Cautionary Statement

By attending or reading this presentation, you acknowledge and agree to be bound by the following limitations and restrictions. This document has been prepared by Gaap Gás Natural Distribuição, S.A. ("GGND" or the "Company"), and may be amended and supplemented, but may not be relied upon for the purposes of entering into any transaction. This presentation is strictly confidential, is being distributed to a limited range of persons solely for their own information and may not (i) be distributed to the media or disclosed to any other person in any jurisdiction, nor (ii) be reproduced in any form, in whole or in part, without the prior written consent of the Company.

Although the Company has taken reasonable care in preparing the information contained herein, no representation, warranty or undertaking, express or implied, is made as to, and no reliance should be placed on, the fairness, accuracy, completeness or correctness of the information or the opinions contained herein or any other material discussed at the presentation. Neither the Company nor any of its affiliates, subsidiaries, shareholders, representatives, agents, employees or advisors shall have any liability whatsoever (including in negligence or otherwise) for any loss or liability howsoever arising from any use of this presentation or its contents or any other material discussed at the presentation or otherwise arising in connection with this presentation.

This presentation does not constitute or form part of and should not be construed as, an offer to sell or issue or the solicitation of an offer to buy or otherwise acquire securities of the Company or any of its subsidiaries or affiliates in any jurisdiction, an inducement to enter into investment activity in any jurisdiction. Neither this presentation nor any part thereof, nor the fact of its distribution, shall form the basis of, or be relied on in connection with, any contract or commitment or investment decision whatsoever in any jurisdiction.

This presentation is made to and directed only at persons who are outside the United Kingdom, or who are within the United Kingdom and either (i) having professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 (the "Order") or (ii) high net worth entity falling within Article 49(2) of the Order, or (iii) a person to whom the materials may be otherwise lawfully communicated (all such persons together being referred to as "Relevant Persons"). This presentation must not be acted or relied on by persons who are not Relevant Persons. This presentation is made to, and directed only at, persons who are not a "Retail Investor", being a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU ("MiFID II"); or (ii) a customer within the meaning of Directive 2002/92/EC, where the customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

Neither this presentation nor any copy of it, nor the information contained herein, in whole or in part, may be taken or transmitted into, or distributed, directly or indirectly in or to the United States. Any failure to comply with this restriction may constitute a violation of U.S. securities laws. This presentation does not constitute and should not be construed as an offer to sell or the solicitation of an offer to buy securities in the United States. No securities of the Company have been registered under the United States Securities Act of 1933 or the securities laws of any state of the United States and unless so registered may not be offered or sold except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws.

Matters discussed in this presentation may constitute forward-looking statements. Forward-looking statements are statements other than in respect of historical facts. The words "believe", "expect", "anticipate", "intend", "estimate", "will", "may", "continue", "should" and similar expressions usually identify forward-looking statements. Forward-looking statements may include statements regarding: objectives, goals, strategies, outlook and growth prospects; future plans, events or performance and potential for future growth; liquidity, capital resources and capital expenditures; economic outlook and industry trends; energy demand and supply; developments of GGND markets; the impact of regulatory initiatives; and the strength of GGND competitors. The forward-looking statements in this presentation are based on various assumptions, many of which are based, in turn, upon further assumptions, including without limitation, management’s examination of historical operating trends, data contained in the Company’s records and other data available from third parties. Although GGND believes that these assumptions were reasonable when made, these assumptions are inherently subject to significant known and unknown risks, uncertainties, contingencies and other important factors which are difficult or impossible to predict and are beyond its control. No assurance, however, can be given that such expectations will prove to have been correct. Important factors that may lead to significant differences between the actual results and the statements of expectations about future events or results include the Company’s business strategy, industry developments, financial market conditions, uncertainty of the results of future projects and operations, plans, objectives, expectations and intentions, among others. Such risks, uncertainties, contingencies and other important factors could cause the actual results of GGND or the industry to differ materially from those results expressed or implied in this presentation by such forward-looking statements.

The information, opinions and forward-looking statements contained in this presentation reflect the information available as at the date of this presentation and GGND’s views on the matters referred herein, and are subject to change without notice. GGND and its respective representatives, agents, employees or advisors do not intend to, and expressly disclaim any duty, undertaking or obligation to, make or disseminate any supplement, amendment, update or revision to any of the information, opinions or forward-looking statements contained in this presentation to reflect any change in events, conditions or circumstances.

No representation or warranty, express or implied, is given or will be given by or on behalf of GGND or any of their respective affiliates or agents, or any of such persons’ directors, officers, employees or advisers or any other person as to the accuracy, completeness or fairness of the information or opinions contained in this presentation and any reliance you place on such information or opinions will be at your sole risk. In addition, no responsibility, obligation or liability (whether direct or indirect, in contract, tort or otherwise) is or will be accepted by GGND or any other person in relation to such information or opinions or any other matter in connection with this presentation or its contents or otherwise arising in connection therewith. Neither GGND nor any of their respective affiliates, advisers or agents undertakes any obligation to provide the respective recipients with access to additional information or to update this Presentation or correct any inaccuracies in the information contained or referred to therein.

By reading this presentation, you agree to be bound by the foregoing and to maintain confidentiality regarding the information disclosed in this presentation.

FY2019 RESULTS
2019 Overview

Operating Results

Financial Overview
2019 Overview

Relevant Facts Occurred in 2019

• The average RoR for the calendar year 2018 was 6.24%, while the RoR for the calendar year 2019 was 5.70%.

• S&P Global Ratings reaffirmed GGND's long-term corporate credit rating “BBB-” (“investment grade”), with stable outlook.

• Investment effort is aligned with the strategic guidelines contributing to ensure the competitiveness of natural gas distribution tariff.

• GGND completed the acquisition of 58.03% of Tagusgás’ share capital, for an amount of approximately € 31.8 million.

• GGND entered into a five-year financing contract with Mizuho, in the amount of € 70 million to finance Tagusgás acquisition and its refinancing.

• The tariff deviation amounted to € 24.6 million, an increase of € 8.4 million YoY.

• Publication of PNEC 2030 – transition of the energy sector.
2019 Overview

Operating Results

Financial Overview
Operating Results

Stable Performance Focused on Sustainability of the System

- Gas Distributed increased mainly due to Tagusgás volumes + 1,402 GWh

- Connection Points increased at steady pace
- Impact from Tagusgás acquisition + 39,989 CPs

- Network Length increased at a steady pace by ensuring the sustainability of the system
- Impact from Tagusgás acquisition + 947 km
2019 Overview
Operating Results
Financial Overview
Financial Overview

Maintain Level of Key Indicators

- Revenue decreased by €4.3m mainly due to decrease of RoR (average RoR in FY2019 was 5.70% while that in FY2018 was 6.24%)

- EBITDA decreased by €1.7m mainly due to reduction in Allowed Revenue above mentioned, not offset by the positive Tagusgás impact

- Net Income increased by €1.0m in spite of abovementioned decrease, due to the positive fair value of revaluation of initial Tagusgás stake
Financial Overview

Increase of Net Debt due to Tagusgás Acquisition

- CAPEX increased by €3.6m by contributing to development of natural gas sector

- Available Cash Flow post CAPEX decreased by €27.7m mainly due to:
  - Lower client receipt mainly due to the 4% reduction in the volumes of natural gas carried in the domestic segment;
  - Average reduction of 8% in Tariff for Use of the Distribution Network (URD) tariff
  - CAPEX increase

- Net Debt increased by €70.5m mainly due to new financing contract with Mizuho related with Tagusgás acquisition and its refinancing.

1) Available Cash Flow post CAPEX: Cash flows from operating activities – CAPEX
2) Net Debt: Bank loans + Bonds + Accrued Interests + Cash and cash equivalents. <NOTE> In Net Debt calculation, it considers the gross amount not deducted from the upfront fee.
## Financial Overview

### Prudent Financial Policy Maintaining Investment Grade Rating

<table>
<thead>
<tr>
<th><strong>Total Debt</strong></th>
<th>€ m</th>
</tr>
</thead>
<tbody>
<tr>
<td>EMTN Bond</td>
<td>600.0</td>
</tr>
<tr>
<td>Mizuho Bond</td>
<td>70.0</td>
</tr>
<tr>
<td>EIB Loan</td>
<td>4.2</td>
</tr>
<tr>
<td>Commercial Bank loan</td>
<td>8.3</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>682.5</strong></td>
</tr>
</tbody>
</table>

- EIB Loan and Commercial Bank Loan, both at subsidiaries, continue being amortized until 2020 and 2027 respectively

<table>
<thead>
<tr>
<th><strong>Liquidity</strong></th>
<th>€ m</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and Cash Equivalent</td>
<td>42.7</td>
</tr>
<tr>
<td>Revolving Credit Facility</td>
<td>50.0</td>
</tr>
<tr>
<td>Short Term Credit Line</td>
<td>20.0</td>
</tr>
</tbody>
</table>

- Both Revolving Credit Facility in the amount of €50m and also Short Term Credit Line of €20m support enough level of liquidity

<table>
<thead>
<tr>
<th><strong>Financial Covenants (Bond)</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Debt / EBITDA</td>
</tr>
<tr>
<td>Debt Service Coverage Ratio</td>
</tr>
</tbody>
</table>

- Both ratios were affected by the acquisition of Tagusgás, but continue to be within the limits

FY2019 RESULTS