

NATURGY ENERGY GROUP, S.A.

NATURGY ENERGY GROUP, S.A. in compliance with the provisions of article 227 of the Securities Market Act, approved by Royal Legislative Decree 4/2015, of 23 October, hereby notifies the National Securities Market Commission of the following

DISCLOSURE OF OTHER RELEVANT INFORMATION

Naturgy, through its 100% owned subsidiary Naturgy Solar USA, LLC, has acquired 100% of the economic interests in Hamel Renewables, LLC (“the vehicle”) in the U.S. (the Transaction). The vehicle holds a portfolio of 8 GW solar projects together with 4.6 GW of co-located energy storage projects spanning 9 states in the U.S., of which 25 projects totaling 3.2 GW of solar and 2 GW storage could be operational before 2026.

As part of the transaction, Naturgy has also entered into a 5 year development agreement with Candela Renewables (“Candela”). With a first in class team holding over 20 years of experience in the field, Candela has a proven track record in the development of solar and energy storage projects in the U.S., including the development of many of the projects of the portfolio acquired by Naturgy. Candela enters into an exclusivity agreement with Naturgy for the next 5 years whilst Naturgy enters the US market with a top tier development partner in the U.S.

The transaction represents an Enterprise Value of USD57m for 100% of the vehicle. Naturgy plans to invest up to USD1.8bn over the next five years in the development and construction of the pipeline to have a capacity in operation of 1.6 GW in 2025, while it also retains the option to develop the remaining pipeline of the acquired vehicle adding up to 8 GW of solar energy projects by 2030.

This transaction represents Naturgy’s first investment in the U.S. renewable energy market and demonstrates Naturgy’s commitment to growing in renewables, focusing on stable geographies and early stage of development projects.

The transaction is not subject to any regulatory approvals or competition clearance and thus signing and closing were completed simultaneously.

Madrid, January 15, 2021