

The Elecnor Group earns EUR 110.1 million in 2023, 7% more than the previous year

- ▶ The Group has achieved a turnover of EUR 3,792.9 million, 11.8% higher than in 2022
- ▶ EBITDA stands at EUR 204.9 million, an 38.8% increase on the previous year's figure
- ▶ A positive evolution of the Group's business in terms of cash flow generation (EUR 206 million), based on its operating activities, which have helped establish the ratio of Net Financial Debt divided by recourse EBITDA at 0.91 times
- ▶ The Group expects this upward trend in financial results to continue in 2024, as it has been doing year after year over the last decade

The Elecnor Group reported a **net profit of EUR 110.1 million in 2023, which represents a 7% increase on the figure attained the previous year.** In turn, **sales stood at EUR 3,792.9 million on 31 December 2023, 11.8% higher than in the same period in 2022.** Both the domestic market (accounting for 39% of the total income) and the international market (61%) have recorded a noticeable improvement of 6.1% and 15.8% respectively.

This positive trend in all the Group's figures has been made possible by the increase in the volume of activities related to essential services that the Group carries out in the United States and in European countries, basically in Spain and Italy, and by the execution of Elecnor's sustainable business projects in Australia, Brazil and Chile, in particular.

The EBITDA from ongoing operations stands at EUR 204.9 million, a 38.8% rise on this indicator for the previous year. These results have been fuelled by the business line of essential services and sustainable projects carried out by the Group.

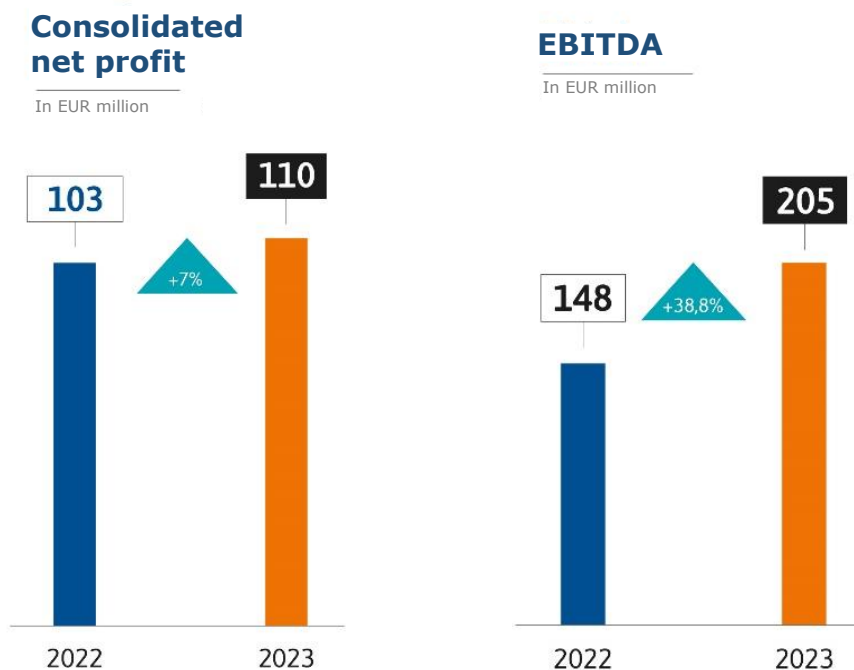
+7%
net profit increase

+7%
Dividend increase

0.91x
Net Financial
Debt/EBITDA ratio
with recourse

Press release

Madrid, 29 February 2024



In 2023, the Group conducted its activity through three subgroups of companies that complement each other, and which set their goals separately:



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Elecnor (Essential Services and Sustainable Projects)

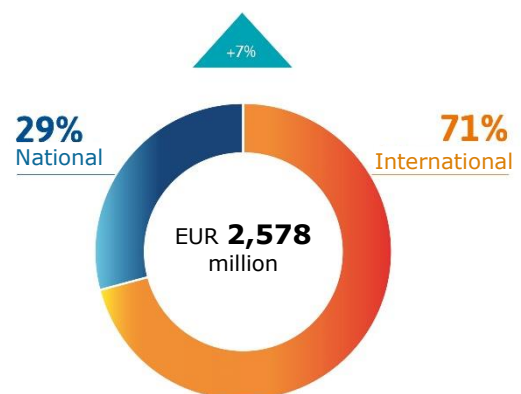
In a breakdown by area of Business, the turnover of **Elecnor (Essential Services and Sustainable Projects)** has risen by 13.5%, to EUR 3,886.6 million, while its attributable net profit has reached EUR 84.4 million (+9%), with a positive performance this year.

In the domestic market, activity has continued its upwards trend as a result of the essential services provided to the energy, telecommunications, water, gas and energy transport sectors. Furthermore, mention should be made of the maintenance activity carried out for both the public and private sectors. Likewise, of note are the construction projects for wind and photovoltaic power farms and those related to self-consumption and energy efficiency.

In the **international market**, the positive tendency in turnover is mainly down to the sustainable projects that the Group carries out in Australia, Brazil and Chile (mainly in renewable energy and electric power transmission lines). Sales and results have also been boosted by the construction of solar photovoltaic power plants in Colombia, the Dominican Republic and Ghana, wind farms in Brazil, hydroelectric power stations in Cameroon, substations in this country, Mozambique and Gambia, and power transmission lines in Zambia. Also noteworthy in these figures is the activity of the US subsidiaries (Hawkeye, Belco and Energy Services).

The **production portfolio** of projects due to be executed in the next 12 months **amounts to EUR 2,577.7 million** (compared to EUR 2,408.4 million at the end of 2022). The international market accounts for 71% of this portfolio figure, amounting to EUR 1,828.1 million and 29% comes from the domestic market, amounting to EUR 749.6 million. The domestic market portfolio is mainly made up of contracts for activities relating to essential services, as well as sustainable construction projects for renewable energy power plants. The international portfolio is based on contributions both from European countries (Italy and the United Kingdom), where activities relating to services are carried out, and from other countries (mainly Australia, the United States and Brazil) where contracts have been awarded for major projects involving the construction of renewable power plants and power transmission.

Portfolio of production to be executed over the next 12 months



Enerfín

As part of the Elecnor Group's strategy of rotating investments that need large amounts of capital, the company has signed a contract with Statkraft for the sale of 100% of its shares in Enerfín and the operation is expected to be completed by mid 2024. In the aforementioned contract (signed on 17 November 2023), the value of the company is estimated at EUR 1.8 billion, with cash earnings of 1.4 billion and net consolidated capital gains of 0.8 billion.

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Enerfín posted earnings of EUR 39.6 million in 2023, compared to 44.7 million in 2022. This is all down to the high energy prices registered in 2022, which made it possible to reach higher figures than those estimated in the budgets.

Enerfín has stakes in 1,734 MW (1,552 MW at the end of last year) of renewable energy both in use and under construction in Spain, Brazil, Canada and Colombia. Furthermore, it has a project portfolio that currently exceeds 10 GW.

Celeo

Celeo, a company that is 51% owned by the Ecnor Group and jointly managed with APG, has stakes in 7,942 km of electricity power transmission lines in Chile, Brazil and Peru, both in use and under construction, (6,891 km at the end of 2022), as well as 345 MW of renewable energy (photovoltaic and thermosolar) in Spain and Brazil (345 MW also at the end of 2022). The combination of assets in operation that the company manages comes to about EUR 6,317 million at year end (compared to 5,924 twelve months earlier).

In terms of new projects being awarded, 2023 was a historic year for Celeo, as it won concession agreements for 5 new projects:

- Celeo Redes Brasil was awarded Lot 6 in the ANEEL auction (Auction 1/2023), held on 30 June in São Paulo. The concession covers the financing, construction and operation of a 357 km long 500 kV double-circuit power transmission line between the Xingó and Camaçari II substations and it includes the connecting equipment in the corresponding substations.
- In the following auction that year in December, Auction 2/2023, Celeo Brasil won Lot 3, involving the project for the 500 kV TL between Marimbondo 2 and Campinas. This project consists of a 388 km, single-circuit line in the states of Minas Gerais and São Paulo.
- In the case of Chile, Celeo was awarded two new projects to extend the Hualqui and La Pólvora substations, as part of the International Public Tendering System for Extension Works provided for in the Exempt Decree No. 200/2022.
- Furthermore, Celeo has strengthened its presence in Peru as it has been awarded its third Concession Agreement in this country, for the Piura Nueva - Frontera project, which includes the extension of an existing substation and the construction of a 270 km long, 500 kV line that will be connected to Ecuador for the exchange of electricity.

In 2023, Celeo posted a consolidated attributable net profit of EUR 15.4 million (compared to 17.2 million the previous year).

A strong balance sheet and moderate financial leverage

During the course of 2023, the Ecnor Group has managed to generate a **cash flow of EUR 206 million** from its operating activities and has undertaken a net investment drive to the value of EUR 268.1 million.

Net Corporate Recourse Debt closed at EUR 222.6 million compared to the 120.8 million at the end of 2022. Growth was mainly due to the investment drive that the Group is undertaking with the construction of new renewable energy projects in the Enerfín subgroup.

The debt ratio at the end of this year, calculated as Net Recourse Debt divided by recourse EBITDA, **stands at 0.91**. This ratio is now established below 1, thereby respecting the ratio fixed as the reference value in the

syndicated financing agreement (2.75). The positive NFD/EBITDA ratios sustained in recent years have been possible thanks to the positive evolution of business in terms of cash generation.

Dividend

The Board of Directors has approved the presentation of a proposal to the General Meeting of Shareholders to pay a final dividend of EUR 0.38724598 per share that, combined with the dividend issued against the 2023 earnings which was paid out to shareholders on 20 December (EUR 0.06572862 per share), comes to a total ordinary dividend of EUR 0.4529746 per share. This represents **an increase of 7% compared to the dividend against the 2022 financial year and a Pay-out of 35.8% against the Group's 2023 earnings**, which is in line with the policy of shareholder protection and represents a significant improvement in remuneration.

A robust financial strategy, linked, once again, to sustainability

In line with its firm commitment to a sound, sustainable strategy, the Elecnor Group follows a strategy of diversification and cost optimisation regarding its financing sources, where the following are at the forefront:

- A **Syndicated Loan Agreement** (formalised in 2014, the most recent novation being in 2021) with a limit of EUR 350 million, divided between a Loan Tranche of 50 million and a Credit Tranche of 300 million, with a September 2026 maturity date. This financing meets the requirements established by the "Sustainability Linked Loan Principles", and therefore has been **classified as sustainable**.
- A new **multi-currency Promissory Note Programme** (euros and dollars) has been launched on the MARF (Spanish Alternative Fixed-Income Market) (issued in 2023), with a limit of EUR 400 million and terms of up to 24 months, to fund working capital needs and new projects, both in Spain and overseas, in the areas of engineering, development and construction of infrastructures, renewable energy and new technologies. This programme is linked to **sustainability**, including goals for reduction of greenhouse gas emissions and work-related accidents that, if they are not met, involve the commitment to contribute to sustainable projects. The operation is part of the strategic objective of diversifying financing sources and optimising financial costs.
- Since 2021, the Elecnor Group has signed three long-term private placements for a total of EUR 100 million.
 - EUR 50 million over a period of 10 years, in the form of a **sustainable loan**, managed by Banca March.
 - EUR 20 million over a period of 10 years, which additionally complies with the "**Green Loan Principles**" by assigning funds to projects classified as **green**, managed by Banco Sabadell.
 - EUR 30 million over a period of 14 years, in the form of **sustainability bonds**, also managed by Banco Sabadell, included on the MARF. They hold a BBB- rating for the Elecnor Group (Investment Grade), issued by Axesor.
- The Group has a Securitisation Fund in place called "**ELECNOR EFICIENCIA ENERGÉTICA 2020, Fondo de Titulización**" (*ELECNOR ENERGY EFFICIENCY 2020, Securitisation Fund*) since December 2020, to which it has assigned the credit claims arising from the contracts for energy service management and maintenance of public lighting systems, which are being carried out for 43 municipalities and public authorities in Spain. Through this structure, Elecnor obtained the financing to invest in the agreements assigned, for the amount of EUR 50 million.

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A sustainable value

Committed to the environment

- › Score of A- for Leadership on the CDP scale
- › Updated analysis of climate-related risks and opportunities
- › 2,079 MW of renewable energy in operation and under construction
- › Management of biodiversity and protection of the natural environment in all

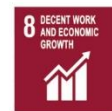


People-centred

- › Health and safety in the workplace
- › Achievement of the best accident rates in the company's history
- › Operational excellence: increased customer satisfaction
- › Over 85% of people and suppliers hired locally



- › We develop and invest in infrastructures
- › We support training and research



Responsible management

- › Compliance System in line with the highest international standards
- › Corporate Social Responsibility Management System certified according to IQNet SR10 standard
- › Supply chain in line with the Group's standards for sustainability
- › Update of the Policy on Communication of Information, Contacts and Engagement with Shareholders, Institutional Investors, Asset Managers, Proxy Advisors and other Stakeholders
- › Ongoing deployment of the Integrated Management System in new regions



UNE-ISO 37001
ANTI-BRIBERY
MANAGEMENT
SYSTEMS STANDARD

UNE 19601
CRIMINAL COMPLIANCE
MANAGEMENT
SYSTEMS STANDARD



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Outlook for 2024

After the good performance in 2023, and based on the sound contract portfolio, as well as the geographical diversification and its workforce, the Group expects this upward trend in financial results to continue in 2024, as it has been doing so year after year for the last decade.

About Elecnor Group

The Elecnor Group is a Spanish enterprise doing business in over 50 countries that stands out for its profitability, recurring revenue, and moderate risk. It is an international leader in building, managing, and operating renewable energy concessions, sustainable infrastructure projects, and essential services for energy transition and city digitalisation. It is a globe-spanning company driven by a people-based business model dedicated to creating shared value and sustainability. The Group's activities are organised along three strategic tracks: concessions and self-operated projects, essential services, and sustainability projects. Its strong international outlook has led it to a continuous expansion process which has opened the doors to new markets around the world, especially in Europe, North America, Central America, South America, Africa, Australia and the Middle East. Elecnor, which is listed on the Continuous Market, has a highly qualified team of professionals and a total workforce of 22,563 employees. In 2023, the company reported revenues of EUR 3,792 million and a consolidated net profit from ongoing operations of EUR 110.1 million.

For more information, please visit: www.grupoelecnor.com

Elecnor Group's social media



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