

September 2023 Market update

24 October 2023



Market update as of September 2023



Continued to execute on our Strategic Plan revising our estimates upwards



Invested €1.9bn



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



Reinforced our balance sheet and flexibility to fund future growth



Market update



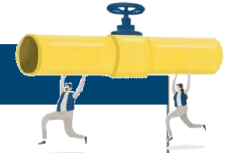
Continued focus on security of energy supply at affordable prices for our clients



More than 50 renewable gas projects in different stages of development



Increased regulatory visibility in some LatAm markets



Managed our gas exposure to increase visibility and de-risking

Key figures as of September 2023

Higher EBITDA and Investment while reducing Net debt

€bn

EBITDA

4.3

Investment

1.9

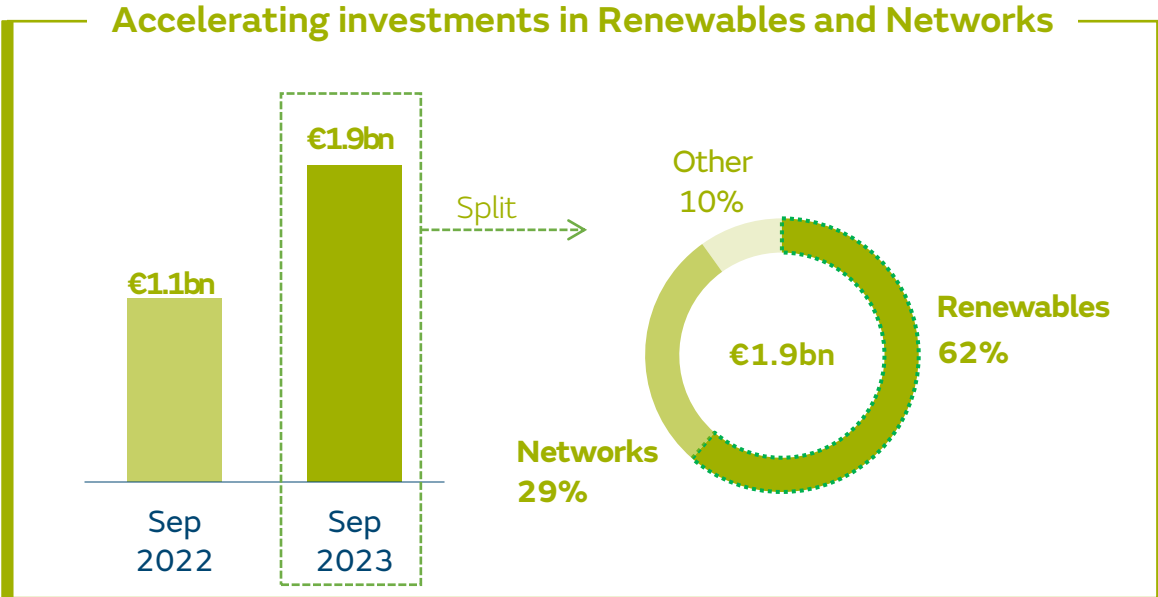
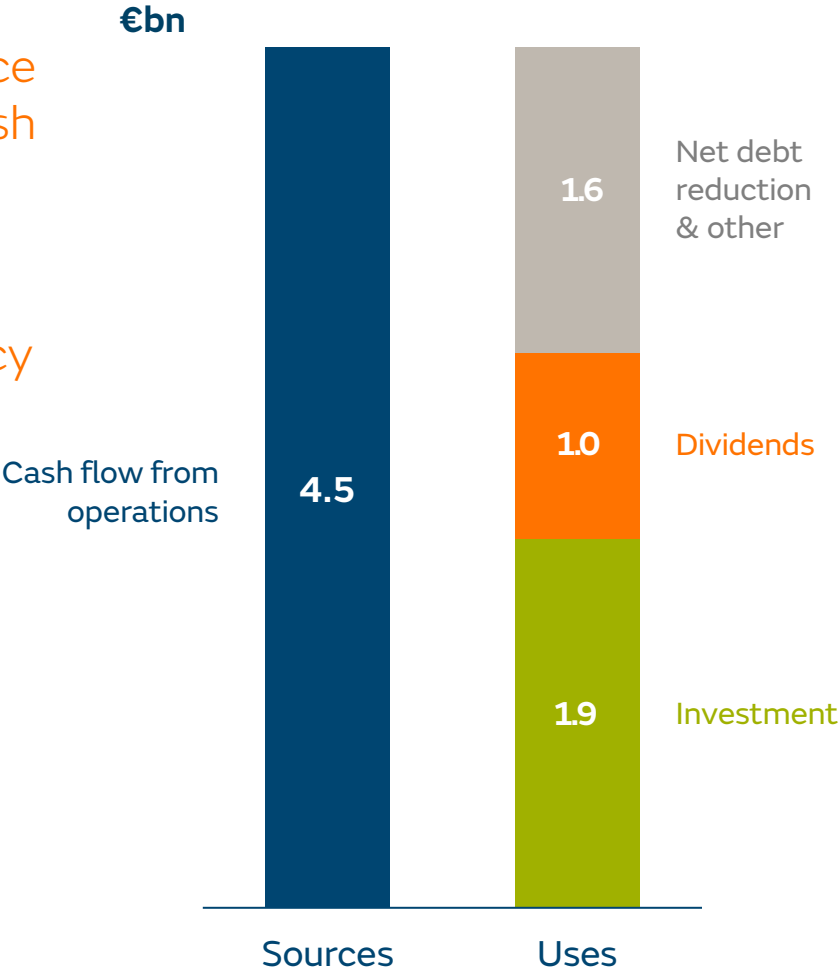
Net debt

11.2

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

Sources and uses of cash 2023YTD

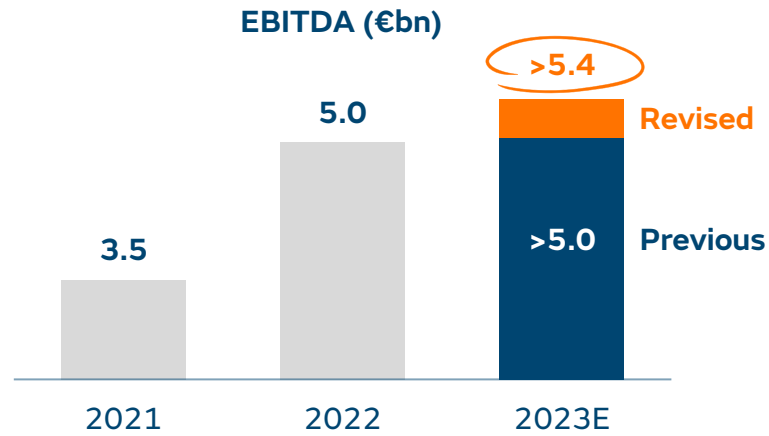
Strong balance sheet and cash flow to fund attractive growth and dividend policy



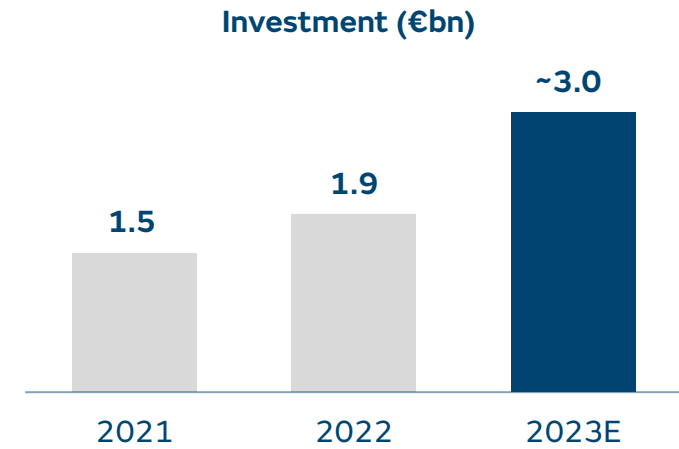
2023 revised guidance based on current energy scenario

Growing EBITDA, Investment and dividends while reducing Net debt

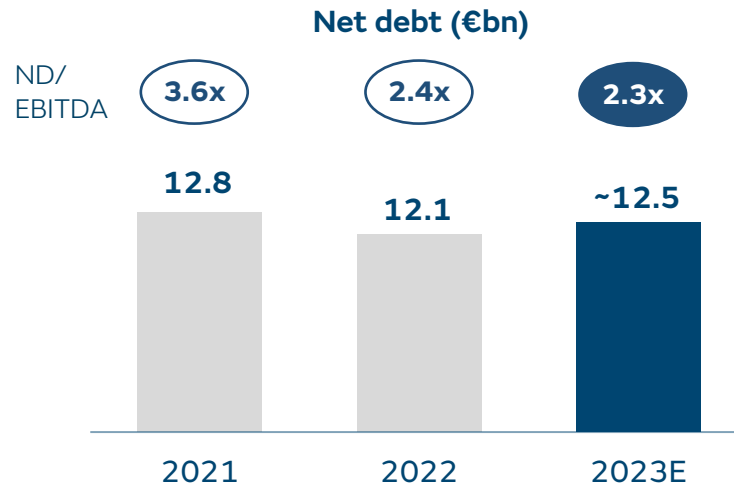
Growing EBITDA



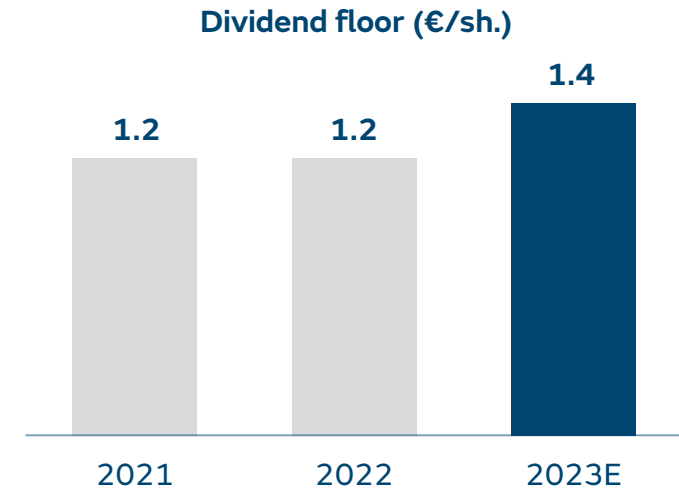
Investment program acceleration



Lower indebtedness and leverage



Revised dividend distribution



Appendix

Alternative Performance Metrics

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

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

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

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

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