

The Elecnor Group increases its profit to EUR 85.9 million, 9.7% up on 2020

- ▶ In 2021 the Group showed growth in all its markets and areas of business with sales of EUR 3,122.4 million, 27% more than in 2020.
- ▶ EBITDA stands at EUR 271.8 million, an 10.6% increase on last year's figure.
- ▶ This is mainly due to the positive evolution of the Group's business in terms of cash generation, arising from its operating activities which have helped reduce Net Corporate Financial Debt by 8.1%.
- ▶ The Elecnor Group expects its performance to continue to grow in 2022, as it has been doing year after year over the last decade.

The Elecnor Group has achieved a **net profit of EUR 85.9 million in 2021, 9.7% higher than the figure reported in the previous year**. In turn, **sales stood at EUR 3,122.4 million on 31 December 2021, which means an improvement of 27.1%**. Both the domestic market (accounting for 46% of the total) and the international market (54%) have recorded positive growth of 14.9% and 39.6% respectively.

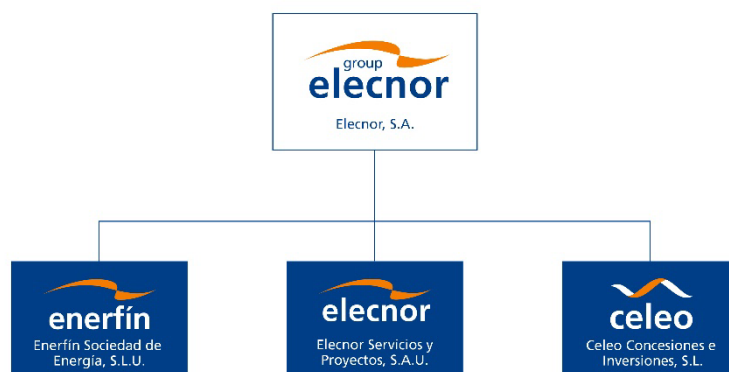
This positive trend in the Group's figures has been made possible by the significant increase in Elecnor's turnover, mainly due to the activities related to Services and the activities which the Group carries out in European countries, basically in Spain, the United Kingdom and Italy, and in the United States of America. The fact that major projects are underway in Australia, Chile and Brazil has also had a positive influence.

EBITDA has reached EUR 271.8 million, a 10.6% increase on the previous year's figure. The Group's results this year have absorbed the costs of launching new contracts for telecommunications and electricity services in the United Kingdom and Italy, as well as non-recurring costs such as those related to the spin-off project.

+10.6%
growth of EBITDA
compared to 2020

EUR 2,507 million,
in portfolio of contracts
to be executed within
12 months

0.72 times
Ratio of net recourse
debt / recourse
EBITDA



Services and Projects Business

In a breakdown by Area of Business, **Services and Projects** has recorded substantial growth in net profit, reaching the figure of EUR 77.1 million (+7.8%).

In the domestic market, the pattern of growth in activity has continued in this period due to the services provided in the energy, telecommunications, water, gas and transport sectors, fields where an essential service is provided to all the utilities. Furthermore, construction work on renewable power plants has also made a contribution to both the Group's Sales Figures and earnings.

In the international market, the positive evolution is mainly due to the construction of electricity transmission lines in Brazil and Chile, as well as to the US subsidiaries (Hawkeye and Belco) and the major projects that have started in Australia this year. The Group's results have also received contributions from the construction of wind farms in Colombia, solar power plants in the Dominican Republic and Panama, hydroelectric power stations in Cameroon and Angola, substations in Guinea, DR Congo and Cameroon, and a biomass project in Belgium, among many others.

Concessions Business

The **Concessions Business**, which the Elecnor Group operates through its subsidiary Enerfín, its partially-owned subsidiary Celeo, and their dependent companies, has maintained its good performance in this period by reaching net attributable profit of EUR 34.9 million, +12.6% higher than that achieved in 2020.

Enerfín has stakes in 1,355 MW of renewable energy both in use and under construction in Spain, Brazil and Canada and will continue with its intense promotional activity to ensure its growth. Enerfín's wind farm business, for its part, has benefited from the start-up of operations at the San Fernando complex in the northeast of Brazil at the beginning of this year and the Cofrentes wind farm in Spain in April last year.

Celeo already runs 6,804 km of electricity transmission lines in Chile and Brazil and has stakes in 345 MW of renewable energy. The combination of assets in operation that the company manages represents about EUR 5,600 million. The power transmission business continues to grow with the

Press release

Madrid, 24 February 2022



addition of assets in Brazil, and new concessions obtained in Chile and Peru. Worth noting in this period is the purchase of 29 assets, operational power transmission lines, from Colbún Transmisión, S.A. (located all over Chile) by the company Alfa Desarrollo, S.P.A. of which Celeo Concesiones owns 20% and APG Asset Management N.V. 80%. With this acquisition, Celeo has become the second largest operator in the transmission market in Chile.

A growing production portfolio with good prospects

The **portfolio of signed contracts still to be executed as of 31 December 2021**, and whose execution is planned to happen in the next twelve months, amounts to **EUR 2,507 million** (compared to EUR 2,273 million at the end of 2020). The international market accounts for 72% of this figure (with a value of EUR 1,798 million) and 28% comes from the domestic market (EUR 709 million).

The **domestic** market portfolio is made up of contracts for activities in traditional services, as well as wind and solar farms. The **international** portfolio has increased both in European countries (Italy and the United Kingdom), where activities relating to services are carried out, and in other countries (mainly Australia, Chile and Brazil) where contracts have been awarded for major wind, solar and power transmission projects.

A strong balance sheet and falling corporate financial debt

During the course of 2021, the Group has managed to generate a cash flow of EUR 206.2 million from its operating activities and has made a net investment to the value of EUR 100 million.

Net Corporate Financial Debt (EUR 119.4 million) has decreased by 8.1% in relation to the end of the last year (EUR 129.9 million). This is mainly due to the positive evolution of the Group's business activities in terms of cash generation, arising from its operating activities.

The debt ratio at the end of this year, calculated as Net Recourse Debt divided by recourse EBITDA, **stands at 0.72 times** (0.83 at the end of last year).

Dividend

The Board has approved the presentation of a proposal to the General Meeting of Shareholders to pay a final dividend of EUR 0.293836 per share that, combined with the dividend issued against 2021 earnings which was paid out to shareholders last December (EUR 0.059618 per share), comes to a total dividend of EUR 0.353454 per share. This means an **increase of 6.5% compared to the dividend against the 2020 financial year and a Pay-out of 36% against the Group's 2021 earnings**, in line with previous years and the Elecnor Group's policy of shareholder protection.

Driving green and sustainable financing

In line with its firm commitment to achieving objectives linked to the Sustainable Development Agenda, last year the Elecnor Group announced the restructuring of its long-term sources of

Press release



Madrid, 24 February 2022

financing, making them sustainable by **meeting the requirements established by the "Sustainability Linked Loan Principles"**. In September 2021, the Elecnor Group signed a novation agreement regarding the Syndicated Loan which it entered into in 2014. This novation extends the maturity by just over two years, until September 2026.

Furthermore, Elecnor signed three long-term private placements for EUR 100 million.

- 50 million over a period of 10 years, in the form of a sustainable loan, coordinated by Banca March.
- 20 million over a period of 10 years, which additionally complies with the "Green Loan Principles", by assigning funds to projects classified as green, signed by the ICO (*Spanish Official Credit Institute*) and with Banco Sabadell acting as coordinator.
- 30 million over a period of 14 years, in the form of sustainability bonds issued on the MARF (*Spanish Alternative Fixed-Income Market*) with a rating for the Elecnor Group (Investment Grade; BBB-, awarded by Axesor), structured and managed by Banco Sabadell.

Through this restructuring, the Elecnor Group has managed to extend the **deadlines for its long-term financing to average lives of nearly 10 years**, as well as keeping cost levels low.

Sustainability

Protecting the environment

- 2035 Climate Change Strategy in line with recommendations by the TCFD (*Task Force on Climate-related Financial Disclosures*)
- Adherence to the SBT (*Science Based Targets*) initiative
- Top score in the international CDP classification, proof of the Elecnor Group's position in terms of adaptation and mitigation in the fight against climate change
- AENOR certification for Environmental CO₂ Tested in accordance with ISO 14064-1 standard
- Boosting renewable energy and energy efficiency
- Management of biodiversity and protection of the natural environment



Focused on people

- Health and safety in the workplace
- Committed to equality and diversity
- Operational excellence
- The SDGs' ally
- Dialogue with local communities



Press release



Madrid, 24 February 2022

- The Elecnor Foundation. We invest in and develop infrastructures in order for society to progress
- 21% Increase of women on the staff
- 31% Women in the Structure
- Incorporation of people at risk of social exclusion



Good Governance

- The highest ethical standards
- Zero tolerance of bad practice
- Code of Ethics and Conduct
- Compliance System
- Information Transparency
- Change in the current term "Appointments and Remunerations Committee" to "Appointments, Remunerations and Sustainability Committee", thereby strengthening the Group's commitment to sustainability
- New Policy on Corporate Governance
- New Policy on defining the structure of the Elecnor Group
- Creation of the *Equity Story*



About Elecnor Group

Elecnor is one of Spain's leading business groups in the infrastructure, renewable energy, services and new technologies industries. With over 60 years of continuous growth and a presence in over 50 countries, Elecnor Group focuses its activity on different industries, from electricity, gas, industrial plants, railways, telecommunications, water, control systems, construction, the environment and installation maintenance to aerospace engineering. Its strong international outlook has led the company 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 21,431 employees. In 2021, the company reported revenues of 3,122.4 million euros and a consolidated net profit of 85.9 million euros.

For more information, please visit www.elecnor.com



Press release

Madrid, 24 February 2022



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