

THIS ANNOUNCEMENT RELATES TO THE DISCLOSURE OF INFORMATION THAT QUALIFIED OR MAY HAVE QUALIFIED AS INSIDE INFORMATION WITHIN THE MEANING OF ARTICLE 7(1) OF THE MARKET ABUSE REGULATION (EU) 596/2014 AS IT FORMS PART OF UK DOMESTIC LAW BY VIRTUE OF THE EUROPEAN UNION (WITHDRAWAL) ACT 2018, AS AMENDED.

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION IN OR INTO OR TO ANY PERSON LOCATED OR RESIDENT IN THE UNITED STATES OF AMERICA, ITS TERRITORIES AND POSSESSIONS, ANY STATE OF THE UNITED STATES OF AMERICA OR THE DISTRICT OF COLUMBIA (THE "UNITED STATES") OR IN OR INTO OR TO ANY PERSON LOCATED OR RESIDENT IN ANY OTHER JURISDICTION WHERE OR TO WHOM IT IS UNLAWFUL TO RELEASE, PUBLISH OR DISTRIBUTE THIS ANNOUNCEMENT.

27 February 2023

FLOENE ENERGIAS, S.A. ANNOUNCES A TENDER OFFER FOR ITS OUTSTANDING EUR 600,000,000 1.375 PER CENT. NOTES DUE 19 SEPTEMBER 2023 (ISSUED BY THE OFFEROR UNDER ITS FORMER NAME, GALP GÁS NATURAL DISTRIBUIÇÃO, S.A.)

(ISIN: PTGGDAOE0001)

Floene Energias, S.A. (the **"Offeror"**) today announces that it is inviting holders of its outstanding EUR 600,000,000 1.375 per cent. Notes due 19 September 2023 (issued by the Offeror under its former name, Galp Gás Natural Distribuição, S.A.) (ISIN: PTGGDAOE0001) (the **"Notes"**) to tender their Notes for purchase by the Offeror for cash in an aggregate nominal amount of up to EUR 300,000,000 (subject to the right of the Offeror to increase or decrease such amount in its sole and absolute discretion) (the **"Maximum Acceptance Amount"**), subject to applicable law and regulation and the offer and distribution restrictions and the satisfaction or waiver of the New Financing Condition (as defined below) and the other conditions described in the tender offer memorandum dated 27 February 2023 (the **"Tender Offer Memorandum"**) (such invitation, the **"Offer"**).

Description of the Notes	ISIN	Outstanding Nominal Amount	Purchase Price	Maximum Acceptance Amount
EUR 600,000,000 1.375 per cent. Notes due 19 September 2023 (issued by the Offeror under its former name, Galp Gás Natural Distribuição, S.A.)	PTGGDAOE0001	EUR 600,000,000	99.45 per cent., equal to EUR 99,450 per EUR 100,000 in nominal amount of Notes	Subject as set out herein, up to EUR 300,000,000 in aggregate nominal amount of the Notes, subject to the right of the Offeror to increase or decrease such amount in its sole and absolute discretion
<p>THE OFFER WILL COMMENCE ON 27 FEBRUARY 2023 AND WILL EXPIRE AT 4.00 P.M. (LONDON TIME) ON 3 MARCH 2023 (THE "EXPIRATION TIME") (THE "OFFER PERIOD"), UNLESS EXTENDED, RE-OPENED OR TERMINATED EARLIER AT THE SOLE AND ABSOLUTE DISCRETION OF THE OFFEROR, AS DESCRIBED HEREIN.</p> <p>Intermediaries (including the relevant Interbolsa Affiliate Member or International Clearing System) will have deadlines for receiving instructions earlier than the Expiration Time and Noteholders should contact the intermediary through which they hold their Notes as soon as possible to ensure proper and timely delivery of instructions to participate in the Offer.</p>				

The Offer is made on the terms and subject to the conditions (including the New Financing Condition) contained in the Tender Offer Memorandum and should be read in conjunction with the Tender Offer Memorandum. Capitalised terms

used but not otherwise defined in this announcement shall have the meaning given to them in the Tender Offer Memorandum.

Rationale for the Offer

The Offeror is making the Offer in order to provide liquidity to the Noteholders while optimising its funding and liquidity position. The Offer (together with the term facility entered into between the Offeror and certain lenders to finance any purchase of Notes by the Offeror pursuant to the Offer (the “**Term Loan**”)) allows the Offeror to extend the maturity profile of its outstanding debt.

Details of the Offer

Instruction Notices and Offers to Sell will be irrevocable upon receipt thereof by the relevant Interbolsa Affiliate Members and Tender Agent respectively except in the limited circumstances in which revocation of Instruction Notices and Offers to Sell is specifically permitted in accordance with the terms of the Offer.

Purchase Price

Subject to satisfaction or waiver of the New Financing Condition, the Purchase Price shall be 99.45 per cent. of the nominal amount of Notes accepted for purchase by the Offeror, equal to EUR 99,450 per EUR 100,000 in nominal amount of Notes.

Tender Consideration

The Tender Consideration payable, subject to satisfaction or waiver of the New Financing Condition, on the Settlement Date to a Noteholder whose Notes are validly tendered and accepted for purchase by the Offeror pursuant to the Offer will be an amount in EUR equal to the sum of:

- (i) the product of (x) the Purchase Price and (y) the nominal amount of such Notes; and
- (ii) the relevant Accrued Interest Amount in respect of such Notes,

rounded, if necessary, to the nearest EUR 0.01, with EUR 0.005 being rounded upwards.

Pro-Ration and Maximum Acceptance Amount

The Offeror proposes to accept Notes for purchase up to the Maximum Acceptance Amount on the terms and subject to the conditions (including the satisfaction or waiver of the New Financing Condition) contained in the Tender Offer Memorandum (although the Offeror reserves the right, in its sole and absolute discretion and for any reason, to increase or decrease the Maximum Acceptance Amount).

In the event that the aggregate nominal amount of Offers to Sell validly received by the Offeror is greater than the Maximum Acceptance Amount, Offers to Sell may be accepted by the Offeror on a *pro rata* basis, as further set out in the Tender Offer Memorandum, such that the aggregate nominal amount of Notes accepted for purchase is no greater than the Maximum Acceptance Amount.

Until the Offeror announces the final aggregate nominal amount of Notes accepted for purchase, no assurance can be given that any Offers to Sell will be accepted. Even if the New Financing Condition is satisfied, the acceptance of any Offers to Sell is at the sole and absolute discretion of the Offeror and the Offeror reserves the absolute right not to accept any Offers to Sell.

New Financing Condition

Whether the Offeror will accept for purchase any Notes validly tendered in the Offer is subject, without limitation, to (unless such condition is waived by the Offeror in its sole and absolute discretion) the receipt by the Offeror (in the sole and absolute determination of the Offeror) of the proceeds of the Term Loan on or prior to the Settlement Date in an amount sufficient to fund the payment of the aggregate Tender Consideration payable pursuant to the Offer (the “**New Financing Condition**”).

Procedures

Any Noteholder who wishes to make an Offer to Sell and be eligible to receive the Tender Consideration pursuant to the Offer should deliver, or arrange to have delivered on its behalf, to the relevant Interbolsa Affiliate Member and in accordance with the applicable requirements, a valid Instruction Notice for subsequent delivery by such Interbolsa Affiliate Member of a corresponding Offer to Sell to the Tender Agent by the Expiration Time, as further set out in the Tender Offer Memorandum.

Settlement

Subject to the satisfaction or waiver of the New Financing Condition and the right of the Offeror to amend or vary the terms of (including the timetable for) the Offer, the Offeror will pay, or procure the payment of, the Tender Consideration to all Noteholders whose Offers to Sell have been validly accepted by the Offeror pursuant to the terms and conditions of the Offer, subject to receipt of the Notes on the Settlement Date.

Notes in respect of which the Offeror has not accepted an Offer to Sell will remain outstanding subject to the terms and conditions of such Notes and will be unblocked as soon as possible on or after the Settlement Date.

Expected Timetable

Please note the following important dates and times relating to the Offer. Each is indicative only and is subject to change, including as a result of any extension, termination, withdrawal or amendment as set out under "Extension, Termination and Amendment" in the Tender Offer Memorandum.

Events

Times and Dates

Commencement of the Offer

27 February 2023

Offer announced. Notices distributed via Interbolsa and the International Clearing Systems and Tender Offer Memorandum available to Noteholders on the website of the Tender Agent.

Expiration Time

4.00 p.m. (London time) on 3 March 2023

Deadline for receipt by the Tender Agent of Offers to Sell.

Noteholders should note that Instruction Notices must be submitted in accordance with the deadlines of the relevant Interbolsa Affiliate Members and, if applicable, the International Clearing Systems, which will be before the Expiration Time.

Announcement of the results of the Offer

As soon as reasonably practicable on 6 March 2023

Announcement by the Offeror of whether it accepts (subject to satisfaction or waiver of the New Financing Condition) for purchase the Notes validly tendered in the Offer and, if so, (i) the aggregate nominal amount of Notes to be purchased including the Scaling Factor (if any), and (ii) the Maximum Acceptance Amount.

Settlement Date

Expected to be 9 March 2023

Subject to satisfaction or waiver of the New Financing Condition or prior to such date, settlement of the Offer.

Payment of Tender Consideration in respect of Notes accepted for purchase pursuant to the Offer.

This is an indicative timetable and is subject to the right of the Offeror to extend, re-open, amend and/or terminate the Offer (subject to applicable law and as provided in the Tender Offer Memorandum). Announcements in connection with the Offer will be made (i) by delivery of the relevant notice to Interbolsa for communication by it to Interbolsa Affiliate Members, (ii) to the International Clearing Systems for communication by them to the Direct Participants, (iii) at the option of the Offeror, by publication via a recognised financial news service (e.g. Reuters/Bloomberg) as selected by the Offeror and (iv) by publication via the regulatory news service of the London Stock Exchange. Copies of all such announcements, press releases and notices can also be obtained upon request from the Tender Agent.

Noteholders are advised to check with the securities broker, dealer, bank, nominee, custodian, trust company or other intermediary (including the relevant Interbolsa Affiliate Member or International Clearing System) through which they hold their Notes as to the deadlines by which such intermediary would require receipt of instructions to participate in, or (in the limited circumstances in which revocation is permitted) to revoke their instructions to participate in, the Offer in accordance with the terms and conditions of the Offer as described in the Tender Offer Memorandum to meet the deadlines set out above. The deadlines set by any such intermediary and the relevant Interbolsa Affiliate Member or International Clearing System will be earlier than the relevant deadlines specified above.

Noteholders are advised to read carefully the Tender Offer Memorandum for full details of, and information on the procedures for participating in, the Offer.

Banco Bilbao Vizcaya Argentaria, S.A. and Banco Santander, S.A. are acting as Dealer Managers for the Offer and Kroll Issuer Services Limited is acting as Tender Agent. For detailed terms of the Offer please refer to the Tender Offer Memorandum which (subject to applicable law and regulation and the offer and distribution restrictions) can be obtained from the Dealer Managers and the Tender Agent referred to below.

DEALER MANAGERS

Banco Bilbao Vizcaya Argentaria, S.A.

44th Floor
One Canada Square
London E14 5AA
United Kingdom

Attention: Liability Management
Email: liabilitymanagement@bbva.com

Banco Santander, S.A.

2 Triton Square
Regent's Place
London NW1 3AN
United Kingdom

Attention: Liability Management
Email: liabilitymanagement@santander cib.co.uk

THE TENDER AGENT

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The Shard
32 London Bridge Street
London SE1 9SG
United Kingdom

Telephone: +44 20 7704 0880
Attention: Thomas Choquet / Jacek Kusion
Email: floene@is.kroll.com
Website: <https://deals.is.kroll.com/floene>

This announcement is released by Floene Energias, S.A. and contains information that qualified or may have qualified as inside information for the purposes of Article 7 of the Market Abuse Regulation (EU) 596/2014 as it forms part of United Kingdom domestic law by virtue of the European Union (Withdrawal) Act 2018, as amended (“**UK MAR**”),

encompassing information relating to the Offer, as described above. For the purposes of UK MAR and the Implementing Technical Standards, this announcement is made by Pedro Doutel, Chief Financial Officer and Member of the Executive Board of the Offeror.

DISCLAIMER

This announcement must be read in conjunction with the Tender Offer Memorandum. This announcement and the Tender Offer Memorandum contain important information which should be read carefully before any decision is made with respect to the Offer. If any Noteholder is in any doubt as to the contents of this announcement, the Tender Offer Memorandum or the action it should take, it is recommended to seek its own financial, legal, regulatory and tax advice, including in respect of any tax consequences, immediately from its broker, bank manager, solicitor, accountant or other independent financial, regulatory, tax or legal adviser.

None of the Offeror, the Dealer Managers or the Tender Agent or any of their respective directors, employees, officers, agents or affiliates expresses any opinion about the merits of the Offer or makes any recommendation as to whether or not any Noteholder should Offer to Sell its Notes and no one has been authorised by the Offeror, the Dealer Managers or the Tender Agent to make any such recommendation.

OFFER AND DISTRIBUTION RESTRICTIONS

This announcement does not constitute an invitation to participate in the Offer in or from any jurisdiction in or from which, or to any person to or from whom, it is unlawful to make such invitation or for there to be such participation under applicable securities laws. The distribution of this announcement in certain jurisdictions may be restricted by law. Persons into whose possession this announcement comes are required by each of the Offeror, the Dealer Managers and the Tender Agent to inform themselves about and to observe any such restrictions.

UNITED STATES

The Offer is not being made, and will not be made, directly or indirectly in or into, or by use of the mails of, or by any means or instrumentality of interstate or foreign commerce of, or of any facilities of a national securities exchange of, the United States. This includes, but is not limited to, facsimile transmission, electronic mail, telex, telephone, the internet and other forms of electronic communication. The Notes may not be tendered in the Offer by any such use, means, instrumentality or facility from or within the United States or by persons located or resident in the United States as defined in Regulation S of the U.S. Securities Act of 1933, as amended (the "**Securities Act**").

Accordingly, copies of the Tender Offer Memorandum and any other documents or materials relating to the Offer are not being, and must not be, directly or indirectly, mailed or otherwise transmitted, distributed or forwarded (including, without limitation, by custodians, nominees or trustees) in or into the United States. Any purported tender of Notes in the Offer resulting directly or indirectly from a violation of these restrictions will be invalid, and any purported tender of Notes made by a person located in the United States or any agent, fiduciary or other intermediary acting on a non-discretionary basis for a principal giving instructions from within the United States will be invalid and will not be accepted.

Each Noteholder participating in the Offer will represent that it is not located in the United States and it is not participating in the Offer from the United States or it is acting on a non-discretionary basis for a principal located outside the United States that is not giving an order to participate in the Offer from the United States.

For the purposes of this and the above paragraphs, "**United States**" means the United States of America, its territories and possessions, any state of the United States of America and the District of Columbia.

UNITED KINGDOM

The communication of this announcement, the Tender Offer Memorandum and any other documents or materials relating to the Offer is not being made and such documents and/or materials have not been approved by an authorised person for the purposes of section 21 of the Financial Services and Markets Act 2000, as amended. Accordingly, such documents and/or materials are not being distributed to, and must not be passed on to, the general public in the United Kingdom. The communication of such documents and/or materials as a financial promotion is only being made to, and may only be acted upon by, those persons in the United Kingdom falling within the definition of investment professionals (as defined

in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Financial Promotion Order**") or persons who are within Article 43 of the Financial Promotion Order or any other persons to whom it may otherwise lawfully be made under the Financial Promotion Order.

REPUBLIC OF FRANCE

This announcement, the Tender Offer Memorandum and any documents or offering materials relating to the Offer may not be distributed in the Republic of France except to qualified investors (*investisseurs qualifiés*) as defined in Article 2(e) of the Prospectus Regulation, as amended, and Article L.411-2 of the French *Code monétaire et financier* as amended from time to time. This announcement and the Tender Offer Memorandum have not been and will not be submitted for clearance to nor approved by the *Autorité des marchés financiers*.

REPUBLIC OF ITALY

None of the Offer, this announcement, the Tender Offer Memorandum or any other documents or materials relating to the Offer has been or will be submitted to the clearance procedures of the *Commissione Nazionale per le Società e la Borsa* ("**CONSOB**") pursuant to Italian laws and regulations. The Offer is being carried out in the Republic of Italy ("**Italy**") as an exempted offer pursuant to article 101-bis, paragraph 3-bis of the Legislative Decree No. 58 of 24 February 1998, as amended (the "**Financial Services Act**") and article 35-bis, paragraph 4 of CONSOB Regulation No. 11971 of 14 May 1999, as amended. Noteholders or beneficial owners of the Notes that are located in Italy may tender their Notes in the Offer through authorised persons (such as investment firms, banks or financial intermediaries permitted to conduct such activities in Italy in accordance with the Financial Services Act, CONSOB Regulation No. 20307 of 13 February 2018, as amended from time to time, and Legislative Decree No. 385 of 1 September 1993, as amended) and in compliance with applicable laws and regulations or with requirements imposed by CONSOB or any other Italian authority.

Each intermediary must comply with the applicable laws and regulations concerning information duties vis-à-vis its clients in connection with the Notes and/or the Offer.

GENERAL

This announcement and the Tender Offer Memorandum do not constitute an offer to buy or the solicitation of an offer to sell Notes, and tenders of Notes for purchase pursuant to the Offer will not be accepted from Noteholders in any circumstances in which such offer or solicitation is unlawful.