

## Information on the Elecnor Group's first quarter of 2023

### Key consolidated figures of the Elecnor Group in the period

At 31 March 2023 and 31 March 2022

#### Key figures

(thousands of euros)	1Q/2023	1Q/2022
Net turnover	772,860	672,563
EBITDA	77,791	76,346
Profit/(loss) before taxes	41,700	42,802
Income tax	-12,690	-13,337
Profit/(loss) for the businesses attributable to non-controlling interests <sup>1</sup>	-1,631	-4,038
Profit/(loss) for the businesses attributable to shareholders of the Parent	27,379	25,427

#### Turnover by segments

(thousands of euros)	1Q/2023	1Q/2022
Elecnor	766,000	613,066
Enerfín	47,932	61,272
Celeo	70,182	56,452
Operations between segments <sup>2</sup>	-41,072	-1,775
Elimination by consolidation under the Equity Method <sup>3</sup>	-70,182	-56,452
	<b>772,860</b>	<b>672,563</b>

#### EBITDA atribuible por segmentos

(thousands of euros)	1Q/2023	1Q/2022
Elecnor	45,005	37,935
Enerfín	31,789	45,764
Celeo	2,720	-734
Group Management and Other Adjustments	-1,074	-5,961
Operations between segments	-649	-658
	<b>77,791</b>	<b>76,346</b>

<sup>1</sup> The trend in Minority Interests is mainly due to Enerfín, and is described in the section dedicated to this segment.

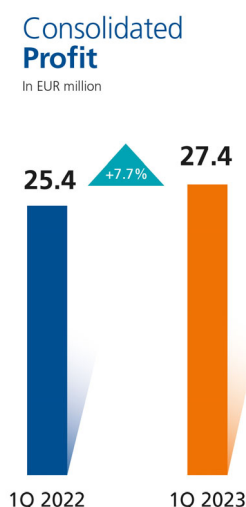
<sup>2</sup> In the first quarter of 2023 in the Consolidated Group, sales from the Elecnor Segment to the Enerfín Segment are eliminated due to the construction of a wind farm in Spain and a photovoltaic farm in Colombia.

<sup>3</sup> Celeo subgroup's turnover in the period does not form part of the Group's turnover, since it is consolidated under the equity method.

Consolidated net profit attributable by segment	1Q/2023	1Q/2022
(thousands of euros)		
Elecnor	20,938	19,215
Enerfín	5,749	13,044
Celeo	2,720	-599
Group Management and Other Adjustments	-1,693	-5,702
Operations between segments	-335	-531
	<b>27,379</b>	<b>25,427</b>

The Elecnor Group attained net profits of Euros 27.4 million by 31 March 2023, which is a 7.7% increase on the profits obtained in the same period of the previous financial year.

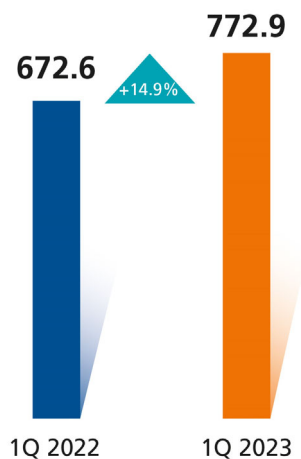
EBITDA reached 77.8 million euros in the first quarter of the year thanks mainly to the EBITDA contributed by Elecnor, which reached 45 million euros compared to 37.9 million euros in the same period of the previous year. This has made it possible to offset the impact of lower energy prices in the Spanish market on the EBITDA achieved by Enerfín.



At 31 March 2023, Elecnor Group's consolidated sales amount to Euros 772.9 million (Euros 672.6 million in the same period of the previous financial year), i.e. up 14.9% with respect to the first three months of 2022. Both the domestic market (which represents 48% of the total) and the international market (which makes up 52% of the total) experienced significant growth (9.5% and 20.4% respectively). This positive evolution in the Group's figures for the year was possible thanks to the execution of **sustainable projects** in Elecnor's business in Australia, Brazil and Chile, in particular, in addition to the increased volume of **essential services** activities conducted by the Group in the United States and in European countries, chiefly Spain and Italy. Enerfín did not reach last year's sales figure as a result of the high energy prices in Spain in 2022, which were not reached this year, despite the higher production and the revaluation of the Brazilian real, the currency in which its wind farms in Brazil operate.

## Sales

In EUR million



## Elecnor (Essential Services and Sustainable Projects)

This business, which the Group develops via its subsidiary Elecnor Servicios y Proyectos, S.A.U and that company's affiliates, has grown sharply in the period.

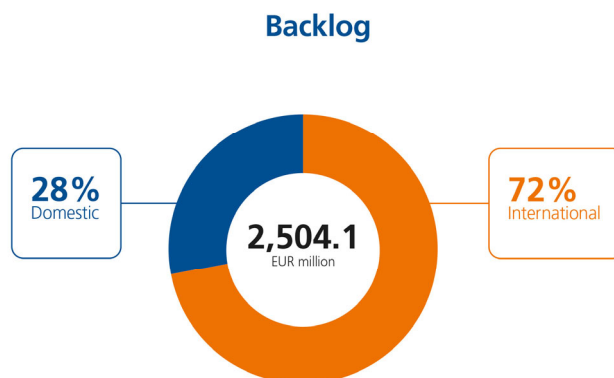
<b>Elecnor (Services and Projects)</b> (thousands of euros)	<b>1Q/2023</b>	<b>1Q/2022</b>
Turnover	766,000	613,066
EBITDA	45,005	37,935
Profit before tax	28,919	25,912
Income tax	-7,981	-6,694
Attributable consolidated net profit	20,938	19,215

In the **domestic market**, activity continued to grow on the back of the **essential services** developed for the energy, telecommunications, water, gas and transportation sectors, where it provides an essential service for all utilities. In addition, during this period, the construction work of wind and solar PV farms, and the restoration and maintenance projects related to self-consumption and energy efficiency, contributed to growth of both the turnover and the profit/(loss) of the Group.

In the **international market**, the enhanced performance can mainly be put down to the sustainable projects that the Group undertakes in Australia, Brazil and Chile (especially renewable energies and the electricity transmission lines), in addition to the performance of the US subsidiaries (Hawkeye, Belco and Energy Services). The construction of solar PV farms in Colombia, the Dominican Republic and Ghana, wind farms in Brazil, hydroelectric plants in Cameroon, substations in Cameroon, Mozambique and Gambia, and transmission lines in Zambia, among many others, also contribute to the Group's profit/(loss).

The positive business performance in both markets is shown by the growth in the main figures of the Income Statement with respect to the same period of the previous year. Some of the aforementioned major projects are at stages in which the main risks inherent to these contracts were ongoing at the close of the financial quarter. In these initial stages, the Group cautiously estimates margins, thus these projects chiefly contribute to the growth of turnover, but are not yet translated into profit/(loss) growth.

The **production portfolio**, which can be executed in the next 12 months, amounts to Euros 2,504.1 million (Euros 2,408.4 million at the end of 2022). Of this portfolio figure, 28% relates to the domestic market, for an amount of Euros 697.2 million, and 72% to the international market, for an amount of Euros 1,806.9 million. The **domestic** market portfolio consists of contracts for traditional service activities, as well as construction projects for renewable energy plants. The **international** portfolio includes both European countries (Italy and the United Kingdom), where service-related activities are carried out, and in other countries (Australia, the United States and Brazil, mainly) where major projects for the construction of renewable-energy power generation plants and power transmission projects.



## Enerfín

**Enerfín** participates in 1,552 MW of renewable energy in operation and under construction in Spain, Brazil, Canada and Colombia and it continues with its intense development activity to ensure growth and increase its pipeline, which currently amounts to nearly 9 GW of wind energy and photovoltaic projects. It is likewise continuing with the diversification of its activities through storage, hybridisation and green hydrogen projects.

<b>Enerfín</b> (thousands of euros)	<b>1Q/2023</b>	<b>1Q/2022</b>
Turnover	47,932	61,272
EBITDA	31,789	45,764
Profit before tax	12,584	25,323
Income tax	-5,202	-8,240
Profit/(loss) for the businesses attributable to non-controlling interests	-1,633	-4,039
Attributable consolidated net profit	5,749	13,044

High energy prices shaped the first quarter of 2022, which resulted in a volume of income in that period of more than 61 million euros. However, in the first quarter of 2023, electricity production in Spain, Brazil and Canada (699 GWh) exceeded the generation of the same period of the previous year (677 GWh). This has resulted in a turnover of almost 48 million euros.

Enerfín has been constructing a solar PV farm in Colombia called Portón del Sol since October of last year. The farm stretches over approximately 216 ha and has a generation capacity of 129 MWp. Construction is expected to take about a year and a half. Moreover, a solar PV farm is being built in Brazil, Solar Serrita, with an area of approximately 313 ha and a generation power of 68 MWp. Construction is expected to take about a year. Construction of the Ribera Navarra Wind Power Complex (139.2 MW), consisting of four wind farms (24 generators with a unit capacity of 5.8 MW), began in Spain in 2022. The complex is expected to be operational in the second half of 2023.

In the domestic market, the Group maintains a strategy of contracting price hedge derivatives for part of its production. In that regard, according to its forecasts on changes in electricity prices, it uses derivative financial instruments to cover the risks of changes in such electricity prices. Within the framework of these operations, Enerfín enters into swap contracts to ensure a fixed energy price for a specific number of Megawatt-hours (MWh), which are settled on a monthly basis. These financial derivatives meet the requirements to be deemed hedge accounting in the consolidated Group. Similarly, the Cofrentes wind farm has entered into a long-term energy sales contract. The price of 39% of the production generated in the first quarter has been hedged by these financial instruments. In the same way, financial instruments have been contracted to hedge the price of 42% of the production generated in the rest of the year.

## Celeo

**Celeo**, a company owned and managed jointly with APG, one of the world's largest pension funds, already operates 6,927 km of electricity transmission lines in Chile, Brazil and Peru, and takes part in 345 MW of renewable energy (photovoltaic and solar thermal energy) in Spain and Brazil. Overall, it managed around Euros 5,924 million assets in operation at the close of last year.

The main figures of Celeo Group (at 100%) are as follows:

<b>Celeo (100% subgroup)</b> (thousands of euros)	<b>1Q/2023</b>	<b>1Q/2022</b>
Turnover	70,182	56,452
EBITDA	47,537	35,990
Profit before tax	17,126	3,496
Income tax	-6,840	-889
Profit/(loss) for the businesses attributable to non-controlling interests	-2,910	-2,746
Attributable consolidated net profit	7,376	-139

The performance of Celeo's Transmission Networks business was similar to that of the same period of the previous year, boosted by the positive performance of the Brazilian real against the euro, the currency in which it operates mainly in Brazil.

The solar thermal plants that Celeo has in Spain have achieved higher production than in the same period of the previous year. In addition, the high price of energy in that period last year had a negative impact on the income statement as these companies had to record a regulatory liability in their financial statements.

Celeo is consolidated in the accounts of the Group using the **equity method**. For this reason, it does not contribute any turnover to the Group. During this year, it contributed an attributable consolidated net profit of **Euros 2.7 million** (Euros -0.6 million in the same period last year) after application of the percentage of ownership and the corresponding consolidation adjustments. As a result of the consolidation method used, this profit coincides with the profit before tax and EBITDA contributed to the Group by this business.

## Milestones in sustainability

The sustainability of the Ecnor Group revolves around its purpose: generating change and well-being in the territories where it operates. This commitment to sustainability is inherent in every aspect of its activities and business strategy, as well as in its relations with stakeholders.

In the first quarter of 2023, the Ecnor Group successfully confirmed the 2021-2022 Strategic Sustainability Plan, which represents the company's philosophy and culture and fosters an environmental, social and governance dividend, always based on ethical and responsible management.

The major milestones of the Plan include the following:

- > Attaining [certification of the Social Responsibility Management System in accordance with the IQNet SR10 standard](#). This certification guarantees that the Ecnor Group has an effective Social Responsibility Management System in place with the necessary elements to correctly manage sustainability, thus endorsing its level of commitment in this area.
- > [In 2022, 73% of corporate financing was deemed sustainable](#) because it is linked to the performance of ESG objectives and indicators.
- > Boosting [renewable energy projects](#), adding new wind energy hybridisation projects with photovoltaic energy and storage to traditional technologies.
- > [Approval by the SBT \(Science Based Targets\) initiative of the ambitious targets for emissions reductions presented](#), which are in line with the Paris Agreement to limit the global temperature increase to below 2°C.
- > Consolidation of the [Leadership position in the CDP \(Carbon Disclosure Project\) initiative](#), one of the highest level in terms of sustainability, adaptation and mitigation of the impact of climate change.
- > Progressing in the rollout of the [Safety Excellence Project](#) at the international level, strengthening the commitment to the goal of zero accidents in the workplace.
- > Defining the [Local Community Relations Policy](#), which strengthens the basis of the relationship of trust built with the communities where the Group conducts its activities.
- > [A new remuneration system for directors for 2022-2025](#), approved by a large majority at the Ordinary General Shareholders' Meeting held in May 2022.

This year, the Ecnor Group will outline its new 2023-2025 Strategic Sustainability Plan in order to continue driving continuous improvement in sustainability management.

## Forecast for 2023

On the basis of its solid portfolio of contracts and its geographical and business diversification, the Ecnor Group expects to exceed the previous year's sales figures and profit, as it has continuously done over the last decade.

## Change in the companies that make up the Group

During the first quarter of 2023, there have been no significant changes in the consolidation scope of the Ecnor Group compared with the 2022 closing position.

## Events after the reporting period

Following the close of the first quarter of the year, Ecnor has closed the sale of its stake (50%) in the Mexican companies Gasoducto de Morelos, S.A.P.I. de C.V., and Morelos O&M, S.A.P.I. de C.V., in a joint sale with Enagás, which owns the remaining 50%.

Upon closing, the two Spanish companies have transferred ownership of the total shares in these companies to a fund managed by the Macquarie Asset Management division of Macquarie Group Limited for a total amount of USD 190 million, pursuant to the agreement reached with this fund. Ecnor receives USD 95 million.

## Basis of presentation and valuation principles

In this information, the individual companies have applied the accounting principles and criteria set out in the Spanish General Chart of Accounts, which entered into force on 1 January 2008. The consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS).