



# FINANCIAL RESULTS

JANUARY-SEPTEMBER 2022



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## Elecnor Group at a glance

### Key financial figures



Consolidated sales

**2,518**  
millions of euros

Var. 9M 2021

**20.7%**



EBITDA

**209**  
millions of euros

Var. 9M 2021

**19.0%**



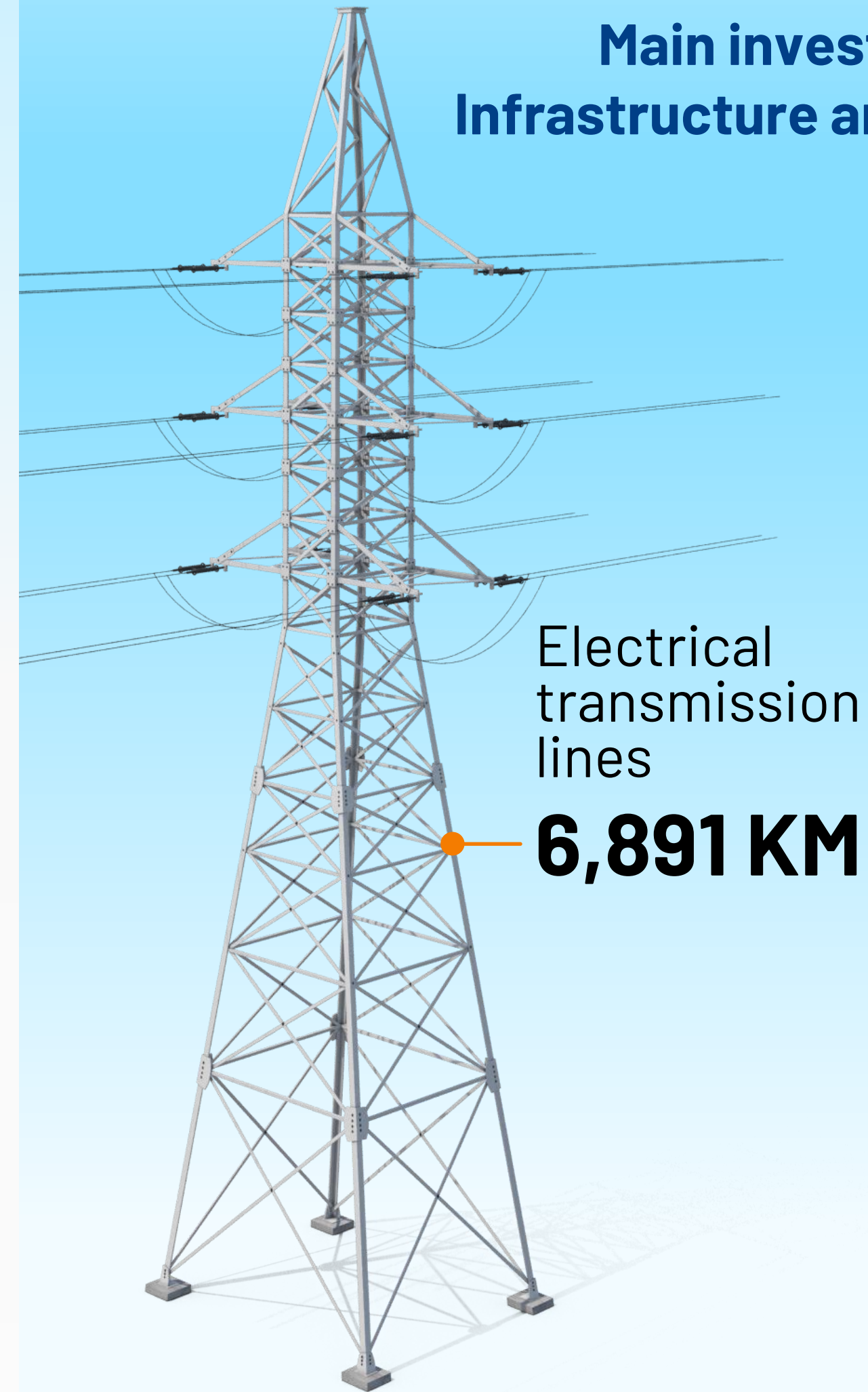
Consolidated net profit

**71**  
millions of euros

Var. 9M 2021

**16.5%**

### Main investments in Infrastructure and Renewables



Electrical transmission lines

**6,891 KM**



Renewable energies in operation and under construction

**1,829 MW**

## Summary January-September 2022

The Elecnor Group attained net profits of EUR 70.9 million by 30th September 2022, which is a 16.5% increase on the profits obtained in the same period of the previous financial year.

At 30 September 2022, Elecnor Group's consolidated sales amount to EUR 2,518.4 million (EUR 2,087.1 million in the same period of the previous financial year), i.e. up 20.7% with respect to the first nine months of 2021. Both the domestic market (which represents 42.2% of the total) and the international market (which makes up 57.8% of the total) experienced significant growth (7.2% and 32.8% respectively). This positive evolution in the Group's figures for the year was possible thanks to the execution of major projects in Elecnor's business in Australia, Brazil and Chile, in particular, in addition to the increased volume of Services activities conducted by the Group in the United States and in European countries, chiefly Spain and Italy. Enerfin increased its sales by 48% thanks to higher energy prices in Spain, as well as the revaluation of the Brazilian real and the Canadian dollar, the currencies in which its wind farms operate in Brazil and Canada.

Consolidated net income by company	Thousands of euros		
	Jan-Sep 2022	Jan-Sep 2021	% Var.
Elecnor	58,461	55,134	6.0
Enerfin	23,808	10,748	121.5
Celeo	8,451	12,679	(33.3)
<b>Consolidated net income by company</b>	<b>90,720</b>	<b>78,561</b>	<b>15.5</b>
Group management and other adjustments	(18,910)	(17,873)	5.8
Operations between segments	(896)	191	n.s.
<b>Total</b>	<b>70,914</b>	<b>60,879</b>	<b>16.5</b>

Pending backlog (Group Elecnor)	Thousands of euros		
	09/30/2022	12/31/2021	% Var.
Domestic	674,400	579,656	16.3
International	1,722,900	1,711,829	0.6
<b>Total</b>	<b>2,397,300</b>	<b>2,291,485</b>	<b>4.6</b>

Key figures	Thousands of euros		
	Jan-Sep 2022	Jan-Sep 2021	% Var.
<b>Turnover</b>	<b>2,518,443</b>	<b>2,087,061</b>	<b>20.7</b>
Domestic	1,062,423	990,625	7.2
International	1,456,020	1,096,436	32.8
<b>EBITDA</b>	<b>209,127</b>	<b>175,692</b>	<b>19.0</b>
Profit before tax	113,300	97,205	16.6
Attributable net profit	70,914	60,879	16.5

Consolidated turnover by company	Thousands of euros		
	Jan-Sep 2022	Jan-Sep 2021	% Var.
Elecnor	2,370,815	1,984,786	19.4
Enerfin	155,225	104,567	48.4
Celeo	144,930	167,855	(13.7)
Operations between segments	(7,596)	(2,292)	231.4
Elimination by consolidation under the Equity Method <sup>1</sup>	(144,930)	(167,855)	(13.7)
<b>Total</b>	<b>2,518,444</b>	<b>2,087,061</b>	<b>20.7</b>

<sup>1</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 EBITDA by company	Thousands of euros		
	Jan-Sep 2022	Jan-Sep 2021	% Var.
Elecnor	113,439	109,614	3.5
Enerfin	104,869	68,173	53.8
Celeo	8,451	14,475	(41.6)
<b>Consolidated EBITDA by company</b>	<b>226,759</b>	<b>192,262</b>	<b>17.9</b>
Group management and other adjustments	(15,477)	(16,469)	(6.0)
Operations between segments	(2,155)	(101)	n.s.
<b>Total</b>	<b>209,127</b>	<b>175,692</b>	<b>19.0</b>

## Elecnor

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

In the domestic market, activity continued to grow on the back of the 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 and development of wind and solar PV farms, as well as 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 positive evolution is chiefly due to projects that the Group undertakes in Australia, the construction of electricity transmission lines in Brazil and Chile, and also those of US subsidiaries (Hawkeye and Belco). The construction of wind farms in Colombia, solar PV farms in the Dominican Republic, hydroelectric plants in Cameroon and Angola, and substations in the Democratic Republic of the Congo,

among many others, also contributed to the Group's profit/loss. Some of these major projects are at the initial stages, chiefly contributing to the growth of turnover.

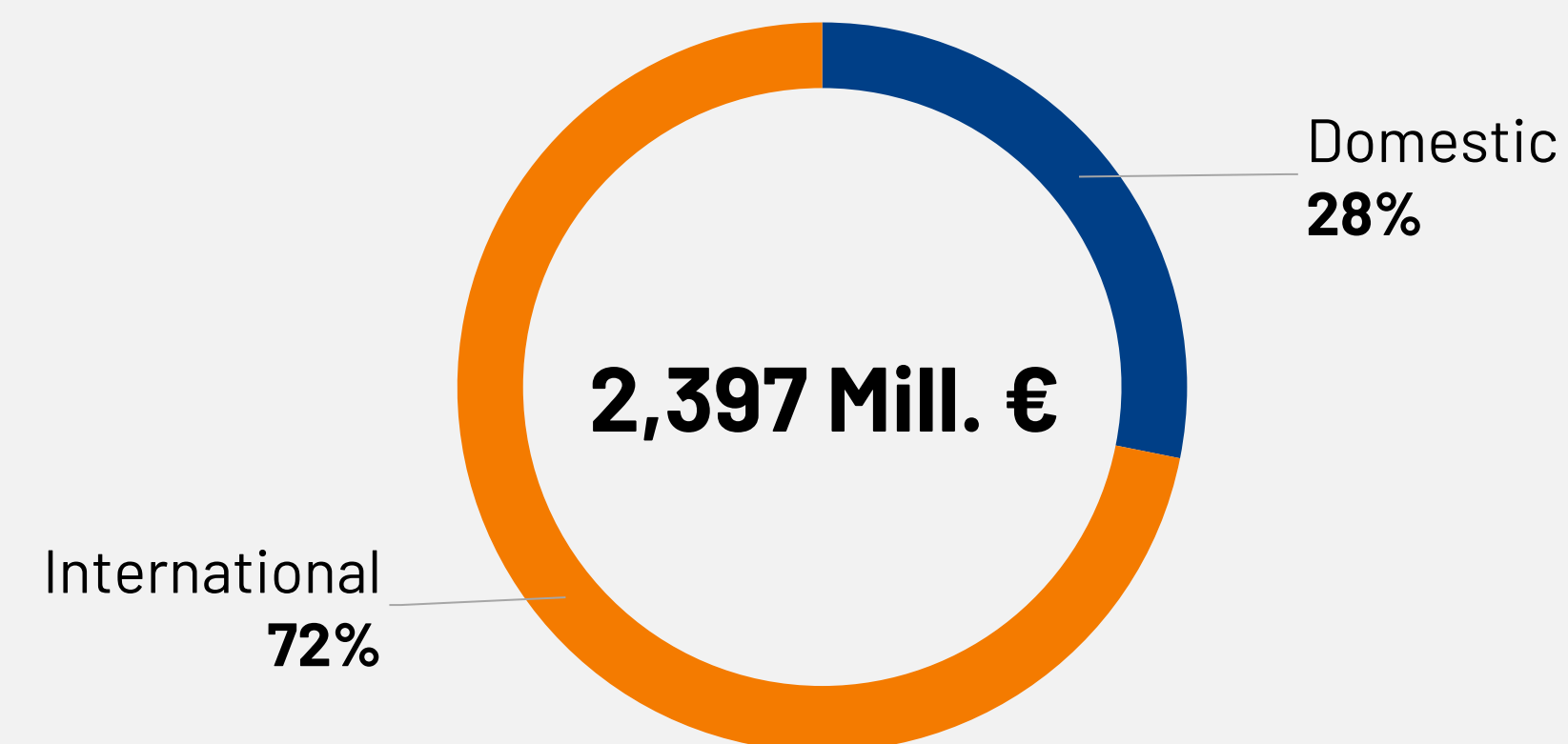
The positive business performance in both markets is also seen in the increase in EBITDA compared to the same period of the previous year, although not in proportion to sales. This is due to the fact that some of the large projects being implemented by Elecnor are still at an initial phase, and their inherent risks mean that the final profit/loss is kept in check, as is progress in service contracts. This circumstance is also responsible for the evolution of pre-tax profit.

The good performance of attributable consolidated net profit was buoyed by improved results achieved in the various vehicles that the Group uses to execute its projects abroad (permanent establishments and subsidiaries),

enabling it to achieve a more favourable average consolidated tax rate.

The production portfolio, which can be executed in the next 12 months, amounts to EUR 2,397.3 million (EUR 2,291 million at the end of 2021). Of this portfolio figure, 72% relates to the international market, for an amount of EUR 1,722.9 million, and 28% to the domestic market, for an amount of EUR 674.4 million. The domestic market portfolio consists of contracts for traditional service activities, as well as construction projects for renewable energy plants. The international portfolio is increasing in 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.

### Executable backlog in the next 12 months



Elecnor (Services and Projects)	Thousands of euros		
	Jan-Sep 2022	Jan-Sep 2021	% Var.
Turnover	2,370,815	1,984,786	19.4
<b>EBITDA</b>	<b>113,439</b>	<b>109,614</b>	<b>3.5</b>
Margin on sales	4.8	5.5	(13.4)
Profit before tax	77,198	82,422	(6.3)
<b>Attributable net profit</b>	<b>58,461</b>	<b>55,134</b>	<b>6.0</b>

Domestic vs international sales	Thousands of euros		
	Jan-Sep 2022	Jan-Sep 2021	% Var.
<b>Turnover</b>	<b>2,370,815</b>	<b>1,984,786</b>	<b>19.4</b>
Domestic	1,005,831	968,527	3.9
International	1,364,984	1,016,259	34.3

# Elecnor

Essential service provider with the major national operators.

## Electricity



## Telecommunications



## Gas



## Enerfín

Enerfín participates in 1,355 MW of renewable energy in operation and under construction in Spain, Brazil and Canada, and it continues with its intense development activity to ensure growth and increase its pipeline, which currently amounts to around 9 GW of wind energy and photovoltaic projects. It is likewise continuing with the diversification of its activities through storage, hybridisation and hydrogen projects.

Enerfín participates in 1,355 MW of renewable energy in operation and under construction in Spain, Brazil and Canada, and it continues with its intense development activity to ensure growth and increase its pipeline, which currently amounts to around 9 GW of wind energy and photovoltaic projects. It is likewise continuing with the diversification of its activities through storage, hybridisation and hydrogen projects.

The positive evolution of Enerfín's profit/loss was mainly due to a more favourable production price compared to the same period of the previous year for wind farms in Spain. Additionally, it is worth highlighting the positive performance of the Brazilian real and the Canadian dollar against the euro, currencies in which the Group mainly operates abroad.

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 from the subgroup's parent company (Enerfín Sociedad de Energía, S.L.U.) in order 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. This strategy of contracting derivatives from the parent company of Enerfín subgroup has, in the current context of high energy prices, led to recognition of significant profit/loss in the joint venture companies, some of which are owned by minority shareholders, with the settlements of these financial instruments being recorded in Enerfín Sociedad de Energía, S.L.U., wholly owned by the Group. Similarly, the Cofrentes wind farm has entered into a long-term energy sales contract.

During the year a series of Royal Decrees were published that had an impact on the business:

- Last 29 March, Royal Decree Law 6/2022 approves the update of the remuneration scheme of electric power generation based on renewable energy sources, it extends the validity of the remuneration reduction mechanism due to gas prices and it establishes that the cost of the financing mechanism for the social tariff and for the supply of consumers at risk of social exclusion will be assumed by generators and marketers.
- On May 14, Royal Decree-Law 10/2022 establishes a mechanism to adjust the costs incurred by marginal fossil fuel technologies in order to reduce the price of electricity.
- On June 25, RD-Law 11/2022 extends the validity of the mechanism for reducing high gas prices, the suspension of the 7% tax on production, in addition to the reduction of the IEE (Special Tax on Electricity) to 0.5% from 1 July 2022 to 31 December 2022.

The Group estimates that the total impact of these measures, in terms of net tax profit/loss, will not be significant.



Thousands of euros

<b>Enerfín</b>	<b>Jan-Sep 2022</b>	<b>Jan-Sep 2021</b>	<b>% Var.</b>
Turnover	155,225	104,567	48.4
<b>EBITDA</b>	<b>104,869</b>	<b>68,173</b>	<b>53.8</b>
Profit before tax	50,975	19,581	160.3
<b>Attributable net profit</b>	<b>23,808</b>	<b>10,748</b>	<b>121.5</b>

Thousands of euros

<b>Domestic vs international sales</b>	<b>Jan-Sep 2022</b>	<b>Jan-Sep 2021</b>	<b>% Var.</b>
<b>Turnover</b>	<b>155,225</b>	<b>104,567</b>	<b>48.4</b>
Domestic sales	61,642	22,288	176.6
International sales	93,583	82,279	13.7



## Celeo

Celeo, a company owned and managed jointly with APG, one of the world’s largest pension funds, already operates 6,891 km of electricity transmission lines in Chile and Brazil, and takes part in 345 MW of renewable energy (photovoltaic and solar thermal) in Spain and Brazil. It is worth highlighting the start of work on the first concession in Peru (Puerto Maldonado). Overall, it manages around EUR 5,211 million<sup>1</sup> worth of assets in operation.



In Celeo’s Transmission Networks business, the entry into operation at the end of 2021 of the concession in Serra de Ibiapaba in Brazil and the positive performance of the US dollar and the Brazilian real against the euro, currencies which the Group mainly operates in for Chile and Brazil, respectively. Increased interest rates on financing transmission projects in Brazil had a significant impact on the profit/loss of this subgroup in this period. This effect is partially offset in the second half of the financial year, a period in which the sales tariffs of such projects are revised in accordance with inflation indices. In any case, the valuation of the assets is not expected to be affected.

Furthermore, Celeo was awarded a new line in Coquimbo region in Chile in the third quarter, between the Don Goyo and La Ruca substations. This is a 220 kV double-circuit transmission line with an investment of approximately US\$95 million.

The solar thermal plants managed by Celeo in Spain have seen lower production due to restrictions on energy discharged to the grid, which has had a negative impact of approximately 5 million euros on Elecnor Group’s income statement. In the same way as Enerfín, Celeo was affected by Royal Decree-Law 6/202, Royal Decree-Law 10/2022, and Royal Decree-Law 11/2022 as stated above in the Enerfín section.



Celeo (subgroup at 100%)	Thousands of euros		
	Jan-Sep 2022	Jan-Sep 2021	% Var.
Turnover	144,930	167,855	(13.7)
<b>EBITDA<sup>1</sup></b>	<b>138,897</b>	<b>141,531</b>	<b>(1.9)</b>
Profit before tax	44,960	55,099	(18.4)
<b>Attributable net profit</b>	<b>16,803</b>	<b>28,928</b>	<b>(41.9)</b>

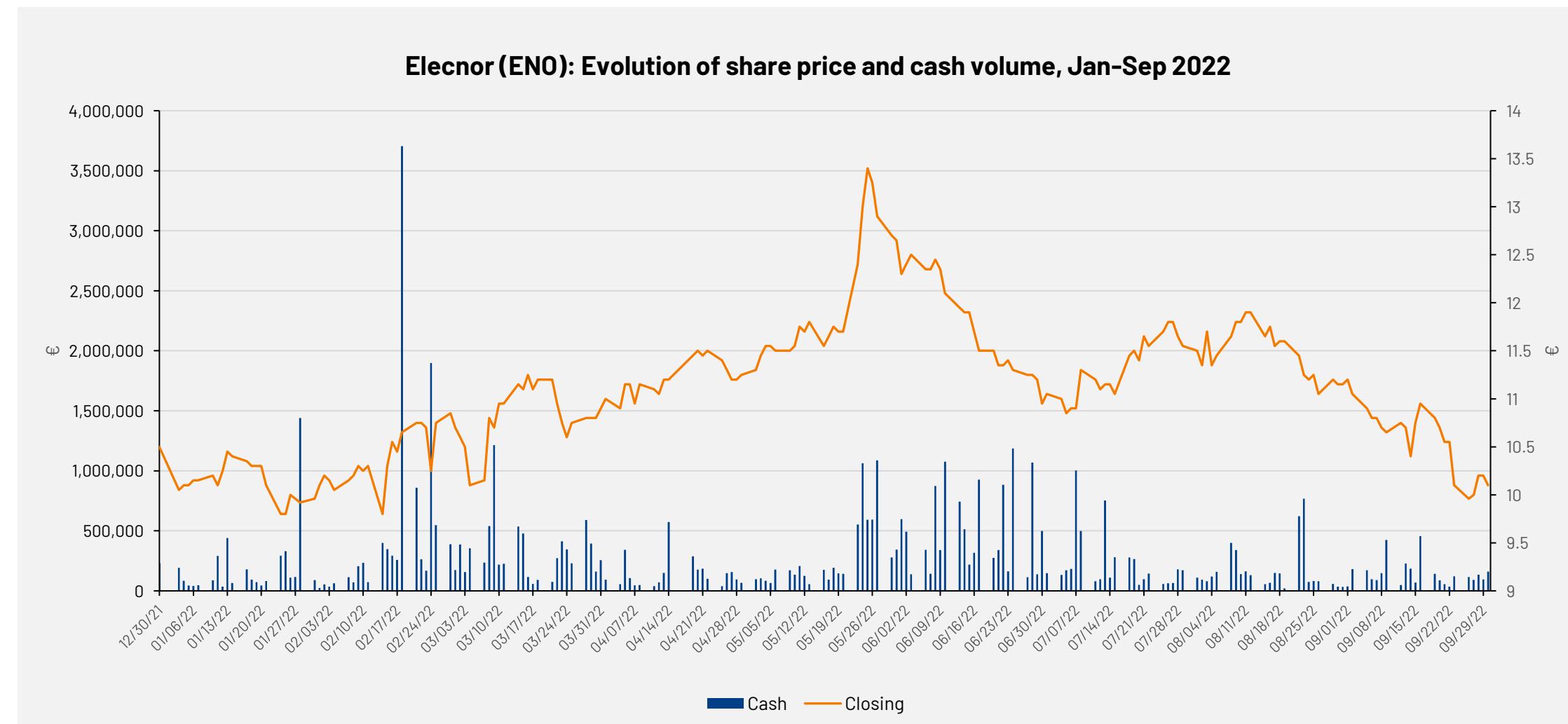
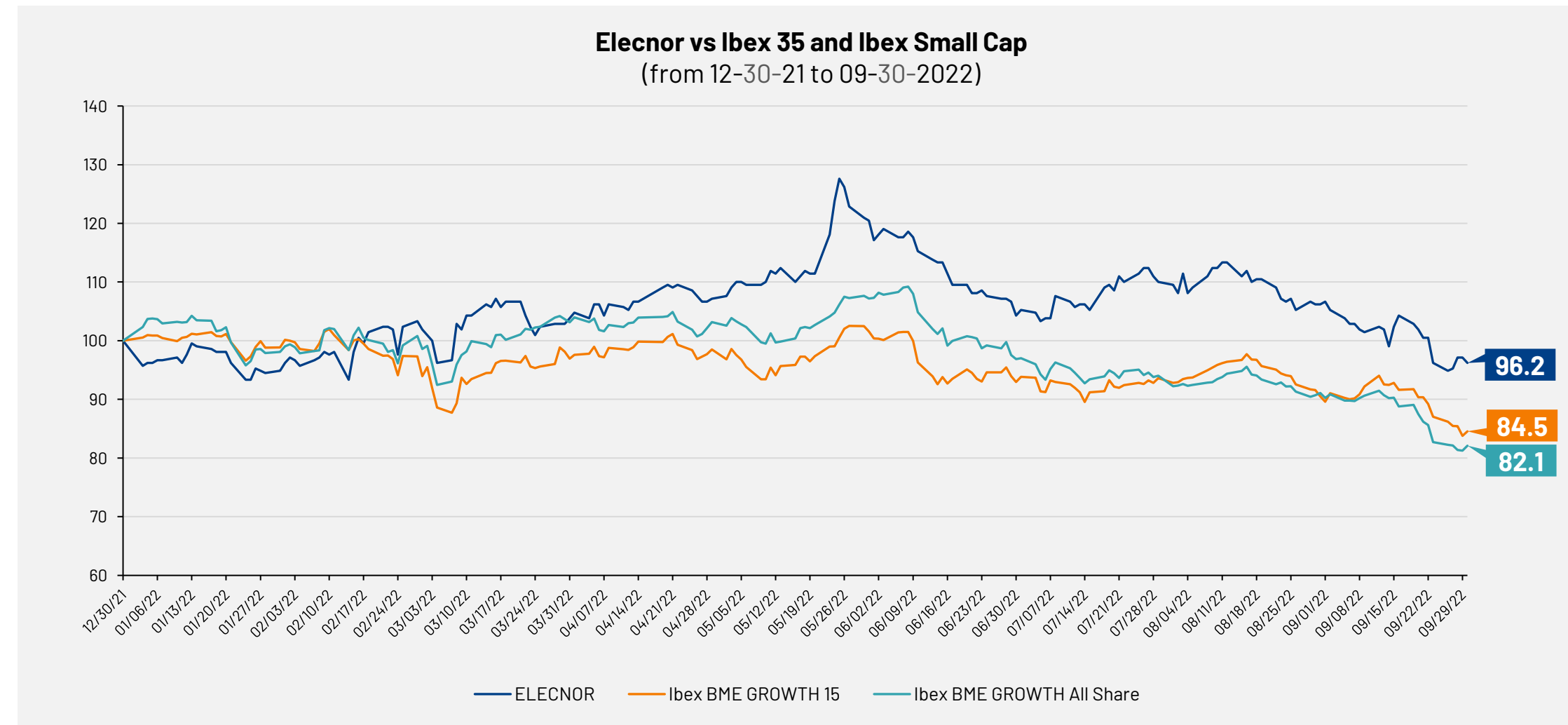
<sup>1</sup> EBITDA at 100% of Celeo Group and its subsidiaries, without taking into account the impact of IFRIC 12, since this is what best reflects cash generation capacity.

<sup>1</sup> Book value of assets under management at year-end 2021, as explained in the 2021 Equity Story.

## Elecnor Group in the stock market (1/2)

During the first nine months of the year, Elecnor Group's share (-3,8%) showed a better behavior than the Ibex 35 and Ibex Small Cap benchmark indices that fell in the same period 15.5% and 17.9% respectively, in a bear market environment accentuated by the latest measures of central banks as a result of inflationary pressures and more restrictive global financial conditions.

In terms of liquidity, the indicators of average daily volume of cash and stock trading until the end of September 2022 showed a slight decrease compared to average levels recorded in the first six months, typical during the summer period, in which the volume is traditionally lower. The average daily volume in cash amounted to €280,782 while the average daily volume trading in shares was 25,239 shares, average levels are still higher than those recorded during the full year 2021.

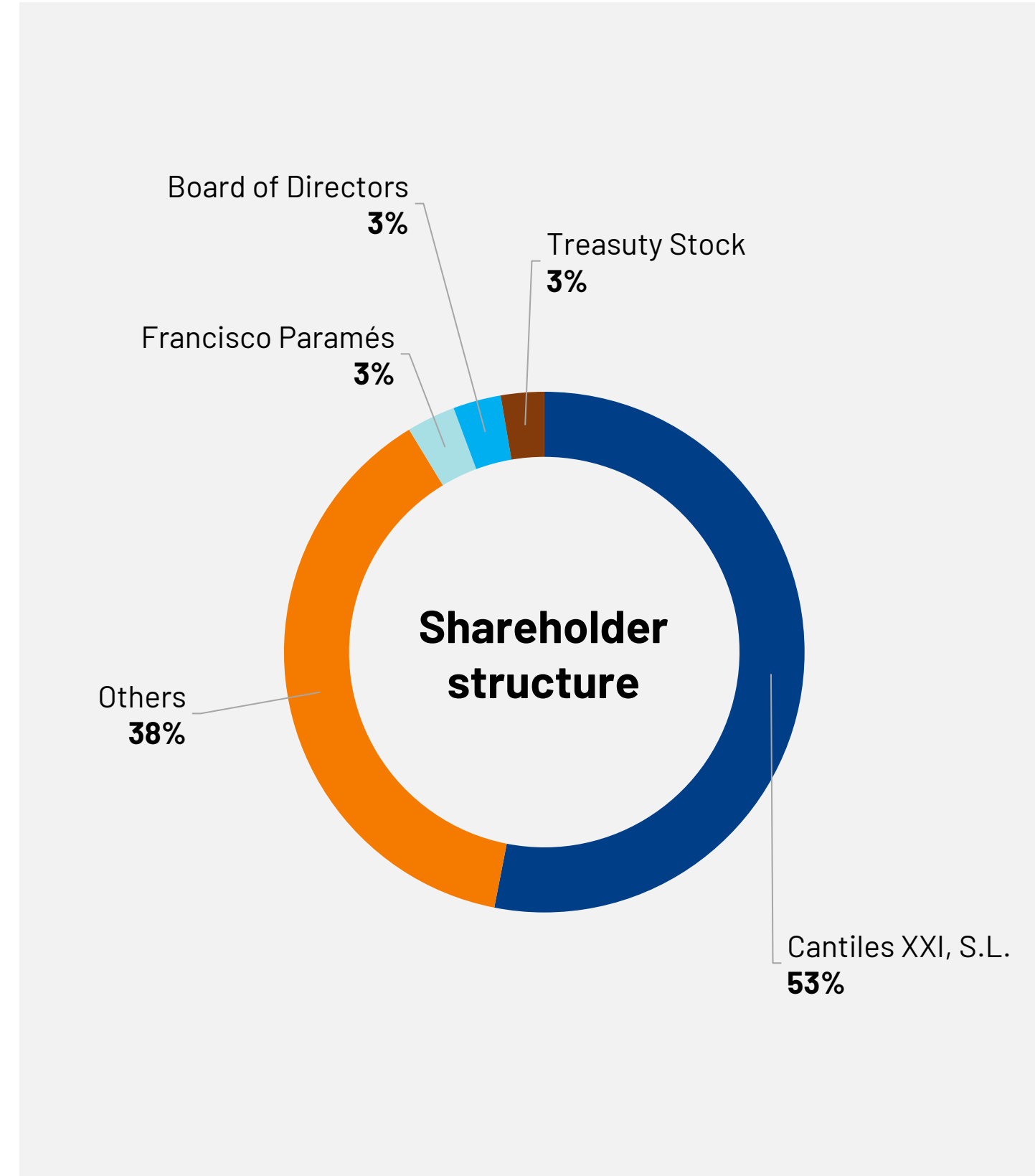
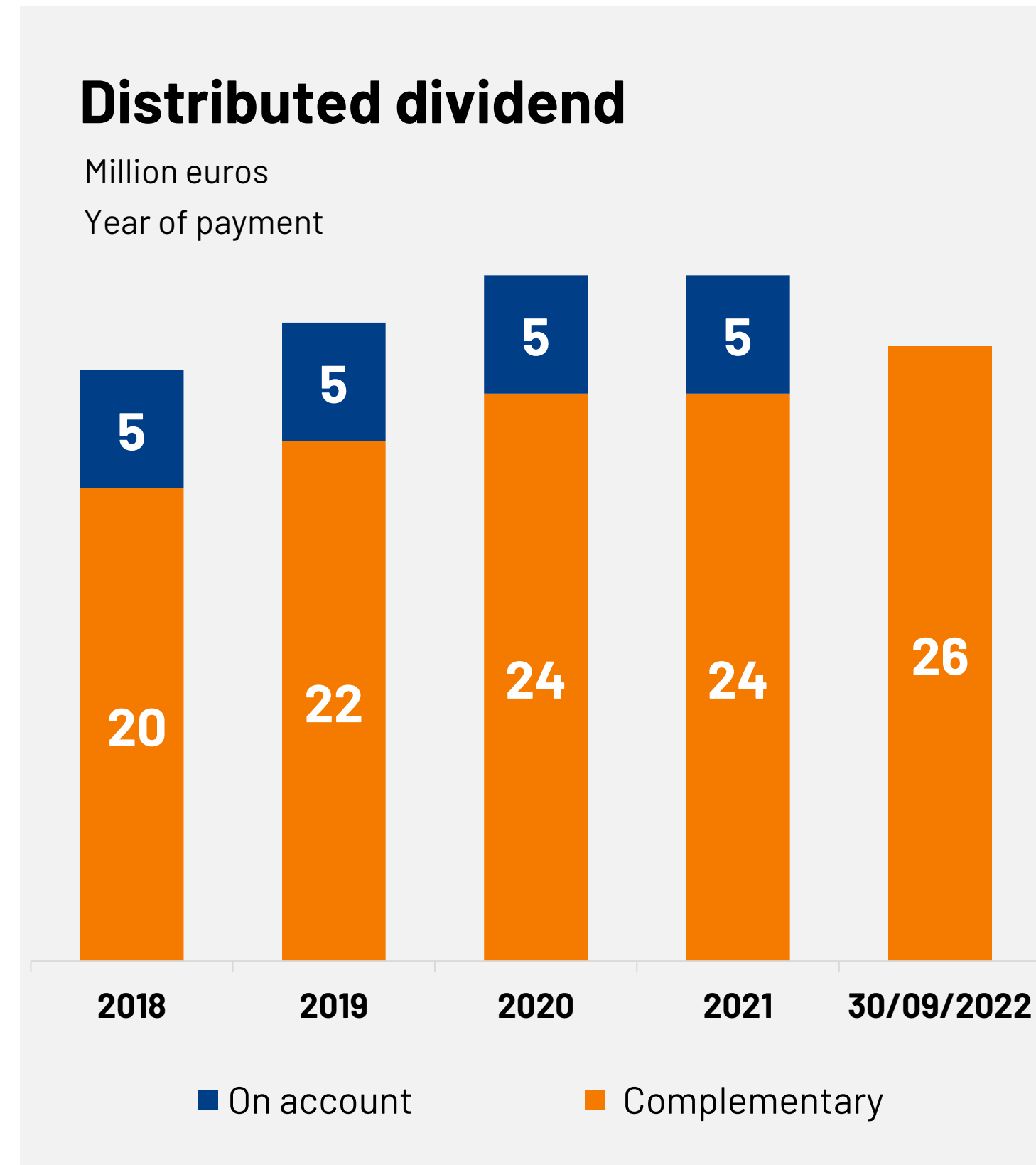


Share price (euros)	Jan-Sep 2022	2021
Open	10.50	11.00
Low	9.68	9.42
High	13.40	11.30
Close	10.95	10.50
Average	11.09	10.36

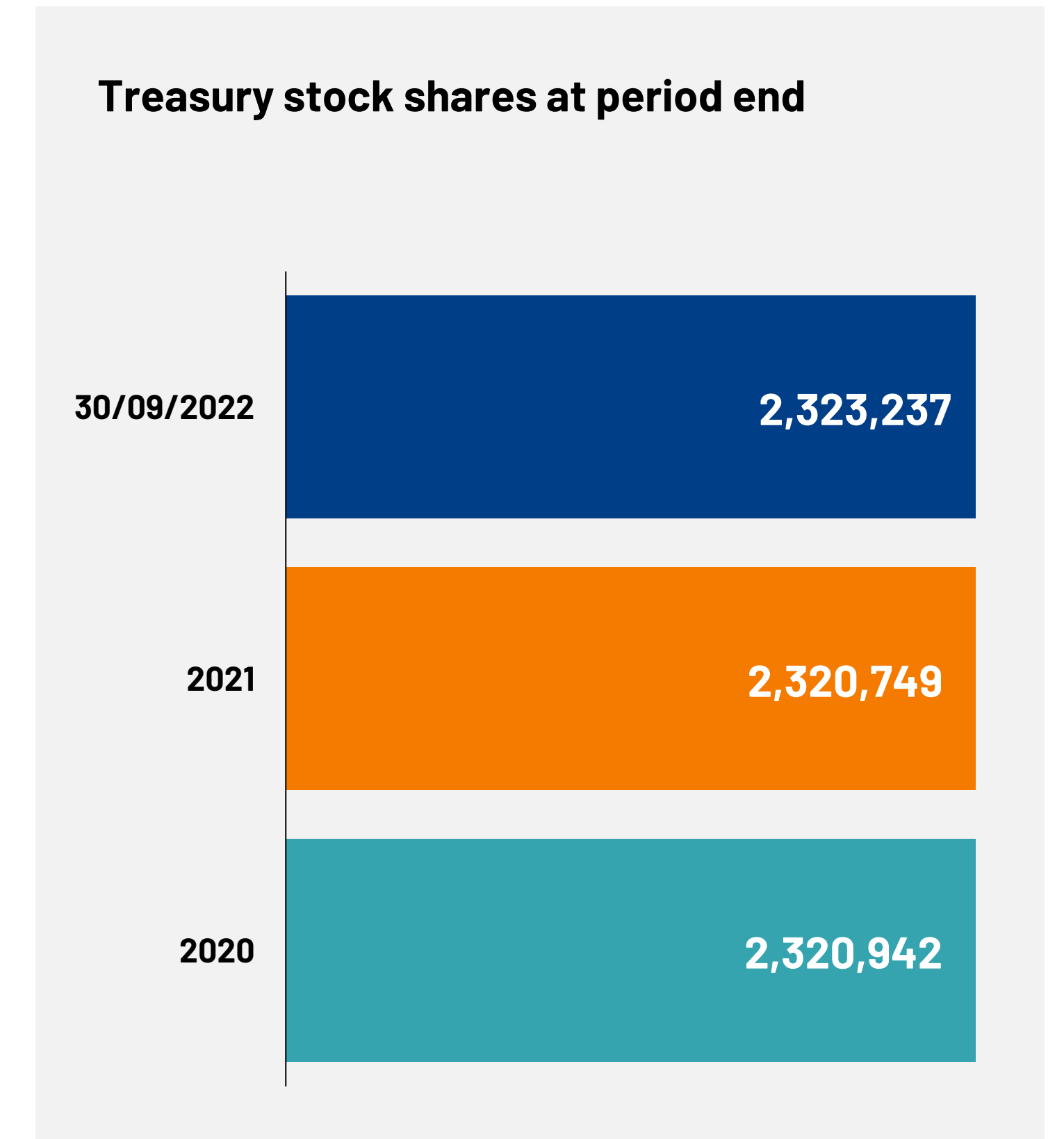
Other market indicators	Jan-Sep 2022	2021
Market capitalisation (euros)	952,650,000	913,500,000
Number of shares	87,000,000	87,000,000
Nominal value (euros/share)	0.1	0.1
Accumulated volume (number of shares)	4,871,149	5,580,690
Average volume (number of shares)	25,239	21,800
Accumulated turnover (euros)	54,190,935	57,956,022
Average turnover	280,782	226,391

Elecnor vs. Indexes <sup>1</sup>	%	
	Jan-Sep 2022	
Elecnor	(3.8)	
Ibex 35	(15.5)	
Ibex Small Cap	(17.9)	

## Elecnor Group in the stock market (2/2)



The share capital is made up of 87,000,000 common shares, of a single class, with a par value of 10 euro cents (book entries).



The number of treasury stock shares at period end was 2,323,237 compared to 2,320,749 at the end of 2021. Treasury stock represents 2.67% of the company's capital, in line with the previous two years.

## ASG commitment

The sustainability of the Elecnor Group revolves around its purpose: generating change and well-being in the territories where it operates. It is therefore aware of the importance of its actions on people and the environment in which it undertakes its activities. Its purpose is to maximise positive impacts and minimise negative impacts on society and the environment, through responsible, ethical and transparent behaviour.

This commitment is inherent in every aspect of its activities and business strategy, as well as in its relations with stakeholders. A commitment that is embodied in its Strategic Sustainability Plan, which lays down the core areas of its social responsibility and the basis and initiatives for ongoing improvement in sustainability management.

The Elecnor Group is undergoing certification in accordance with the IQNet SR10 Corporate Social Responsibility standard, which is expected to be completed during the 2022 financial year. This seal certifies that the company has all the necessary elements for formulating a sustainability management system, consequently endorsing its level of commitment in this field

### 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, demonstrating The Elecnor Group's position in terms of adaptation and mitigation in the fight against climate change
- 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



We invest in and develop infrastructures in order for society to progress.



### Good governance

- The highest ethical standards
- Zero tolerance of bad practice
- Code of Ethics and Conduct
- Compliance System
- Information Transparency



**UNE-ISO 37001**  
ANTI-BRIBERY  
MANAGEMENT  
SYSTEMS

**UNE 19601**  
CRIMINAL COMPLIANCE  
MANAGEMENT  
SYSTEMS

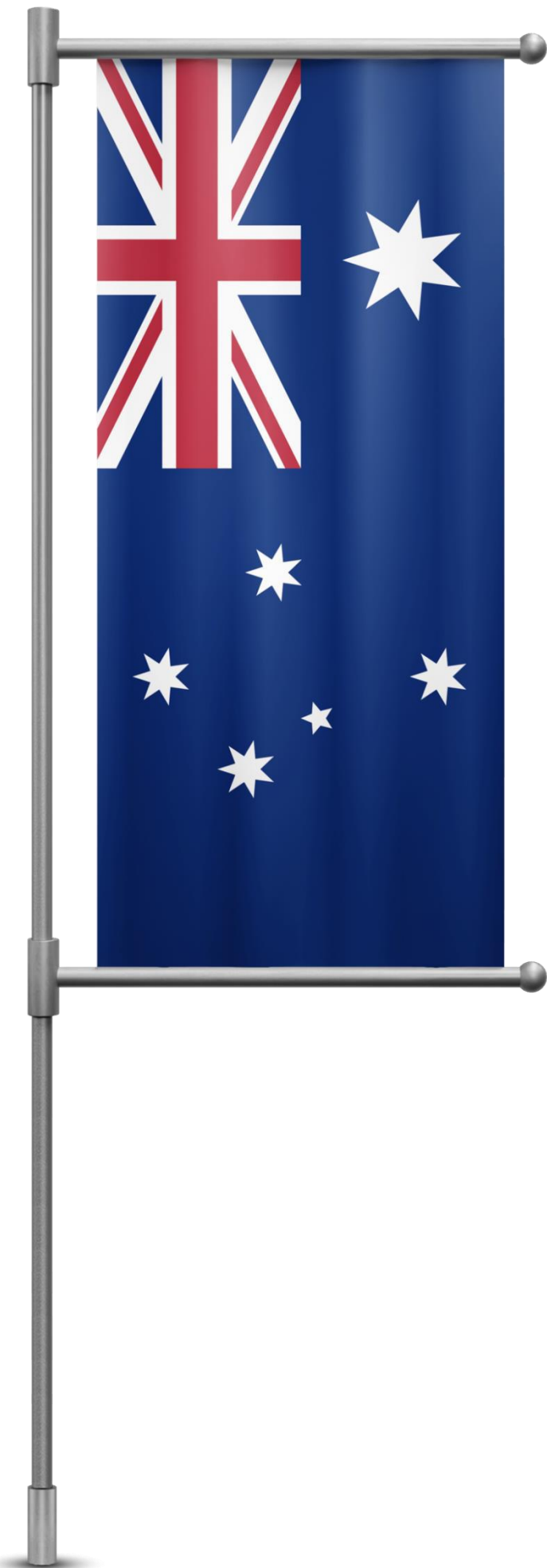
## Highlighted project: EnergyConnect

### Australia

EPC – Transmission Line

Amount: **1,559 Million AUD**

Phase: **Initial**



1,450 towers and 64 posts



26,000 tons of steel



8,550 km conductor wire



42,000 m<sup>3</sup> of concrete



676 direct labour force



61 indirect labour force



## Highlighted project: PATE

### Brazil

EPC - Transmission Line



530 towers



8,452 tons of steel



1,390 km conductor wire



22,000 m<sup>3</sup> of concrete



685 direct labour force



220 indirect labour force

Amount: **908 Million R\$**

Phase: **Advanced**



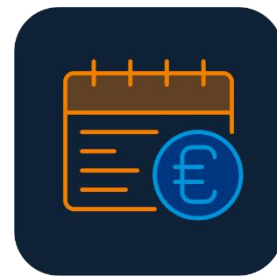
Elecnor built the tallest towers of its history, 253 meters tall (Eiffel Tower is 300 meters tall)

## Highlighted project: Parque Solar Esperanza

**Dominican Republic**  
EPC – Solar FV Farm



90 MW of power



Estimated annual generation:  
200,000 MWh (83,000 homes)



166,670 bifacial solar panels with solar  
position tracking technology to maximize  
irradiation



180 Ha



Avoids 125,000 tons of CO2 and imports  
of approximately 330,000 barrels of oil  
per year



A labour force of 800 people, mostly  
local labour from the communities near  
the project

Amount: **77 Million USD**

Phase: **Advanced**

Delivery: **April 2023**



[www.grupoelecnor.com](http://www.grupoelecnor.com)

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