

Iberdrola acquires 84% stake in Neoenergia, its subsidiary in Brazil

Iberdrola completes the purchase of its partner PREVI's stake in Neoenergia

- *The transaction is valued at more than €1.92 billion (11.95 billion Brazilian reais)*
- *With this transaction, Iberdrola strengthens its commitment to Brazil and to the regulated electricity networks business, in line with the strategic pillars presented at its Capital Markets Day*

Iberdrola has completed the acquisition of Caixa de Previdência dos Funcionários do Banco do Brasil ("PREVI")'s stake in Neoenergia, amounting to 30.29% of the capital. Following the transaction, agreed upon in the spirit of full cooperation that has always governed relations between the two companies, Iberdrola now controls approximately 84% of the company's share capital.

The price of 32.5 reais per share, agreed on 10 September 2025, represents an outlay of more than €1.92 billion (11.95 billion Brazilian reais).

The transaction has received the relevant regulatory approvals, in accordance with the regulations applicable to this type of transaction.

Neoenergia supplies electricity to nearly 40 million Brazilians through five distributors (in the states of Bahia, Rio Grande do Norte, Pernambuco, Sao Paulo, Mato Grosso do Sul and Brasilia) and 18 transmission lines, making it the country's leading distribution group in terms of number of customers. Neoenergia has more than 725,000 kilometres of distribution lines and 8,000 kilometres of transmission lines and has 3,800 MW of renewable generation, mainly hydroelectric.

With this operation, Iberdrola reaffirms its commitment to Brazil and takes a new step in its growth strategy based on the electricity grid business, in which it has 1.4 million kilometres of lines in the United States, the United Kingdom, Brazil and Spain.

About Iberdrola

With a market capitalisation of around €120 billion, Iberdrola is the largest electricity company in Europe and one of the two largest in the world. The Group serves more than 100 million people worldwide and has a workforce of over 44,000 employees and assets exceeding €160 billion. In 2024, Iberdrola recorded revenues of nearly €50 billion and a net profit of €5.6 billion. The company contributes nearly €10.3 billion in taxes in the countries where it operates and supports more than 500,000 jobs among its suppliers thanks to purchases that exceeded €18 billion in 2024.

Since 2001, Iberdrola has invested more than €175 billion in electricity grids, renewable energies and energy storage to contribute to the creation of an energy model based on electrification. The company has nearly 1.4 million km of electricity grids in the United States (states of New York, Connecticut, Maine and Massachusetts), the United Kingdom (Scotland, England and Wales), Brazil (the states of Bahia, Rio Grande do Norte, Pernambuco, Sao Paulo and Mato Grosso do Sul, as well as Brasilia) and Spain, as well as 57,000 megawatts (MW) of capacity worldwide, of which more than 45,000 MW are renewable.