



CONVERSION OF ABOÑO TO GAS UNDER A NEW PARTNERSHIP AND CLOSURE REQUEST OF REMAINING 2 COAL PLANTS IN SPAIN

Investors & Analysts' Briefing

Reuters: EDP.LS
Bloomberg: EDP PL

Lisbon, October 27th, 2023: EDP – Energias de Portugal, S.A. (“EDP”) is taking important steps to ensure the delivery of its coal free commitment by the end of 2025 through the following decisions:

- i) Conversion of the Aboño II thermal plant, in Spain, from coal into gas fired, expected to occur by middle of 2025 and representing an investment of mid double-digit million euros, while continuing to co-fire blast furnace gases, a case study of circular economy in Europe through the valorization of this by-product, avoiding the emission of 1 million tons of CO₂/year;
- ii) Establishment of a new partnership with the Asturian based industrial Group Corporación Masaveu, S.A. (“CM”), through the sale of a 50% stake in Aboño, for an Enterprise Value of c.€ 350 million and an Equity Value of € 60 million for 100% of the asset;
- iii) Authorization requested from the electricity system operator (Red Eléctrica) to close Aboño I coal plant, as well as EDP’s last remaining coal plants in Spain (Soto 3 and Los Barrios).

Aboño consists of two thermal groups (Aboño I and II) with a combined capacity of 904 MW, near Gijón and the port of Musel, which plays a key role supporting the security of electricity supply to the Asturias region. The new EDP/CM industrial partnership, consolidated by EDP through equity method, foresees joint-control in the management of Aboño and transfer of liabilities related to the power plant. EDP will retain full ownership and development of the Just Transition projects in Aboño, such as hydrogen and renewables projects.

Following the disposal of the Pecém coal power plant in Brazil, the decisions announced today are important milestones to ensure the delivery of EDP’s commitments to be coal free by the end of 2025 and become 100% renewable by 2030, leading the energy transition to create superior value.

The transaction is subject to customary authorizations and conditions precedent.

This information is disclosed pursuant to the terms and for the purposes of the article 17 of Regulation (EU) No. 596/2014 of the European Parliament and of the Council.

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