

## THE NUMBER OF AGENTS REGISTERED WITH MIBGAS INCREASED BY 37% IN 2020

- IN 2020, 39 NEW COMPANIES AND TRADERS HAVE REGISTERED WITH MIBGAS TO TRADE NATURAL GAS PRODUCTS ON THE ORGANISED MARKET.
- DESPITE THE PANDEMIC, MIBGAS LAUNCHED NEW PRODUCTS IN UNDERGROUND STORAGE LAST YEAR, IN ADDITION TO LAUNCHING THE NEGOTIATION OF LNG IN THE VIRTUAL BALANCE TANK (TVB).
- AS A GUARANTEE MANAGER AND IN COLLABORATION WITH THE TECHNICAL SYSTEM MANAGER, IT IMPLEMENTED NEW PROCESSES WHICH BENEFITED THE AGENTS BY INCREASING THE RELIABILITY AND FINANCIAL SECURITY OF THE SPANISH GAS SYSTEM.
- 2021 WILL BE THE YEAR IN WHICH NATURAL GAS PRODUCTS BEGIN TO BE TRADED IN MIBGAS IN PORTUGAL. THE START DATE OF OPERATIONS IS 16 MARCH.

*Madrid, 18 January 2021.*- During 2020, thirty-nine companies and traders have registered with MIBGAS, the organised gas market operator, to trade natural gas products, which represents a 37% increase in the registration of companies and traders that decide to join MIBGAS to be able to trade natural gas products in the organised market.

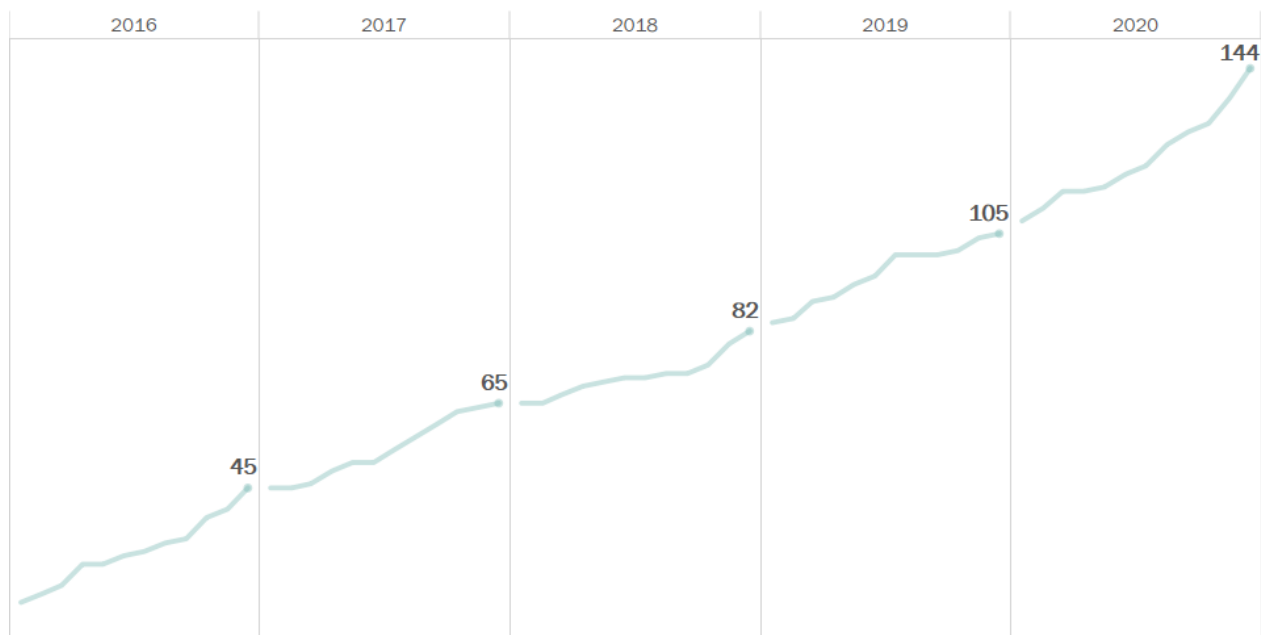
The year 2020 has been marked at all levels by the pandemic caused by the coronavirus and it has also affected the trading of natural gas products in the organised market managed by MIBGAS. The pandemic and the lockdowns also caused a decrease in the demand for natural gas in Spain and a reduction in transactions in both the organised market (exchange) and in bilateral OTC operations. MIBGAS is facing one of its most important challenges in 2021, which is the launch of MIBGAS' negotiation for natural gas products in Portugal which will actually begin on 16 March.

### NEW PRODUCTS

2020 has been the year in which MIBGAS expanded its product portfolio with as it launched the trade of LNG products in the Virtual Balancing Tank (TVB) and in Virtual Balancing Storage (AVB). The launch of the TVB (LNG trading in the six Spanish regasification companies has been grouped together since April into one single virtual tank) was a milestone in the trading of LNG products, given that it was the first time that an exchange like MIBGAS offered a transparent pricing indication from the gas transfers that are made anonymously in a virtual tank.

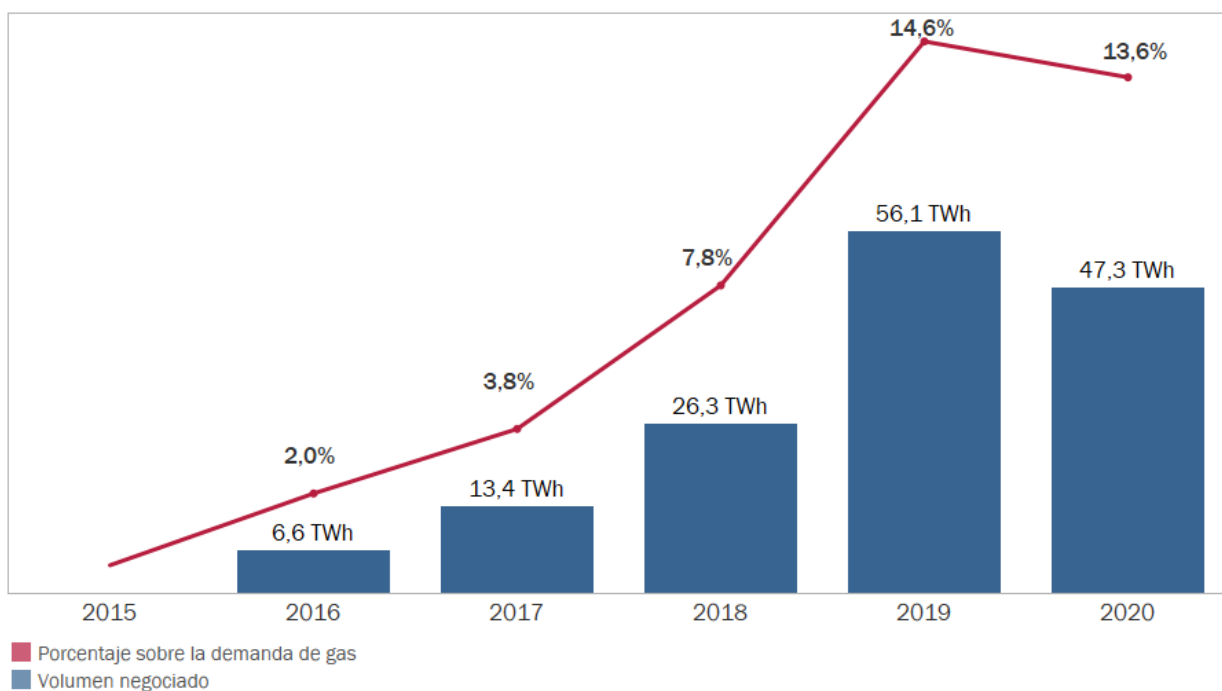
On the other hand, while there was a decrease in activity across all sectors, MIBGAS recorded a considerable increase in the number of new agents in 2020: from 105 agents at the end of 2019, the figure rose to 144 agents by the end of 2020.

Figure 1. Variation of new agents in MIBGAS.



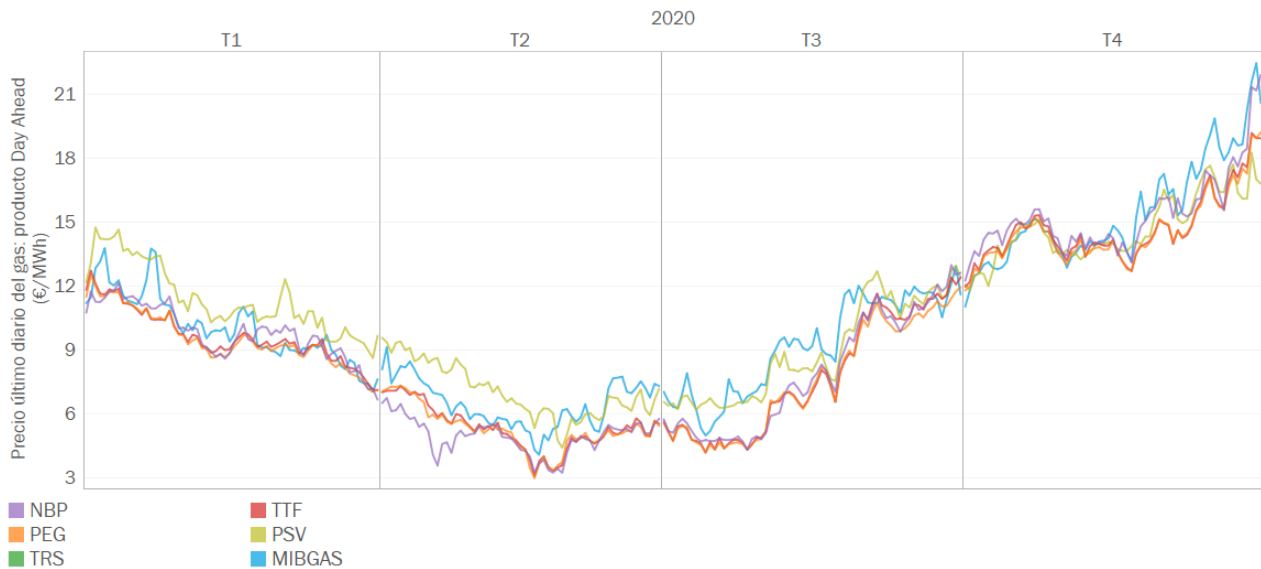
Regarding the figures for the previous year, during 2020 in MIBGAS, a total of 47.3 TWh were traded compared to 56.1 in 2019; in turn, the percentage of traded demand - which was at 13.6% - has dropped by 1%. National demand for natural gas also fell last year, from 398 TWh in 2019 (a year marked by heavy consumption) to 360 TWh, according to Enagás data.

Figure 2. Historical series of volume and percentage of national demand traded in MIBGAS.



Prices have not been immune to the fluctuations produced by the coronavirus pandemic and the decrease in activity across all sectors. If the starting point was a scenario predominated by low prices since the end of 2019 (specifically the last two months), this worsened from March, April and May, and a recovery in that regard became apparent towards the end of June, coinciding with the end of strict lockdowns and cancellations of LNG from the United States, which has continued throughout the year.

Figure 3, Variation of D+1 product prices during 2020 in MIBGAS and other European markets.



Explaining the market situation during 2020, it should be noted that the average price of natural gas for the D+1 product traded during the past year in MIBGAS was €10.25/MWh, the lowest in MIBGAS' historical series which dates back only five years. Likewise, this caused the electricity price to reach the lowest average price in fifteen years: €34/MWh.