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Alternative Performance Measures

January – June 2026

The European Securities and Markets Authority (**ESMA**) published **Guidelines 2015/1415**, hereinafter the Guidelines, on **Alternative Performance Measures (APMs)** of mandatory compliance for all issuers whose securities are admitted to trading on an official market and who are required to publish regulated information under the Transparency Directive 2004/109/EC, in **order to improve the comparability, reliability and comprehensibility of these measures**. These Guidelines are applicable to any regulated information, such as management reports accompanying the annual accounts or interim financial statements, interim management statements, presentations of results disseminated as other relevant information, inside information, etc.

Redeia presents these **APMs to complement the consolidated financial statements** presented in accordance with the International Financial Reporting Standards adopted by the European Union (IFRS-EU). The APMs are used, together with the other financial measures contemplated in IFRS, **to provide greater clarity to budgets and objectives, to evaluate operating and financial performance and to compare such performance with previous periods** and with the performance of competitors. The presentation of such measures is useful because they can be used to **analyse and compare profitability** and solvency levels between companies and industries. These and similar measures are widely used by investors, securities analysts and others as **complementary measures of performance** and should be considered by the reader as complementary to those presented in accordance with IFRS-EU.

Alternative Performance Measures: Aggregates

(thousands of euros)

Earnings before interest, taxes, depreciation and amortisation (EBITDA)

Definition	Purpose	Calculation	*30/06/2026*	*30/06/2025*
Result from operating activities + Depreciation and amortization of fixed assets - Allocation of non-financial fixed asset subsidies and other +/- Impairment and gain or loss on disposal of fixed assets.	Alternative performance measure used as an approximation of the financial resources that could be obtained from operating assets before taxes and depreciation.	Results from operating activities (EBIT)	422,635	416,168
		Amortisation and depreciation	266,623	233,904
		Non-financial and other capital grants	(16,593)	(14,082)
		Impairment and gains/(losses) on disposal of fixed assets	(16)	2
			672,649	**635,992**

Net Profit

Definition	Purpose	Calculation	*30/06/2026*	*30/06/2025*
Corresponds to "Consolidated profit / (loss) Attributable to the Parent Company" in the Consolidated Income Statement.	Indicate consolidated income for the period, excluding income attributable to non-controlling interest.	Consolidated profit/(loss) attributable to the Parent Company	280,370	269,489
			280,370	**269,489**

Funds From Operations, (FFO)

Definition	Purpose	Calculation	*30/06/2026*	*30/06/2025*
Cash Flows from Operating Activities - Changes in working capital.	Indicator of the company's cash generation. Measures the cash generation of the business as a whole without taking into account changes in working capital.	Cash flows from operating activities.	517,845	547,957
		Changes in working capital.	(28,358)	75,390
			546,203	**472,567**

Changes in other assets and liabilities

Definition	Purpose	Calculation	*30/06/2026*	*30/06/2025*
Variations in the period of other Statement of Financial Position items mostly included in Non-Current Assets and Liabilities such as deferred tax assets and liabilities or Other non-current assets and liabilities.	Measures the effect on the cash generated in the period from the variation period from the variation of these items.	Other cash flows from investing activities	346,545	33,227
		Proceeds from equity instruments	489,988	-
		Effect of changes exchange rates	852	(3,056)
		Other cash flows from financing activities	7,586	(2,302)
		Proceeds from divestitures (excluding Short-term investments in the money market) [1]	16	2,311
			844,987	**30,180**

Changes in payables to non-current asset suppliers

Definition	Purpose	Calculation	30/06/2026	30/06/2025
Variations in the period of the item in the Statement of Financial Position included in the Liabilities as Suppliers of fixed assets. It is calculated as Payments for investments – Investments.	Measures the variation between investment payments and investment additions.	Investment payments (excluding IFTS)[1]	(769,927)	(681,821)
		Investments	657,100	602,703
			(112,827)	**(79,118)**

Gross Financial Debt

Definition	Purpose	Calculation	30/06/2026	30/06/2025
Principal debt at amortized cost of debt with credit institutions and debentures or other marketable securities minus exchange rate derivatives and minus accrued interest not paid.	Gross Financial Debt is a measure used to analyse the Group's level of gross indebtedness. It includes the financial liabilities with cost incurred by the Group.	Non-current loans and borrowings, bonds and other marketable securities	5,149,802	4,754,486
		Current loans and borrowings, bonds and other marketable securities	916,037	1,440,889
		Foreign currency derivatives	(3,880)	(10,071)
		Accrued interest payable ‘Other equity instruments	(45,000)	(23,125)
		Accrued interest payable	(54,360)	(49,489)
			5,962,599	**6,112,690**

Gross Average Financial Debt

Definition	Purpose	Calculation	30/06/2026	30/06/2025
Corresponds to the arithmetic mean of the Gross Financial Debt balances of all the days that make up the fiscal year. This measure may also be referred to as "Average Gross Debt" or "Average Debt”.	Indicates the Group's average indebtedness for the year, related to financial expenses indicates the average cost of the financial debt.	Gross Average Financial Debt	6,141,304	6,096,598
			6,141,304	**6,096,598**

Net Financial Debt

Definition	Purpose	Calculation	30/06/2026	30/06/2025
Gross Financial Debt - Cash and cash equivalents- Term deposits	Net Financial Debt is a measure used to analyse the Group's level of net indebtedness. It eliminates cash and cash equivalents from the Gross Financial Debt, as well as Term deposits, to try to determine what part of it finances the development of its activities.	Gross Financial Debt	5,962,599	6,112,690
		Cash and cash equivalents	(938,226)	(546,280)
		Short-term investments in the money market [1]	(15,000)	(27,000)
			5,009,373	**5,539,410**

Net financial cost of the period

Definition	Purpose	Calculation	30/06/2026	30/06/2025
Financial expense - Financial income for the period.	Measures the cost of external financial resources.	Financial expense	(61,891)	(64,424)
		Financial income	16,450	15,549
			(45,441)	**(48,875)**

Average cost of debt (%)

Definition	Purpose	Calculation	30/06/2026	30/06/2025
Interest Expense on Financial Debt / Average Gross Financial Debt.	Measure of the effective rate of the financial debt.	Interest expense on financial debt (Annualised on a 365-day basis) [3]	144,175	134,288
		Average Gross Financial Debt	6,141,304	6,096,598
			2.35%	**2.20%**

Average maturity of outstanding debt (years)

Definition	Purpose	Calculation	30/06/2026	30/06/2025
Arithmetic average of the maturities of financial debt weighted by the amounts corresponding to their principal amounts.	Measure to illustrate how long the existing debt matures as of the date of the Financial Statements.	Average term to maturity of drawdown debt	5.6	4.9
			5.6	**4.9**

Availability of credit lines

Definition	Purpose	Calculation	30/06/2026	30/06/2025
Undrawn credit lines.	Indicates the available credit of the credit lines contracted by the Group.	Total available credit lines	2,264,085	2,254,358
			2,264,085	**2,254,358**

Cash surplus

Definition	Purpose	Calculation	30/06/2026	30/06/2025
Cash and cash equivalents.	Indicates cash and cash equivalents.	Cash and cash equivalents	938,226	546,280
		Short-term investments in the money market [1]	15,000	27,000
			953,226	**573,280**

Investments

Definition	Purpose	Calculation	*30/06/2026*	*30/06/2025*
Additions to property, plant and equipment + Additions to intangible assets + Additions to assets resulting from business combinations or equity method + Additions from Salto Chira project + Additions to equity instruments and other financial assets - Transfers to non-current assets held for sale	Measurement of investment activity. It allows analysing which of the Group's investments will generate future income or dividend collections.	Additions to property, plant and equipment	572,969	533,753
		Additions to intangible assets	20,139	20,190
		Additions to assets business combinations or equity method	550	826
		Additions from Salto de Chira project	41,954	33,434
		Additions to equity instruments and other financial assets	21,488	21,740
		Transfers to non-current assets held for sale	-	(7,240)
			657,100	**602,703**

Alternative Performance Measures: Ratios

Debt coverage ratio (times)

Definition	Purpose	Calculation	*30/06/2026*	*30/06/2025*
Net Financial Debt / EBITDA (last 12 months)	This debt coverage ratio relates Net Financial Debt to EBITDA and makes it possible to evaluate the company's capacity to repay external financing in number of years (number of times). It allows the company's evolution to be analysed and facilitates comparison with other companies.	Net Financial Debt	5,009,373	5,539,410
		EBITDA (last 12 months)	1,294,997	1,227,408
			3.9	**4.5**

EBITDA margin (%)

Definition	Purpose	Calculation	*30/06/2026*	*30/06/2025*
EBITDA / Revenue	A measure of the company's degree of efficiency by calculating the EBITDA as a percentage of net sales. It allows to analyse the evolution of the company's efficiency and facilitates the comparison with other companies.	EBITDA	672,649	635,992
		Revenue	869,176	811,885
			77.4%	**78.3%**

Working capital

Definition	Purpose	Calculation	*30/06/2026*	*30/06/2025*
Current assets – Current liabilities	A measure of the company's ability to meet its short-term obligations with its current assets.	Current Assets	3,174,263	3,528,347
		Current Liabilities	2,687,496	3,426,109
			486,767	**102,238**

Leverage (%)

Definition	Purpose	Calculation	30/06/2026	30/06/2025
Net financial debt / (Net financial debt +Equity)	This ratio measures the proportion of Financial Debt over total cost resources used by the company. It allows the analysis of the company's evolution and facilitates comparison with other companies.	Net Financial Debt	5,009,373	5,539,410
		Equity	5,805,065	5,212,702
			46.3%	**51.5%**

FFO / Net Financial Debt (%)

Definition	Purpose	Calculation	30/06/2026	30/06/2025
Funds from Operations (FFO) (12 months) / Net Financial Debt	This financial debt coverage ratio relates Net Debt to FFO and makes it possible to evaluate the company's ability to repay borrowed funds as a percentage of external financing. It allows the analysis of the company's evolution and facilitates comparison with other companies.	Funds from Operations (FFO) last 12 months	1,108,096	1,024,486
		Net Financial Debt	5,009,373	5,539,410
			22.1%	**18.5%**

[1] As of 30th June 2026, investments in short-term money market securities (IFTS) amount to EUR 15 million (30th June 2025: EUR 27 million) and have been considered within 'net financial debt'. Investments and divestments that have been made in IFTS are included in the Consolidated Statement of Cash Flows as:

- 'payments for investments' of EUR 20 million as of 30th June 2026 (EUR 24 million as of 30th June 2025) and
- 'divestment proceeds' of EUR 35 million as of 30th June 2026 (EUR 22 million as of 30th June 2025).

These amounts have not been considered in the calculation of the MARs 'changes in other assets and liabilities' and 'changes in fixed asset suppliers.

[2] Interest expense on financial debt for the period ended 30th June 2026 has been annualised to 365 days for the purpose of calculating this APM. Such expense is included within the "Financial expense" caption of the Consolidated Income Statement, amounting to EUR 61,891 thousand in the first half of 2026 (EUR 64,424 thousand in the first half of 2025). This amount includes EUR 71,495 thousand of interest expense on financial debt (EUR 66,589 thousand in 2025) and, additionally, arrangement fees and commitment fees, net of the capitalisation of borrowing costs related to assets under construction, amounting to EUR -9,604 thousand in 2026 (EUR -2,169 thousand in 2025).

The APMs are used to provide greater clarity regarding Redeia's financial performance and to compare such performance with previous periods. These measures must be considered by the reader as supplementary with regard to those presented in accordance with EU-IFRSs, although they are not considered a substitute. Also, the way in which Redeia defines and calculates these APMs may differ from other entities that use similar measures and, therefore, may not be comparable among them.

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