€4.3m was booked.

Net profit	€65.3 M (+19.5%)
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- Net profit at March 31, 2024 amounted to €65.3 million** and is on track to reach the annual target of €260-270 million.

Funds generated and Balance Sheet

Consolidated Cash Flow Statement

Million of euros (unaudited figures)	1Q 2023	1Q 2024
EBITDA	173.6	178.3
Results of affiliates	(36.6)	(41.5)
Tax	(67.5)	0.0
Interest	(29.1)	(17.2)
Dividends from affiliates	41.5	40.9
Adjustments	(0.3)	2.8
FUNDS FROM OPERATIONS (FFO)	81.6	163.3
Change in operating working capital	(77.1)	(97.9)
OPERATING CASH FLOW (OCF)	4.6	65.4
Net investments	(19.4)	(41.3)
International business	0.0	(11.5)
Business in Spain	(19.4)	(29.8)
FREE CASH FLOW (FCF)	(14.8)	24.2
Dividends paid	0.0	(1.6)
Effect of exchange rate variations	(0.3)	8.3
DISCRETIONAL CASH FLOW (DCF)	(15.1)	30.8
Cash flow from financing activities	(469.1)	103.8
Debt repayment	(469.1)	(501.4)
Debt contracting	0.0	605.2
Capital increase	0.0	0.0
Proceeds/payments on equity instruments	0.0	(6.2)
Effect of change in consolidation method	0.0	0.0
NET CASH FLOWS	(484.3)	128.5
Cash and cash equivalents at beginning of period	1,359.3	838.5
CASH AND CASH EQUIVALENTS AT END OF PERIOD	874.9	966.9

Balance sheet

Million of euros (unaudited figures)	Dec.-2023	Mar.-2024
ASSETS		
Non-current assets	7,346.6	7,379.4
Intangible assets	83.9	80.6
<i>Goodwill</i>	17.5	17.5
<i>Other intangible assets</i>	66.3	63.1
Investment properties	17.4	17.4
Property, plant, and equipment	3,983.9	3,936.8
Investments accounted for using the equity method	2,590.0	2,632.4
Other non-current financial assets	669.9	710.8
Deferred tax assets	1.7	1.5
Current assets	1,160.7	1,262.3
Non-current assets held for sale	0.5	0.1
Inventories	55.0	57.3
Trade and other receivables	235.3	226.7
Other current financial assets	22.6	5.0
Other current assets	8.8	6.3
Cash and cash equivalents	838.5	966.9
TOTAL	8,507.3	8,641.7
EQUITY AND LIABILITIES		
Equity	2,999.8	2,827.3
Shareholder's equity	2,968.2	2,756.0
Subscribed capital	393.0	393.0
Issue premium	465.1	465.1
Reserves	1,962.4	1,851.4
Shares and stakes in treasury shares	(16.0)	(22.2)
Profit for the year	342.5	65.4
Result of prior years	0.0	0.0
Interim dividend	(181.8)	0.0
Other equity instruments	3.0	3.3
Adjustments for changes in value	15.5	55.1
Minority interests (external partners)	16.1	16.2
Non-current liabilities	4,388.6	3,605.1
Non-current provisions	241.7	244.1
Non-current financial liabilities	3,979.3	3,182.4
<i>Bank loans</i>	1,045.8	291.0
<i>Bonds and other marketable securities</i>	2,330.8	2,328.7
<i>Long-term suppliers of fixed assets</i>	0.0	0.0
<i>Derivatives</i>	5.6	10.5
<i>Other financial liabilities</i>	597.1	552.1
Deferred tax liabilities	131.4	143.4
Other non-current liabilities	36.1	35.2
Current liabilities	1,118.9	2,209.2
Current provisions	4.8	7.1
Current financial liabilities	504.2	1,655.9
<i>Bank loans</i>	415.0	698.1
<i>Bonds and other marketable securities</i>	14.5	617.5
<i>Derivatives</i>	9.7	11.1
<i>Other financial liabilities</i>	65.0	329.2
Trade and other payables	609.9	546.2
TOTAL	8,507.3	8,641.7

Funds from Operations (FFO) +€163.3 M

- FFO at March 31, 2024 amounted to **€163.3 million**, including €40.9 million of dividends received from affiliates. The FFO figure compares to €81.6 million recorded in the same period of 2023.

The FFO figure for the first quarter of 2023 included the payment of the tax associated with the capital gain on the sale of GNL Quintero in Q123 (-€67.5 million).

Operating cash flow (OCF) +€65.4 M

- Operating cash flow (OCF) at March 31, 2024 reached €65.4 million, incorporating the above effects, with a working capital of -€97.9 million. In the first quarter of 2023 the working capital of -€77.1 million included the payment of the cash repatriation tax associated with the sale of GNL Quintero of -€42.5 million.

Investments +€41.3 M

- The **investment figure at the end of the first quarter of 2024 recorded a cash outflow of -€41.3 million**, which includes the increase of Enagás' stake in HEH (Stade) from 10% to 15%.

Net Debt €3.342 Bn

- At March 31, 2024, net debt remains stable with respect to December 31, 2023.
- The financial cost of gross debt at March 31, 2024 stood at 2.8%**, slightly higher than the 2.6% recorded at the end of 2023. **More than 80% of Enagás' debt is at a fixed rate**, which allows the company to mitigate the impact of current interest rate movements.
- The FFO/ND ratio at March 31, 2024 stood at 19.2%. The ratio does not include Rating Agencies' methodology adjustments.
- This **leverage ratio is compatible with a BBB credit rating by S&P and Fitch**. Moody's recently upgraded our rating outlook from negative to stable and maintained the rating at Baa2
- On January 15, 2024, Enagás completed the issue of 600 million euros in bonds maturing in 2034, with an annual coupon rate of 3.625%. Demand for the issue was 5 times the amount offered, which shows the positive reception the company has received in the capital markets.
- Following the issuance of the bond dated January 15, 2024, the average maturity of the debt is approximately 5 years.

- As at March 31, 2024, the debt type was as follows: 8% is institutional debt, 68% was issued in capital markets, 15% is commercial bank borrowings and the remaining 9% is leases (IFRS 16). Of the debt recorded, 79% is issued in euros and the remaining 21% in US dollars (USD).

Liquidity €3.131 Bn

- At the end of the first quarter of 2024, the company had a solid liquidity position of €3,131 million between cash and undrawn credit lines.

Liquidity	Mar 2024	Dec 2023	Current maturity
Treasury	€967 M	€838 M	
Club Deal	€ 1.55 Bn	€ 1.55 Bn	January 2029
Operational lines	€614 M	€921 M	Oct 2024 - Jan 2027
TOTAL	€3.131 Bn	€3.309 Bn	

Demand

Industrial demand +8.4%

- Total natural gas demand** has decreased by -4.0% in the first quarter of 2024 compared to the same period in 2023, due to the following factors:
 - Conventional demand** in Q1 2024 was +2% higher than in Q1 2023.
 - This increase is mainly due to **higher industrial consumption in the first quarter of 2024, +8.4%, continuing the trend of the second half of the previous year**, with demand growing in the refining, chemical, pharmaceutical and cogeneration sectors.
 - Partially offset by the decrease in domestic demand -10.3% due to the high temperatures in the winter months.
 - Decrease in **gas demand for electricity generation** (-24%) due to an increase in renewable generation, mainly hydro and solar.

Corporate Responsibility and Sustainable Management

Sustainability

Enagás maintains its leadership in the main sustainability indices, notably the Dow Jones Sustainability World Index, in which it remains for the 16th consecutive year, with one of the highest scores in its sector and the Top 5% S&P Global ESG Score 2023. It has also been included on the CDP A List for Climate Change for the fourth year running, and it maintains the highest ESG rating in its sector in the FTSE4Good sustainability index.

Enagás is a world leader in its sector in Bloomberg's Gender Equality Index and is positioned in the Top 20 of the Equileap ranking of leading companies in gender equality. Enagás has been awarded the highest excellence level (A+) in its certification as an EFR Family-Responsible Company, a leader in work-life balance. Furthermore, Enagás has been recognised by the Top Employers Institute as a 2024 Top Employers Spain company.

Enagás has established its decarbonisation path to achieve carbon neutrality by 2040 with emission reduction targets aligned with the 1.5°C temperature increase scenario. Since 2014, Enagás has reduced its greenhouse gas emissions by nearly 50%. It has also established the commitment of positive impact on nature and has adhered to the new Pact for biodiversity and natural capital, promoted by the Spanish Business and Biodiversity Initiative (IEEB).

In April, Enagás was certified by AENOR with its highest recognition: the Good Corporate Governance Index 2.0, which evidences the strength of Enagás' corporate governance model and its commitment to transparency.

Public disclosure of inside information and other material information

In accordance with article 226 of Royal Legislative Decree 4/2015, of October 23, approving the consolidated text of the Securities Market Act, Enagás notifies the CNMV, as soon as possible, of inside information that directly concerns it as referred to in article 17 of Regulation (EU) no. 596/2014 of the European Parliament and of the Council of April 16, 2014.

Pursuant to article 227 of Royal Legislative Decree 4/2015, of October 23, approving the consolidated text of the Securities Market Act, Enagás also notifies the CNMV of any other financial or corporate information relating to the company itself or to its securities or financial instruments that any legal or regulatory provision requires it to make public in Spain or that it considers necessary, due to its special interest, to disseminate to investors.

Enagás communicates inside information and other material information for public dissemination through the specific communication and publication channels developed by the CNMV for this purpose.

APPENDIX I: Corporate Responsibility and Sustainable Management

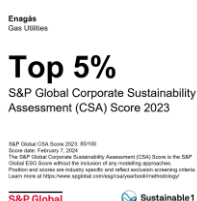
Indexes, certifications and rating agencies



Enagás has been a member of the United Nations Global Compact since 2003. The Progress Report has been at GC Advanced Level since 2011. The company has also been listed on the Global Compact 100 index since 2013.



Enagás has been a member of the FTSE4Good index since 2006. It also has the highest rating in its sector.



Enagás has been a member of the Dow Jones Sustainability Index World (DJSI) since 2008. In 2023, it obtained a Top 5% S&P Global ESG Score rating.



Since 2008, the Annual Report has been externally audited and drafted under the AA1000APS standard and the Global Reporting Initiative (GRI) framework. Since 2012, it has been written as per the principles of integrated reporting of the International Integrated Reporting Council (IIRC). Since 2020 it is drafted under the SASB (Sustainability Accounting Standards Board) reporting standard for the Oil & Gas - Midstream sector.



Enagás has been included on the 2023 CDP A List for Climate Change for the fourth year running. It has been a member of CDP Climate Change since 2009 and CDP Water since 2015.



Enagás has been certified as a Family-Responsible Company (EFR) since 2007, having obtained the maximum Excellence A+ level in the 2022 recertification process.



Enagás holds a 'B- Prime' rating from ISS.



Enagás holds the ISO14001 certification for its gas transmission and storage infrastructure development, asset management, central laboratory and corporate headquarters. Enagás also holds the ISO50001 certification for its gas transmission and storage infrastructure development, asset management and corporate headquarters.



Enagás has been listed on the MSCI Global Sustainability Indices since 2010 and has an AA rating.



The Huelva and Barcelona plants, as well as the Serrablo storage facility, hold EMAS verification. In addition, since 2021, it has held the Aenor Zero Waste certificate.



Since 2010, Enagás has been recognised as one of the Top Employers in Spain, one of the best companies to work in.



Enagás has been awarded the Haz Foundation's three-star seal, the highest category in Fiscal Responsibility.



Enagás certifies its carbon footprint each year in accordance with the ISO14064 standard, and registers its carbon footprint annually with the Ministry for the Ecological Transition.

In addition, it holds voluntary emission offsetting certificates for its regasification plants, corporate headquarters and fleet.



Lloyd's Register LRQA

Enagás holds the ISO 9001:2015 certification for its processes of Technical Management of the System, Asset Management, Infrastructure Development and Information Systems Management. The company also holds SSAE 18 certification for Security of Supply of the System/Technical Management of Underground Storage Facilities Systems.



In 2015 Enagás received the Bequal seal for its commitment to the inclusion of the disabled in the company. Since 2019, it has received Bequal Plus recognition.



The Occupational Risk Prevention Management System for the Enagás Group Companies Enagás GTS, S.A.U., Enagás Internacional S.L.U., Enagás S.A. and Enagás Transporte S.A.U is certified under ISO 45001. Moreover, Enagás is certified as a healthy company since 2017 and holds the ISO 39001 road traffic safety management and ISO 27001 information security management certifications.



Enagás has been included in the Bloomberg Gender Equality Index since 2019.



Enagás is part of Equileap's global ranking, and is among the 20 leading companies in gender equality in 2023.



Enagás has held the "Equality in the workplace Award" since 2010, granted by the Ministry of Health, Social Services and Equality.



The Corruption Prevention Model has been externally certified under ISO 37001 since 2023.



Enagás obtained AENOR's Good Corporate Governance certification for the first time in 2023.

APPENDIX II: Contact details

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