



TECNICAS REUNIDAS

FY 2020

RESULTS PRESENTATION

FEBRUARY 26TH 2021

JUAN LLADÓ
CHAIRMAN



- **2020 Financial highlights**
- 2021 and beyond: A promising future
- Outlook

SOLID PERFORMANCE DESPITE COVID ENVIRONMENT

SALES
€3.5Bn

**Sales shift due to execution
slowdown and reprogramming**

**ADJUSTED
EBIT margin***
3.0%

Improving margins

NET CASH
€197M

**Significant net cash
position**

SOLID PERFORMANCE DESPITE COVID ENVIRONMENT

SALES
€3.5Bn

Sales shift due to execution slowdown and reprogramming

ADJUSTED EBIT margin*
3.0%

Improving margins

NET CASH
€197M

Significant net cash position

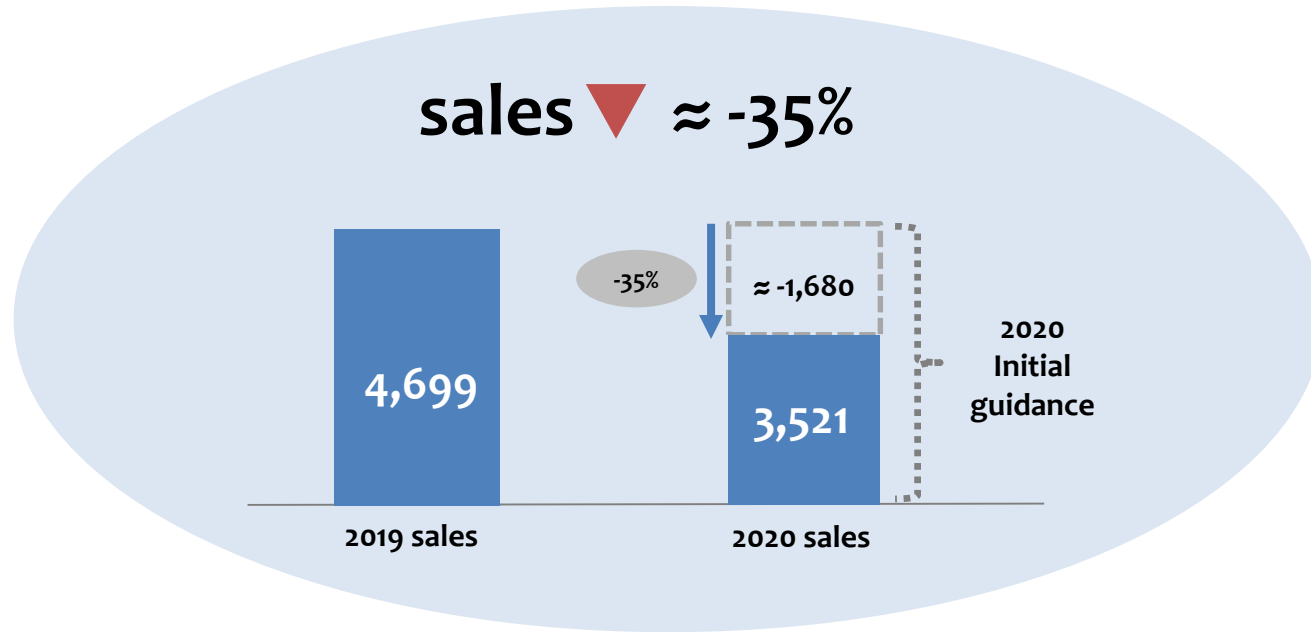
YTD BACKLOG
€8.9Bn

Strong backlog despite award slowdown

PIPELINE
€45Bn

Actively bidding and well-positioned for future awards

COVID IMPACTED ON 2020 RESULTS THROUGH DIFFERENT CHANNELS



Covid direct net costs and restructuring costs

Other Covid impacts

Impact on operating profit

MARGINS MOVING TOWARDS NORMALIZED BUSINESS LEVELS

FY 2020 EBIT

€M

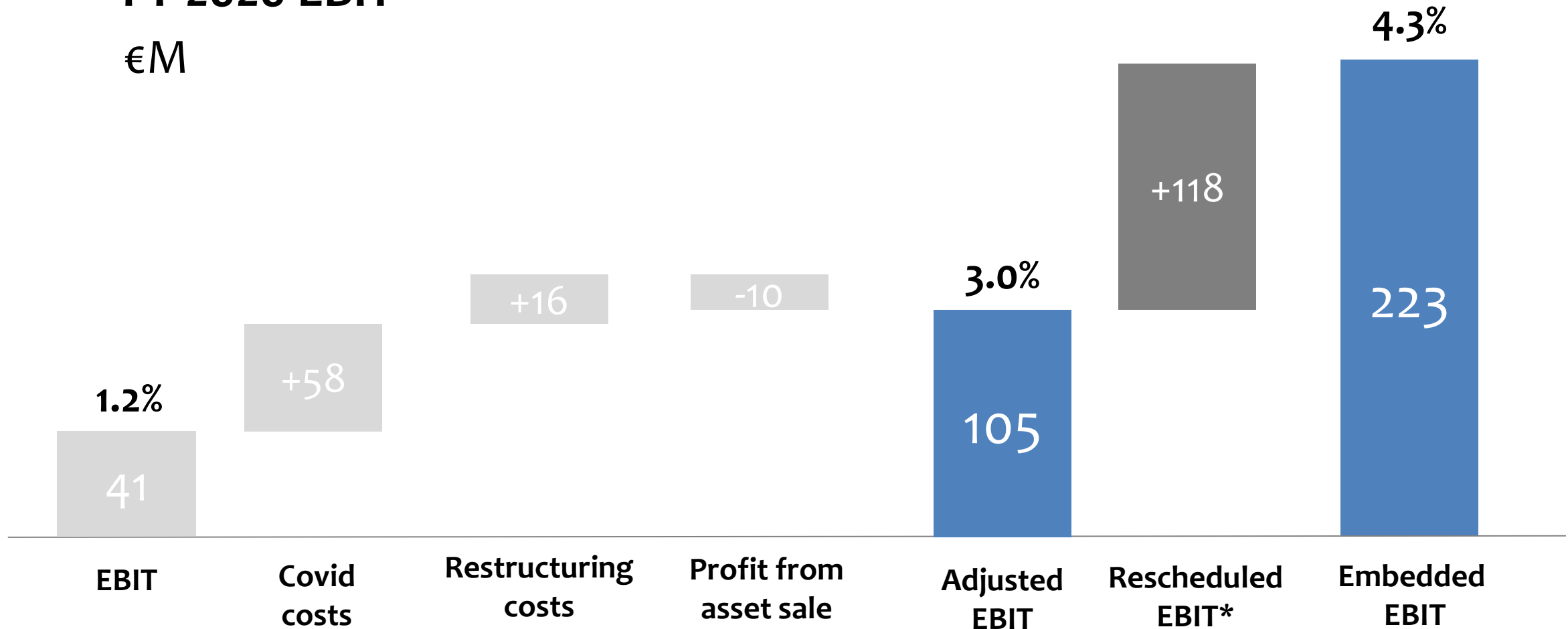


Solid adjusted EBIT margin underpinned by core Oil & Gas business, despite power division underperformance

MARGINS MOVING TOWARDS NORMALIZED BUSINESS LEVELS

FY 2020 EBIT

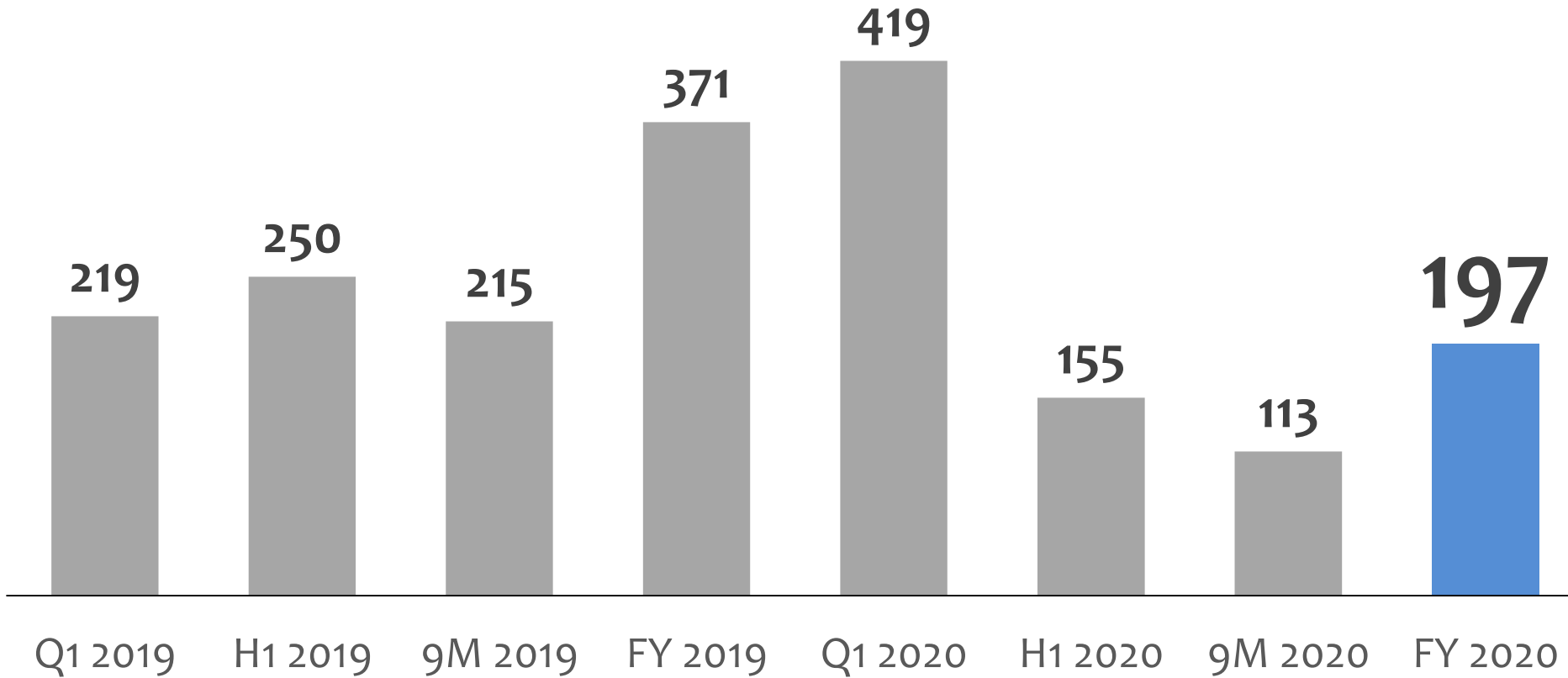
€M



*€ 1,680M of delayed sales at 7.0% gross margin (historical project margin)

CASH EVOLUTION

€M



- 2020 Financial highlights
- **2021 and beyond: A promising future**
- Outlook

- 2021 and beyond: A promising future
 1. **Securing the margins of our current backlog**
 2. Capturing efficiencies and streamlining operations
 3. Bidding for the next wave of investments
 4. Positioning TR in the energy transition

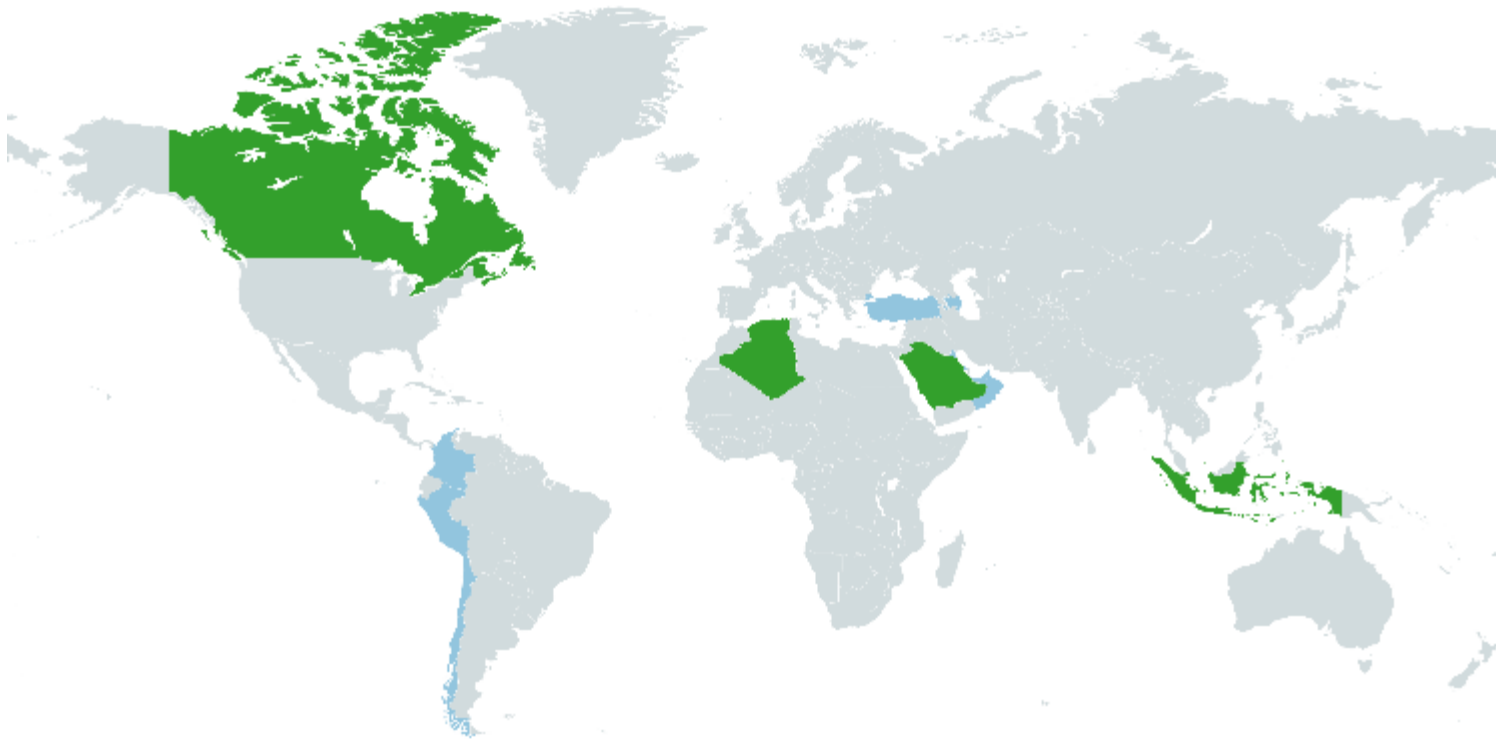
SECURING THE MARGINS OF OUR CURRENT BACKLOG

Main contributors to sales in 2021



SECURING THE MARGINS OF OUR CURRENT BACKLOG

Reprogrammed projects: active and accelerating in 2022



- 2021 and beyond: A promising future
 1. Securing the margins of our current backlog
 2. **Capturing efficiencies and streamlining operations**
 3. Bidding for the next wave of investments
 4. Positioning TR in the energy transition

CAPTURING EFFICIENCIES AND STREAMLINING OPERATIONS

	IMPLEMENTED IN 2020	ANNUALIZED EFFECT
Workforce reduction of 26%	€ 70M	€ 198M
Rentals reduction of >15,000sqm	€ 1M	€ 9 M
Optimization in operations	€ 50M	€ 50M
	€ 121M	€ 257M
Divestment plan	€ 28M	

transforma: our new toolbox for project execution

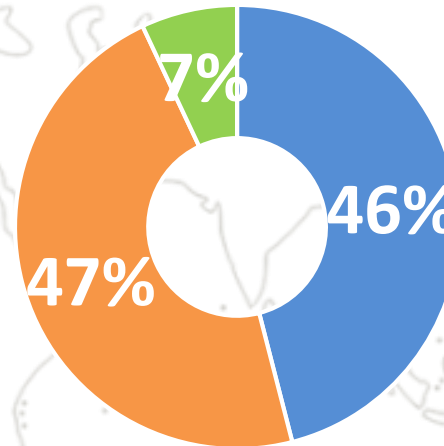
- ✓ Cost reduction
- ✓ New and streamlined structure
- ✓ Standardization
- ✓ Digitalization

- 2021 and beyond: A promising future
 1. Securing the margins of our current backlog
 2. Capturing efficiencies and streamlining operations
 3. **Bidding for the next wave of investments**
 4. Positioning TR in the energy transition

BIDDING FOR THE NEXT WAVE OF INVESTMENTS

\$45Bn
total pipeline

>\$22Bn
tendered or
tendering
in H1 2021



- Shift to gas
- Clean fuels and petchem
- Bio fuels and renewables

- 2021 and beyond: A promising future
 1. Securing the margins of our current backlog
 2. Capturing efficiencies and streamlining operations
 3. Bidding for the next wave of investments
 4. **Positioning TR in the energy transition**

Pipeline: tendering for a wide portfolio of transition technologies

41

projects in the **pipeline** related to energy transition

- 3 in carbon capture
- 21 in hydrogen
- 11 in bio fuels/biomass
- 6 in circular economy

11

projects focused on **Next Generation EU (NGEU) funds...**

...and focusing on additional opportunities on carbon capture, digitalization, waste to chemicals, hydrogen value chain, methane

Executed

- Consultancy services for **green hydrogen** strategy in Uruguay
- FEED for **biofuel** unit in Netherlands (GUNVOR)

Executing

- **Green hydrogen** for public transport
- MoU services for **green hydrogen** for refining
- Equipment for **wind blades recycling**
- R&D in **hydrogen** production for heavy duty transport

Pipeline

- **Green hydrogen** in Poland
- **Blue hydrogen** in UK
- **Carbon recovery** in Middle East
- **Carbon capture storage** in UK
- **W2C (Waste to Chemical)** in Spain
- Refinery **decarbonization consulting services**
- **Blue hydrogen** in Italy
- Modular **green hydrogen** plants
- **Green hydrogen** plants through offshore wind energy to obtain ammonia
- **Green hydrogen through biogas** in Spain
- **Hydrogenated Vegetable Oils** in Poland
- Waste to chemicals (**bio methanol**) in Netherlands

- 2020 Financial highlights
- 2021 and beyond: A promising future
- **Outlook**

2021: a year of transition

1. Securing margins
2. Capturing efficiencies
3. Bidding a strong pipeline
4. Positioning for energy transition

2021 TR forecast*

- Sales **Range of €3.5 Bn**
- Adjusted EBIT margin **Around 3.0%**
- Awards **More than replacing 2021 sales**

*Assuming current Covid conditions and trends

DISCLAIMER

This document has been prepared by Técnicas Reunidas S.A. (the Company) solely for use at presentations held in connection with the announcement of the Company's results for the first half of 2020.

This document contains forward-looking statements of the Company and/or its management. These forward looking statements such as statements relating to the Company's or management's intent belief or current expectations of the future growth in the Company's business and capital expenditure in the oil and gas industry in general are subject to risks and variables that are beyond the Company's control and that could materially and adversely affect the outcome and financial effects of the facts expressed implied or projected herein.

The Company is under no obligation to update or keep current the information contained in this presentation including any looking forward-statements or to correct any inaccuracies that may later become apparent.

No representation or warranty express or implied is made as to and no reliance should be placed on the fairness accuracy completeness or correctness of the information or opinions contained herein. None of the Company or any of its affiliates advisors or representatives shall have any liability whatsoever for any loss arising from any use of this document or its contents or otherwise arising in connection with this document.

This document is only provided for information purposes and does not constitute nor may it be interpreted as an offer to sell or exchange or acquire or solicitation for offers to purchase any share in the Company. Any decision to buy or invest in shares in relation to a specific issue must be made on the basis of the information contained in the relevant prospectus filed by the Company in relation to such specific issue.

SASA

- EP+Cm of a new petrochemical plant for SASA Polyester in Adana, Turkey for production of Purified Terephthalic Acid (PTA). Total investment of \$935 million
- PTA is used in the pharmaceutical and textile industries, food life extension and packaging
- This project will boost the local supply chain, optimizing distribution and achieving a reduction in the carbon footprint
- Contract signed in February 2021, included in the backlog in Q1 2021

TR'S CAPABILITIES WILL PLAY AN IMPORTANT ROLE THROUGH THE ENERGY TRANSITION

TÉCNICAS REUNIDAS CURRENT ACTIVITY

Deployment of renewable energies



WIND AND SOLAR POWER GENERATION

BIOMASS POWER GENERATION

RENEWABLE FUELS

Decarbonization of oil and gas infrastructures



SHIFT TO GAS

REDUCE FLARING AND VENTING IN RESOURCE PRODUCTION

REDUCE METHANE EMISSIONS

RESOURCE EFFICIENCY

INTEGRATION WITH PETROCHEMICALS

Development of low carbon technologies



BLUE & GREEN HYDROGEN

CARBON CAPTURE, UTILIZATION AND STORAGE

CIRCULAR ECONOMY

NATURAL SINKS

Production of clean fuels



CLEAN FUELS FOR COOKING AND HEATING

CLEAN FUELS FOR TRANSPORT

SUSTAINABILITY: AMBITIOUS TARGETS AND ACHIEVEMENTS

ENVIRONMENT

- Top ranked companies in the CDP 2019 (Carbon Disclosure Project) – Climate Change with score A- (media of activity group is B).
- Carbon footprint tracking to ensure the reduction in emissions target for 2030.
- Objectives related to TEIF (environmental accident frequency index) and SSIF (spillage accident frequency) achieved.
- Circular economy consolidation (enhancements in the reuse of waste inside and outside constructions).

SOCIAL

- Continuous commitment with the development of regional areas, through local procurement and outsourcing (78% of total).
- High amount of funds dedicated to social interest (≈€1M).
- Social and environmental development of local communities (cooperation with women associations in Oman, forest plantations in Saudi Arabia, educational programmes in UAE, infrastructure reconstruction in Mexico, etc.).

GOVERNANCE

- 20% of variable retribution of the executive directors linked to environmental and HSE.
- 50% independent directors.
- Development of corporate policies like Sustainability, Relations with Shareholders and Investors and Appointment of Directors.
- 3 delegated Commissions of the Board of Directors supervising sustainability, governance and compliance.

Bu Hasa (Abu Dhabi): The use of Gas Lift technology allows the production being more efficient and reducing the number of inactive rigs (lower energy consumption per oil barrel produced). The better treatment and reinjection of water allows a more rationale use of water at the plant.

Fadhili (Saudi Arabia): A number of programmes are linked with biodiversity, such as forest plantation, as part of the “National Transformation Program 2020”, aimed to make grow native trees and reduce the carbon footprint.

Sustainability Policy: enhanced in 2020 to increase the commitment with ESG and ease the capacity to assist our clients with top state-of-the-art services to reach their reduction in emissions and sustainability targets.

-12% emissions for 2016-2030 period

Continuous strengthening of social and environmental aspects in every project

Técnicas Reunidas has a corporate and sustainable governance model that is continuously evolving and seeks to generate long-term value in line with the business model and provides credibility and confidence to stakeholders

MILESTONES

REMARKABLE CASE

TARGETS

