

SPEECH BY THE EZENTIS' CEO, FERNANDO GONZÁLEZ
GENERAL SHAREHOLDERS' MEETING 2020

Ladies and gentlemen shareholders:

Good morning and welcome to our 2020 General Meeting.

I would like to thank all of you who are following the AGM using the online attendance channels, which this year we find ourselves forced to adopt, due to the special circumstances we are currently experiencing.

It is an honor for me to appear before you all again, ladies and gentlemen shareholders.

Firstly, I would like to convey my support and solidarity, along with that of the more than 12,000 employees who make up the Ezentis team, to all those affected by the coronavirus pandemic. We face a global health crisis that has led to an unprecedented economic and social crisis. Each one must bring out the best in ourselves to overcome the challenges this situation is posing us.

Companies also have a responsibility to their workers, and at the same time, to their customers and shareholders. In these months, more than ever, the Ezentis' mission makes sense, where the safety of our employees, customers, subcontractors and the communities where we work is paramount.

Over these difficult months since the pandemic struck, our activity of deploying, operating and maintaining telecommunications and energy networks, has been classified as essential in all the countries where we operate. I would first like to thank all Ezentis staff for their professionalism and commitment, working from home or in the field, who have made it possible for the networks to continue operating at full capacity and have guaranteed connectivity to protect and support the productive and social activity, thus minimizing the impact of the situation.

Not only we have continued to deploy and maintain networks over this period, but we have collaborated with our customers in the deployment of data networks that provide connectivity to hospitals and medicalized hotels.

The actions and decisions that have guided us in tackling the crisis have been, first of all, to guarantee the safety of our workers. Therefore, office staff have been asked to work from home, while in the case of ground technicians, they have been provided with all the necessary security measures and we have established strict safety protocols for our more than 12,000 workers.

As a measure to face the economic effects of the crisis, we request a temporary employment regulatory process for 550 employees in Spain, half of whom have now returned to work as of today. We have also reduced structural expenses by 27% and operating costs by 17% in the first quarter. Moreover, we have renegotiated flexibility in the fleet contracts and logistics centre leases. As a result, we have attained an improved margin when compared to the margins of the first quarter of 2019.

All of this took place in consultation with the union representatives, which has guaranteed a satisfactory working climate in the difficult situation we are experiencing.

As a gesture of solidarity with those who are most suffering the economic consequences of COVID-19, and of responsibility towards Ezentis' employees and their families, all the directors and management team in all countries have decided to voluntarily reduce our remuneration by up to 20%.

In addition, to demonstrate our confidence in the company's long-term strategy, we purchased shares in the company amounting to 553,000 euros, and the directors and management team now hold 1.3% of the capital. In total, the representation of the Board of Directors in the capital is 11.3%.

Ezentis has a promising future. With 60 years' history behind us, today we enjoy a solid strategic and economic position as a reference in the

sector. Our business model is a history of sustained and profitable growth from 2014 to 2019.

This health crisis has emphasized the value of using communication infrastructures and digitalization to cope with the increased use of teleworking, e-commerce, and online education and leisure. Connectivity plans around the world include the expansion of fibre connectivity networks and the new 5G technology.

With regard to energy, the plans are to move forward on energy transition to contain climate change, reduce energy poverty and to be a competitive lever for industrial activities and services. The Spanish government has launched a 10-year investment plan for electricity networks, renewable generation and energy savings and efficiency.

At Ezentis, we will take advantage of all these opportunities. And we will do so from a position of strength, thanks to our achievements over the last year, in which we managed to grow profitably.

We obtained a net profit of 4 million euros last year, compared with the losses of 14.7 million euros in 2018. For the first time in recent decades, we have recorded four consecutive quarters of profit, which demonstrates that both the management and approach of the business ensure our sustainability and future growth.

The results for 2019 were mainly driven by the increase in the volume of operations, a considerable improvement in margins, and a reduction in financial expenses.

In particular, revenues amounted to €455 million (a rise of 3.4% over 2018), while EBITDA was €58 million, with a margin of 12.8% over revenues. EBITDA in comparable terms with 2018, without considering the impact of IFRS16, reached €39 million, with an increase of 30%.

The company's financial model, following the agreement to finance its corporate debt with a group of financial institutions led by Banco Santander, and in which BBVA, Bankia, EBN Banco and Banco Pichincha participate, together with the Arcano and Muzinich funds,

has started to bear fruit: last year, Ezentis reduced its financial expenses by 16.3 million euros.

Net debt has been reduced to 2.7 times EBITDA, including the increase of €30 million to acquire the branch of activity of Liteyca (external plant contract for Telefónica in six Spanish provinces), purchased in August.

The operating cash flow generation rose by 73% over 2018, to 41.6 million euros.

The evolution of revenues over the period 2014-2019 has been very positive, with an accumulated annual growth rate of 12% despite the depreciation suffered by local currencies (28% of the Brazilian real and 12% of the Chilean peso).

Our commercial activity during 2019 has been very robust: we were awarded contracts worth 608.8 million euros, including the integration of the portfolio of the branch of activity acquired in August. This latter acquisition gave Ezentis additional income of 45 million euros per annum, of which only the part for the final quarter of the year has been included in the 2019 accounts.

The company orderbook reached 933 million euros in December (twice the revenues), and this is based on multi-year contracts with leading operators in the telecoms and energy sectors.

Thanks to technical advances in the field of telecoms and energy infrastructures, which are enabling a diversification of services, Ezentis has been able to harness the new business opportunities as they arise. During 2019, we entered two sectors which offer high growth expectations, namely vehicle charging points and installation of security systems.

Our commercial alliance with Ericsson is also opening up major business opportunities to us. In early 2019 we entered Portugal, with a contract with the operator Nos, and we have also signed several contracts with Ericsson to provide maintenance services for the fix and mobile networks of some of its customers in Spain. Thanks to this

agreement, we have jointly managed to gain customers such as Orange and Masmóvil, and upgraded 3G technology to 4G.

In the eight countries where we are present, last year we dealt with 4.2 million work orders in telecoms, and 1.6 million in the energy sector. We also operate and maintain over 76,000 telecom towers around the world. Our fibre optic activity is also important: we have deployed fibre network to cover 835,000 building units, and have installed over 1500 km of fibre optic.

During the first quarter of this year 2020, we have felt the impact of the health crisis. But the impact has been modest, with a fall of 8% in revenues at constant exchange rates. Over January to March, we achieved an EBITDA of close to 11 million euros, with a margin of 11%, and a net loss of one million euros. The group's cash position stands at 17 million euros.

The portfolio is 800 million euros, based on multi-year contracts with the largest telecoms and energy operators.

In order to strengthen liquidity in the face of the Covid 19 crisis, we have agreed financing of 18 million euros guaranteed by the Official Credit Institution (ICO), in which the group's leading financial entities have participated, led by the Banco Santander.

The limited impact in the first quarter also takes into account the effect of depreciation in Latin American currencies, which has been moderated by our management model, increased natural coverage of collections and payments in local currencies and increased generation of revenues in euros.

Ezentis has consolidated its activity in the European market over recent months. The revenues generated in Spain and Portugal currently represent 44.2% of the group's total, compared with 9% in the first quarter of 2017.

Our customers trust us because our strategic positioning is based on the quality and assurance we offer them. We have evolved along these two basic pillars and can now provide our customers with a wide range of services in the maintenance of telecoms and electricity

networks. Proximity and closeness to the customer is always the compass of our business.

This strategic positioning is definitely what lets us take advantage of the opportunities in Telecoms and Energy as they arise, and to capture the future growth in both sectors.

The effect of the public health crisis is going to be more acute in the second quarter, as its greatest impact was felt in April and May. Nonetheless, in the context of the year, as our core business is essential and resilient, and due to the multi-year contracts we hold, we hope that the two final quarters for 2020 will see a recovery supported by the measures taken during the first two quarters of the year.

For this reason, we reaffirm our medium-term outlook: we hope to double revenues by 2023, to reach 1000 million euros, with an EBITDA margin of between 8% and 9%. Moreover, we will complete our geographical diversification with a weight of 65-70% in Europe and focus on the Telecom (60-65%) and Energy (35-40%) sectors. Within Europe, the priority market for our diversification will be Germany, where there are good prospects with regard to the deployment and installation of fibre optic for the period 2021-2025.

Thus, by 2022-23, we hope that Spain, Portugal and Germany will generate 65%-70% of Ezentis' turnover.

Complementing quality and security, one of our major focuses is digital transformation, which continues to make good progress. Just one year ago, we started with the process of digitalization at all levels of the company: processes, competences, business models, etc., with the help of the best solutions providers on the market, such as Oracle and SAP.

In short, we at Ezentis think that investing in innovation and transformation is how we can respond to the requirements of our customers, and of society in general as it moves inexorably toward constant transformation.

This transformation and growth to which we at Ezentis aspire should be implemented sustainably and responsibly, Sustainability is a task for the whole team at Ezentis, and involves all areas.

During 2019, we saw a substantial improvement in the global Accident Frequency Index (-15% compared to 2018). Another major point is the reduction of 9% in our carbon footprint compared to 2018, a figure we expect to continue to reduce as a result of the ongoing plan to replace fleet vehicles with less polluting ones, on which we have been working for some time.

To continue advancing and examining the objectives proposed for Sustainability further, a Master Plan has been drawn up with a two-year timeframe from 2020-2022, which is the continuation of the earlier CSR Plan initiated in 2017.

This new Sustainability Master Plan (SMP) has been created on the basis of an exhaustive evaluation of the earlier Plan, with the participation of all the company's management areas, and it has been approved by the Group's Board of Directors.

The creation of the Sustainability Committee, envisaged within the Master Plan, is a sign of the commitment of the entire Ezentis team with the highest standards of sustainability. The Committee will be made up of the company's most senior managers, and will be responsible for promoting Sustainability in all areas, coordinating initiatives and supervising compliance with the Master Plan.

With regards to Safety, the Master Plan sets out that the safety culture experienced and managed within the organization should be extended to our supply chain.

The nature of our work means that occupational health and safety is the most important value that guides us. At Ezentis we are convinced that all accidents, illnesses and work-related injuries can be avoided.

Training plays a fundamental role in this. Last year, our employees received over 270,000 hours of training in safety-related courses relevant to their jobs, such as electrical risk, handling and controlling

mechanical power tools and equipment, welding work and working at heights, etc.

Another pillar of our responsible management is based on excellent corporate governance. Ezentis is one of the few listed companies that complies 100% with the CNMV Good Governance Code. We will continue to move along the path of good governance with the invaluable help and collaboration of our Board of Directors, to whom I am particularly grateful for their involvement and sensitivity during these difficult times.

This journey through 60 years of history could not have been accomplished without the trust of our shareholders, who with their support have made possible, and will continue to make possible, all the achievements made and to be made. Our main purpose is to continue with a transparent, close and trusting relationship with our more than 22,000 shareholders.

Therefore, at the end of last year we created the Investor Relations and Sustainability area, whose objective is to increase our proximity to our shareholders, and raise the profile and awareness of Ezentis in the market, so that the action can correctly reflect the expectations I mentioned earlier. By combining Investor Relations with Sustainability, we are responding to the trend in the market toward sustainable companies, which is materializing in a rising demand for investments with respect for environmental, social and good governance criteria.

Therefore, during 2020 we will be launch to actions guarantee accurate knowledge of the company, increasing both the number of meetings with national and international institutional investors, and the number of periodic contacts with analysts covering the company and who, unanimously, recommend purchasing the shares of Ezentis.

At the same time, we are promoting closer ties with retail investors so as to establish stable and enduring relationships through active communication policies, as we are aware that this fluid communication is a key factor in ensuring transparency.

Our principal channels of communication, such as the Shareholder Office, the Ezentis IR app and corporate website, are highly effective ways for the small investor to find out at first-hand about the company's progress and the challenges ahead, as well as to convey their queries and concerns.

Nonetheless, we are aware that the share price still does not reflect the strategic business and economic positioning resulting from the management undertaken over these years.

I reiterate my gratitude to each and every one of Ezentis' shareholders for the trust they have placed in us over these years, and that the value of the share is one of our strategic priorities.

In the last six years, we have doubled our revenues, with the EBITDA increasing in the same proportion. These figures are especially significant in difficult times. A more resilient business model tends to achieve better results. And ours is resilient because what we do is essential.

The decisions we have taken over these six years, and the management we have carried out, have taken us to a good starting point, both to take on the coronavirus crisis and to articulate a strategy of sustainable growth and improved profitability when this crisis concludes.

We have travelled independently for 60 years, growing customer by customer, earning their trust through our good work and attaining the highest levels of satisfaction from customers and employees.

Now, our purpose makes even more sense. This is because in difficult times we must demonstrate how solid our team is and give the best of ourselves. At Ezentis, we have done and will continue doing this to keep on working for the future.

Best regards and, once again, many thanks.