

Results from January to September 2024

## Redeia's investments to speed up the energy transition have risen by 18%

The company's investment in Red Eléctrica between January and September 2024 rose to 603.2 million euros, which is 18% higher than the investment made in the same period of the previous year.

This financial momentum has enabled the company to progress rapidly in the execution of its current Planning, including projects to satisfy new industrial demands for electricity, essential for the decarbonisation of the economy.

The company's financial solvency is reflected by Fitch's ratification of its 'A' credit rating with a stable outlook on 8 October.

Madrid, 30 October 2024.

In the first nine months of this year, Redeia has increased its investments destined to driving the process of ecological transition in Spain. The company's investments in Red Eléctrica, directed towards the transmission grid and operation of the electricity system, amounted to 603.2 million euros, which is **18% higher than the same period in 2023**.

This effort is aligned with Redeia's objective of speeding up the rate at which the national energy model is being transformed and contributes towards the company's goal of **investing 1,000 million euros by the end of the year**. The total sum invested by the whole group between January and September amounts to 671 million euros, which is 8% more than in the first nine months of 2023.

Most of this investment has been directed towards the development and reinforcement of Spain's transmission grid. This item received **525.9 million euros** compared with 463.1 million euros in the previous period. The construction of new lines and sub-stations, along with advances in the interconnections with other countries and between islands accounted for the largest part of this financial effort.

These resources have contributed to new advances in the execution of the projects set out in the **current electricity plan**.

They include the works for the projected new **electrical interconnection between Spain and France** through the Bay of Biscay which, after obtaining the relevant authorisations, are progressing as scheduled. The works for the **Galicia - Portugal** connection are also progressing well, as are the first stages of the **Peninsula - Ceuta link**, which is intended to improve the safety and quality of the electricity system supply in Ceuta. The works have started on both sides of the straits and the submarine cable is expected to be laid in 2025. As regards the strategic **La Gomera - Tenerife** connection to unite the electricity systems of both islands, the Chío (Tenerife) sub-station is expected to enter service this year.

In addition to the advances in the connections between systems, there have also been many milestones in the peninsular transmission grid. Red Eléctrica recently completed the administrative procedures for the **new Antas sub-station**, a key element in the future electric system of Eastern Andalusia. The **new 220 KV power line between Lousame and Tibo** has also entered service to strengthen the structure of the grid in the west of Galicia. Red Eléctrica has also announced that the works for new **220 kV Saguntum** sub-station will start in November, a strategic element in the economic and industrial development of the Region of Valencia.

Beyond the planning, the construction of the **Salto de Chira** pumped-storage hydroelectric power station in Gran Canaria is progressing well. This week, the European Investment Bank has granted financing of 150 million euros to advance this strategic infrastructure for Gran Canaria.

## Revenue and results

Revenue (business turnover and the share of profits from equity-accounted companies) reached **1,428.2 million euros**. This figure reflects the impact of the end of the regulatory useful life of assets licensed before 1998, known as **pre-98 assets**.

This change in the method of calculating the remuneration from transmission, included in Royal Decree 1047/2013, of 27 December, is a scenario that the company has been preparing for in recent years. Excluding this pre-98 impact, the group's revenue would have increased by 1.9% in this first period, with EBITDA and net profit also seeing a rise (**+3.8% and +5.4%, respectively**).

In any case, the company's current strategy of significantly increasing investment will make it possible for this year to mark the start of a period of increasing revenue.

### Income Statement

(EUR million)	January - September			July - September		
	2024	2023	Δ %	2024	2023	Δ %
Revenue	1,364.6	1,548.4	(11.9%)	453.8	519.3	(12.6%)
Share of profit of companies accounted for using the equity method	63.5	49.4	28.6%	26.0	14.6	78.1%
Gross operating profit (EBITDA)	1,024.0	1,183.1	(13.4%)	342.8	393.7	(12.9%)
Net operating profit (EBIT)	618.9	790.1	(21.7%)	205.2	262.4	(21.8%)
Profit before tax	546.2	725.3	(24.7%)	176.5	237.2	(25.6%)
Profit for the year	408.8	535.3	(23.6%)	139.4	181.0	(23.0%)

This scenario has resulted in a lower contribution from the transmission activity (186.6 million euros less than in the same period of 2023) in the **electrical infrastructure management and operation business**, which **earned a total of 1,040.1 million euros** in these nine months. The contribution of the system operations business to this figure has risen, with 2.4 million more in revenue.

The **telecommunications** activity earned 305.5 million euros for the group in the period up to September 2024, exceeding the volume from the same period in 2023 by more than 8 million euros. This is explained by the results from the satellite business, which rose by 3.3% compared to the same period last year, and the fibre optics business, which also improved its contribution.

Revenue from **international electrical transmission** - including the results of equity-accounted companies - reached 109.6 million euros, 8% higher than in the same period in 2023.

**Gross operating profit (EBITDA)** reached 1,024 million euros, while **net operating profit (EBIT)** stood at 618.9 million euros. On the other hand, the group's **net profit** stood at 408.8 million euros, in line with the company's forecasts.

As regards the **net financial debt**, it stood at 5,428 million euros on 30 September 2024, which is 9.1% higher than at the end of 2023, which is coherent with the increase in investment. Regarding the company's financial structure, it has maintained a solid position, with diversified debt sources and a reaffirmed credit rating of 'A-' with a stable outlook from the agency S&P, the same rating assigned by Fitch on 8 October.

The group's financing reflects the firm corporate commitment to a sustainable future. **Redeia aspires to be a company financed 100% using ESG criteria by 2030** and after the two green bond issues offered this year, its percentage of sustainable debt is already at

66%. This means that the company has already surpassed the midterm target of 60% that it had set itself for 2025.

As regards the **dividend**, the Board of Directors has approved the payment of an interim dividend of 0.20 euros per share, charged to the results of 2024, in accordance with the dividend policy set out in the company's strategic plan. This policy establishes a **minimum of €0.80 per share** for the dividend charged to the results of 2024 and 2025.

**One year of the Comprehensive Impact Strategy: more than 100 initiatives with a positive impact.**

The company's push for sustainability continues to consolidate its position as a reference in this area. This month, during its Sustainability Conference, the company presented its balance for the first year of its Comprehensive Impact Strategy, which is intended to multiply its positive impact in the areas where it operates in Spain and Latin America.

Last year, Redeia invested nearly 7 million euros in starting up 107 social and environmental initiatives. Some of the most outstanding actions include helping to recover species such as the bearded vulture and golden eagle, to reduce the digital divide in rural areas by improving connectivity, to reverse population decline and contribute to the demographic challenge. In the last quarter, the company also announced the creation of the new Marine Forest Platform with the Ecomar Foundation, which was created after a project that won awards in Spain and Europe successfully restored 2 hectares of Posidonia in Mallorca.