



**WORKING FOR THE  
FUTURE**

**EZENTiS**

**GENERAL  
SHAREHOLDERS  
MEETING**

**June 2020**





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## ACTIVITY CONSIDERED ESSENTIAL IN ALL THE MARKETS

EZENTIS OPERATES AND MAINTAINS TELECOMS AND ENERGY INFRASTRUCTURES  
WHICH SUPPORT THE ECONOMIC AND SOCIAL ACTIVITIES



Health & Safety Protocol for  
employees



Continuity of essential services



Flexibility of cost structure



Resilience of a sustainable  
business model

## INTEGRATED PLAN FOR COVID 19

## EMPLOYEES

- Health and safety protocols for field and office personnel
- Minor impact on health and teams availability
- Reinforced support for systems and cybersecurity



## SERVICE CONTINUITY

- Service identified as essential
- Continuous communication and collaboration with clients
- Close coordination with suppliers and subcontractors in sustaining the supply chain to ensure the quality and efficiency required



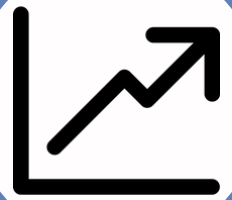
## FLEXIBILITY IN COSTS

- Temporary adaptation of costs to the lower activity in the segment of installation and maintenance in households (IM) due to public health restrictions



## RESILIENCE

- Visibility in revenues and stability in margins
- Solid order backlog
- Strengthening the company's liquidity





## 60 YEARS AS INTERNATIONAL REFERENCE IN THE DEPLOYMENT, OPERATION & MAINTENANCE OF INFRASTRUCTURES



Reference provider for the deployment, operation & maintenance of telecoms and energy infrastructures



Over 70% of the work is carried out using own resources, mitigating and controlling risks



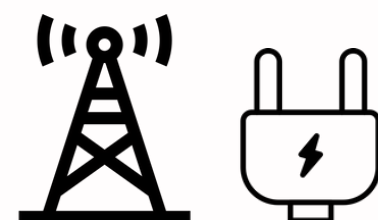
Benchmark in the industry for safety and quality based on training programs



Robust Financial Performance 2014-2019



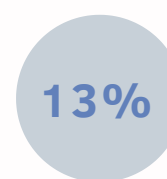
Sustainable Business Model and Corporate Culture



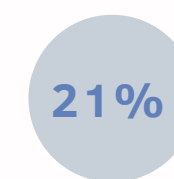
About 79% of revenues are from the telecoms sector and 19% from the energy sector



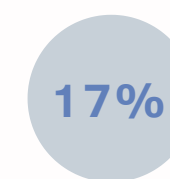
80% of revenues in 2019 are from recurrent and sustainable activities



TACC Revenues



TACC EBITDA



TACC Backlog

Record of sustained and profitable growth 2014-2019

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## TRENDS AND KEYS FOR THE TELECOMS MARKET

The health crisis has helped to emphasize the value of using communication and digitalization infrastructures to cope with the increased use of teleworking, e-commerce, and online education and leisure

- ✓ Modernization of **existing telecoms networks** and deployment of new infrastructures to extend them to rural areas. Deployment of 4G and 5G mobile networks
- ✓ **Digitalization** of processes in companies and public authorities as a competitive lever: remote working, e-commerce, health and training
- ✓ **Security** in transactions and data **privacy**
- ✓ Reduction of the **digital gap**

## MARKET KEYS

- Deployment and O&M for fiber optic. **<15%** FTTH penetration rate in Europe
- Deployment and O&M of 4G and 5G (**1 per 60 antennas, respectively**)
- Removal of obsolete infrastructures
- Digital services





## TRENDS AND KEYS FOR THE ENERGY MARKET

Energy transition to contain climate change, reduce energy poverty and as a competitive lever for industrial activities and services

- ✓ Need for decarbonization to stop the planet's temperature increase
- ✓ Increase in the weight of electricity in the total energy demand in Europe to reach the energy and climate targets set by the EU
- ✓ PNIEC (National Integrated Energy and Climate Plan) in Spain
- ✓ Reduction of energy costs for industrial processes to enable companies to improve their competitiveness

## MARKET KEYS

- Target: electricity to reach **32%** of the energy demand in the EU by 2050
- PNIEC: increase of **42%** in the consumption of renewable energy and reduction of emissions by **23%**
- 10-year investment by the Spanish government in electricity grids, renewable generation and energy savings and efficiency





MAIN FIGURES 2019

<div>REVENUE</div> <div>€ 455,2 M</div>	<div>+3,4%</div> <div>Increase vs 2018</div>	<div>OPERATING CASH</div> <div>€ 41,6 M</div>	<div>Operating cash generation +73% vs 2018</div> <div>Net Cash Flow € 3,0 M</div>
<div>EBITDA <sup>1</sup></div> <div>€ 58,1 M</div>	<div>12,8% o/revenue <sup>1</sup></div>	<div>NET RESULT</div> <div>€ 4,0 M</div>	<div>Key Effects:</div> <div><div>- Increase in the volume of operations</div><div>- Margin Improvement</div><div>- Reduction of financial expenses</div></div>
<div>CONTRACTS</div> <div>€ 608,8 M</div> <div>of renewals and new contracts</div>	<div>1,3X o/revenue</div>	<div>BACKLOG</div> <div>€ 934,4 M</div> <div>of long-term contracts</div>	<div>2,1X o/revenue</div>
<div>NET DEBT <sup>2</sup></div> <div>€ 120,3 M</div>	<div>+€ 30 M financing acquisition branch of activity</div> <div>+€ 12 M NFD increase</div>	<div>FINANCIAL EXPENSES <sup>2</sup></div> <div>-€ 16,3 M</div> <div>vs 2018</div>	<div>Significant savings in net financial expenses <sup>2</sup></div>

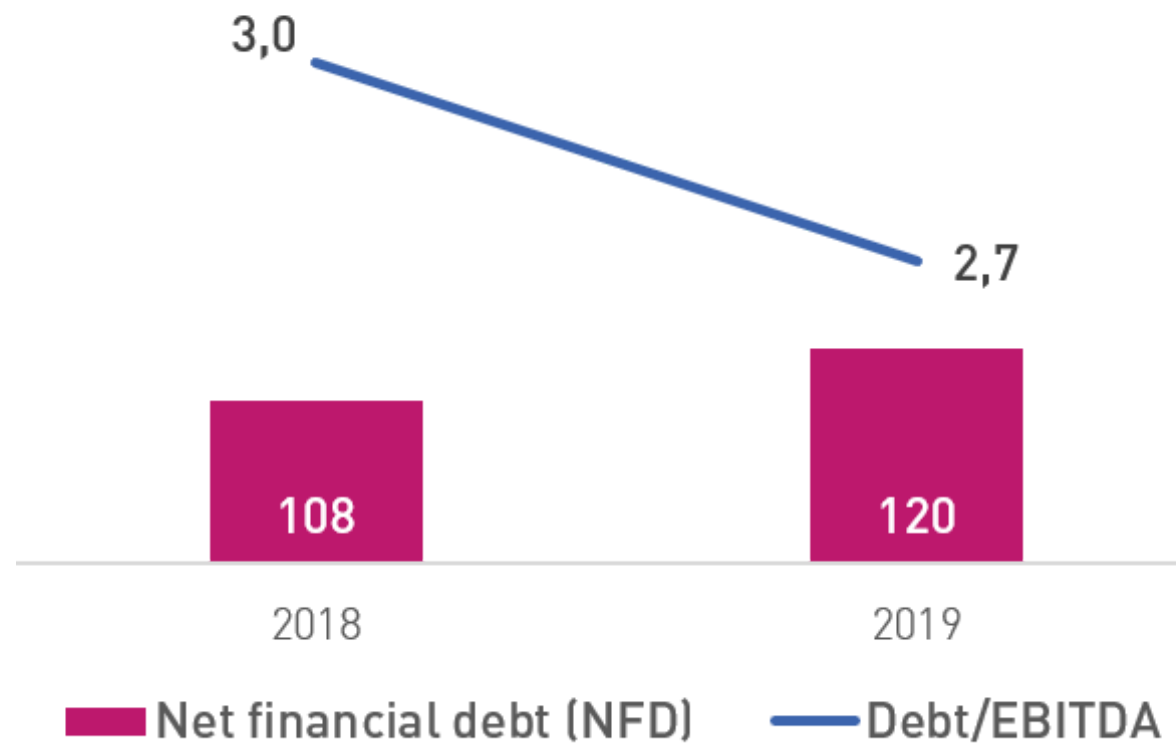
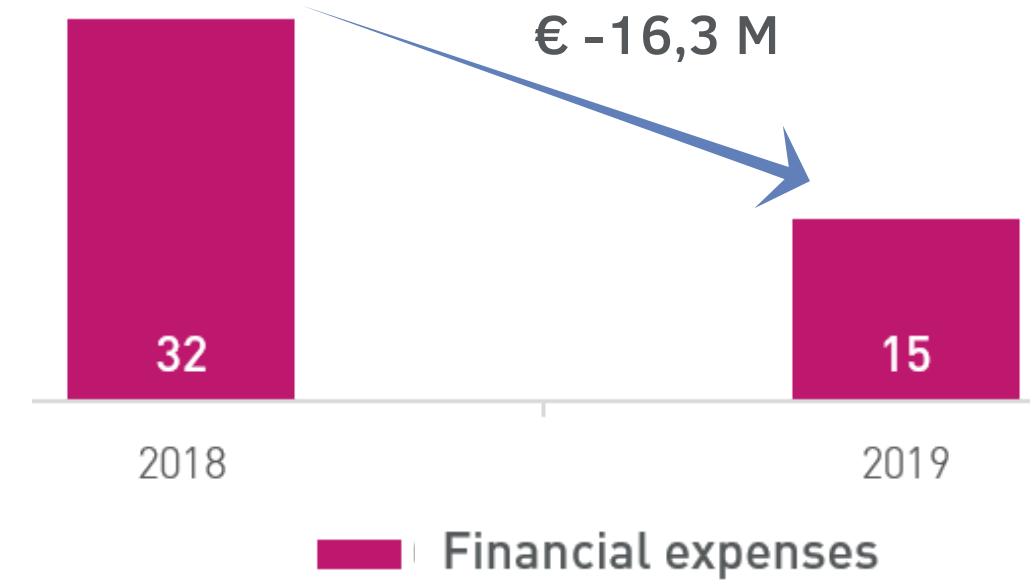
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(1) EBITDA comparable with 2018 (without considering the effect of IFRS 16) of € 39.3 M (8.6% of revenues vs 6.8% 2018)  
(2) Net debt and financial expenses without impact of IFRS 16

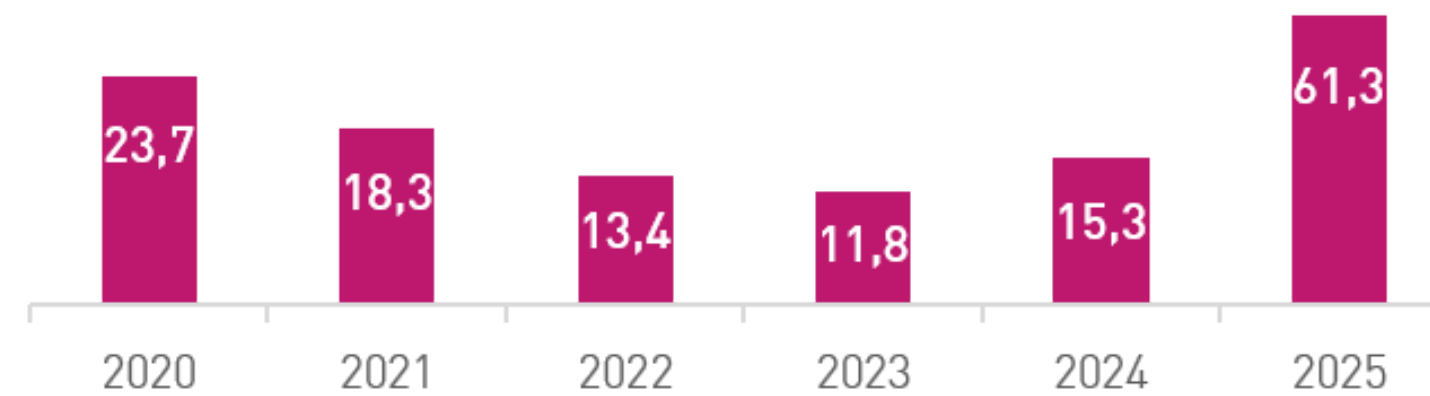


## EFFICIENT MANAGEMENT OF FINANCIAL DEBT

Net Financial Debt Evolution

Evolution of Net Financial Expenses <sup>(1)</sup>

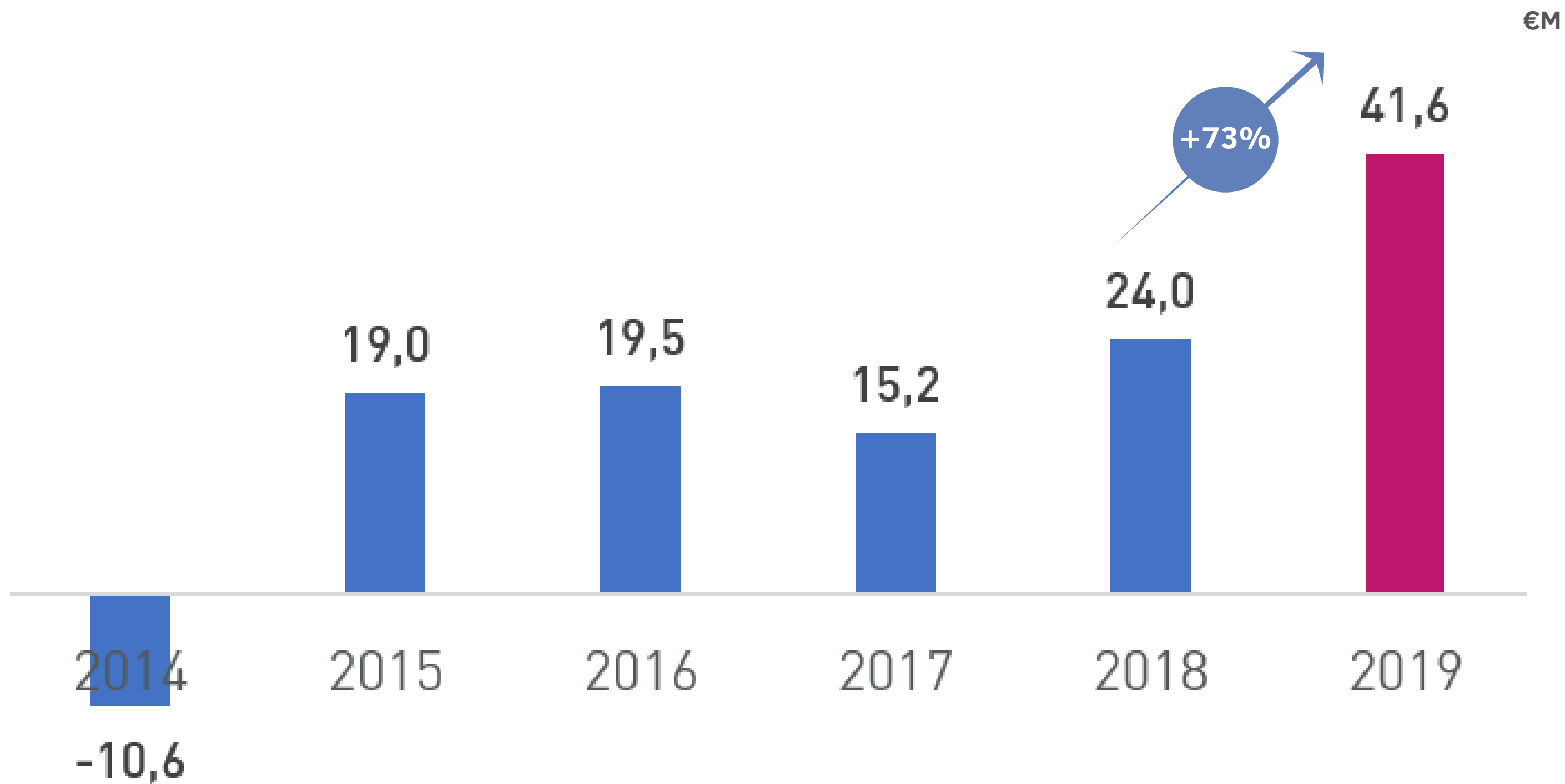
Debt Maturity Schedule



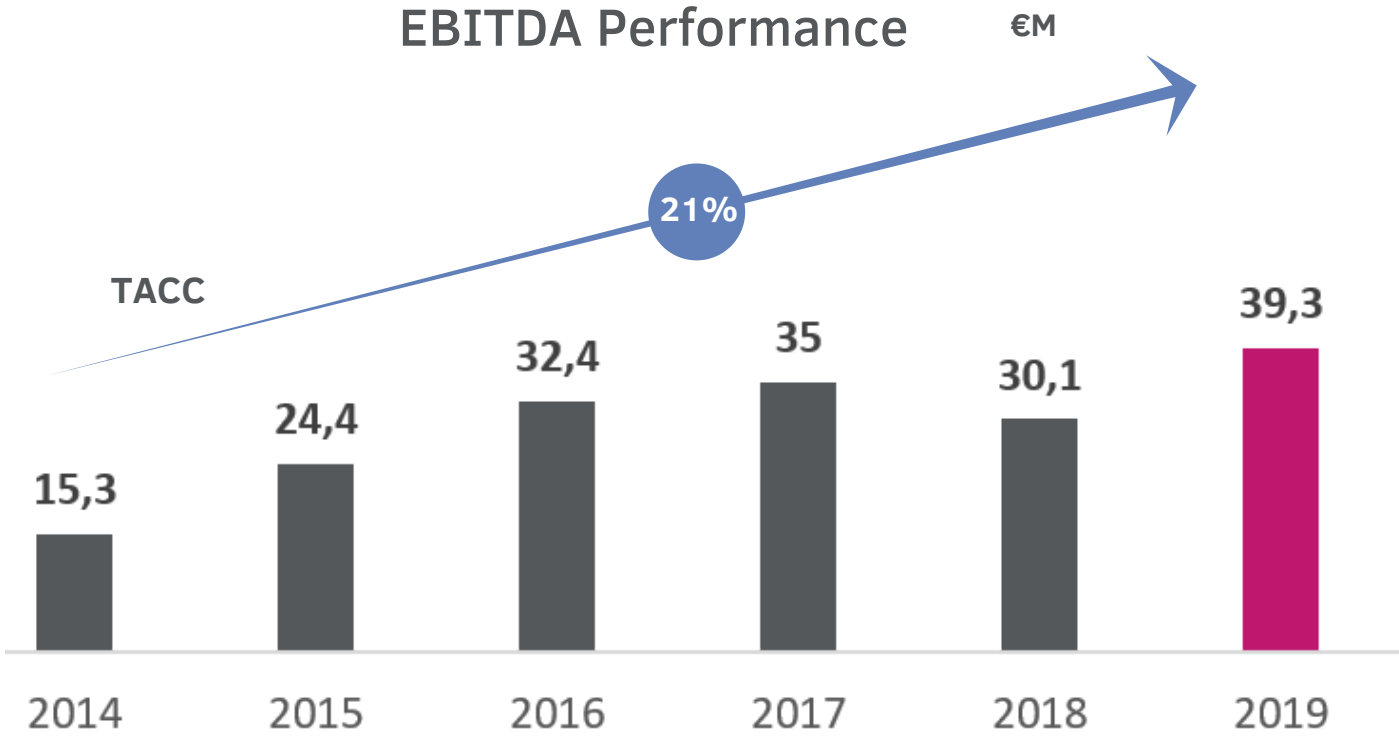
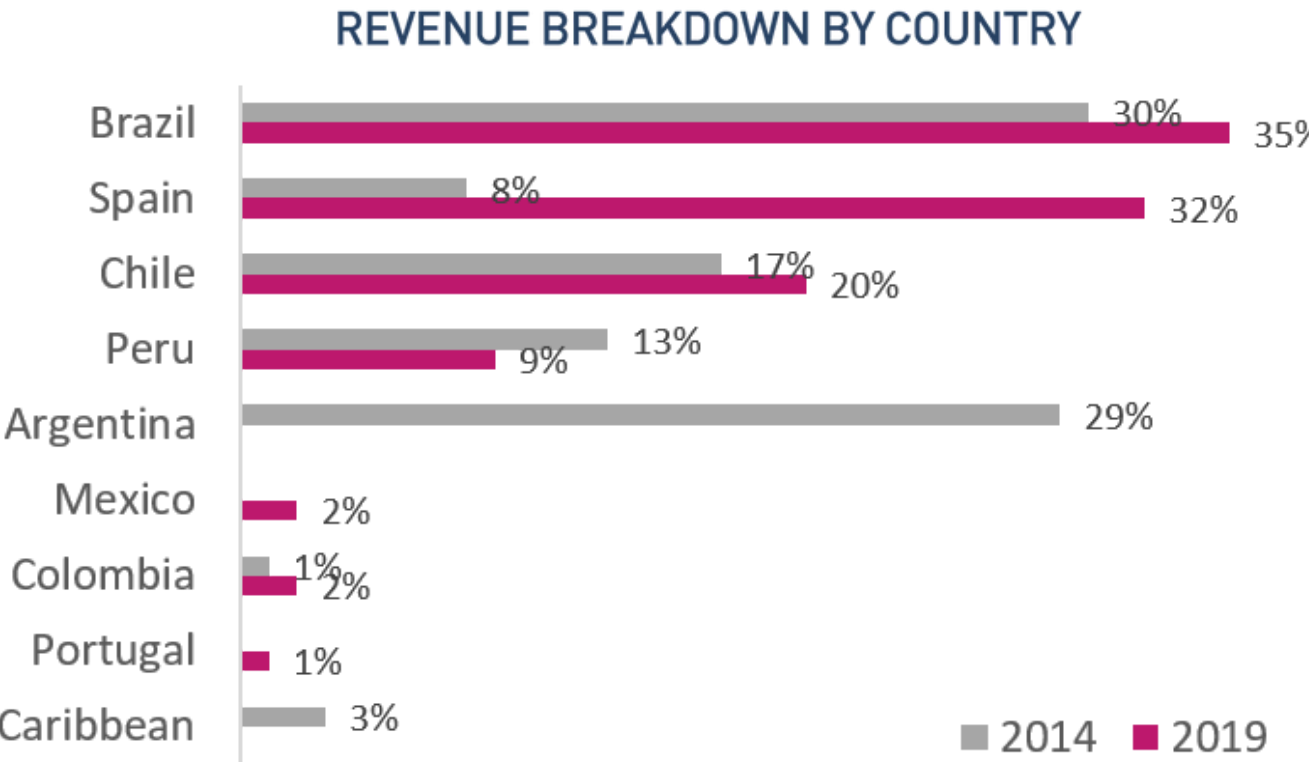
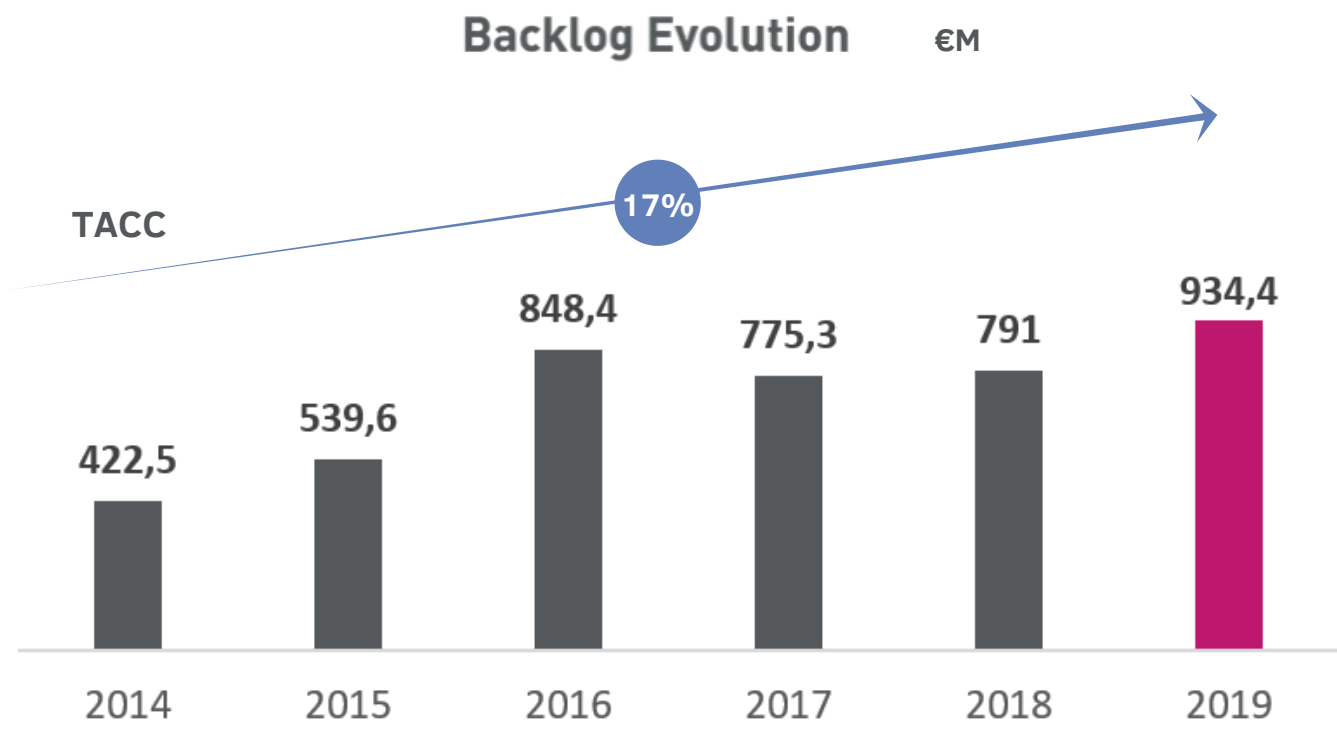
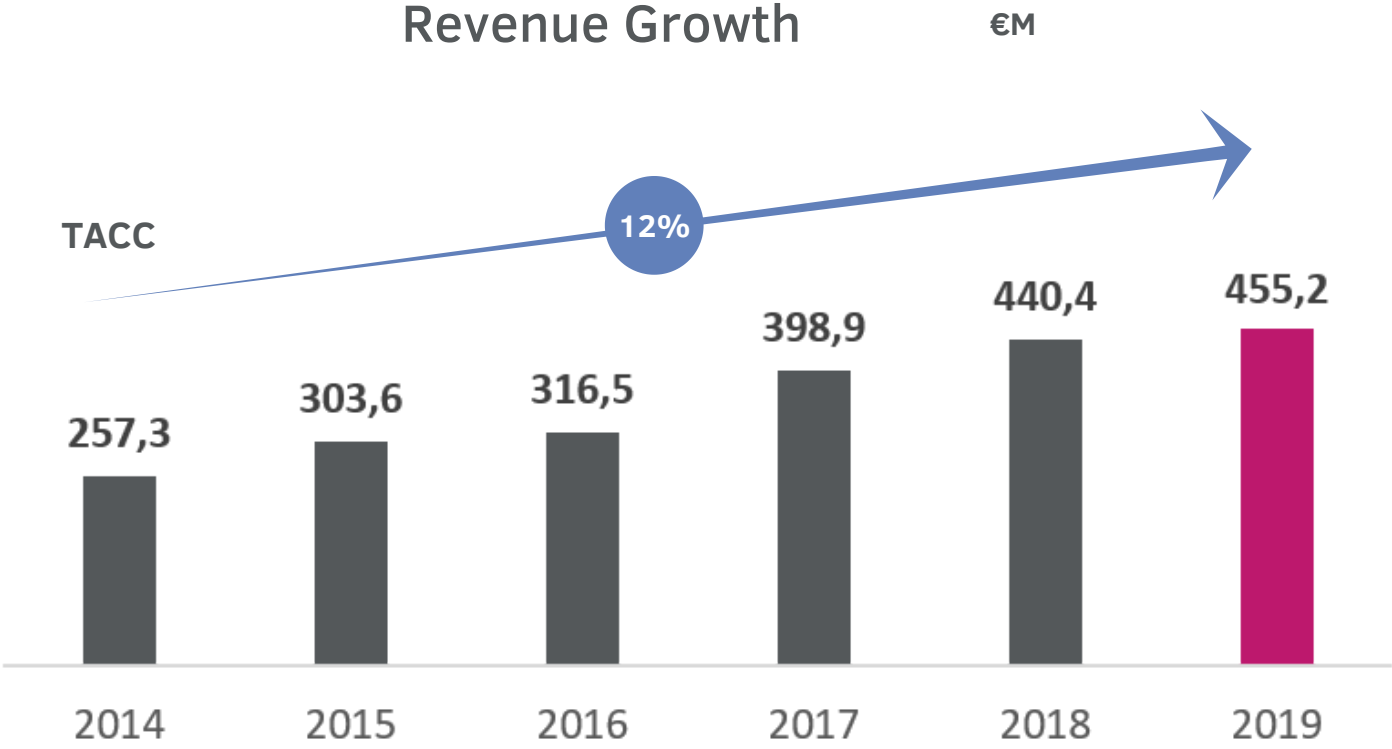
(1) Without considering the effect of IFRS16, to facilitate comparison with 2018



## STRONG INCREASE IN THE OPERATIONAL CASH FLOW GENERATION







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## QUALITY AND EFFICIENCY IN THE OPERATION & MAINTENANCE OF INFRASTRUCTURES - 2019



- **>4,190,000** work orders completed in the **telecoms** sector and **>1,600,000** in the **energy** sector
- We operate and maintain **>76,000 telecoms towers** (Spain 26,000 and Brazil 35,000)
- We have deployed fiber optic network to cover **835,000 Building Units** (Spain and Brazil with >200,000 and >240,000 respectively)
- We have deployed **10,500 km of fiber optic**, (Spain and Brazil with >1600 and > 2700 km respectively)

## MAIN FIGURES Q1 2020

REVENUES

€ 97.8 M

-16.1%  
o/Q1 2019

-8%  
in constant  
currency

BACKLOG

€ 796 M

multi-annual  
contracts

1.8x  
o/revenues  
last 12  
months (LTM)

EBITDA

€ 10.7 M

-10.6%  
o/Q1 2019

EBITDA  
MARGIN

11.0%

vs  
10.3%  
in Q1 2019

NET CASH  
POSITION

€ 17 M

NET DEBT

2.6x

vs 2.4x  
in Q1 2019

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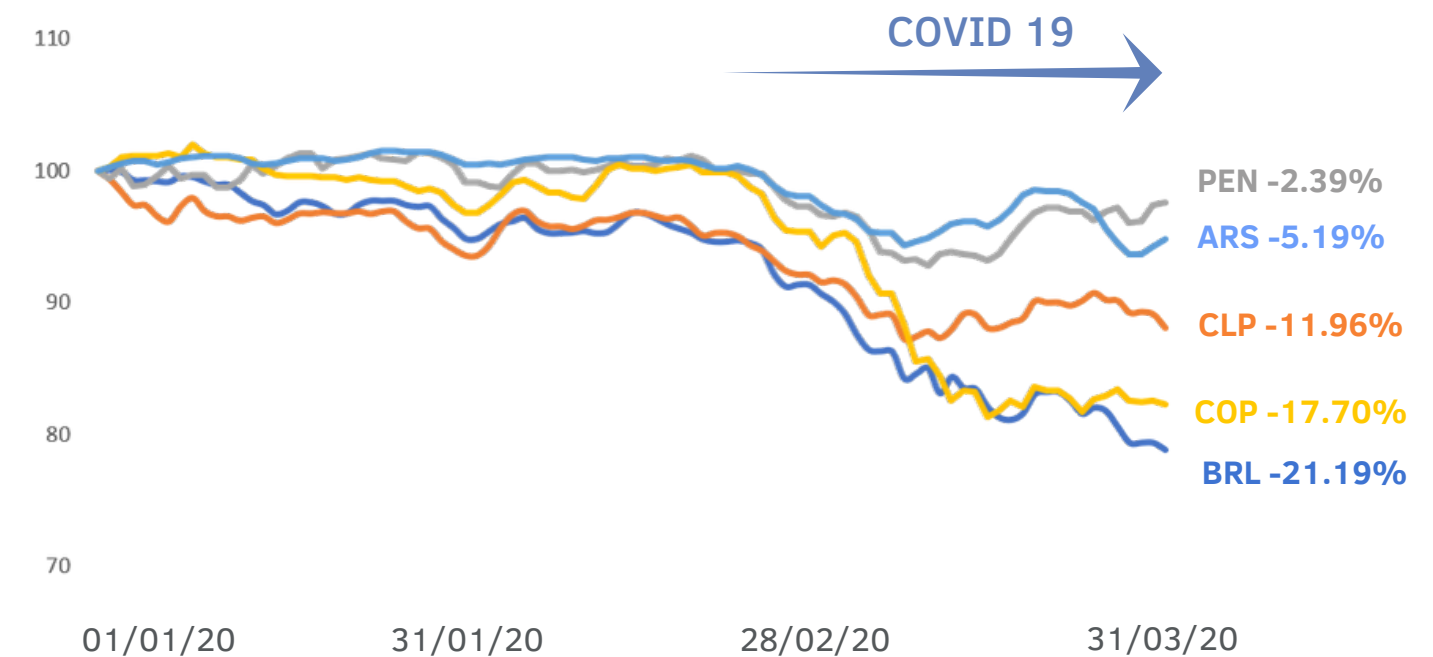




**LATIN AMERICAN CURRENCIES PERFORMANCE**

- ✓ Depreciation of Latin American currencies against the euro since the beginning of the pandemic
- ✓ Major effect on the revenues from Brazil and Chile. Other currencies with lower weight on revenues (Peru 8.5%, Colombia 1.9% and Argentina 0.3%)
- ✓ Our management model:
  - Natural coverage of collections and payments in local currencies
  - Higher generation of revenues in euros (Spain + Portugal = 44% in Q1 2020)
  - The evolution of inflation and interest rates in LATAM allows costs to be controlled
  - The majority of contracts are index-linked to inflation

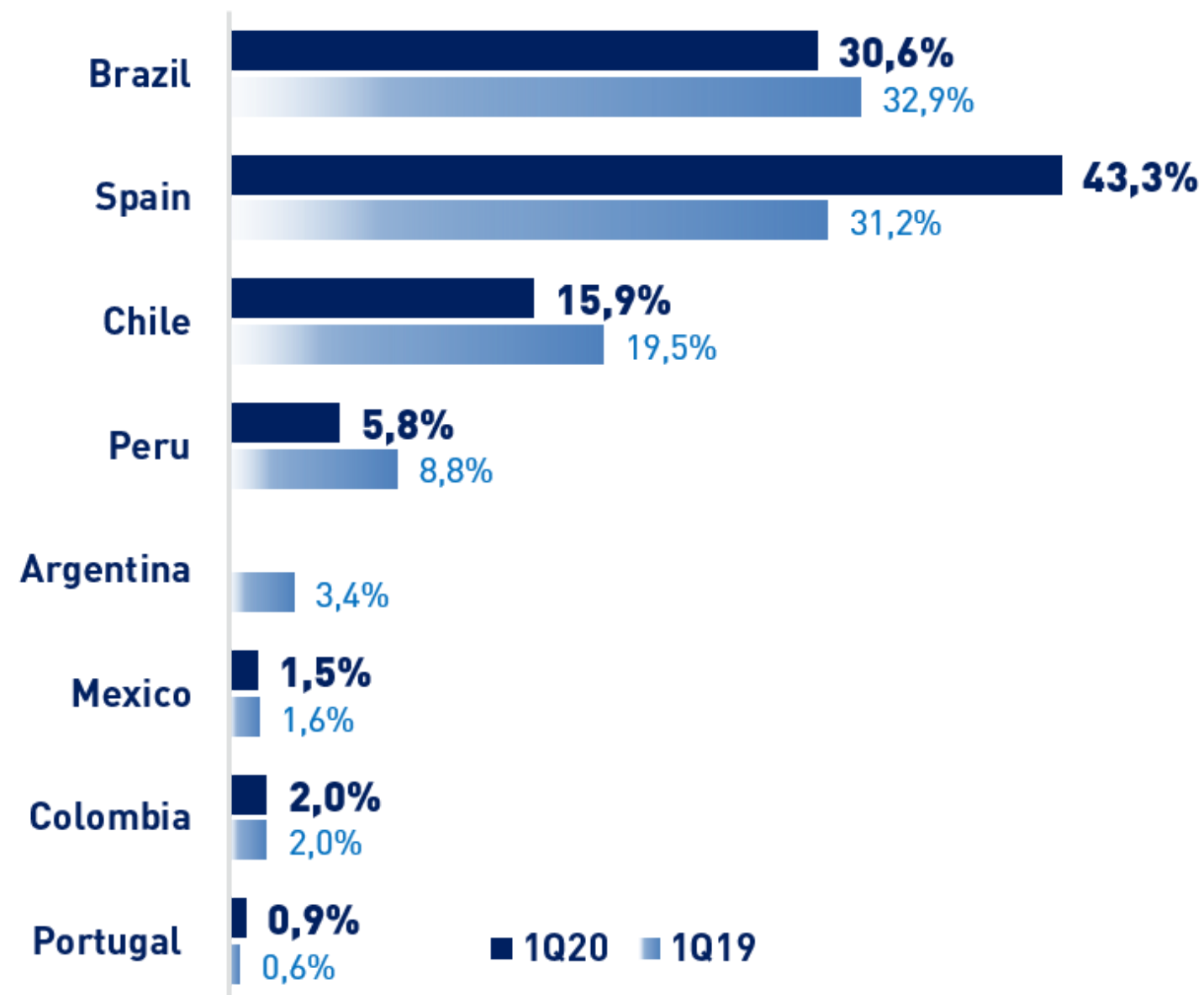
Evolution of Exchange Rates 2020 - Base 100



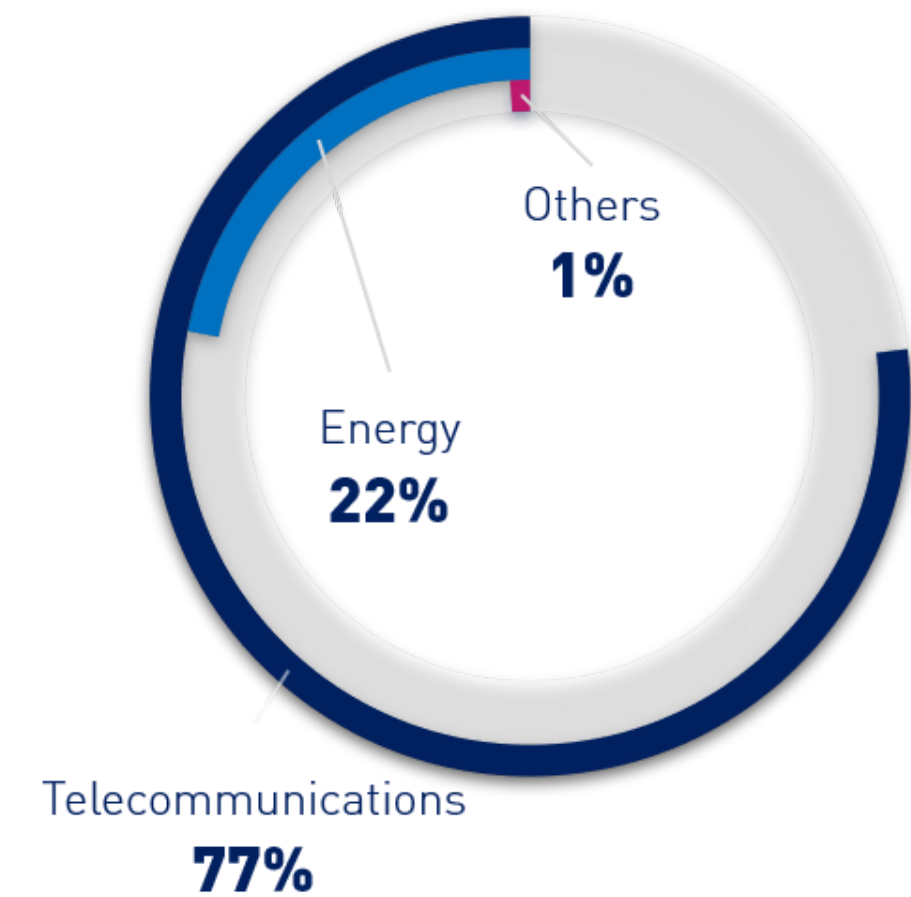
## REVENUE BY COUNTRY AND SECTOR: INCREASED PRESENCE IN EUROPE



Revenues Generation by Country



Revenues Generation by Sector Q1



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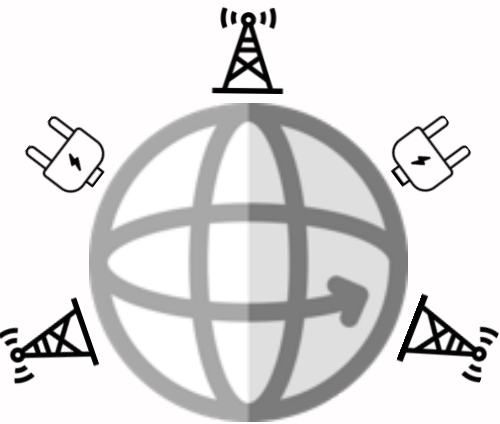


## ATTRACTIVE STRATEGIC POSITIONING



- ✓ **60 years of experience** and as benchmark in the market for quality and safety
- ✓ Profitable management of the business : **generation of cash of €120 M** since 2015
- ✓ **Maximization of volume and recurrence** through long-term contracts in diversified markets
- ✓ **Robust resilience** in the LATAM and Europe markets, and in the Telecoms & Energy sectors, with a wide range of services
- ✓ **Optimization of density** in geographical areas to reach the critical size which allows profitability improvement and maximizes economies of scale
- ✓ Ready to lead the **consolidation** of the market due to its **history, experience and proven** quality





DIVERSIFICATION

GEOGRAPHICAL

65% - 70%

EUROPE

SECTORAL

60% - 65%

TELECOMMUNICATIONS



GROWTH

REVENUES

€ 1,000 M  
(x2)



FINANCE <sup>(1)</sup>

EBITDA MARGIN

8.0% - 9%

DEBT RATIO

< 2x EBITDA

FINANCING COSTS

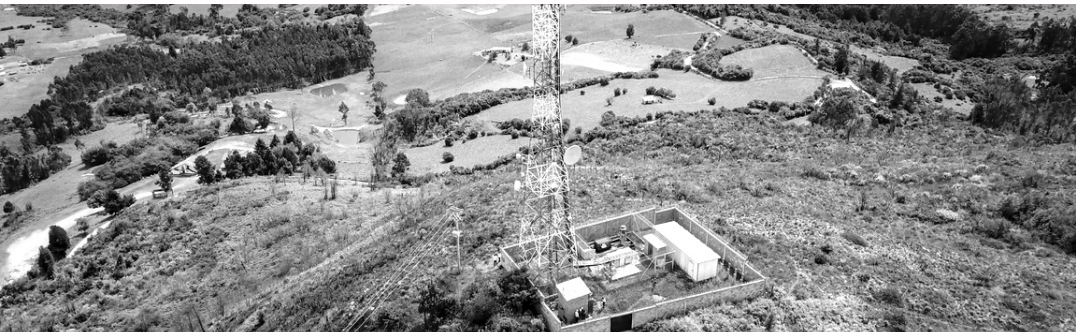
< 4.5%



The **strategic positioning** of Ezentis allows to take advantage of the opportunities which are arising in the sectors of Telecommunications and Energy

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(1) Without considering the effect of IFRS 16





## DIGITAL TRANSFORMATION

Mix of leading world providers in the operational and financial area markets

## MAIN ASPECTS

SAFETY

EFFICIENCY

SERVICE  
QUALITY

## PRAXIS

More exhaustive control over resources, enabling quality and safety audits and reporting incidents in real time

## EZENTIS FLEET

Tracking of fuel use and refueling, vehicle positioning using GPS, speed monitoring and verification of programmed routes

## FINANCE

Digital tools to improve budgeting, cash flow management, asset accounting, records of purchases and logistics, invoicing and reporting

## TOOLS



## FOCUSED ON SUSTAINABILITY PERFORMANCE IN 2019



### ENVIRONMENTAL ASPECTS

#### EMISSIONS

**34,453 tCO<sub>2</sub>e (-9%  
s/2018)**

#### VEHICLE CONSUMPTION

**10% more efficient  
vs. 2018**

#### CDP QUESTIONNAIRE

**Rating "C"**



### SOCIAL ASPECTS

#### PERMANENT CONTRACTS

**78% (+1% vs.  
2018)**

#### ACCIDENT RATE

**-15% vs. 2018**

#### TRAINING

**+400,000h**



### GOVERNANCE ASPECTS

#### CNMV GOOD GOVERNANCE CODE

**Compliance of  
100%**

#### CREATION OF AREA

**Investor Relations  
and Sustainability**

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## MOVING TOWARD SUSTAINABILITY

- ✓ **Sustainability Master Plan 2020-2022**, which extends the work of the CSR Master Plan 2017-2020
- ✓ Participation of **all management areas** and countries where we are present
- ✓ Approval of the plan by the **Board of Directors**
- ✓ First initiative: **Creation of the Sustainability Committee** to decide and supervise all the initiatives in this area
- ✓ Outstanding initiative in environmental terms: Constant renewal of **fleet for more efficient** and less polluting vehicles

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**COMMITTED TO SUSTAINABILITY****SUSTAINABILITY PLAN UP TO 2022**

- ✓ Entry into major Sustainability Indexes (FTSE4GOOD, VIGEO...)
- ✓ Obtaining score of B in the CDP questionnaire
- ✓ Preparation of a Non-Financial Internal Financial Information Control System (SCIINF)
- ✓ Integrated Annual Report
- ✓ Approval of suppliers with regard to sustainability criteria
- ✓ Safety audits of contractors and subcontractors
- ✓ Commitment to zero accidents
- ✓ 60% of fleet with alternative fuel in 2022

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SAFETY CULTURE AT EZENTIS

EXTENSIBLE TO THE SUPPLY CHAIN



Training in safety measures  
and in technical skills



Occupational Health and Safety  
Committees in all countries



23,000 inspections at work  
centers

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## EXCELLENCE IN CORPORATE GOVERNANCE

- ✓ Ezentis has been recognized by the CNMV as **one of the 5 companies** fulfilling 100% of the recommendations of the Good Governance Code

Source: "Informes de Gobierno Corporativo de las entidades emisoras de valores admitidos a negociación en mercados regulados" - CNMV  
(published in October 2019)





## OUR RELATIONSHIP WITH SHAREHOLDERS

### PRESENCE IN THE MARKET

- ✓ Our principal effort is to maintain a transparent, close and trust relationship with our more than 22,000 shareholders
- ✓ During 2020, we have been carrying out actions to guarantee appropriate knowledge about the company
- ✓ We are building stable and long term relationship with our shareholders



Small Cap Forum: CF&B Paris: 23 and 24 June



Small Cap Forum: BME Madrid: : 26 and 27 May

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## ANALYST OPINIONS IN 2019-2020

Key messages in the opinions of the principal analysts:

- ✓ **Resilience** of the business as it offers an essential service
- ✓ **Positive performance** of revenues and cash generation
- ✓ **Stability** in margins
- ✓ **Solid** order backlog
- ✓ **Reduced** indebtedness and financial expenses

**UNANIMOUS  
RECOMMENDATION TO "BUY"**



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ACTIVE COMMUNICATION WITH THE MARKET

TRANSPARENT AND TRUSTING RELATIONSHIP WITH INVESTORS

COMMUNICATION CHANNELS

INFORMATION

- ✓ Press Releases / Media Presence
- ✓ Annual Report / Sustainability Report

INTERACTION

- ✓ Web / Mail / Shareholder Telephone
- ✓ Social Networks / Letter to the Shareholder
- ✓ IR app / IR blogs



COMMUNICATION ACTIONS

- ✓ Frequent contacts with shareholders
- ✓ Roadshows with national and international institutional investors, forums and participation in panels
- ✓ Periodic meetings with analysts
- ✓ Actions with ESG investors
- ✓ Shareholder Service Office

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RESILIENT BUSINESS MODEL AND SUSTAINABLE GROWTH STRATEGY

KEY FIGURES

REVENUES

€ 455.2 M

EBITDA

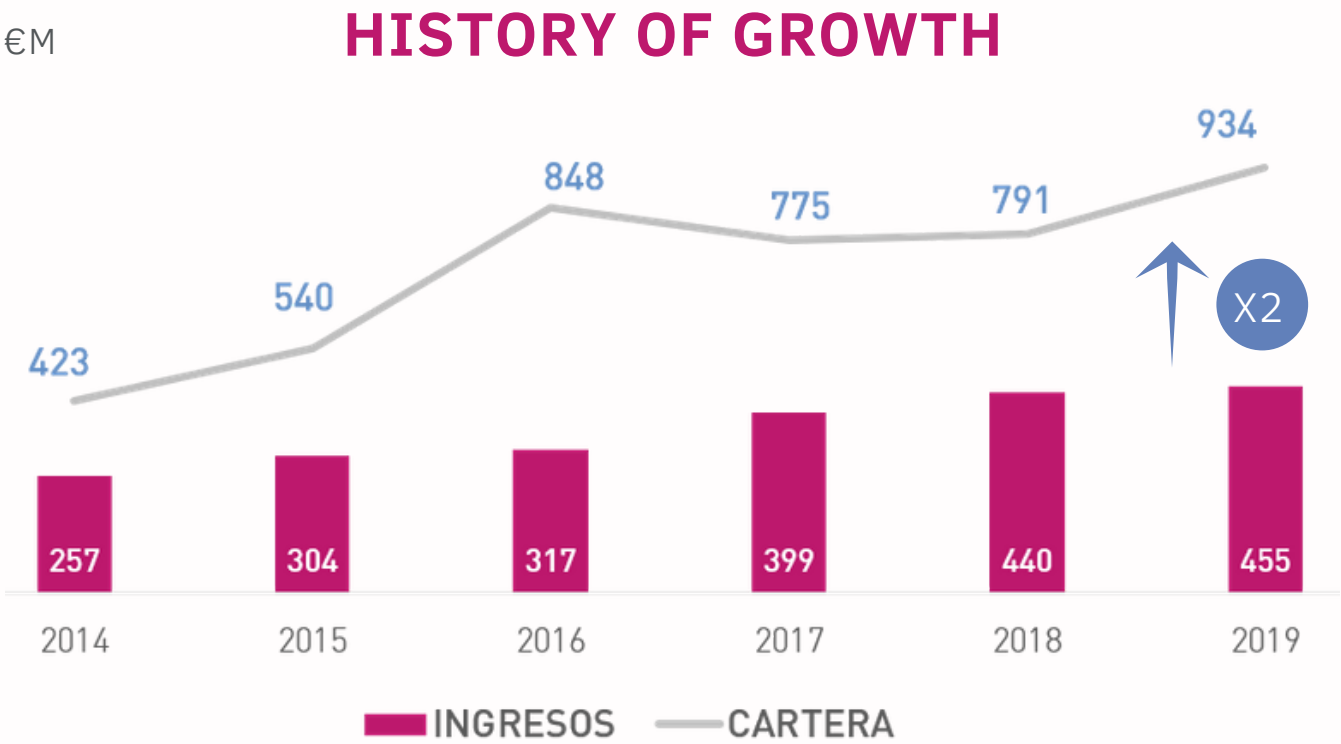
€ 58.1 M

EMPLOYEES

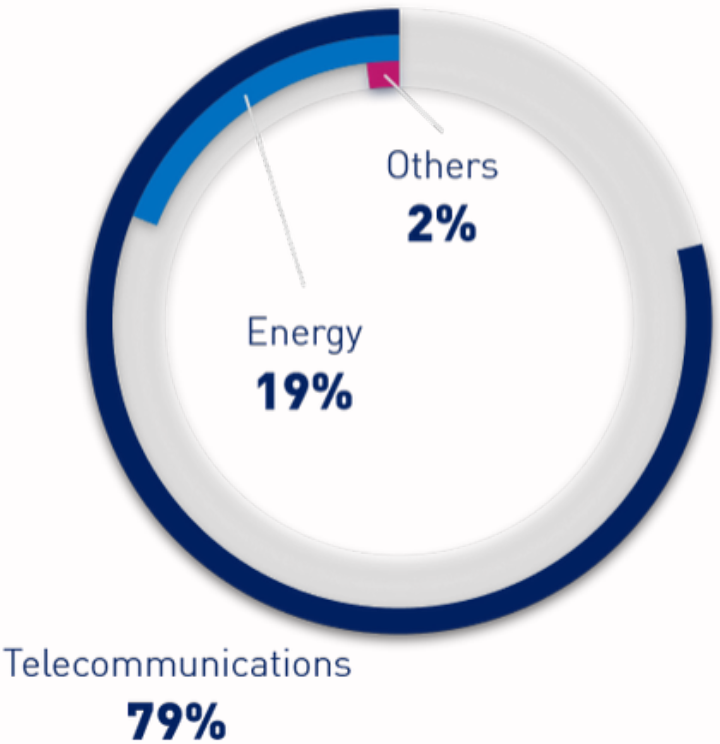
>12,000

FLEET

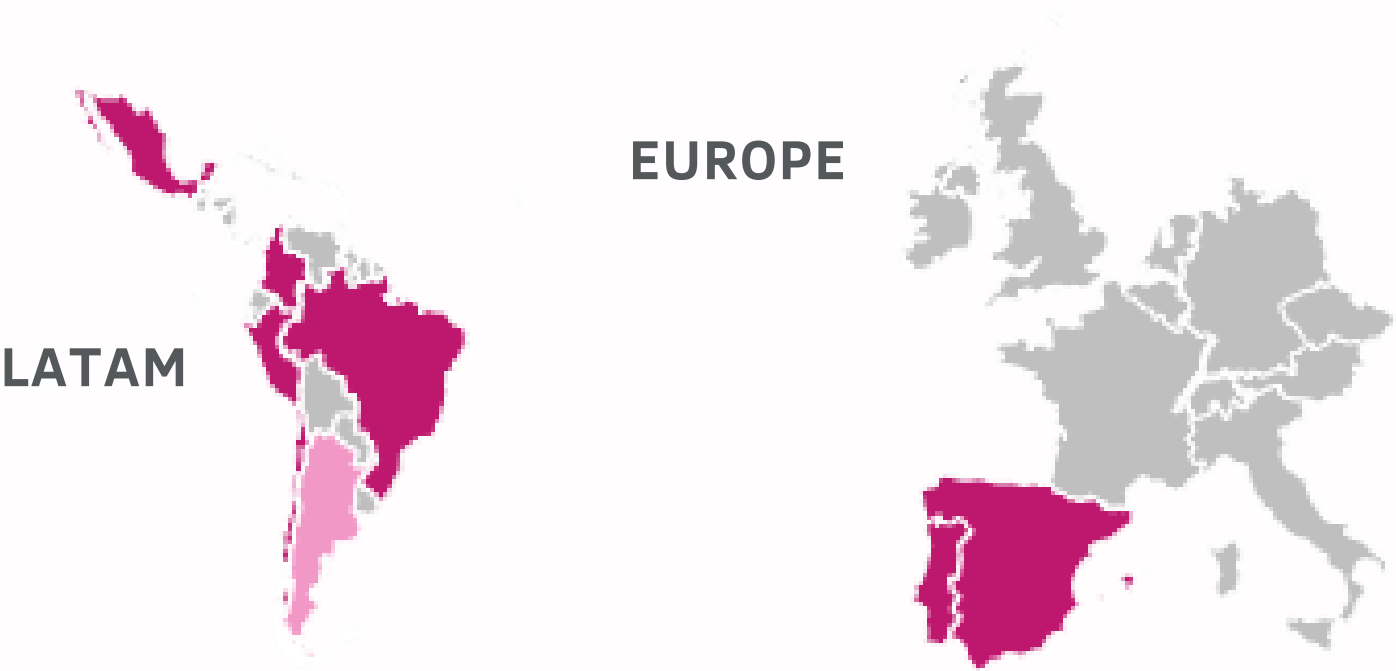
>6,000 Vehicles



REVENUES BY SECTOR



INTERNATIONAL FOOTPRINT





## CONCLUSIONS

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Ezentis as **Essential Service**

**Moderate Impact** of COVID19

**Visibility** in 2020 and subsequent years

1Q20: Cash position of **€17M**  
EBITDA Margin of **11%**

**Outlook** 2022-2023

**WE ARE GRATEFUL TO ALL OUR EMPLOYEES FOR THEIR  
COMMITMENT TO MAINTAINING THE ESSENTIAL TELECOMS AND  
ENERGY SERVICES**



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