



# TECNICAS REUNIDAS

CAPITAL MARKETS DAY | ABU DHABI 2024



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This document also contains, in addition to the financial information prepared in accordance with International Financial Reporting Standards (“IFRS”) and derived from our financial statements, alternative performance measures (“APMs”) as defined in the Guidelines on Alternative Performance Measures issued by the European Securities and Markets Authority (ESMA) on 5<sup>th</sup> of October 2015 (ESMA/2015/1415en) and other non-IFRS measures (“Non-IFRS Measures”). These financial measures that qualify as APMs and non-IFRS measures have been calculated with information from the Company; however, those financial measures are not defined or detailed in the applicable financial reporting framework nor have been audited or reviewed by our auditors.

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For further details on APMs and non-IFRS measures, including its definition and explanation, please see the section on “Alternative performance measures” (page 123 et.seq.), of the integrated annual report for the fiscal year ended in 31<sup>st</sup> of December 2023 of the Company, published on 29<sup>th</sup> of February 2024. All the documents are available on the Company’s website ([www.tecnicasreunidas.es](http://www.tecnicasreunidas.es)).

# **Antonio Alonso-Muñoyerro**

Head of Investor Relations

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# **Welcome**

**to Técnicas Reunidas**  
**Capital Markets Day**

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# HE Dr Thani bin Ahmed Al Zeyouidi

Minister of State for Foreign Trade



# HE Iñigo de Palacio

Spain Ambassador in UAE

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**Juan Lladó**

Executive Chairman

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# Our success story in the UAE



## All engineering expertise at ADNOC service

Major **EPCs** executed  
Major **FEEDs** executed (Upper Zakum expansion)  
Support to ADNOC in **decarbonization** (ROG project)

## Local offices

>**650 employees**  
Engineering capabilities of >**250 discipline engineers**  
Average **100 Emirati nationals** since 2020

## Flagship projects

**Borouge 2** U&O  
**ADNOC gas** – IGD packages 3 and 4  
**ADNOC onshore** – Buhasa field dev  
**ADNOC gas** – MERAM project

## >ICV Pioneers ~60%

>**8 B\$** in our projects have remained in the UAE supply chain  
>**350k manhours** of Emirati national training (500 Emirati nationals overall)

## >11 B\$

**Aggregated value** in projects developed

## Local partners

>40% of projects have been in partnership with local contractors



# **Antonio Alonso-Muñoyerro**

Head of Investor Relations

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# Welcome to Técnicas Reunidas Capital Markets Day

**May 23<sup>rd</sup>**

Flagship projects presentation and  
helicopter site visit

09:35 – 14:00

Técnicas Reunidas: where do we stand  
today and our strategy towards future

15:00 – 18:00

Q&A session

18:00 – 18:45

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**May 24<sup>th</sup>**

Decarbonization projects presentation  
and Power

10:10 – 11:30

Closing remarks

11:30 – 11:45

Visit to Grand Mosque of Abu Dhabi

16:00 – 19:00

Farewell

19:00 – 19:15

# Helicopter tour



## Hail field development

~350M\$ EPC

Mubarratz Island & Adoc Hail Site Terminal



## Dalma gas development

~1B\$ EPC

Arzanah Island & Zirku island



## ADGAS plant

~1B\$ EPC

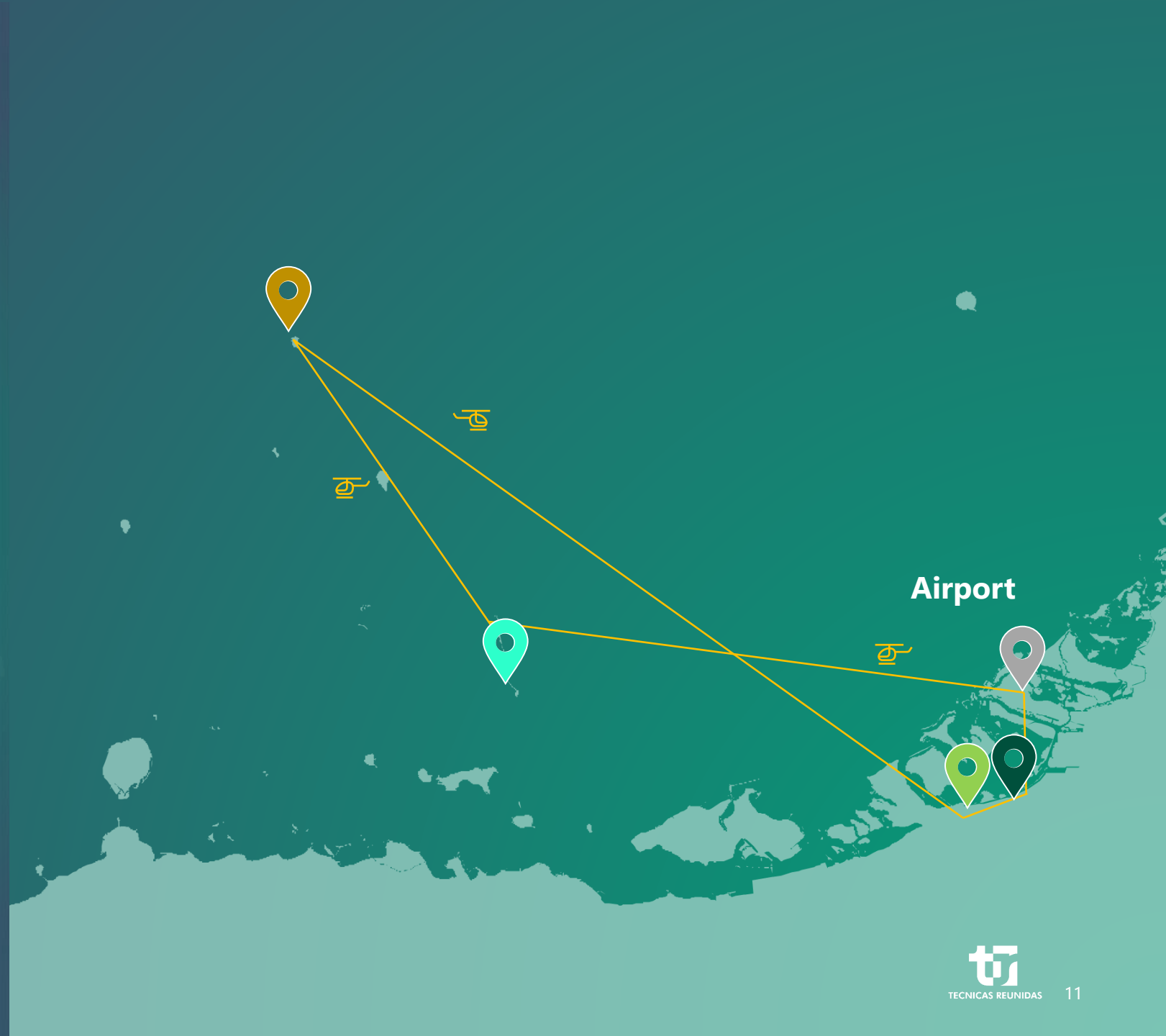
DAS Island



## INEOS ethane cracker Project One

>4B\$ investment

Abu Dhabi



# Helicopter tour



## Hail field development

~350M\$ EPC

Mubarratz Island & Adoc Hail Site Terminal



## Dalma gas development

~1B\$ EPC

Arzanah Island & Zirku island



## ADGAS plant

~1B\$ EPC

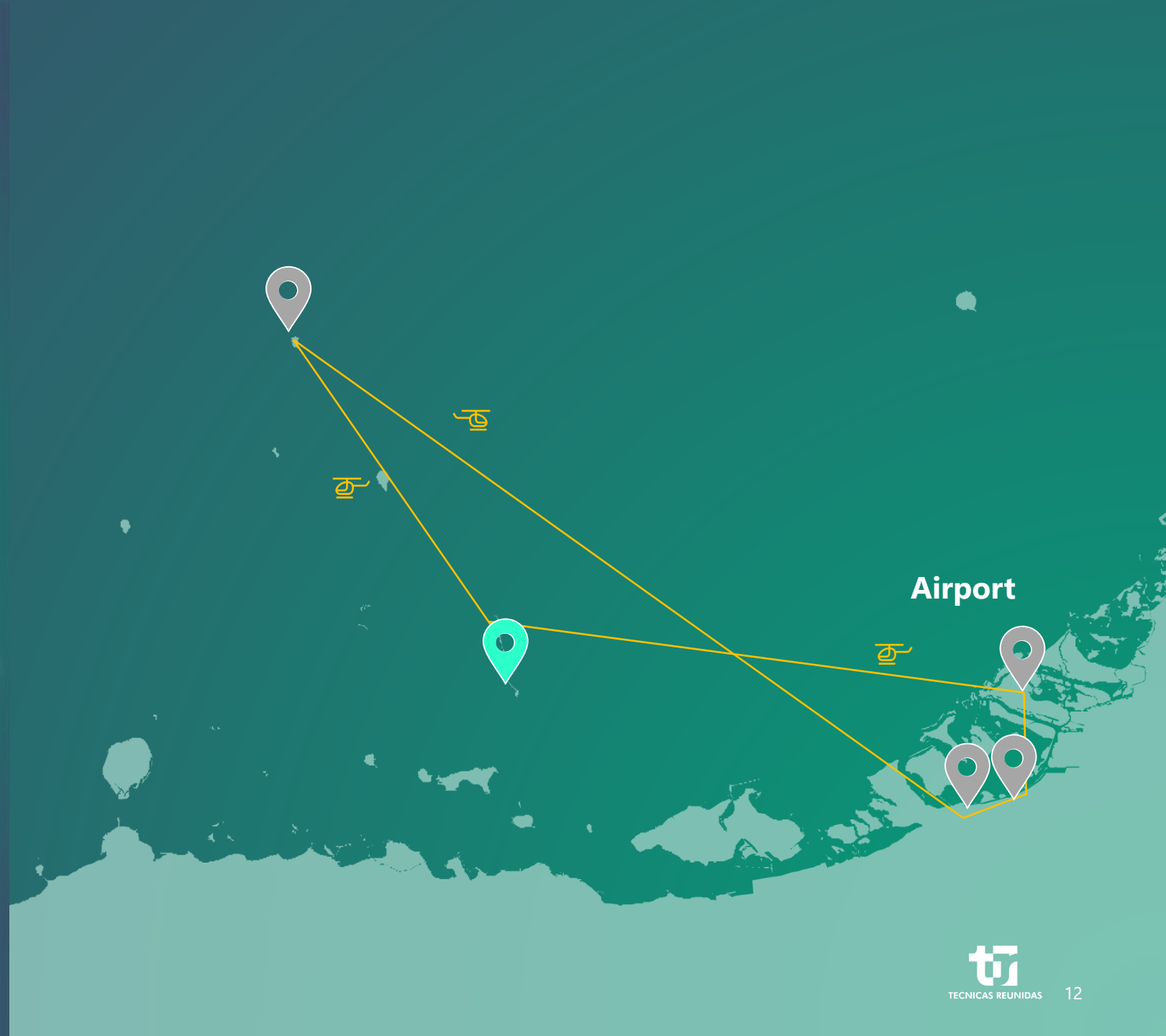
DAS Island



## INEOS ethane cracker Project One

>4B\$ investment

Abu Dhabi



# Miguel Ángel Torreira

Hail Project Director

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# Hail field development project



**350M\$** total contract value



**Mubarraz Island & ADOC Hail Site Terminal**



ABU DHABI OIL CO.,LTD.

**Recognition by ADOC** of successful work done (early completion bonus)



**>3 M manhours**  
(zero lost time injury)



**25 months** of project duration (2015-2017)



**Modularization approach**  
(42 modules)

## Selected highlights

**250k engineering hours**

**1,200 resources** on-site at peak

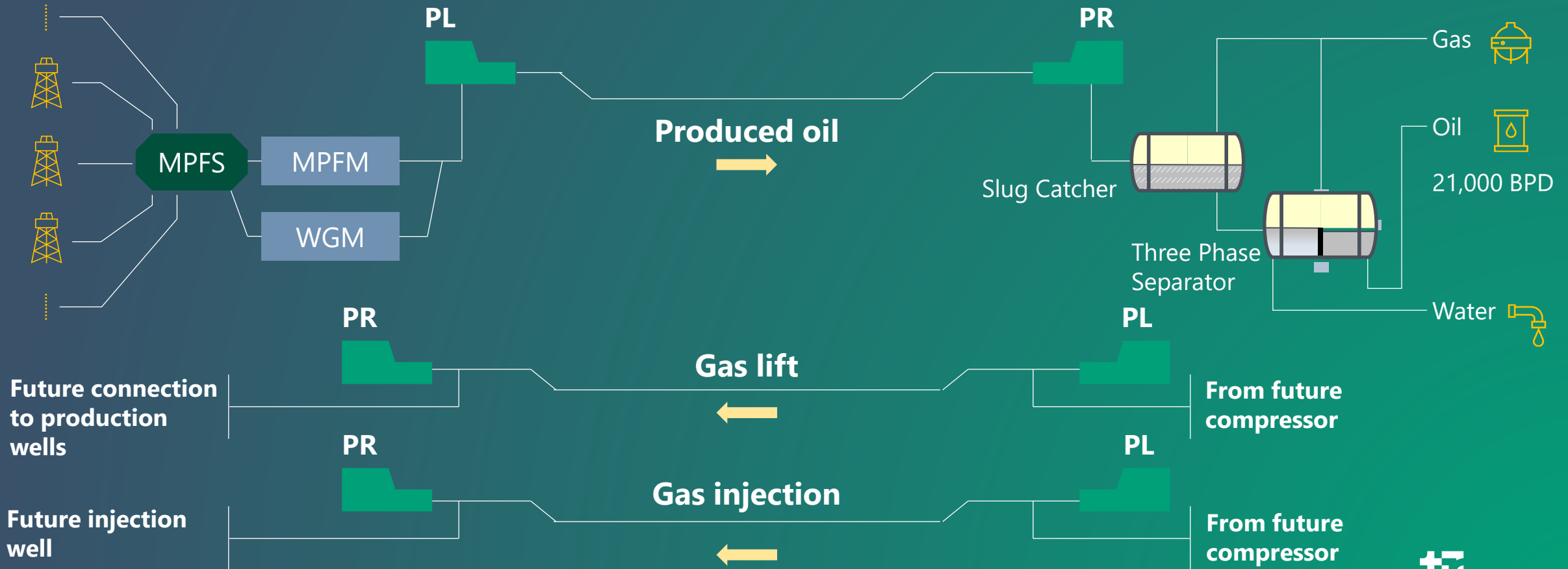
**28 offshore pipeline kilometers** installed

# Hail Field Development Project

## Hail site terminal

## Sea

## Mubarraz island



# Project overview

## Client



**> 50 years**

of operation experience  
(est. 1973)

**ADOC** contributing  
to **energy supply** of  
Japan and development  
of **Abu Dhabi**

## Key metrics

**2 trains of 65k  
BPD<sup>1</sup> of oil processing  
facilities**

**> 3 MM** manhours

**Increased production  
from Hail Field on  
21k BPD<sup>1</sup>**

## Status

**Project  
completed** on time

1. Barrels Per Day



# Project located in ADOC Hail Site Terminal and Mubarraz island ~100km west from Abu Dhabi



**> 100 km**  
from Abu Dhabi

Mubarraz island

ADOC Hail Site Terminal

Abu Dhabi

# Working area overview



# Hail project has successfully overcome several challenges

**New client  
(ADOC)**



**Working in  
islands &  
offshore scope**



**Environmentally  
protected area  
(UNESCO biosphere  
reserve zone)**



**Module works in  
the Middle East**



**TR successfully onboarded ADOC as a client with a successful EPC engagement**



**1<sup>st</sup> EPC program** done **with ADOC** till date



**TR taking all technical decision** making



**Several modifications** to technical requirements from original scheme



**Communication gap** – EPC language

# The project surface lies on an environmentally protected area, limiting actions that can be undertaken



# Hail field development project



# Helicopter tour



## Hail field development

~350M\$ EPC

Mubarraz Island & Adoc Hail Site Terminal



## Dalma gas development

~1B\$ EPC

Arzanah Island & Zirku island



## ADGAS plant

~1B\$ EPC

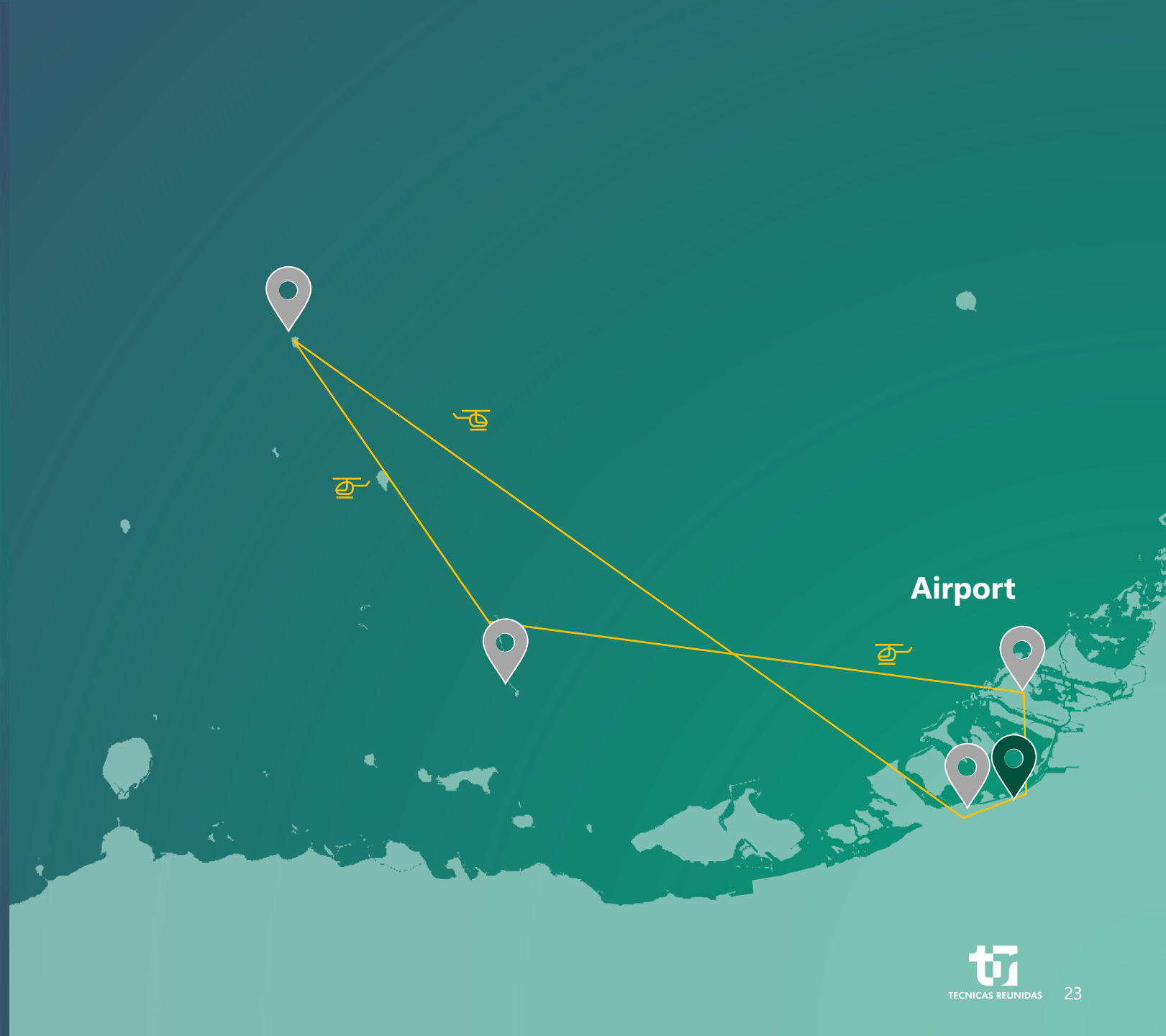
DAS Island



## INEOS ethane cracker Project One

>4B\$ investment

Abu Dhabi



# Dalma gas development project | Onshore EPC package B



**1 B\$** total contract value



**Arzanah Island**  
challenging location &  
**Zirku island**



**Core client** in ME region



**Selected highlights**



**3,500 resources**  
on-site at peak

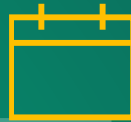
**34 ktons** of material delivered

**1.4 M engineering hours**

**215 kilometers** of pipes



**TARGET**



**EPC in consortium**  
with local constructor  
(risk management)

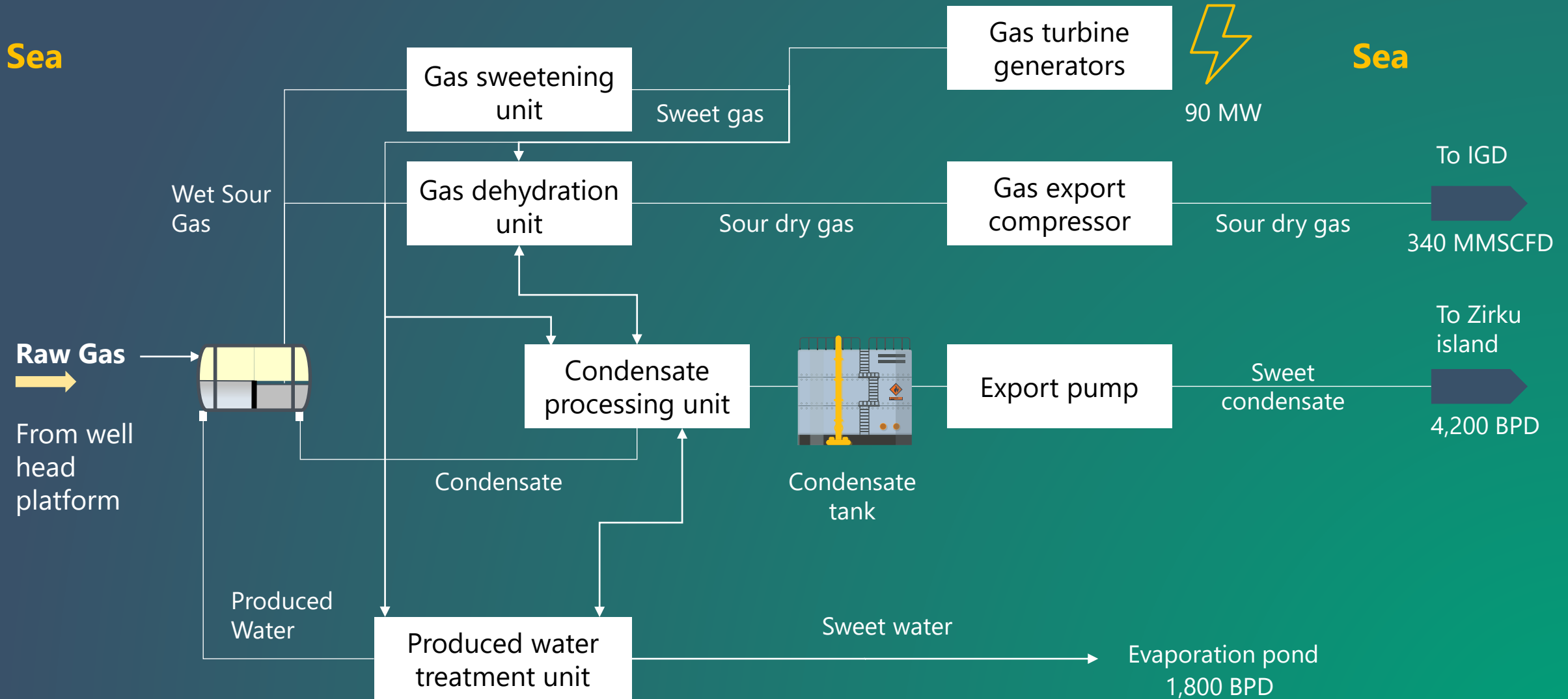
**39 months** of project duration  
(2021-2025)



**Modularization approach**  
(38 modules)



# Dalma project



# Project overview

## Client



**> 50 years**  
of operation experience  
(est. 1970)

## ADNOC

### upstream:

consortium by ADNOC,  
ENI, OMV, Wintershall

## Key metrics

**340 MMSCFD** of  
gas

**4,200 BPD<sup>1</sup>** of  
condensate

**Supply of ~5%**  
of UAE's gas needs

## Location

**> 180 km** from Abu  
Dhabi island

### 2 offshore sites

- **Arzanah** island
- **Zirku** island

## Status

**Dec 2021 – project  
start**

**~60% progress:**

- **94% home office  
progress**
- **77% manufacturing  
progress**
- **45% construction  
progress**

1. Barrels Per Day

# Project key figures



— **47,000** m<sup>3</sup> of concrete... **similar to 700 shipping containers of 12 m**



— **6.8** ktons of piping, fittings and valves... **similar to the weight of 38 Boeing 747 jet**



— **2,500** km of cables... **similar to half distance** between **Madrid** and **Abu Dhabi**



— **1.3 m** linear inches of piping welding... **similar to ~42 times the height of Burj Khalifa**



— **10.3** ktons of steel... **similar to 1.4 times the steel** used in the **Eiffel Tower**



— **7** process & **6** non-process **buildings**... **similar to 3 football fields**

**Dalma project is located in Zirku and Arzanah island, ~180 km northwest from Abu Dhabi**



# ~60% project progress as of April 2024

## Module yard



**12 modules** completed

## Arzanah island



**~90% buildings**  
concrete m<sup>3</sup> done



**~90% of steel** structure



**~40% of steel** structure



**~70% of piping**  
prefabrication



**~40% of piping**  
prefabrication

# Project execution presented several challenges



# Dalma gas development project



# Helicopter tour



## Hail field development

~350M\$ EPC

Mubarraz Island & Adoc Hail Site Terminal



## Dalma gas development

~1B\$ EPC

Arzanah Island & Zirku island



## ADGAS plant

~1B\$ EPC

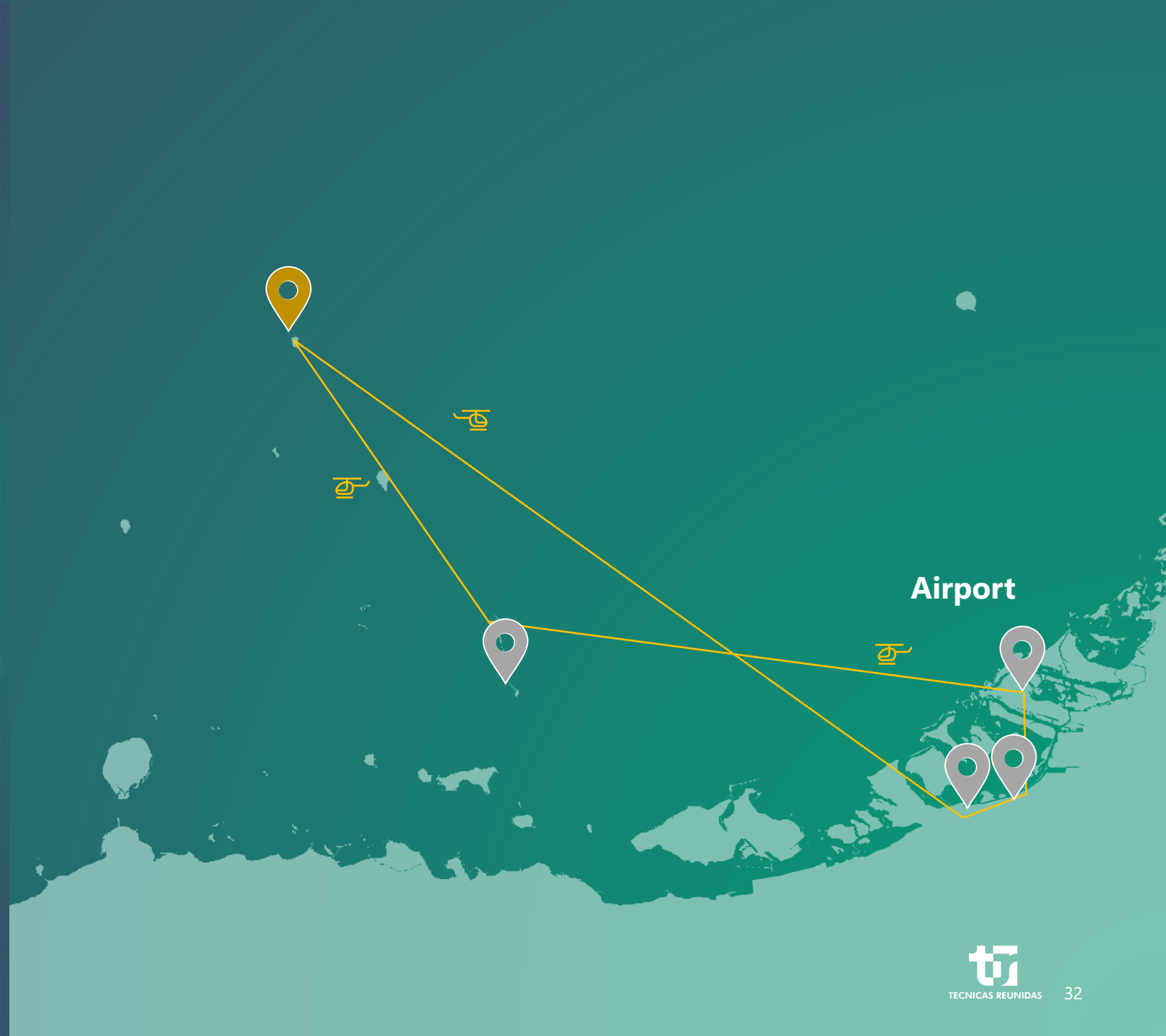
DAS Island



## INEOS ethane cracker Project One

>4B\$ investment

Abu Dhabi





**Jorge García**

ADGAS Project Director

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# ADGAS plant | Integrated gas development expansion – Phase II



**1 Bn\$** total contract value

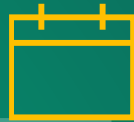


**DAS island** challenging location



**TARGET**

**EPC in consortium**  
with local constructor  
(risk management)



**54+18 (COVID)**  
**months** of project duration



**Modularization approach**  
(40 modules)

## Selected highlights

**2,950 resources** on-site at peak

**40 ktons** of material delivered

**2,450 km** of cables

**208 km** of piping

**860k hours** of engineering

# Project overview

## Client

ADNOC gas



**> 50 years**  
of operation experience  
(est. 1970)

**Supply of 60%** of  
UAE's gas needs

## Key metrics

**~6%** supply of UAE's  
gas needs

**> 25%** gas export  
increased capacity of  
Habshan Hub

**~435** MMSCFD peak  
capacity

**~155** barg dense  
export pressure

## Status

**~88% overall  
physical progress**

**~99%** engineering

**~97%** procurement

**~72%** construction

# ADGAS plant overview



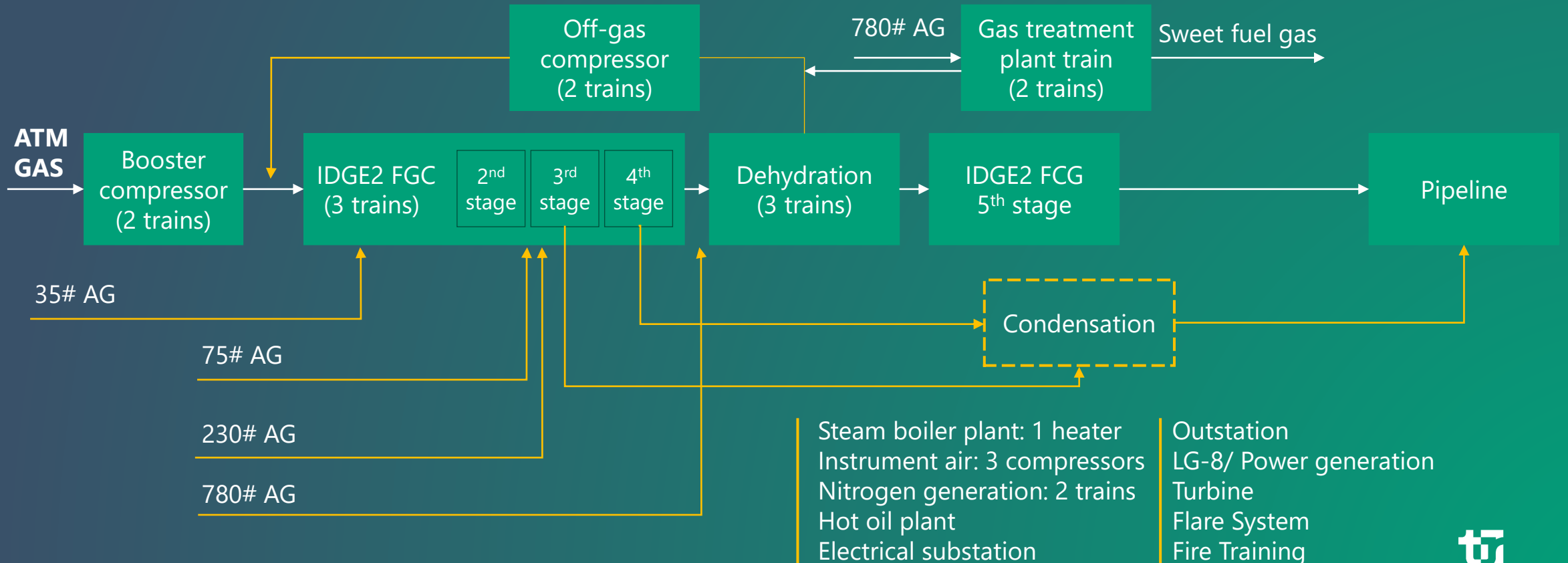
**Gas collection**



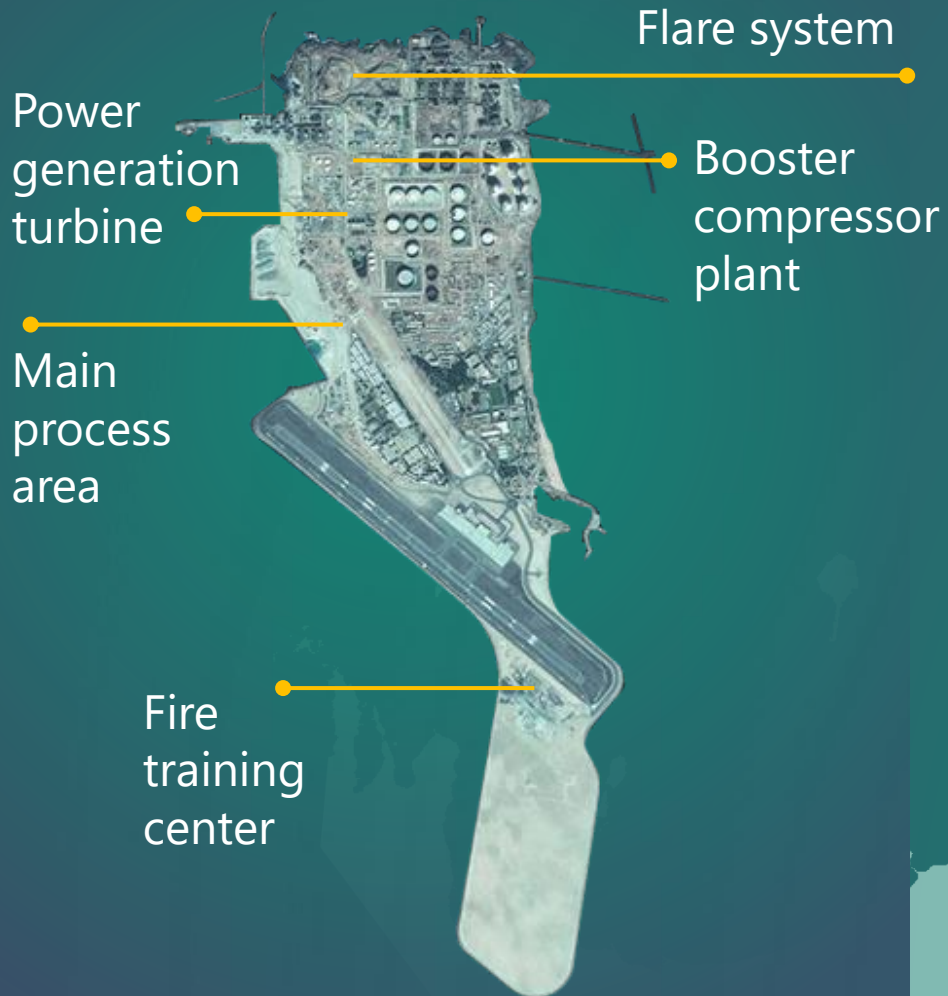
**Gas treatment & processing**



**Storage & distribution**



# ADGAS project is located in Das Island, ~160km away from Abu Dhabi



## Das Island



**> 160 km**  
from Abu Dhabi,  
remote location

Abu Dhabi

# ADGAS plant has successfully overcome several challenges

**Working in an island**

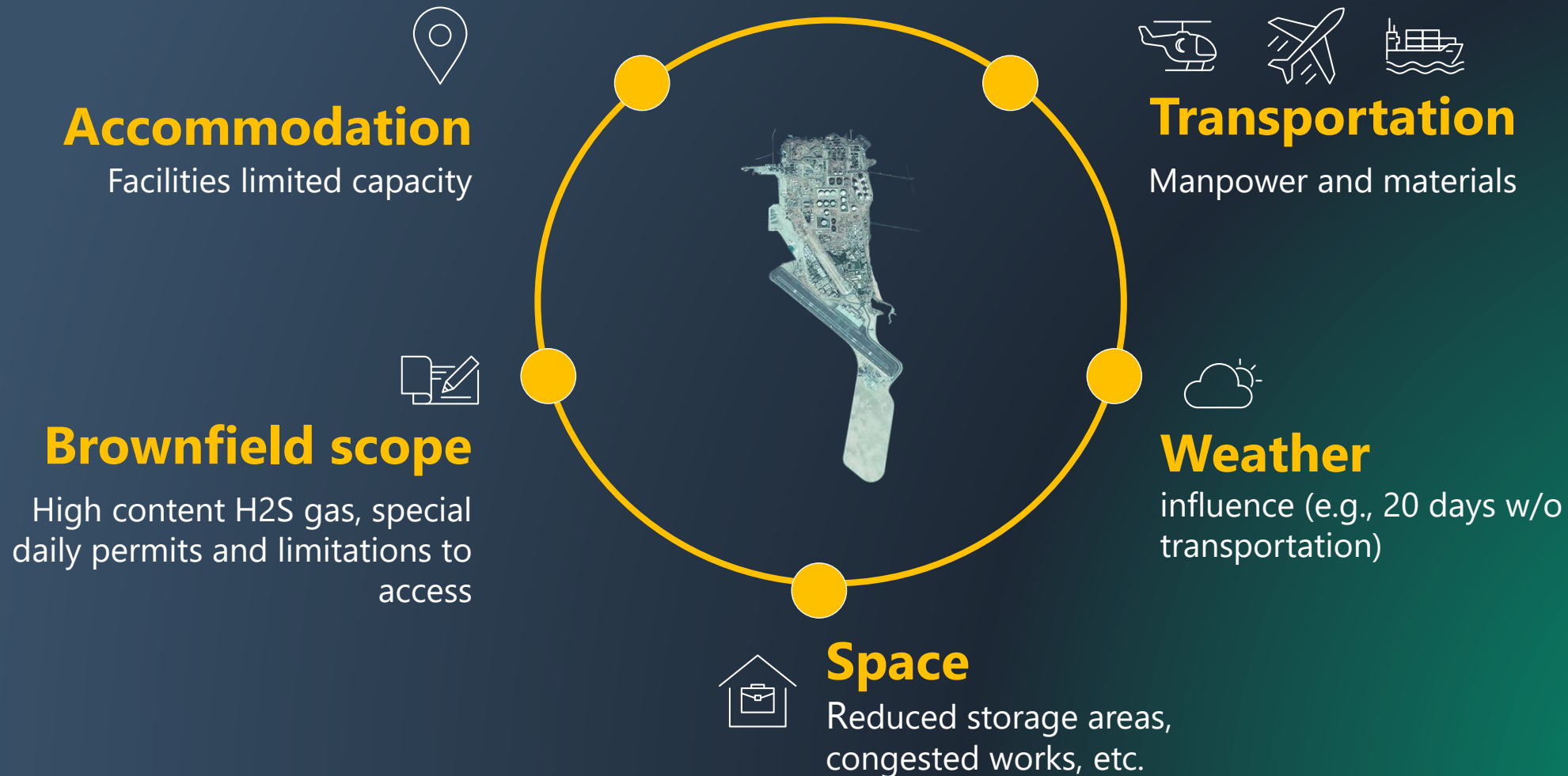


**COVID**

**Brownfield scope**

**Modularization approach**

# Working in an island with brownfield scope present challenges, particularly in accommodation and transportation



# COVID has affected the workflow with disruptions that have impacted time and costs



Engineering **works affected**



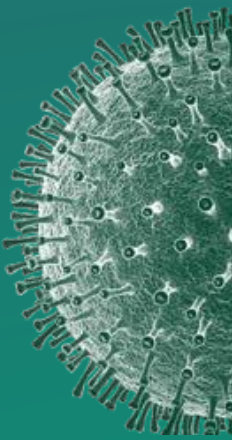
**Supply chain** disrupted



**Project cash flow** management



**Project not stopped**  
contractually



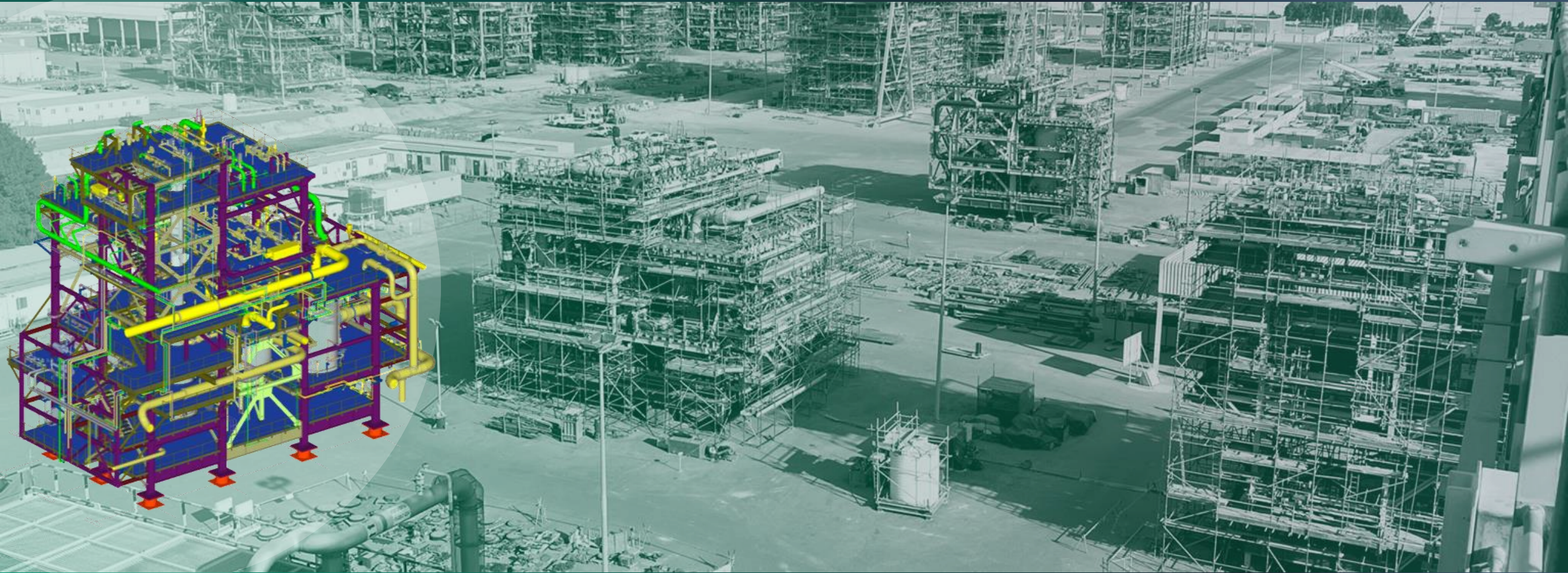


# Modularization approach has encompassed 40 modules, with max height of 45 m

**2** ktons weight

**40** Modules

Max height **45m**



# Helicopter tour



## Hail field development

~350M\$ EPC

Mubarraz Island & Adoc Hail Site Terminal



## Dalma gas development

~1B\$ EPC

Arzanah Island & Zirku island



## ADGAS plant

~1B\$ EPC

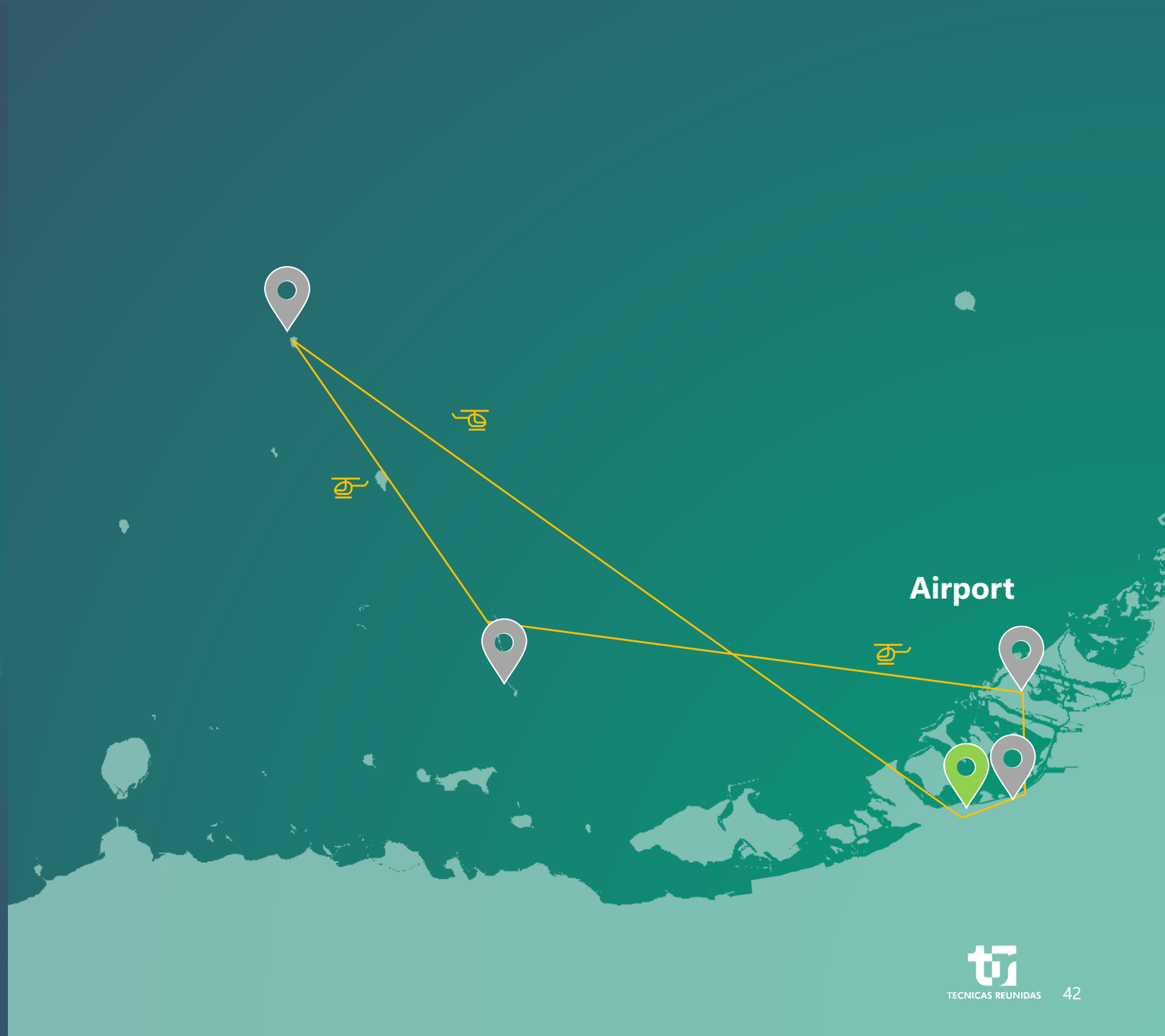
DAS Island



## INEOS ethane cracker Project One

>4B\$ investment

Abu Dhabi



# Hugo Miguel Izquierdo

INEOS Project Director

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# INEOS ethane cracker Project One



**>4 Bn\$** total investment



**Antwerp & Abu Dhabi**  
(Belgium & UAE)



**INEOS**  
Project One

**Largest European chemistry** investment for the past 25 years

**Selected highlights**



**>2.5 M manhours**

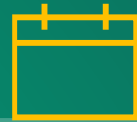
**470 TR resources** at peak in Madrid

**130 TR resources** at peak in Antwerp

**115 TR resources** at peak in Abu Dhabi



**EPC services contract**  
Reimbursable

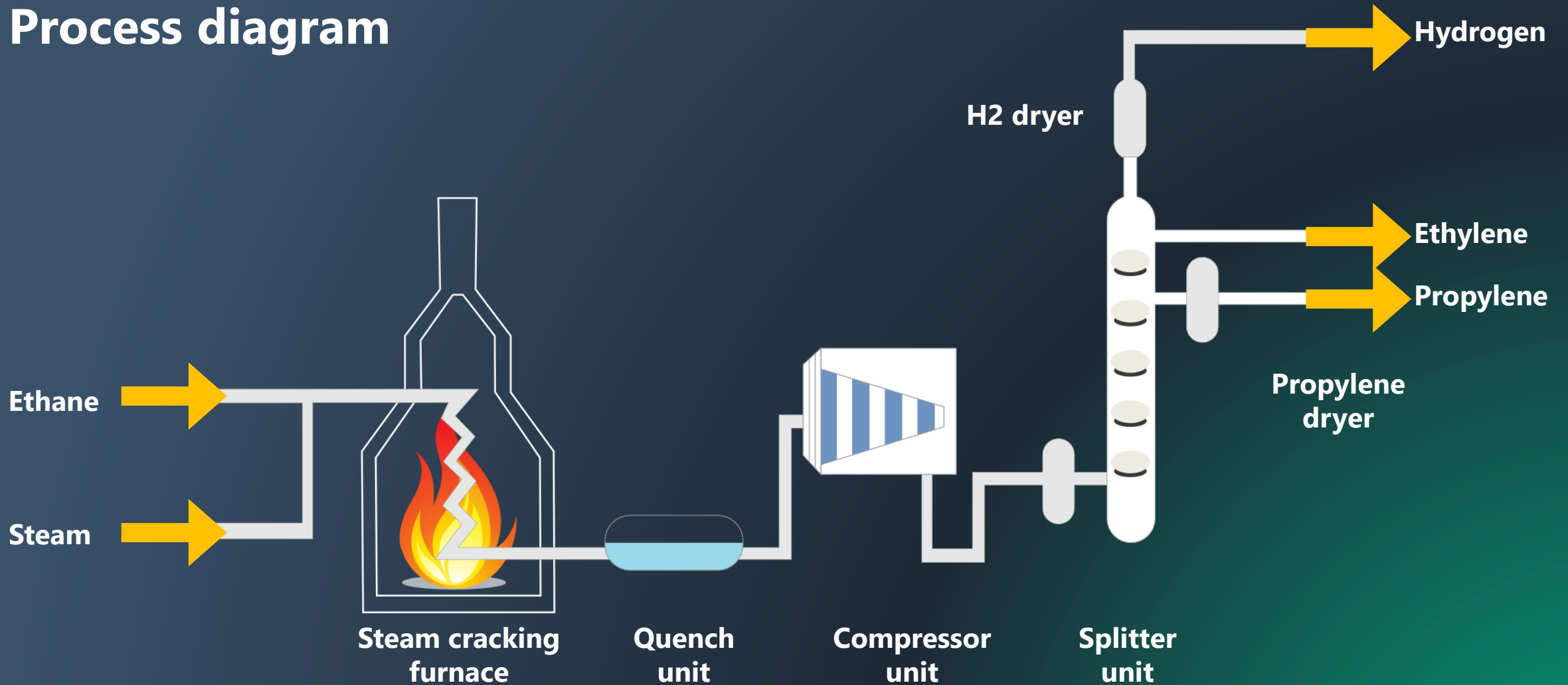


**50 months** of project duration  
(April 2022-June 2026)  
**Actual progress >30%**



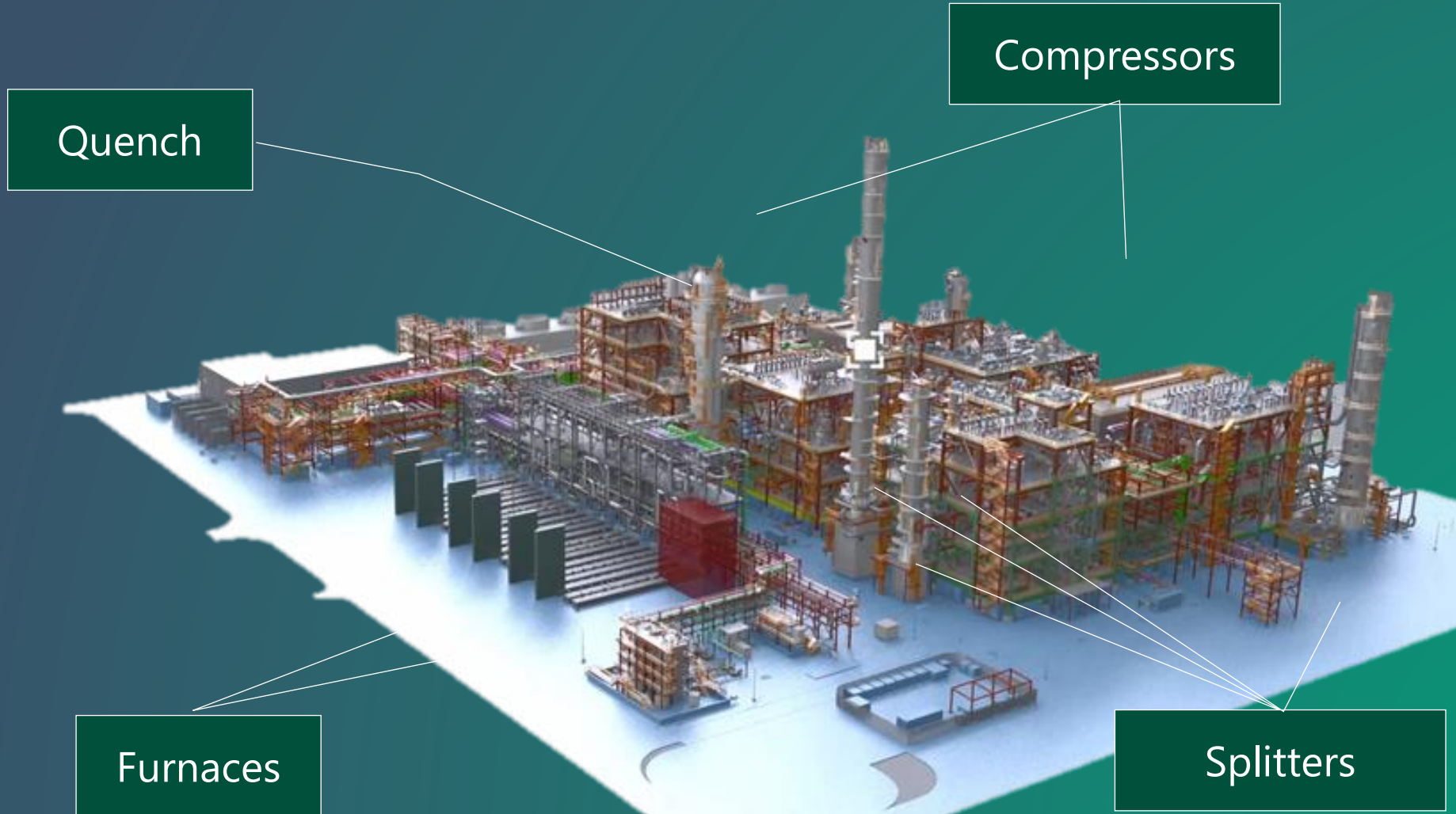
**Mega modules approach**  
26 modules up to 10 kton,  
9 shipments

# Process diagram



**~60% TR scope** growing since first interaction, including ethylene cracker unit, WWT and power & steam generation area

# INEOS plant overview



INEOS Project One presents unique and novel elements....



....that drives promising opportunities ahead for Técnicas Reunidas



**Services** execution **without EPC risk**



**INEOS** as new client with TR selected for its **1<sup>st</sup> greenfield project**



**Ethane cracker unit,** with technology with a future investment potential



**Mega modules** with yard in **Abu Dhabi**

**INEOS as a relevant client for Técnicas Reunidas, with a clear leading competitive advantage**

**INEOS**

1. In 2022 by sales



**Top 10 petrochemical companies**

worldwide by sales<sup>1</sup>



**Relevant growth** in the past 5 year with M&A activity



**TR** selected as partner for **1<sup>st</sup> greenfield project**

(past growth based on inorganic growth)



**Partnership** with **Sinopec**



**Project One** increasing scope (e.g., ECR EPCm, WWT, PSGA)



**Promising pipeline** ahead



# Ethane Cracker Unit has a strong potential for growth in the upcoming years



## Multiples usages

**Textiles**

**Plastics**

(e.g., bags, bottles)

Paint & inks

**Pharmaceuticals**

**Agricultural products**

Cosmetics

Tires & automotive products



## Market growth

**~6% CAGR 23-33**

expected ethylene market



## Emissions

**2M tons/year** in carbon footprint cutting – equivalent to **~1.6M** cars annual emissions

**~43%** of current benchmark

**~15% reduction** of benchmark



## Investment need

**>40 years** average size ethylene plant in Western Europe, prominent investment need



# Mega modules capabilities present a competitive advantage for TR as the largest modules in Europe



## Drivers / Key benefits

Resources availability/ **cost**

Spacing constraints at sites/ **safety**

Higher construction efficiency specialized yards/ **time**



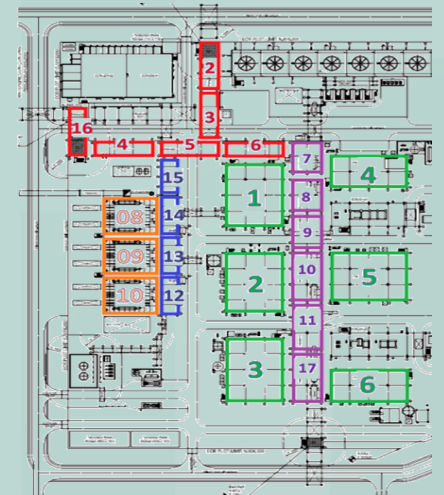
**Markets demand** in modular approach – USA, Europe & Middle East



**UAE** as a **strategical hub**

**>14 MM**  
hours in Abu Dhabi's yard

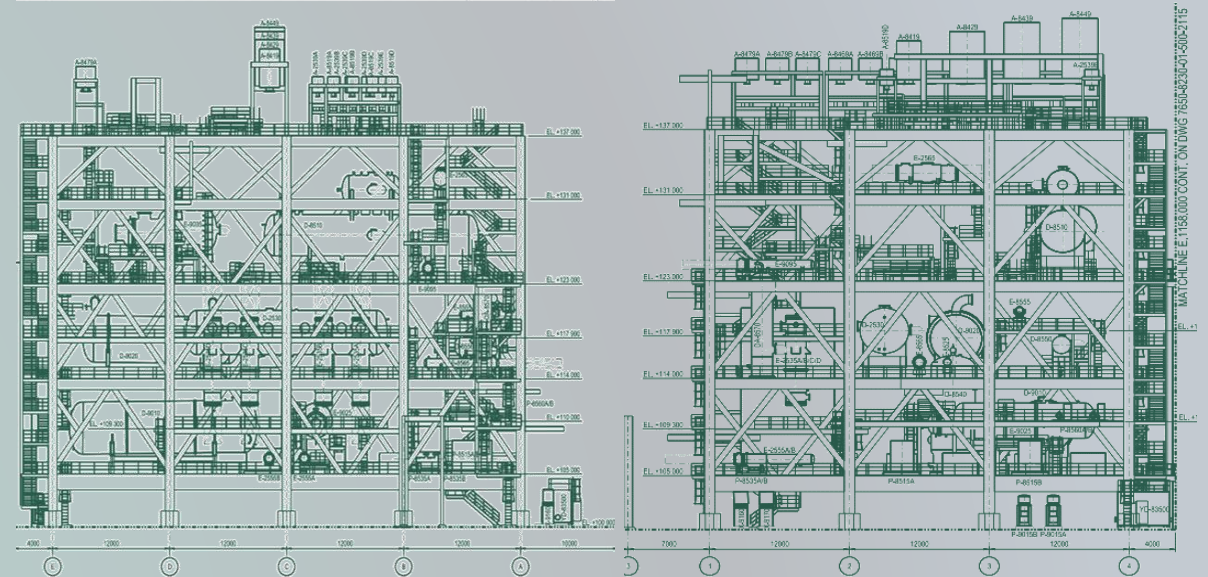
**>4 MM**  
hours in Antwerp



# Modularization approach has encompassed 40 modules, with max height of 55 m

**26**  
Modules

Max height  
**55m**



# We have evolved our modularization strategy in Abu Dhabi and capabilities to tailor client needs

Hail development field project



2015



ABU DHABI OIL CO., LTD.

ADGAS plant



2021



أدنوك  
ADNOC

Dalma project



2022



أدنوك  
ADNOC



2022

INEOS

**Modules**  
**Height, m**  
**Shipments**  
**Weight, Tn**

42

12

12

60

40

42

12

625

38

35

11

375

26

55

9

~10,000



TECNICAS REUNIDAS

# Helicopter tour



## Hail field development

~350M\$ EPC

Mubarratz Island & Adoc Hail Site Terminal



## Dalma gas development

~1B\$ EPC

Arzanah Island & Zirku island



## ADGAS plant

~1B\$ EPC

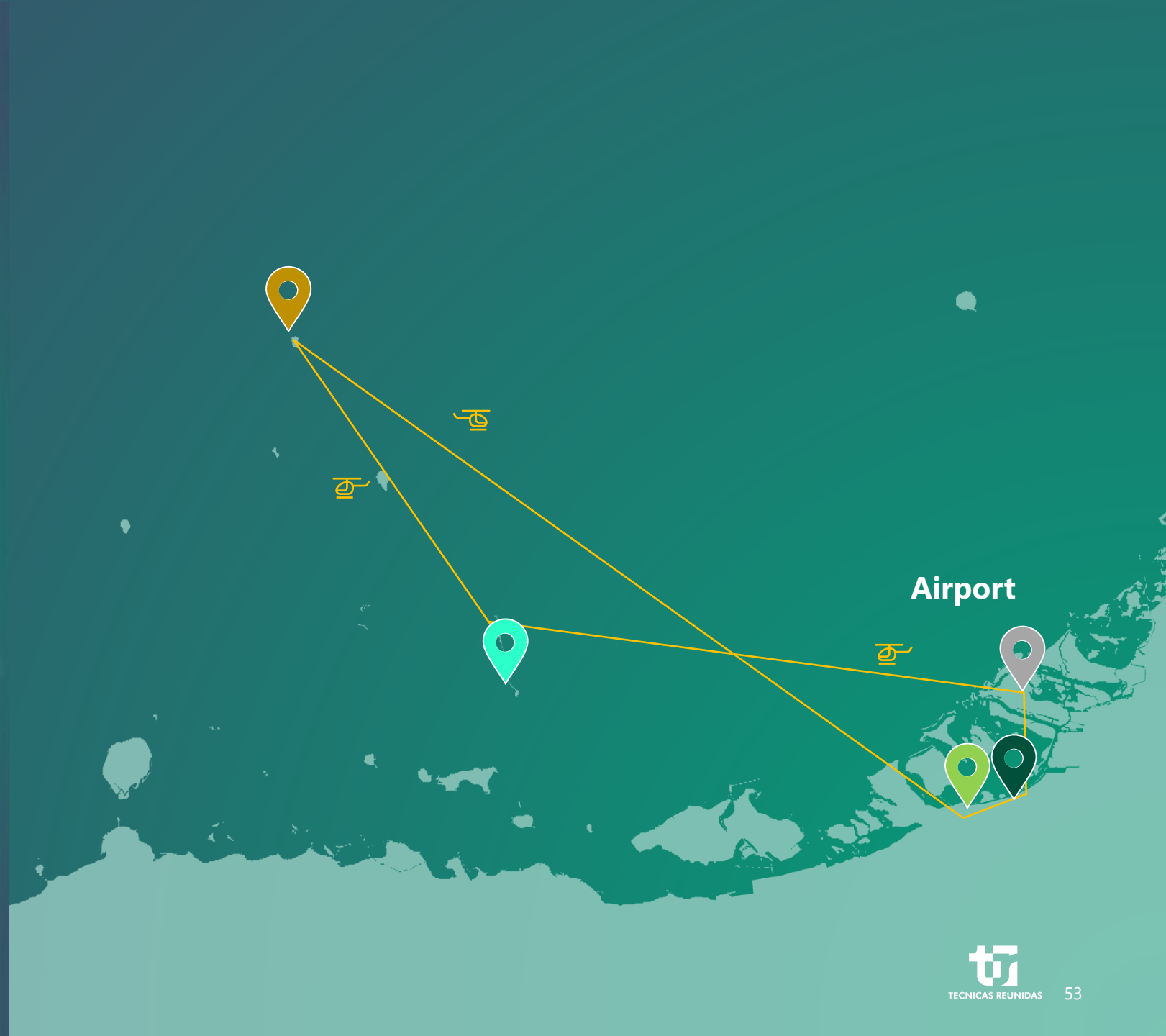
DAS Island



## INEOS ethane cracker Project One

>4B\$ investment

Abu Dhabi



# HE Mr. Yaser Saeed Almazrouei

Executive Director, People, Commercial &  
Corporate Support



أدنوك  
ADNOC

**Juan Lladó**

Executive Chairman

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# Our success story with ADNOC



> **12 B\$** of  
projects delivered

~ **20** years of  
collaboration

**Borouge 2**  
U&O award  
(1.2B\$)

**2007**

**ADNOC SourShah,**  
Gathering center  
(450 M\$)

**2012**

**ADNOC Offshore,**  
UZ MMBPOD FEED  
(1.2 M\$)

**2017**

**ADNOC Gas,**  
Dalma gas development  
(850 M\$)

**2021**

**2009**

**ADNOC Onshore,**  
SAS full field  
development  
(1.3 B\$)

**2014**

**ADNOC Gas,**  
IGD package 3  
(680 M\$)

**2019**

**ADNOC Onshore,**  
Buhasa development  
(1.5 B\$)

**ADNOC gas,**  
IGD E2 (950 M\$)

**2023**

**ADNOC Gas,**  
MERAM project  
(3.6 B\$)



# Eduardo San Miguel

CEO

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# Técnicas Reunidas Capital Markets Day

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Starting point - What have we done over last 3 years

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Market dynamics and opportunities ahead

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Introducing SALTA: Our current strategy

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Deep dives on strategic levers

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Financial overview

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Q&A

**Starting point:  
What has been done over the  
last 3 years**



**TECNICAS REUNIDAS**

# During the last 3 years we have increased TR's resilience while preparing to further support our clients



1

Strengthen our **financial positioning**



2

Right-size and optimize our **capabilities globally**



3

Restructure our **organization** and management team



4

Launch activity in **decarbonization** – *track*



5

Protect our **backlog**

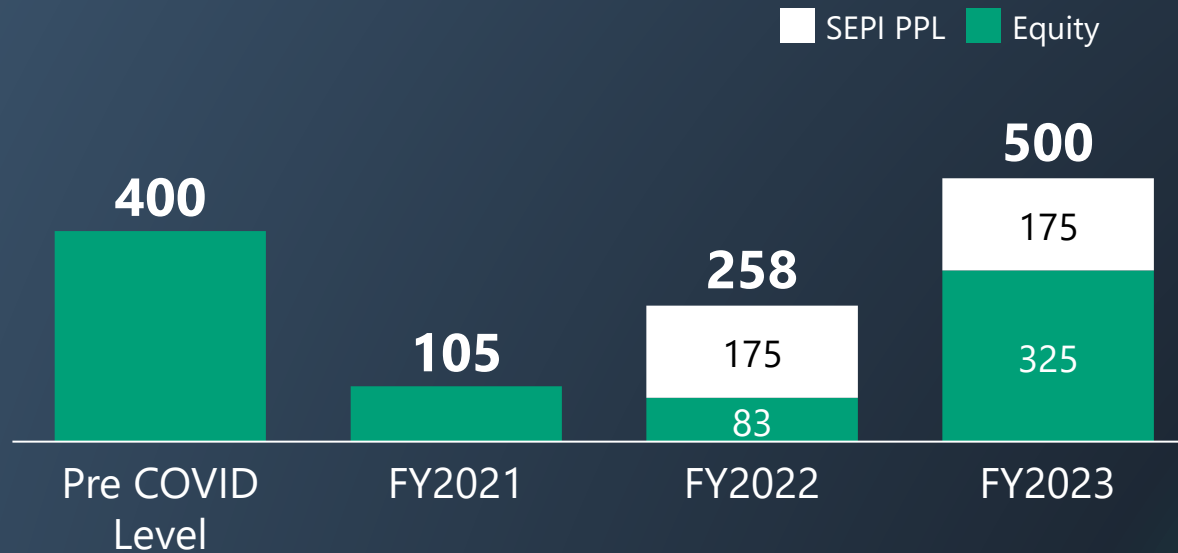


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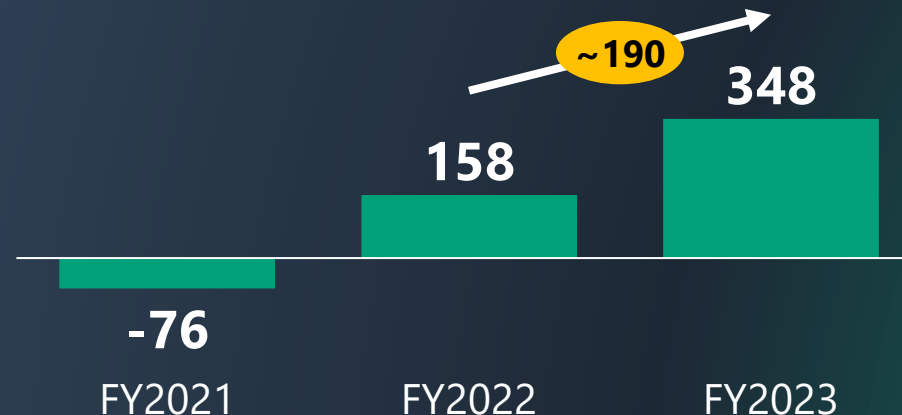
Enhance our commitment to **ESG** and **HSE**

# 1 | We have strengthened our financial positioning

Equity overview, M€



Net cash, M€



## Equity position strengthening in 2023:

- 150 M€ capital increase achieved in Q2 2023
- ~90 M€ organic equity increase
- ~175 M€ SEPI PPL to be repaid according to calendar
- Balance sheet deleveraging (14% decrease in 2023)

Progressive net cash improvement

# 2 | We right-sized and restructured our resources footprint globally to better serve our clients by strengthening our local presence and capabilities

TR employees, thousands



1. Differs from annual accounts due to subcontracted employees

Home offices, # of employees



# 3 | To prepare for growth, we have integrated and restructured our organization and management team...



## Business Units integration

TR group integrated ways of working and procedures from the different business units (Técnicas Reunidas, Initec Plantas Industriales, Initec Infraestructuras)



## One single management team

Current management team is responsible for the entire Group with clear processes for decision-making at a Group level



## Physical integration

Entire group co-located in one single office to enhance collaboration and actual integration



**3 | ...and  
embedded in our  
DNA a culture of  
cost efficiency  
and continuous  
operational  
improvement**

**transforma**

**> 140 M€** savings achieved between  
2019-2022 period

**Transformation** with multiple workstreams  
including:



**Optimization of project execution**



**Full Procurement program**



**Standardization, modularization,  
value engineering**



# 4 | We have doubled down on decarbonization and launched *track*



# 5 | We have protected our backlog with risk mitigation initiatives



## Services

High share of TR's engineering manhours devoted to Services



## Project scope

No construction scope or only construction management scope in the EPC (EP, EPCm)



## EPC early involvement

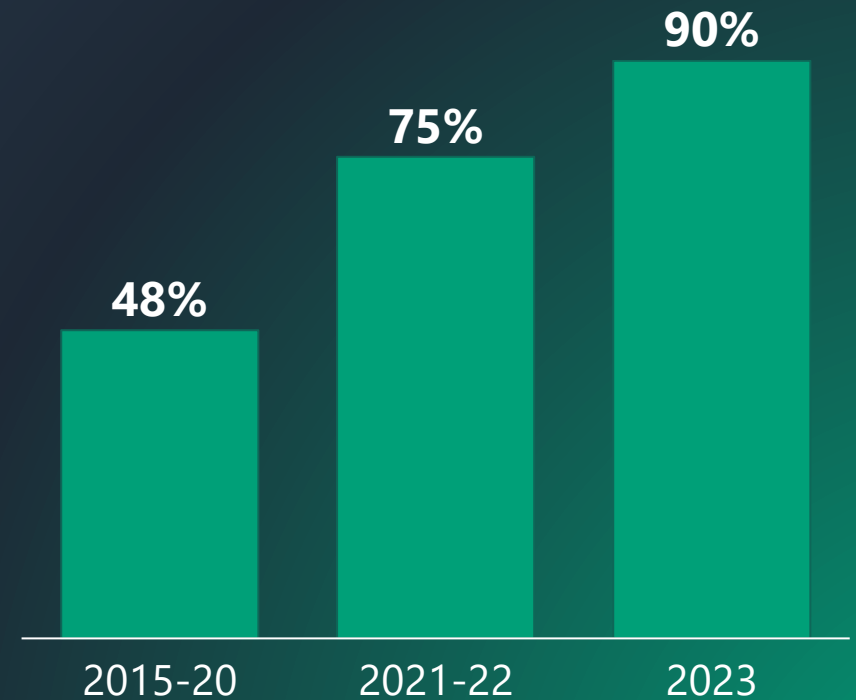
EPC through FEED or competitive FEED thorough assessment of potential risks before starting the EPC



## Partnerships

Partnerships with other engineering companies and local construction companies

## Awards with risk mitigation strategies



# 6 | ESG commitment at the core for TR

## Environment

Quantitative objectives to reduce our scope 1, 2 and 3 emissions and be **net zero in 2040**

**Climate transition** opportunities identified



## Social

**Safety first** policy with strong commitment at all company levels

ESG **evaluation of suppliers** and subcontractors through a specialized platform

## Governance

**Board of Directors** renewal

International recognition



# To wrap up...



- 1 | Strengthen our **financial positioning**
- 2 | Right-size and optimize our **capabilities globally**
- 3 | Restructure our **organization** and management team
- 4 | Launch activity in **decarbonization** – *track*
- 5 | Protect our **backlog**
- 6 | Enhance our commitment to **ESG** and **HSE**

# **Arthur W. Crossley**

Deputy CEO & Chief Commercial Officer

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# Market dynamics and opportunities ahead



TECNICAS REUNIDAS

# Current energy outlook shows an unprecedented scenario that drives a unique opportunity ahead for Técnicas Reunidas

After a low Capital Expenditure period, players present ambitious capital deployment plans

**Investment  
appetite**



**2019  
COVID**

After a stable energy outlook cycle, COVID-19 disrupted driving uncertainty and investment deacceleration



Decarbonization triggers urgency for capitalization of resources, translated into investments from traditional clients

**Traditional  
clients**



**Decarbonization**

Acceleration of investments to meet the decarbonization targets, fueled by public incentives in place (e.g., IRA)



# Global annual energy investments will increase x1.5 its rhythm, driving demand of EPC partners



## Global energy consumption growth

of 3-12% towards 2050 under different scenarios



## Electricity demand

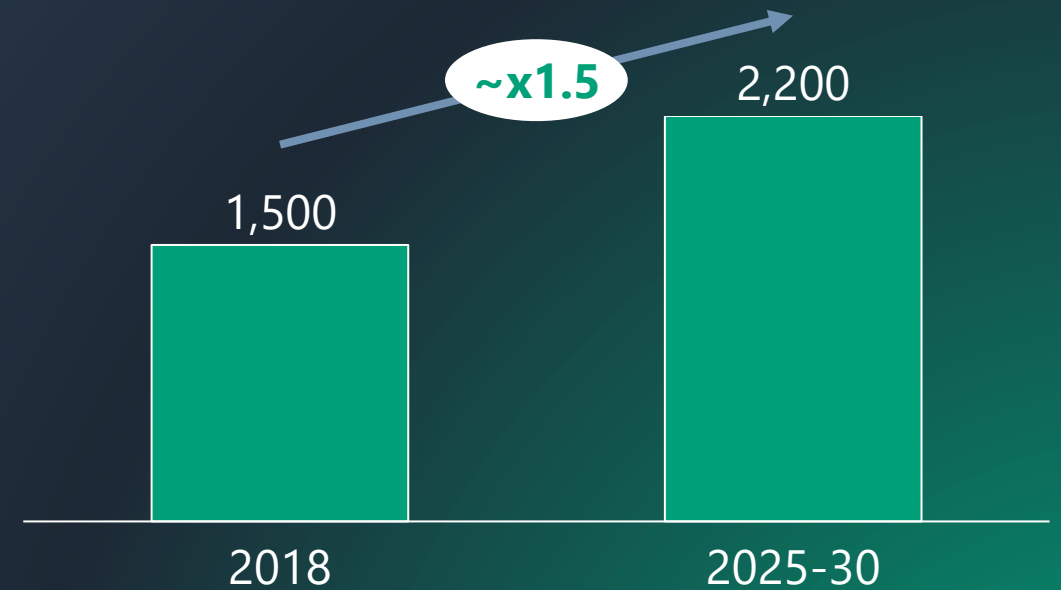
expected to more than double by 2050, driven by decarbonization vectors



## Economy decarbonization

via Hydrogen and derivatives, Carbon Capture and Sustainable Fuels

## Global annual energy investments, \$Bn

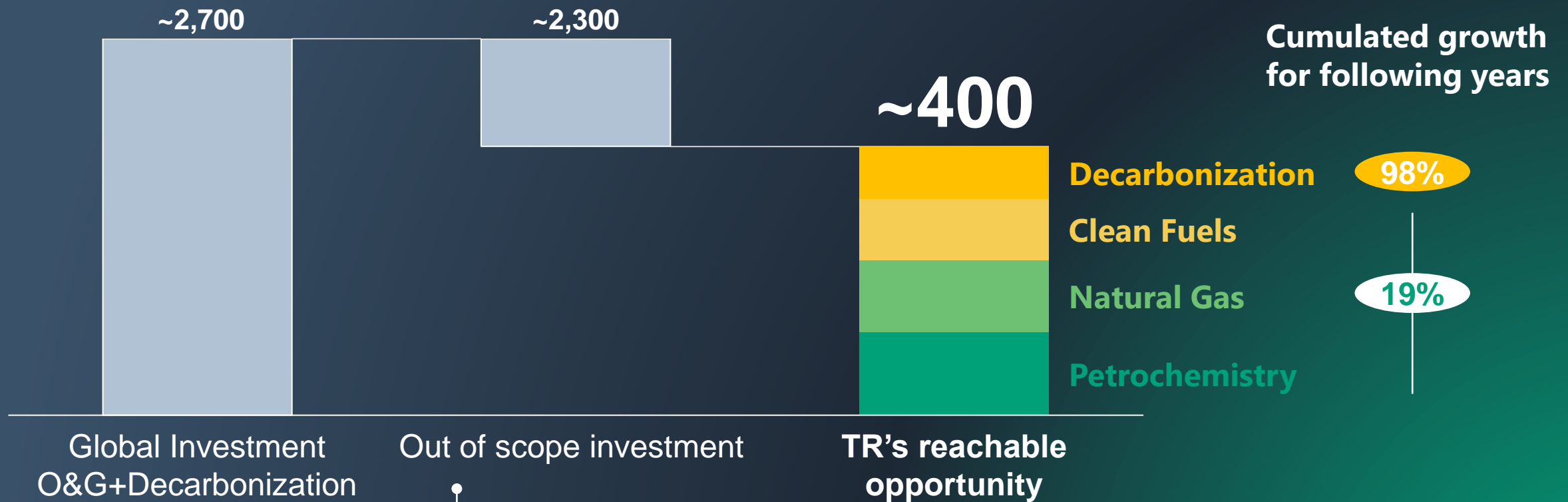


~x1.5 annual energy investment for **even less EPC players** in the market



# We have a clear view of our addressable market and growth drivers

Global energy investment in O&G and decarbonization technologies in 2024-28, B\$ (CAPEX)



Excluding projects from O&G companies, non-core for TR, unavailable geographies, technologies not covered, and projects already allocated

# Market outlook and energy investment cycle shows 5 hotspots for Técnicas Reunidas



## Decarbonized world

Incentives in place and players commitment **accelerates decarbonization investments**



## IRA in North America

IRA release drives **415 B\$** of public funding, setting in place the right incentives to **accelerate decarbonization investments**



## European Energy Scenario

Russian conflict has shaped the energy supply outlook, **driving natural gas investment needs** (LNG and CCGTs)



## Asia expansion

**Asian growth** has driven energy demand rise in the region shaping global landscape, specially for **petrochemicals**



## Scarcity of EPC resources

**Early engagement** from clients is needed to **convert opportunities into EPC**

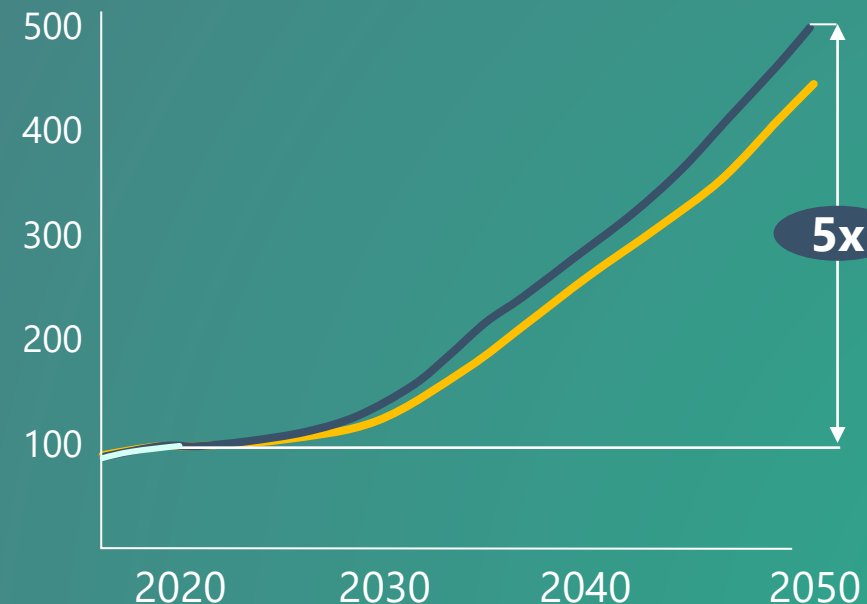
# Decarbonized world | H2, CC and SFs are complex decarbonization technologies that present a relevant opportunity ahead

## Green and Blue Hydrogen & derivatives

Current H2 production of **~90 Mtpa** is mainly fossil-fuel based production, while decarbonization will **drive clean hydrogen uptake** in new sectors

### Global hydrogen demand outlook by scenario, Mtpa

— Achieved Commitments      — Further Acceleration



 Carbon capture

 Sustainable fuels

# Decarbonized world | H2, CC and SFs are complex decarbonization technologies that present a relevant opportunity ahead

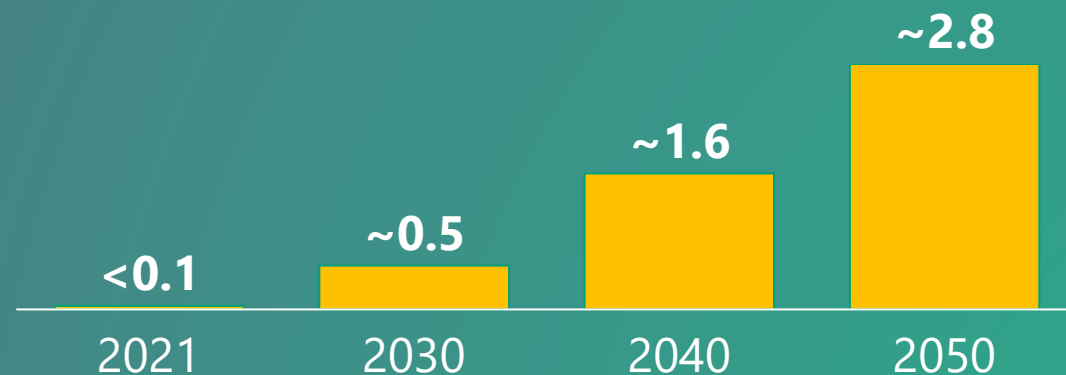
## Green and Blue Hydrogen & derivatives

**CCUS** to play a significant role in decarbonization, with uptake potential of **~2.8 Gt CO2 by 2050**

Globally, **power, blue H2, steel, and cement** represent **>80%** of the total uptake of CCUS by 2050

## Carbon capture

**Global point source CCUS uptake projections, Gt CO2**



## Sustainable fuels

# Decarbonized world | H2, CC and SFs are complex decarbonization technologies that present a relevant opportunity ahead

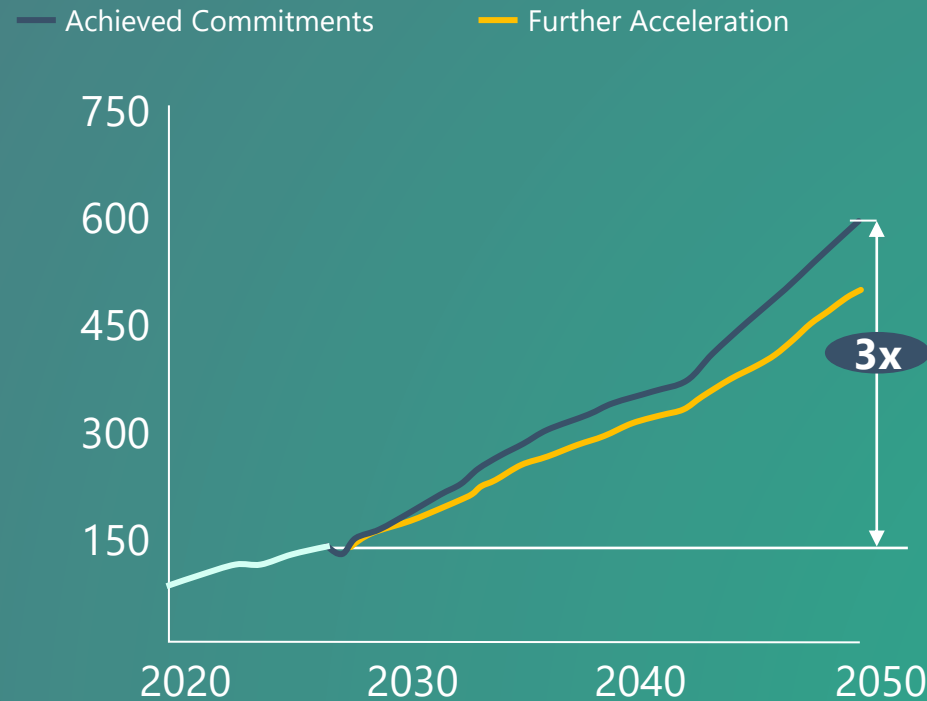
 **Green and Blue Hydrogen & derivatives**

 **Carbon Capture**

 **Sustainable fuels**

**Sustainable fuels** demand expect to triple by 2050 driven by **decarbonization of transportation and hard-to-abate sectors** (aviation, maritime, heavy-duty road transport, etc.)

**Global SFs demand outlook by scenario, Mtpa**



# IRA in North America | NA market presents a large opportunity for TR, with a strong focus in decarbonization driven by IRA

## IRA program



**415 B\$** of investment

**~40% reduction of US Green House Gas Emissions**

**~40-50% of CO2 emissions** present now **positive business cases** to execute CCS thanks to the **IRA incentives**



### Hydrogen

Up to **\$3/kg Tax Credit**, driving jump-start of the **hydrogen market** for low carbon supply



### Clean fuels

Up to **\$1.75/gal Tax Credit** for SAF<sup>1</sup>, kickstarting production of **sustainable aviation fuels**

30% ITC for biogas

Up to **\$1/gal Tax Credit base<sup>1</sup>**



### Carbon capture

Direct Air Capture - **\$130-180/ton Tax Credit**

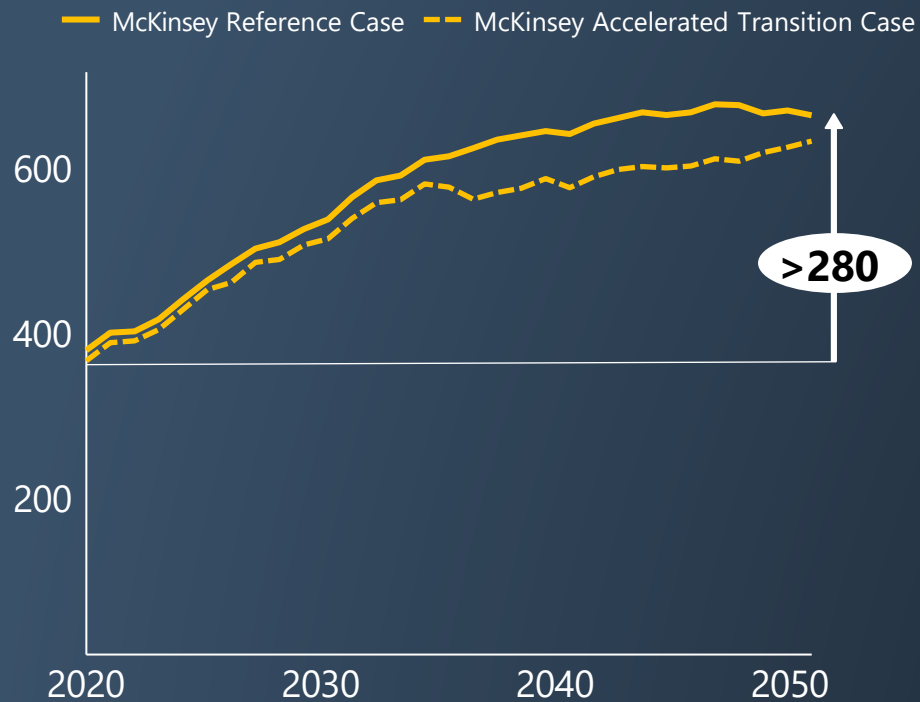
Point source - **\$60-85/ton**

Creation of a **CO2 economy-driven landscape**

1. Based on Carbon Intensity (CI) of Clean Fuel  
Source: DOE IRA guidance

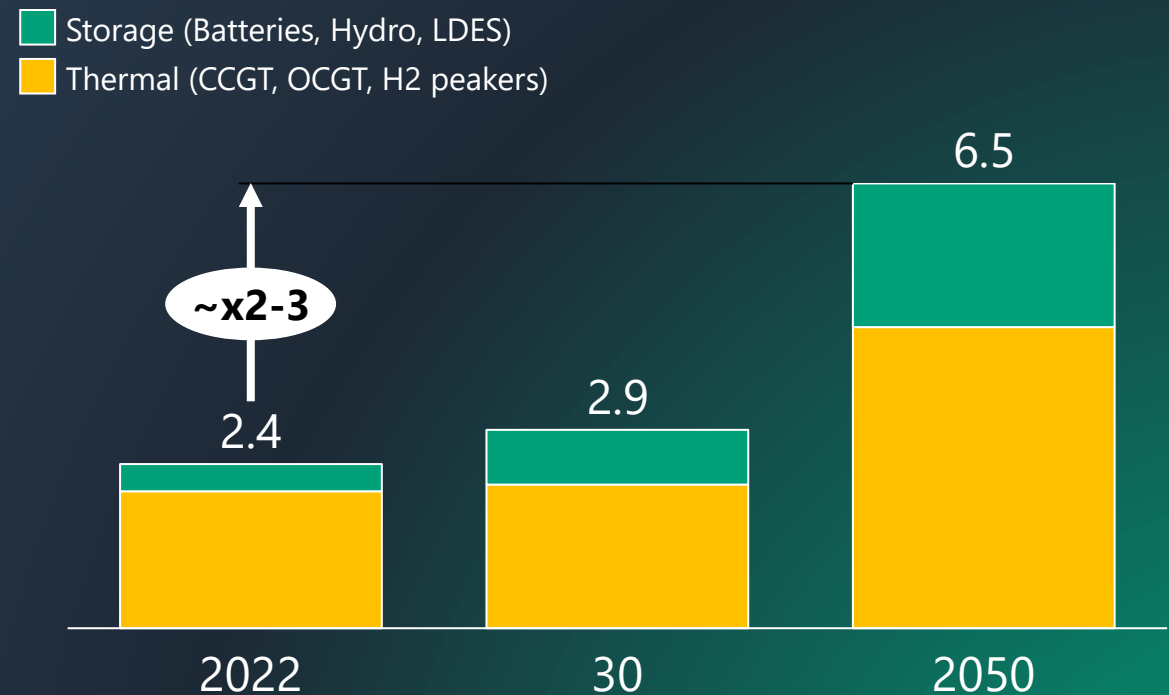
# European energy scenario | Disruptions in energy supply scenario and power mix decarbonization will drive relevant investment in LNG and CCTGs

## Global LNG demand, Mtpa



**LNG demand growth drives significant increase in new facilities**

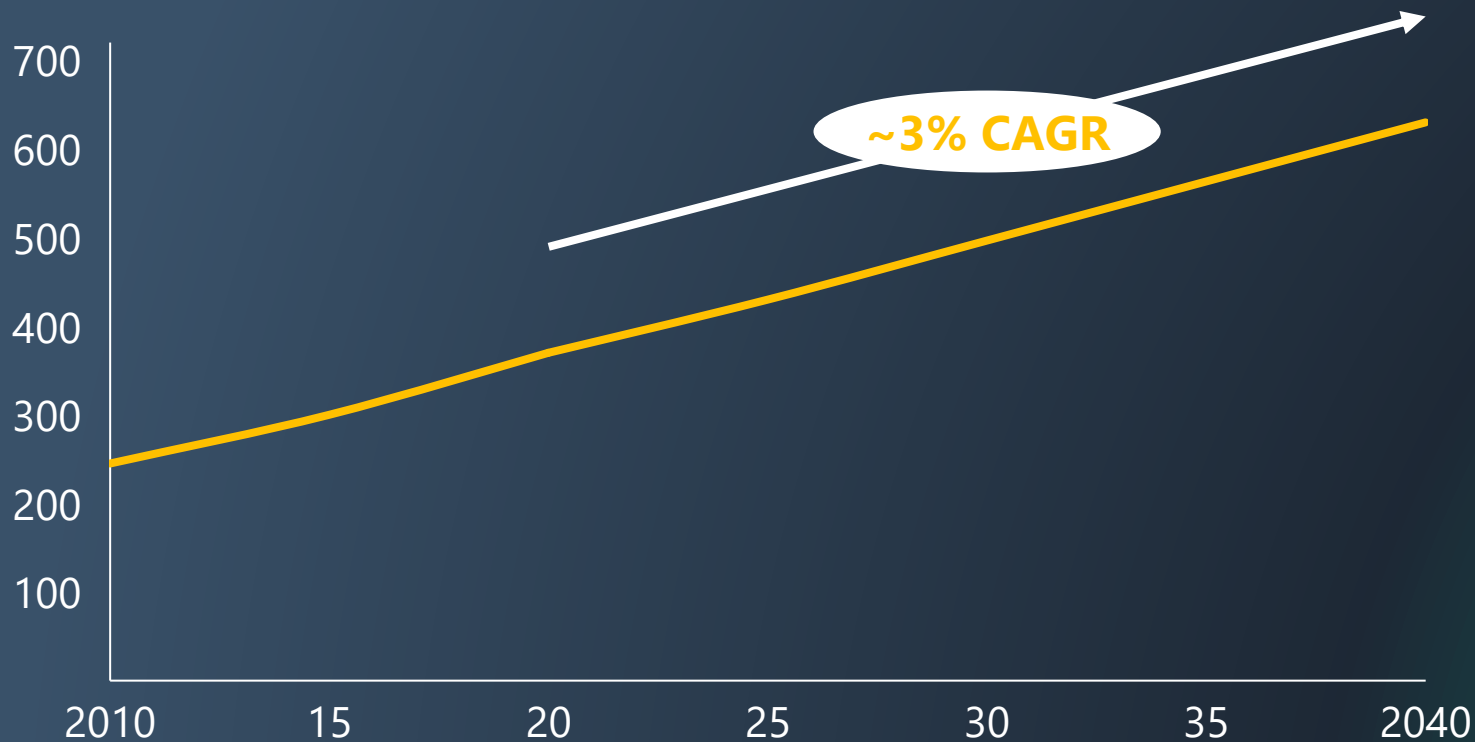
## Global power generation firm capacity, thousand GW



**Power mix decarbonization drives CCGT capacity additions for firmness**

# Asia expansion | Petrochemicals demand is expected to grow ~3% towards 2040, driven mainly by Asian growth

## Petrochemical demand outlook<sup>1</sup>, MTA



Demand will grow at **~3% CAGR towards 2040**

**Asia region** presenting growth at **~4% CAGR towards 2040** (largest growth across regions)

1. Demand for polymers includes – HDPE, LLDPE, LDPE, PP, PS, EPS, PVC, PET, Polyester fiber, PA6, PA66 and PC

Source: McKinsey Chemical Insights – Current trajectory



# Scarcity of EPC resources | Market context drives a relevant opportunity in services



In North America all projects start from **early engagement**, and subsequent **conversion to EPC**



Decarbonization drives **high services needs** associated to specific needs of investment in terms of development



**EPC resources scarcity** drives need for EPC partner early engagement to secure project execution

# As of today, we already have stable backlog levels, enabling to shape our commercial strategy towards future

## 2023 figures

> **30 B€** tendering

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> **600 M€** (out of 30 B\$) in tendering of **engineering services**

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> **6 B€** of awards

## 24-month pipeline

**72 B€** total

---

**61 B€** Traditional EPC/EP/EPCm

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**1.4 B€** Contracts awarded not in backlog

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**10 B€** Potential **conversion to EPC** of ongoing **service contracts (FEEDs and pre-FEEDs)**

# We have a clear commercial strategy for the unprecedented investment scenario



Commercial positioning for solid backlog with **higher profit and limited risk**



Pipeline well **diversified in regions and technologies**, including decarbonization



Increase in **services with limited risk**, in consortium or contractual schemes such as **FEED/OBE or Competitive FEEDs**



**Selective** and **diversified** bidding strategy taking advantage of proximity to identify more **attractive projects**

# Eduardo San Miguel

CEO

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# SALTA

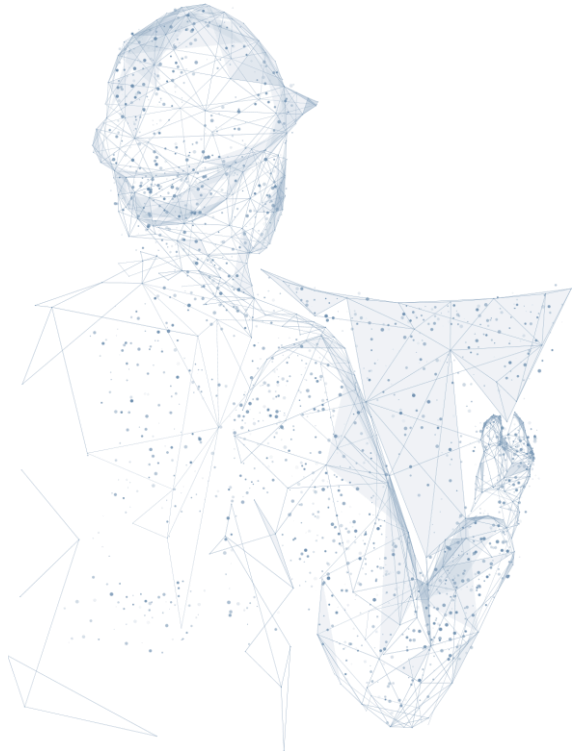
Our strategy for value  
creation



TECNICAS REUNIDAS

Introducing...

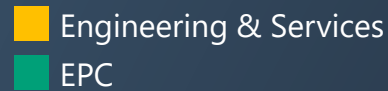
# SALTA



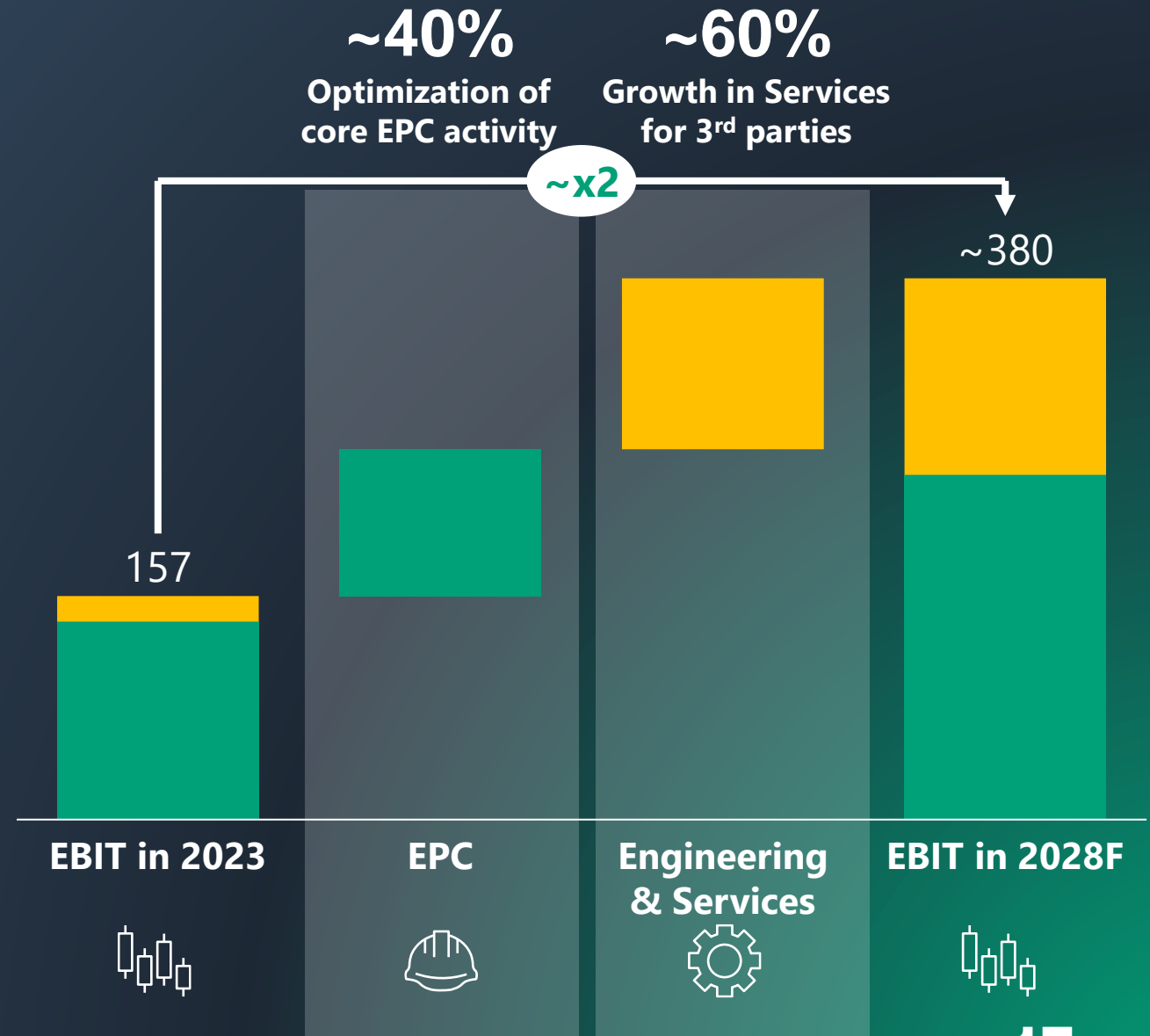
SERVICES  
VALUE  
TATA

# We focus on profitable growth to drive value

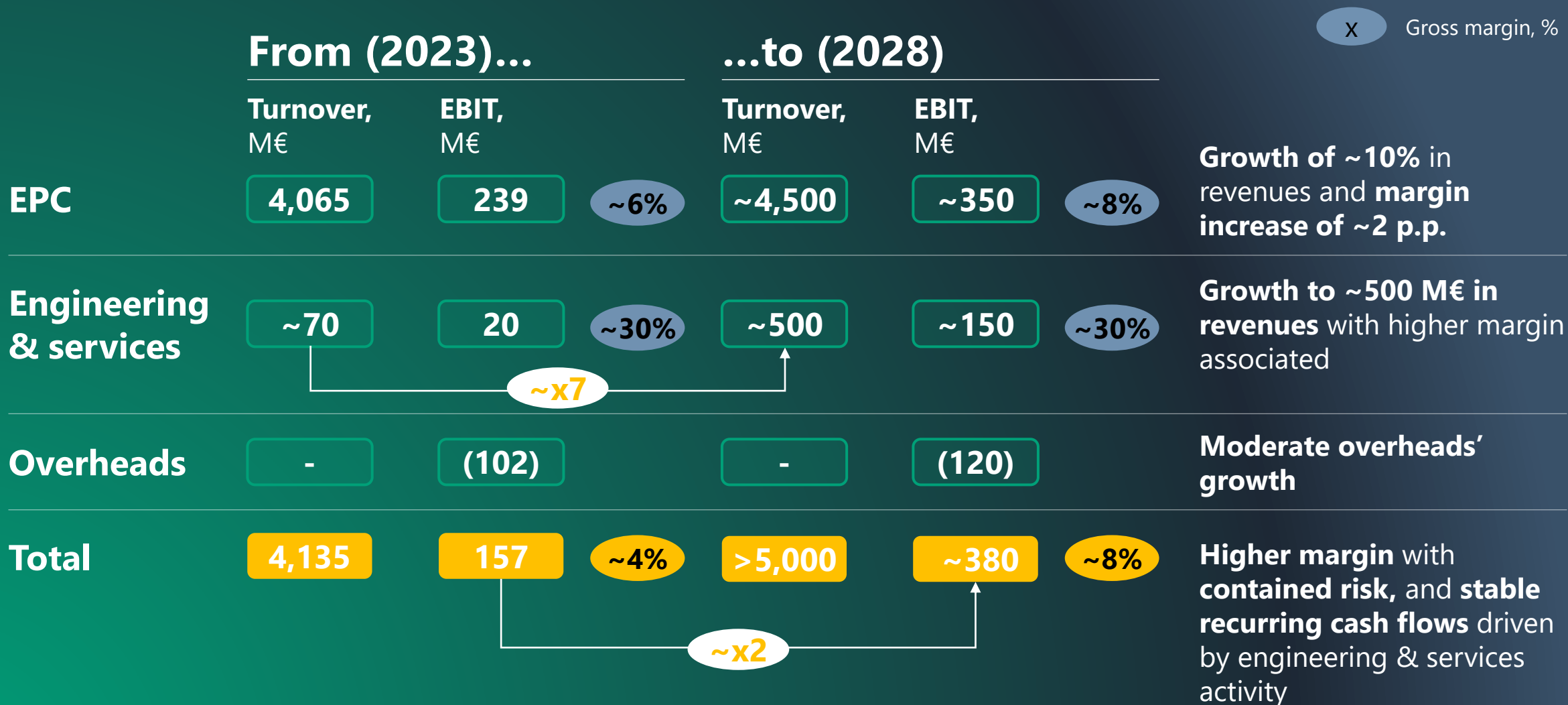
EBIT, M€



- **Growth in engineering & services activity** with stable recurring cash flows
- **Growth in North America**, with a strong focus in decarbonization
- **Optimization of EPC margins** and continued growth



# Our ambition towards 2028



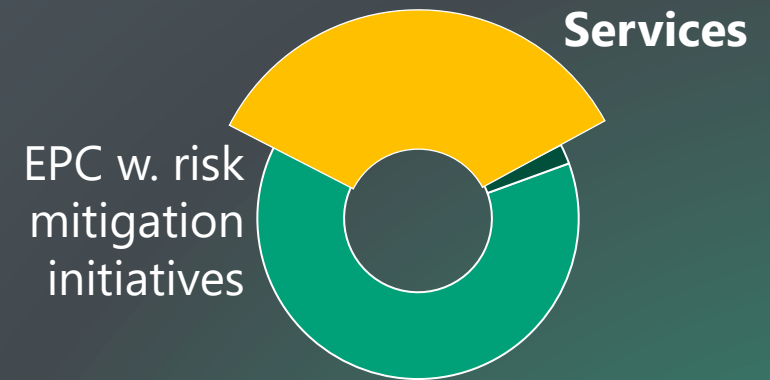
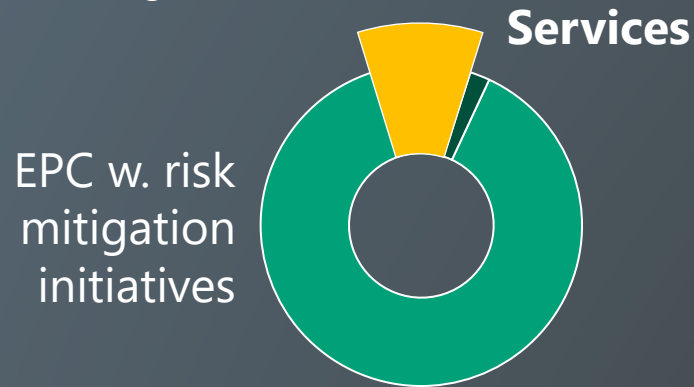


# Shaping TR's company profile gradually

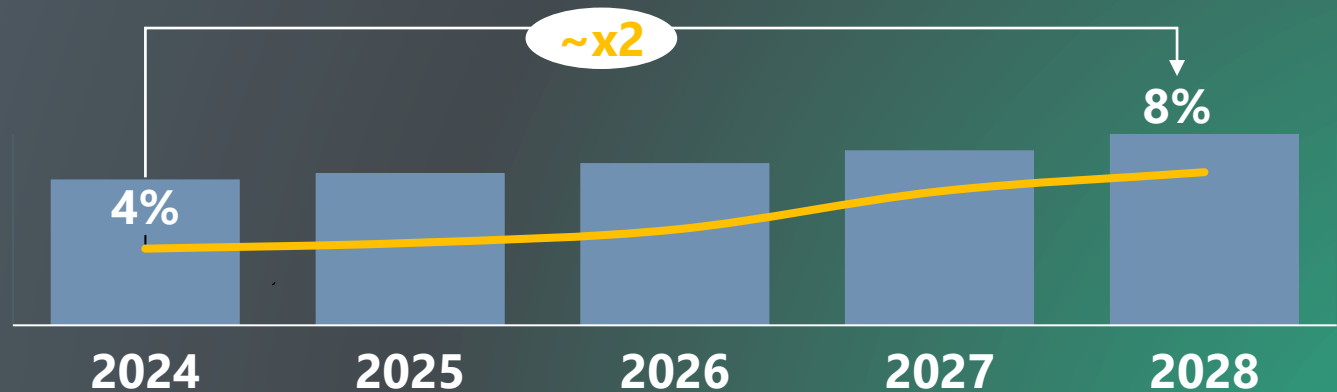
From **EPC-focused company with risk mitigation initiatives** in place...

... to a **value focused** company

Gross margin, %



— EBIT margin, %  
— Turnover, M€



# We build our ambition around 7 key pillars

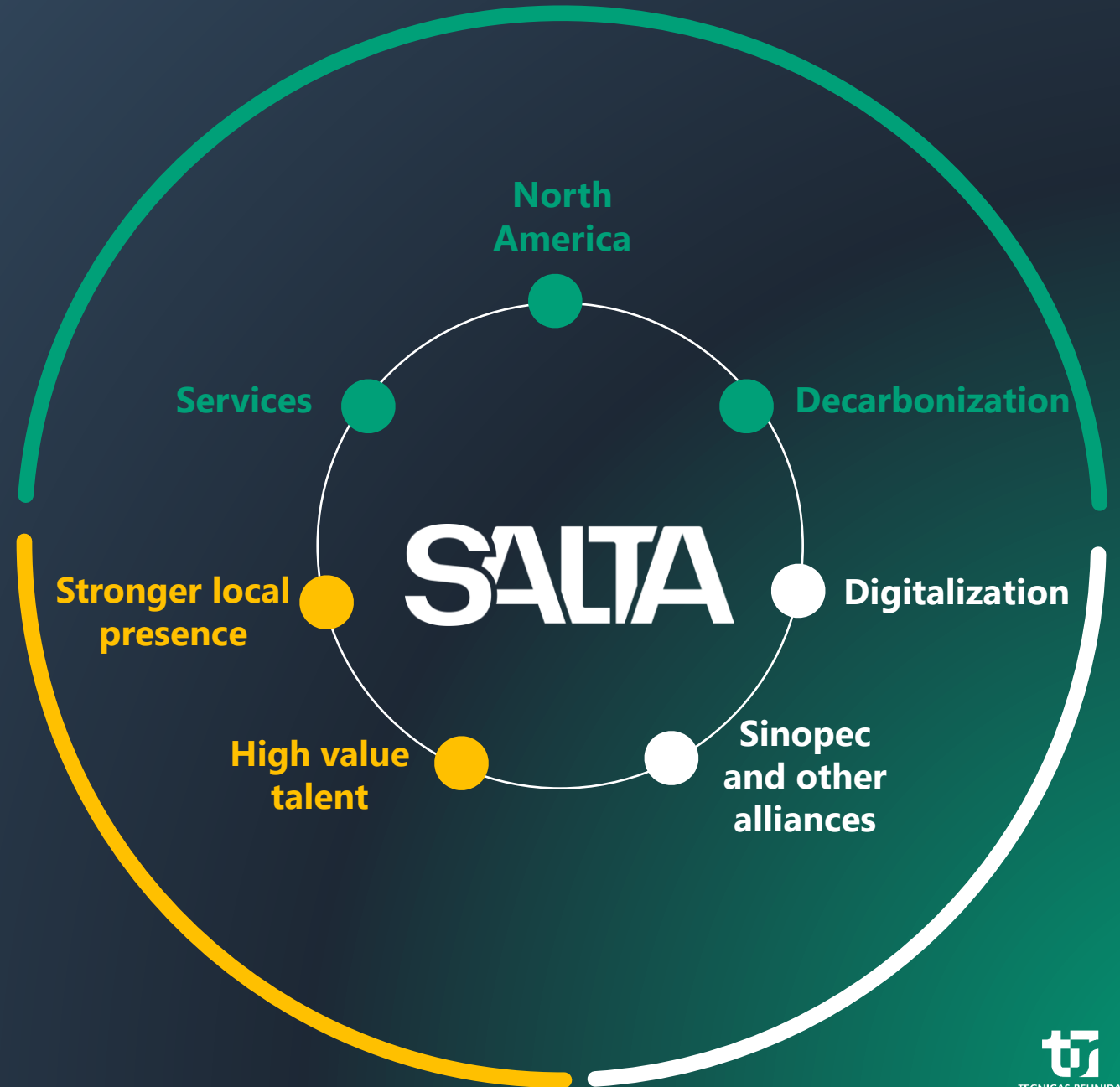
**Sustainable and profitable growth drivers**



**Enhancing margin improvement and innovation**



**Operating model re-design to maximize accountability and customer centricity**



# Sustainable and profitable growth drivers

## Services growth

**Launch** of a **dedicated BU** to boost Engineering & Services business

**Constructable** engineering, trusted **technological** partner

## North America

**Local office launched** in a booming market with a strong decarbonization focus

**Local office**, established relationship **with O&G majors**

## Decarbonization

Focus on **complex technologies** including H2 and derivatives, CC and Sustainable Fuels



**Decarbonization** dedicated BU

# Enhancing margin improvement and innovation



## TR as a true digital EPC partner



**~1.5 p.p.** margin value creation through...

... **reduction of manhours**

... focus engineers on **value added tasks**

... **new services** for our clients

... and a **new paradigm** for the industry!

## TR & SINOPEC Partnership... and more to come



Complementary **geographic footprint**



De-risking from potential **resources bottleneck**

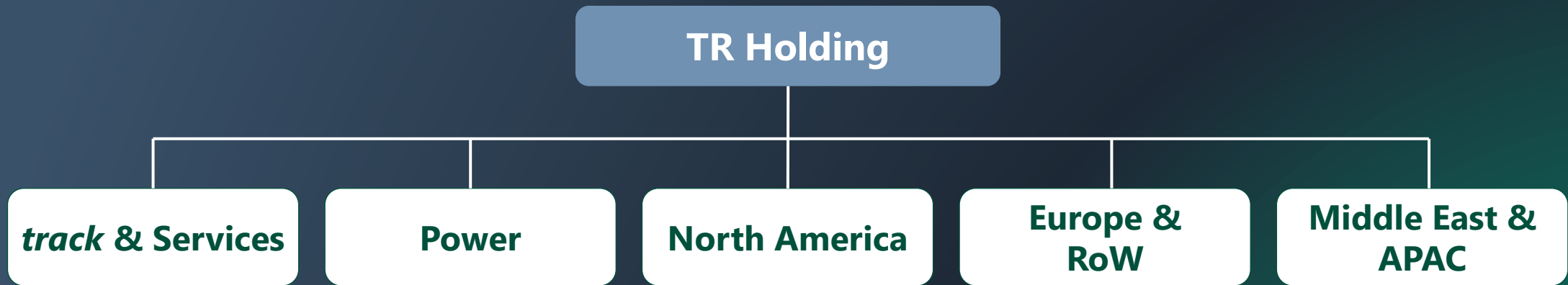


**Joint awards** already in place and **promising pipeline** ahead

# Operating model re-design



We have re-designed our organization creating **5 Business Units** with dedicated P&L allowing us to enhance **accountability** and **client proximity**, while developing and **grow our talent**



## ✓ **Accountability**

Empower Business Units with **P&L responsibilities**

## ✓ **Risk segregation**

**Risk allocated** per Business Unit

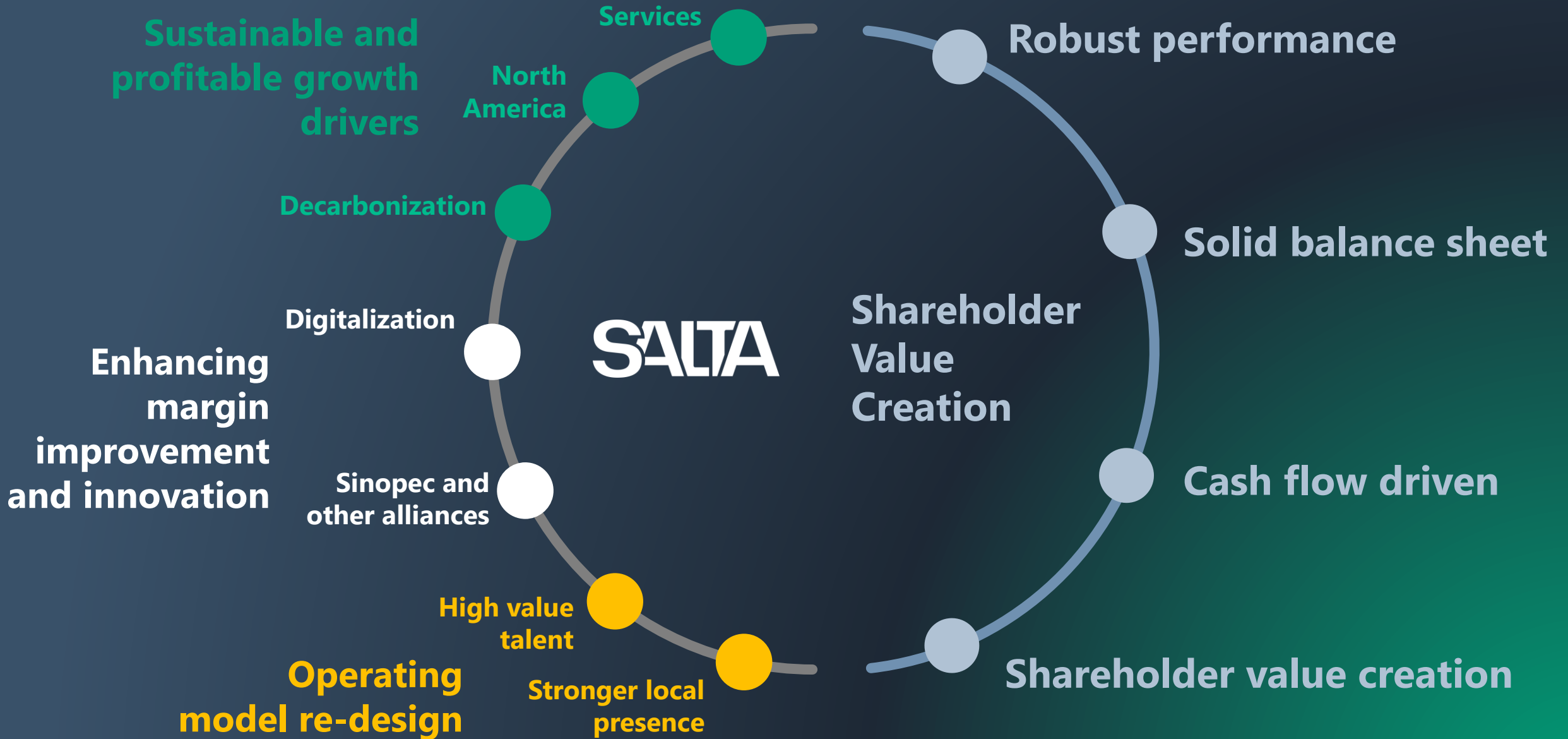
## ✓ **Talent**

Growth and **development opportunities** with new leadership roles

## ✓ **Value**

Increase **market and client proximity**





**Sustainable and profitable growth drivers**

**Services**

**Gonzalo Pardo**

**North America**

**Eduardo Inda**

**Decarbonization**

**Joaquín Perez de Ayala**

**SALTA**

**Enhancing margin improvement and innovation**

**Digitalization**

**Benjamin Zizumbo**

**Sinopec and other alliances**

**Jesús Rodríguez**

**Operating model re-design**

**High value talent**

**Hugo Mínguez**

**Stronger local presence**

# Sustainable and profitable growth drivers





The background features large, semi-transparent, stylized letters 'G' and 'E' in shades of blue and green, positioned on the right side of the slide.

**Gonzalo Pardo**

Engineering & Services

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# We are launching our dedicated Engineering & Services unit



**TR already has a recognition status by our clients** – a service that has been requested by clients

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Engineering investment outlook **drives engineering services shortage and demand for early engagement** to ensure EPC conversion

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**Higher demand for services** associated to specificities of low carbon investments

- **Novel technologies** requiring process engineering know-how
- Large number of **developments in early-stage** requiring engineering services,
- Several **technology alternatives** with unclear winner pathway

# Técnicas Reunidas has a unique positioning and competitive advantage to provide Services to energy clients

## TR Services unique competitive advantage



### Execution-driven engineering, setting TR aside from competitors

Our track-record and know-how positions **TR as unique services partner** due to our **holistic view and mindset**, as our EPC projects reap the benefits of our own engineering



### Top-class & cost competitive engineering

TR **global engineering footprint to maximize cost competitiveness via its** Spanish headquarters combined with hub across the globe (e.g., India)



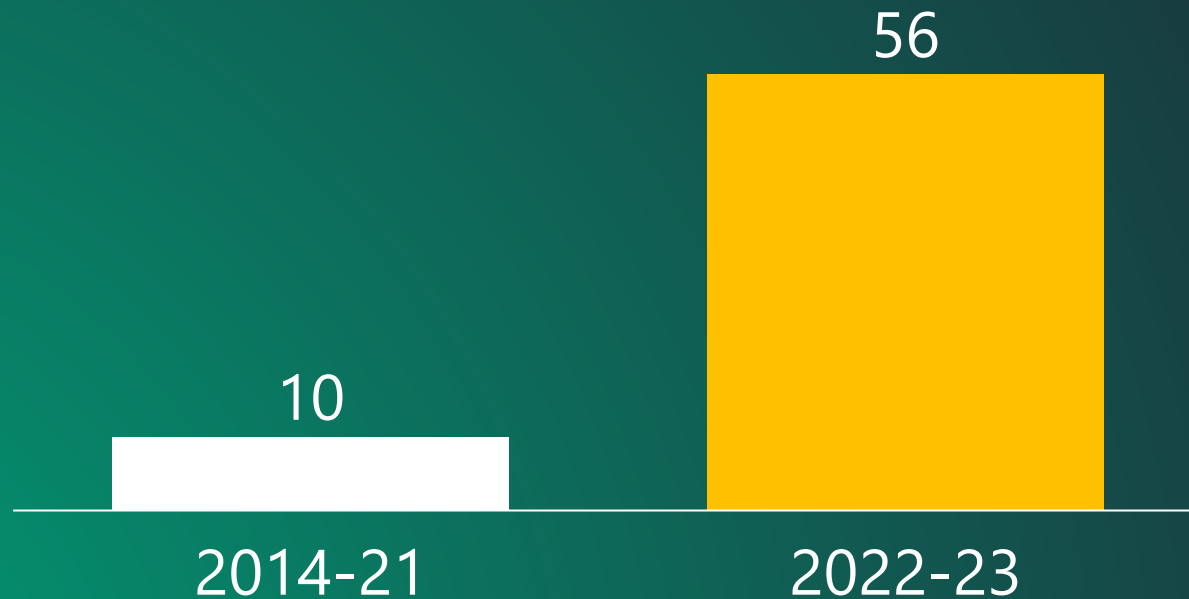
### Comprehensive offering

Offering encompasses **end to end** project development across **stages**



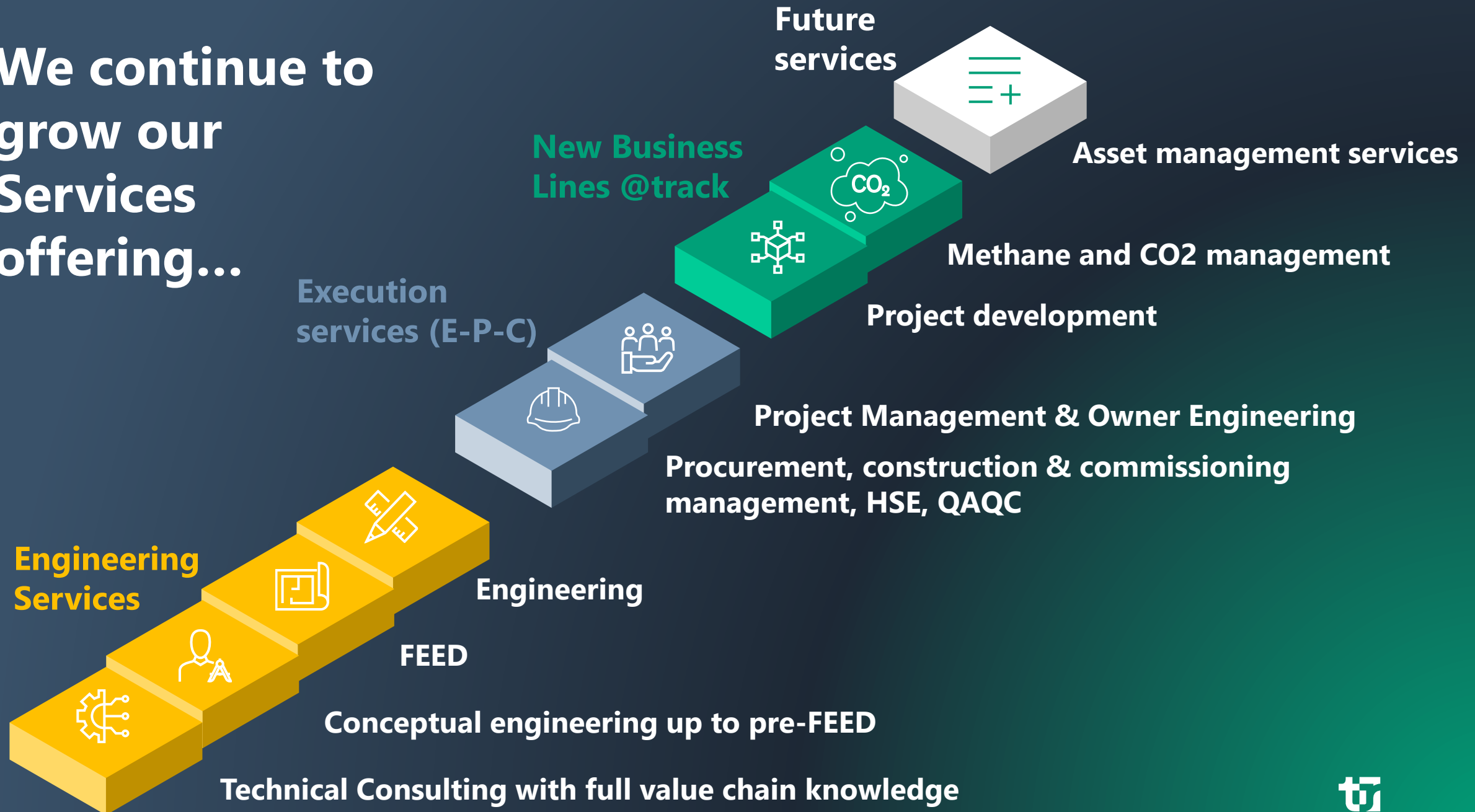
# We have reached >50 awards in engineering & service contracts in 2022-23, positioning TR as a key technological contractor

Pre-FEEDs, FEEDs & early engineering works awards, bi-yearly average #



**10 awards**  
in Q1 2024

# We continue to grow our Services offering...



# ...across industries and technologies



# We are well prepared to deliver our ambition



## Team growth

We already **accomplished** it twice **in the past** (2000s and post COVID) and scaled our **Engineering Centers**



## United States

We already have entered **new markets** before, there is a huge demand, and we are growing fast our **local office** in Houston



## Technology knowledge

We count with the **knowledge** and **process background** and strong & **longstanding relationship** with all key OEMs & licensors



## Market recognition

Already recognized by our clients as **engineering & services contractor**, with **differentiating capabilities** setting us aside from competitors due to our **EPC capabilities**

# We deliver Services for flagship projects of relevant clients across decarbonization and traditional technologies

Sanitized selected credentials

 Decarbonization technologies  Traditional technologies

<p><b>Project Ethylene complex</b> </p> <p>&gt;4 B\$ investment EPCm services</p> <p></p>	<p><b>Petchem complex</b> </p> <p>&gt;15 B\$ investment BE + FEED</p> <p></p>	<p><b>HVO</b> </p> <p>~1 B\$ investment E+P services</p> <p></p>	<p><b>Green NH3</b> </p> <p>~1 B\$ investment Competitive FEED</p> <p></p>	<p><b>AST2 Polyethylene Project</b> </p> <p>~2 B\$ investment E+P services</p> <p></p>
<p><b>CCGT   CC</b> </p> <p>&gt;2 ~B\$ investment Pre-FEED &amp; FEED</p> <p></p>	<p><b>Green H2</b> </p> <p>&gt;2 ~B\$ investment Pre-FEED &amp; FEED</p> <p></p>	<p><b>Blue NH3</b> </p> <p>~3 B\$ investment Feasibility/ Competitive pre-FEED</p> <p></p>	<p><b>CCUS</b> </p> <p>~1 B\$ investment Technology selection &amp; FEED</p> <p></p>	<p><b>Green fertilizers</b> </p> <p>~1 B\$ investment Feasibility/ FEED</p> <p></p>



# We have a growing engineering & services pipeline

Proposals under preparation or negotiation with expected award in 2024



**Proposals**

**> 35**



**Value**

**> 400 M€**



**Hours**

**~4 M**



**Clients across industries**

**Tier-1**

# Key takeaways on our dedicated Engineering & Services unit



**P&L accountability** and dedicated management team, inc. specialized teams



**Differentiating capabilities**, stemming from our EPC experience distinctly position us ahead of our competitors



**End-to-end/360° vision offering already in place**, from early engagement to project execution support



**Resources growth** from our cost-competitive footprint leveraging global engineering centers

# Sustainable and profitable growth drivers

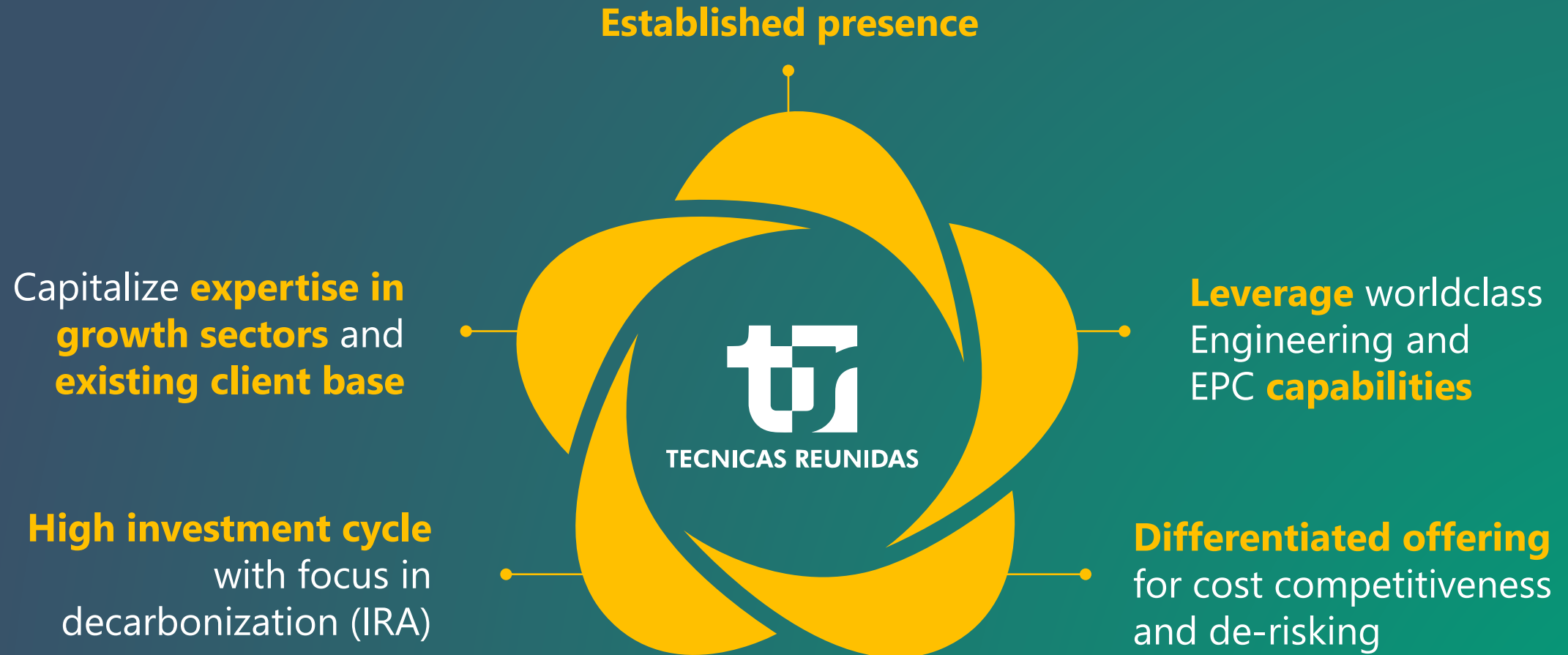


**Eduardo Inda**

North America

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# Técnicas Reunidas has a strong value proposition for the North American market



# We already have 3 local offices in North America, with recent launch of Houston office...



Calgary,  
Canada



Operating office  
since **2012**

**15 projects in country,**  
under execution or  
recently completed

**+4 B CAD TIC** managed  
on behalf of our clients



Houston,  
US

**Regional HQ and growth  
plan focus for  
Técnicas Reunidas**

Houston office Launched in  
**2023** and **TR US  
launch event**

**19 projects** executed in US



Mexico DF,  
Mexico

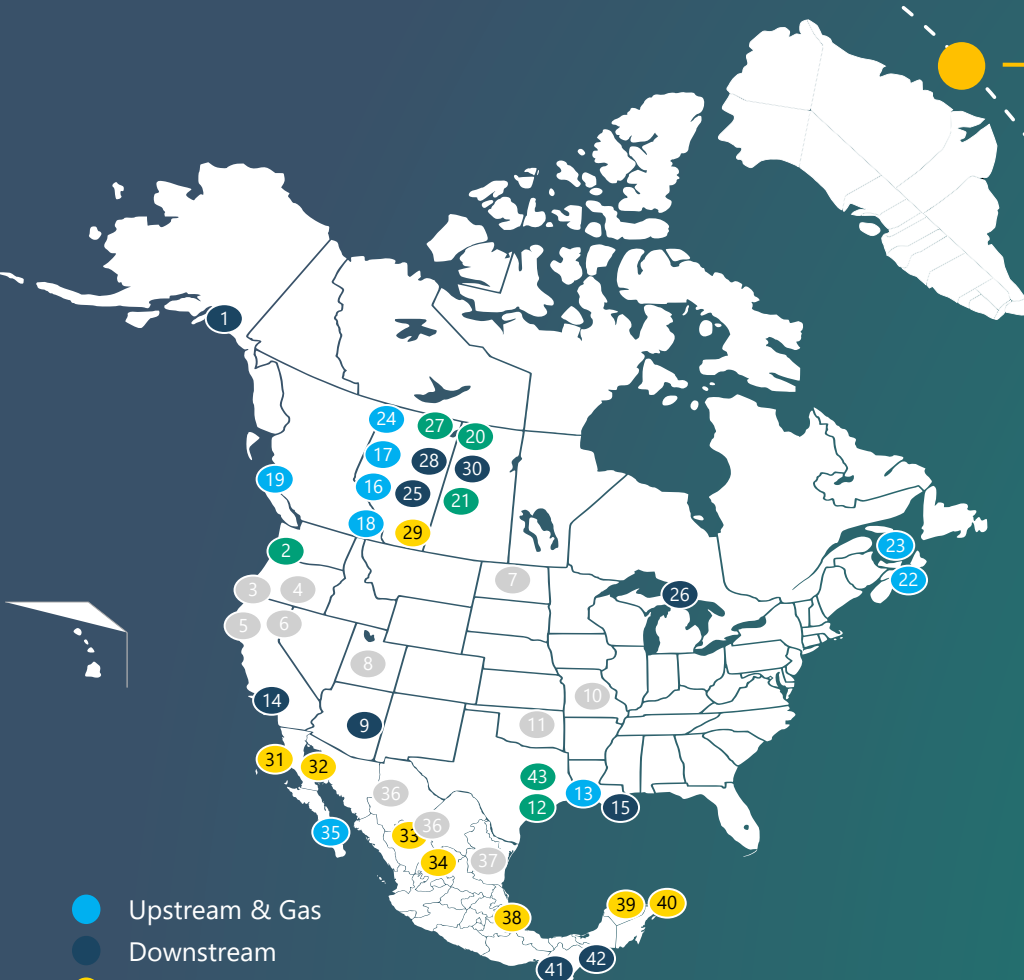
Operating office since  
**2014** (presence in country  
since 2002)

**+2.5 B\$ TIC in EPC  
contracts** under execution



# ...and experience to leverage

Selected highlights



- Upstream & Gas
- Downstream
- Power & Water
- Energy Transition
- Metallurgy

**Diversified footprint:** Upstream, downstream, power and energy transition

**Risk-balanced** delivery models

**Tier A** client list

Project lifecycle: **from pre-feed to EPC**

Fast-growing **Energy Transition** portfolio in the region

# We have already delivered +40 projects of relevant clients in the North American region

Sanitized selected credentials

■ Decarbonization technologies ■ Traditional technologies





# North America market presents 3 key growth pillars for TR



**Energy transition** with strong focus on decarbonization driven by **IRA**



**High investment** in other energy technologies such as **LNG and Petrochemicals**, driving EPC partner need



Leverage of TR **experience** and **relationships** with TR clients in **other regions**

## Our clients



**Marubeni**

ExxonMobil



ConocoPhillips

INEOS



Jera AMERICAS



## US market presents specific contractual conditions ...



**Increased demand for service contracts**, favoring reimbursable models



Clients supportive of **hybrid contracts**



Strong opportunity for **early contract entry and seamless transition** to the next phase



Market conditioned by (lack of) **construction resources**



**Limited EPC LSTK** market

Most of the EPC's are:

- Through **FEED conversion**
- Inclusive of **substantial risk** carve outs

... and we have  
tailored a clear risk  
contracting strategy

✓ **Contracting strategy**

TR favors **hybrid execution models**, with client shared risks

✓ **Early engagement**

**Early stages involvement** is set as a pre-requisite to mitigate fix price scopes

✓ **Partnership strategy**

Projects execution through **partnerships with construction contractors**

We have already established strong relationships with key construction and technology partners in the North American market

### Construction partners

ZACHRY

TURNER INDUSTRIES



Performance CONTRACTORS, INC.



PCL CONSTRUCTION

AECON

### Technology partners

Air Liquide

CHART

UHDE

THE LINDE GROUP

Shell

KBR

CASALE

LUMMUS TECHNOLOGY

HALDOR TOPSOE

MITSUBISHI HEAVY INDUSTRIES

Baker Hughes

# We already count with a solid base of projects under execution and a promising pipeline in the short term

## Short term focus

---

**Energy Transition** – forecasted strong early engineering tendering activity in **US & Canada**

Several **bid invitations** for **CCSU and Ammonia** projects

**Petrochemicals** – early development activity to be kicked off **within 2024**

**Addressable market** estimated in **>80 B\$**

## Executing

**3 early engineering projects** for **Energy Transition** field with **>5 B\$ TIC**

**5 EPC projects** in CCGT sector which **>3 B\$ TIC**

## Tendering

**>2.5 M manhours** of engineering

**>5 B\$ TIC FEED** to EPC Contracts

Several opportunities for **early engineering involvement**

# Key takeaways on our North America unit



**P&L accountability** and dedicated management team



NA **HQ in Houston** with balanced local and corporate expertise



Driven by **market growth** in TR core areas, including decarbonization boosted by IRA

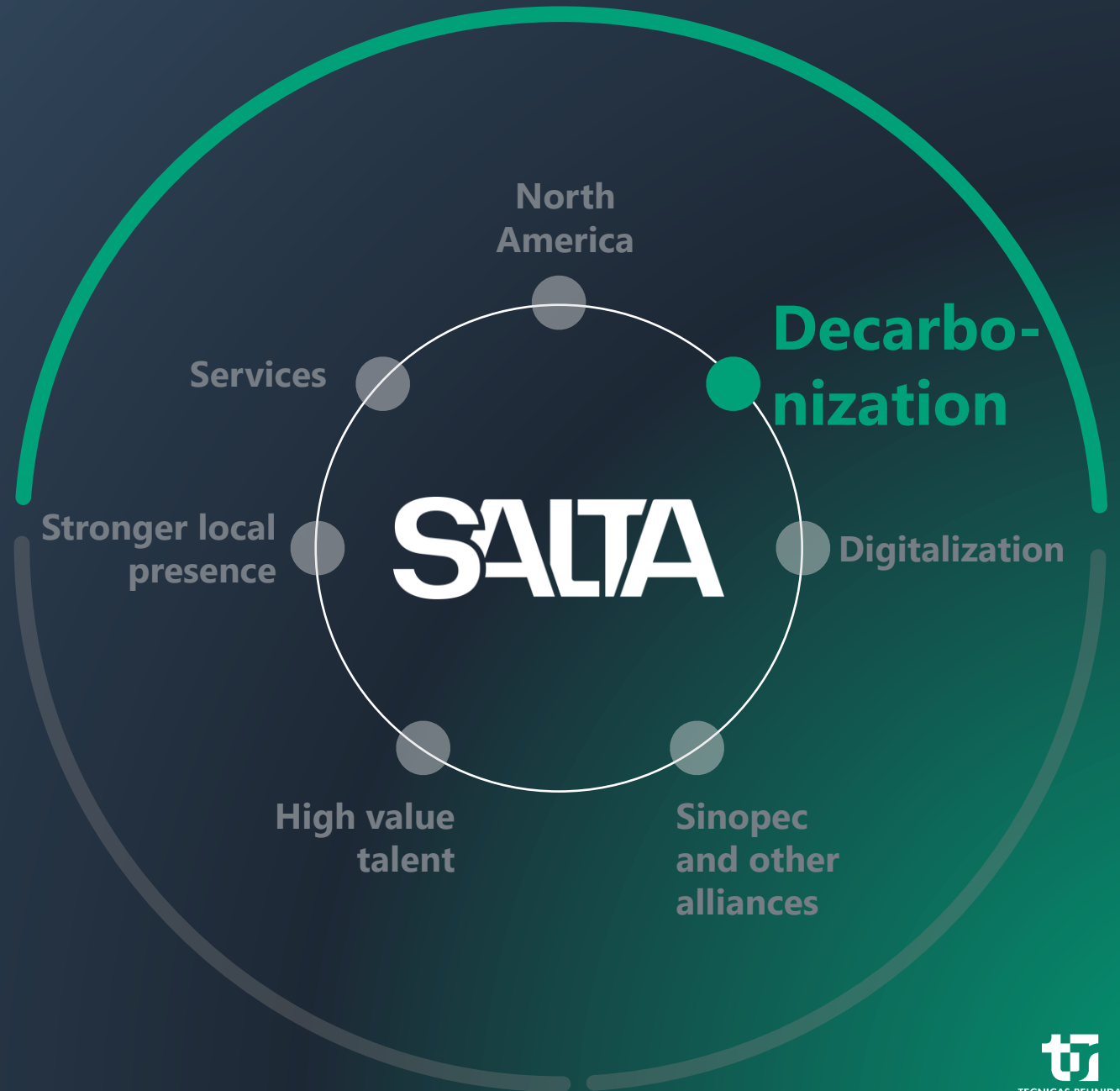


Disciplined **Risk and profitability** strategy



Partnerships for **joint bid** and **project delivery**

# Sustainable and profitable growth drivers



# Joaquín Pérez de Ayala

Decarbonization

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# The strategy of Técnicas Reunidas for a low carbon economy



# The low carbon economy: a world of opportunities for Técnicas Reunidas



## Sizeable investment

> 1,300 B€ 2024-28 global investment in decarbonization investments



## Molecules

Molecules are key for the **low carbon future**, and they are **our expertise**

## Molecules 43%



## Industries

We are entering into **new industries**, with a strong focus in **steel and cement**



Hydrogen



Ammonia



Carbon capture



Bio- and e-fuels



Methane



## Regions

We are reinforcing our presence in **regions** where **decarbonization** policies are **boosting investments** (NA and EU)

# track, our low carbon strategy is based on three pillars



## **New projects**

### **Project sourcing**

Project co-development

### **Project design**

Early-stage engineering services

### **Project execution**

Renowned FEED and EPC skills



## **Asset decarbonization**

### **Carbon management**

Recurrent service for industries with hard to abate emissions

### **Methane management**

Recurrent service for oil and gas assets



## **New industries**

### **Steel, cement and other carbon intensive industries**

Emitters with challenging low carbon goals







... with lack of trusted E&C capabilities

... where we bring supportive approaches from the outset

# We are already supporting leading low carbon investors with our diversified portfolio of products and services

Sanitized selected credentials

## Hydrogen

<p><b>Large European utility</b> Green ammonia  Detailed engineering</p>	<p><b>Atlas Agro</b>  Green fertilizers   FEED</p>	<p><b>Holmaneset</b>  Green NH3   Competitive FEED</p>	<p><b>Catalina</b>  NH3   Pre-FEED &amp; FEED</p>
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## CCUS

<p><b>Large NA O&amp;G company</b> Steam boiler post combustion CC  Pre-FEED</p>	<p><b>Pembina Marubeni</b>  Blue ammonia   Pre-FEED</p>	<p><b>SSE</b>  CCGT post combustion CC   FEED</p>	<p><b>NA IPP</b> Blue hydrogen  Pre-FEED</p>
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## Sustainable fuels

<p><b>Large European O&amp;G company</b> E-fuels  EPC</p>	<p><b>CEPSA</b>  Bio diesel and SAF   FEED</p>	<p><b>New industries</b></p>	<p><b>Large steel company</b>   PMC services</p>
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# 315 M€

of accumulated awards in decarbonization projects



**Dedicated team of seasoned experts** on decarbonization







**>30 partnerships** with leading **technology licensors and OEMs**

# 1.8 Million

engineering hours of service contracts in decarbonization projects



# New projects | We are co-developing projects with strong business fundamentals and solid partners

Project	Product		Current stage	Year EPC
Lizard	Green ammonia		Feasibility	2025
Pelican	Blue ammonia		Pre – feasibility	2026
Dragon	Green ammonia		Pre – feasibility	2026
Armadillo	Green hydrogen and ammonia		Pre – feasibility	2027

**~4 B€** of project EPC value, in co-development, at both sides of the Atlantic, with sound partners

Vision

Patience

Perseverance

360° scope

Development fee

Solid margins

Higher success rate

Sound fundamentals



# Carbon management | Carbon related infrastructure is essential for attracting and retaining industrial investment

 **CC** is key to **attract and retain industries...**

**Only viable option** to decarbonize hard to abate industries

**Carbon capture infrastructure** foreseen in Europe 2040<sup>2</sup>

Node type:  
● Source  
● Sink  
● Terminal

 ... is already **gaining traction...**

**~55% CAGR** 2018-23 of **capture capacity** of projects in operation or development

 ...and attracting **smaller players**

**70%** of potential leads <1 Mtpa

**75%** of potential leads belonging to a cluster

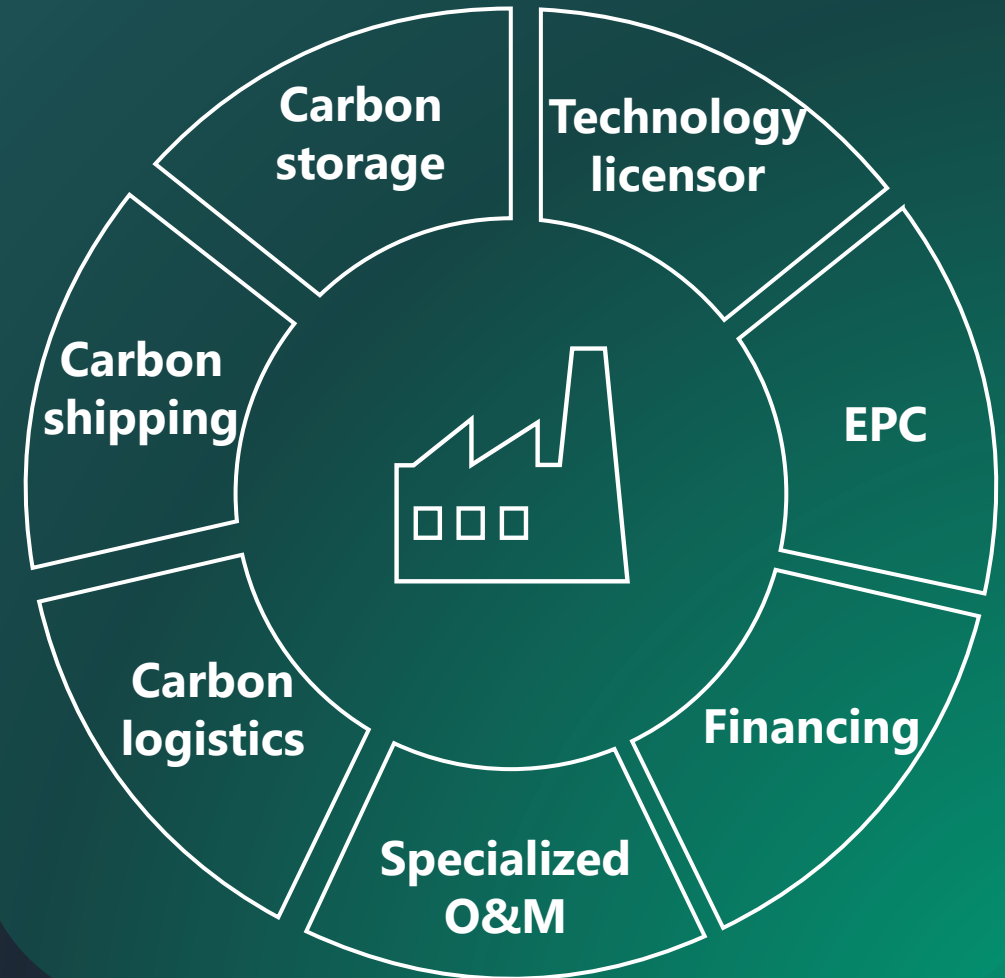


1. GCCSI  
2. Shaping the future CO2 transport network for Europe, JRC EC

# Carbon management | An end-to-end service to facilitate the decarbonization of industrial assets



**In-house carbon value chain** has different **stakeholder profiles** and requires complex **management skills**



# Carbon management | An end-to-end service to facilitate the decarbonization of industrial assets



**In-house carbon value chain** has different **stakeholder profiles** and requires complex **management skills**



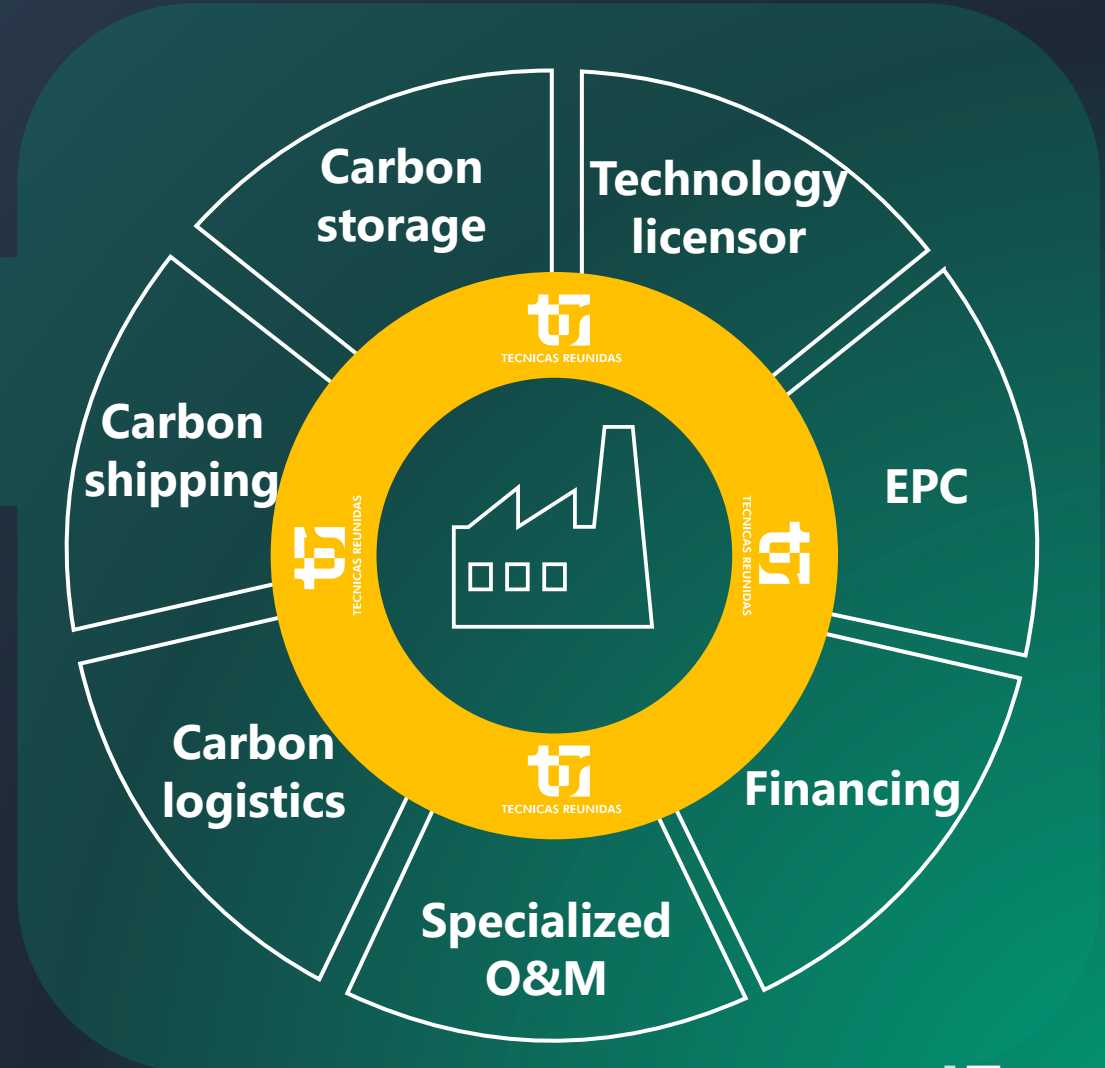
**Outsourced** – Técnicas Reunidas will provide an **end-to-end service** to facilitate the **access to the value chain**



**Our reference numbers**  
**~15-25% EBITDA margin**  
industrial gases operators



**We are partnering with** technology providers, midstream operators, storage suppliers, equity investors, lenders...

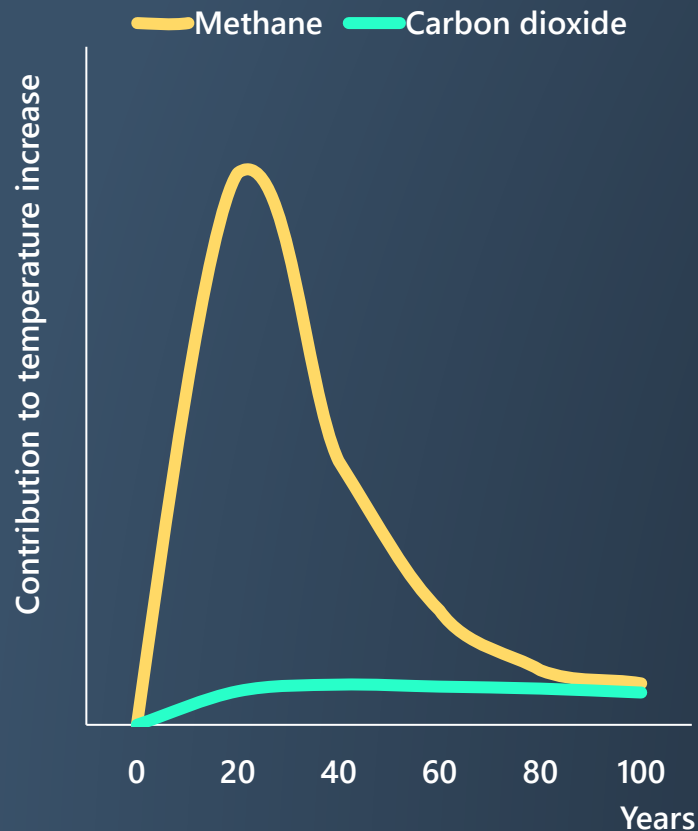




# Methane management | We are leveraging our industrial footprint, asset knowledge and technological capabilities

## Methane

The **largest impact in** the short and mid-term in **global warming**



Source: In house tool for methane emission localization

## Oil and gas assets

# 15,000

potential methane emission point sources in a natural gas processing plant



Snapshot of in-house tool for managing methane emissions at point source level (facility designed and built by Técnicas Reunidas)

## Our services offering

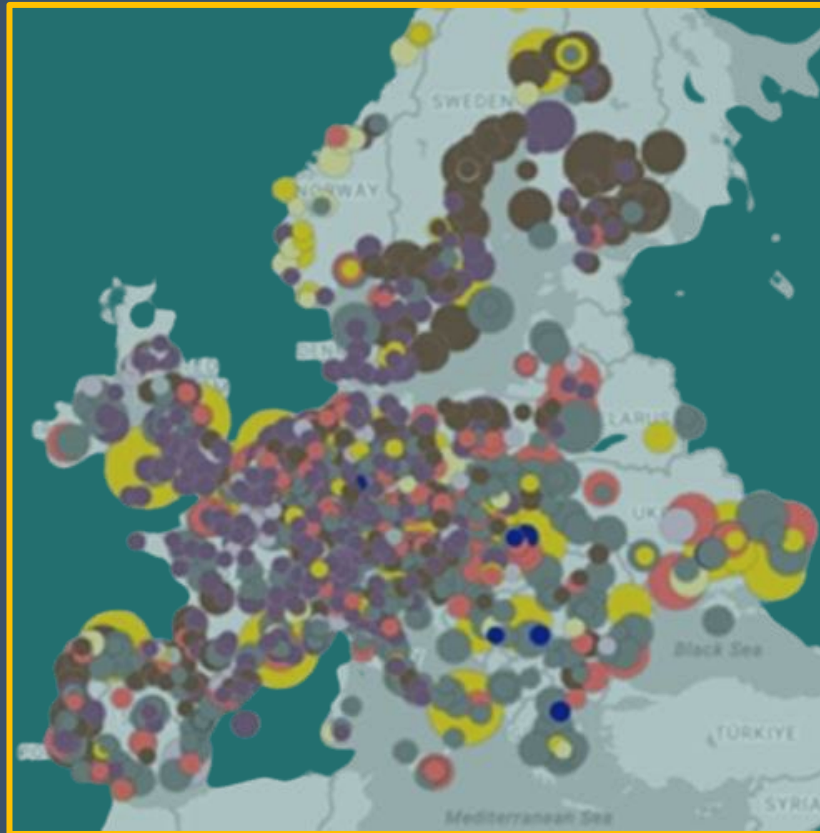
- Multi source **measurement strategy**: satellite, drone, ground sensors
- **Data reconciliation** through AI
- Prioritization of **mitigation actions**
- Planning of **LDAR campaigns**
- Regulations **follow-up**
- Monitoring of **best practices**
- Industry **benchmarking**
- Monthly **reporting of emissions**
- **Reference data** – e.g., standards, verifiers, financial institutions, clients

# 25%

 EBITDA margin

# New industries | Many players with challenging decarbonization goals in a complex and uncertain scenario

## Regulation pushes decarbonization investments in industry



**576 Mtpa in 1,299 sites**

non-energy related European emitting sites with more than 100 ktpy of carbon emissions

**268 Mtpa** in cement and steel industries

**150 €/ton** of CO<sub>2</sub> 2030

**49%** of free allowances removed by CBAM in 2030

**2.8 Mtpa** in current leads in eight facilities

In industries where decarbonization is a challenge, Técnicas Reunidas has the tools to support

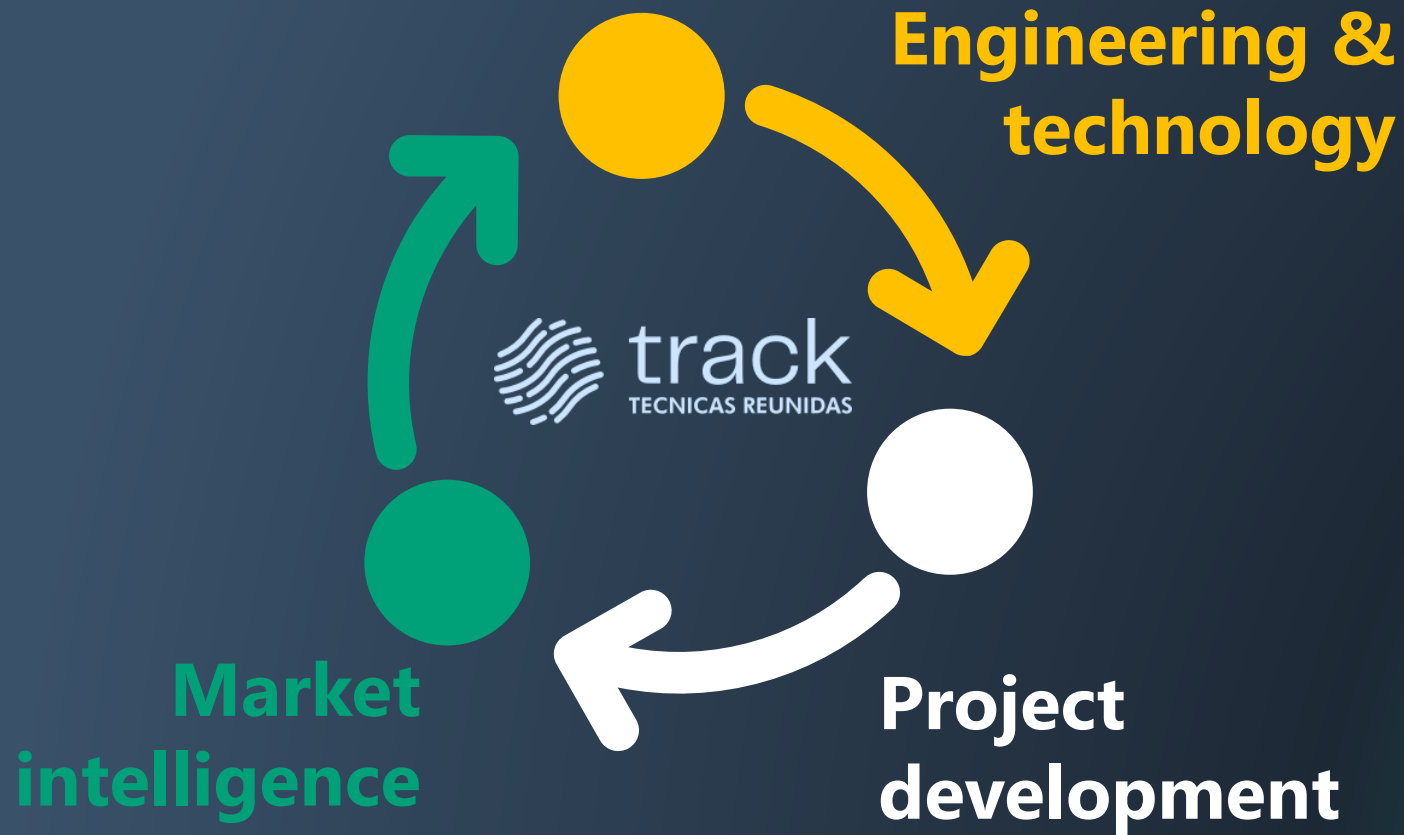
- Proven **E&C capabilities**
- **Full product range:** hydrogen, biofuels, carbon capture
- **Decarbonization** roadmaps
- **Early-stage** engineering services
- End-to-end **carbon management**
- Project **co-development**
- **Financing partnerships**

# We are on track: status, timeline and profile of the different services around track

		Revenue stream	Current status	Gross margin	Time to cash
New projects	Project sourcing	From FEED to EPC Development fee	~ <b>4B\$</b> of project EPC value in co-development	8-30%	2025
	Project design	From pre-feasibility to FEED	<b>315 M€</b> of order intake in decarbonization projects	>20%	ongoing
	Project execution	FEED and EPC	<b>1.8 Million</b> engineering hours in low carbon projects	8-30%	ongoing
Asset decarbonization	Carbon management	Multiyear recurrent revenues	Gaining traction and building partnerships	>15% <sup>1</sup>	2027
	Methane management	Multiyear recurrent revenues	Go-to-market in 2024	25% <sup>1</sup>	2025
New industries		All of the above	<b>Steel:</b> delivering engineering services for decarbonization of three steel mills <b>Cement:</b> conversations with 5 global players, technology providers and financiers <b>2.8 Mtpa</b> in current leads in new industries	All of the above	2024

1. EBIT margin

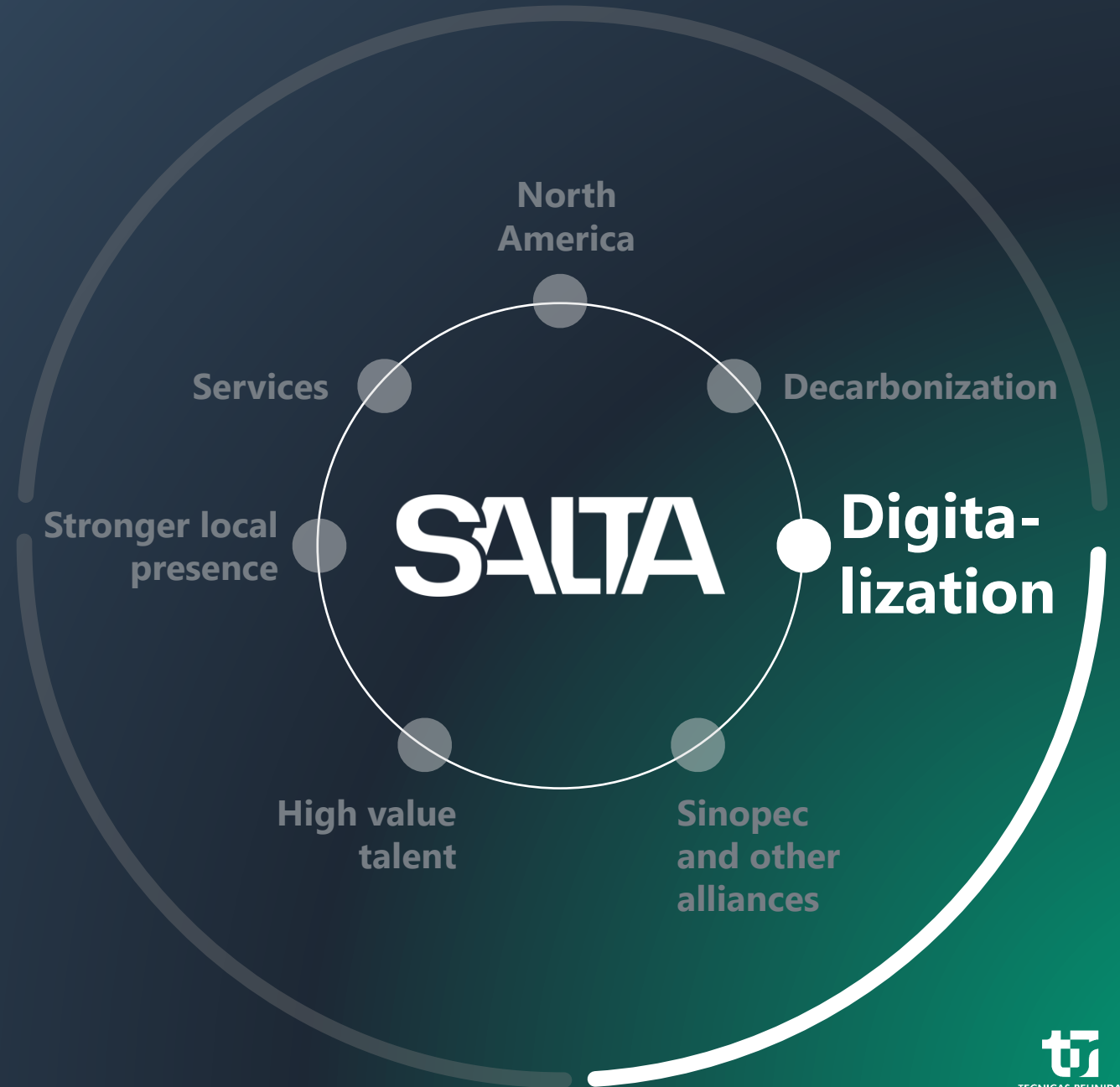
And most importantly, we are building a huge knowledge asset



## Driven by our direct exposure

Licensors  
Suppliers  
Industrials  
Co-developers  
Infrastructure funds  
Financing institutions  
Public financing  
Regulation  
Off takers  
Different geographies  
Industrial associations  
Value chains and more

# Enhancing margin improvement and innovation



# Benjamin Zizumbo

Digital Transformation

---



# ON THE ROAD TO A NEW WAY OF EXECUTING PROJECTS

*AI generated image*

## The digital transformation at TR pursues 3 main goals

Our digitalization strategy aims at creating value from both data and technologies

---

We are achieving, through an **in-house model**, a productivity improvement resulting into **time** and **cost savings**

---

A true differentiator with our clients and their involvement



# Clients are already demanding digital solutions with two main goals



Better control the **execution** of the project



Optimize the **operation & maintenance** of the asset

## Examples of scope of work with our core clients

### CLIENT 1

**Asset performance,**  
predictive analytics

**Digital Twin Process &  
Operations**

**Robots** for inspections  
at **height and subsea**

### CLIENT 2

**IOT Smart Safety &  
Smart Monitoring  
System**

**Augmented reality** at  
site

**Drones** progress  
capturing and modelling

**3D Laser scanning** for  
modules as-built



# We are already getting value from our Digital Transformation Project

## Engineering Man-Hours

**Direct site Man-Hours** by improving workflows

**Faster decision-making** reducing Engineering and Procurement phases

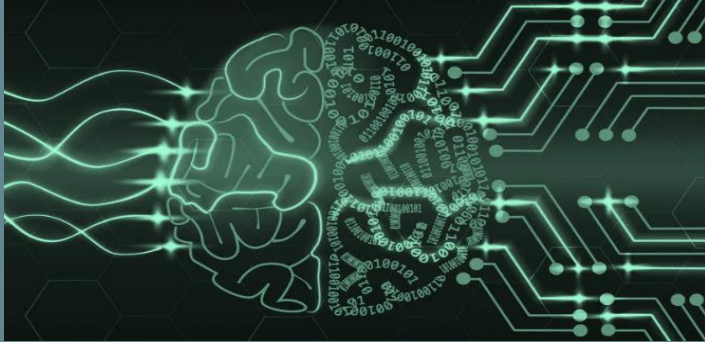
**New Services** to be provided to clients

**~1.5 p.p.** EBIT margin value creation



# Let's now see some examples of digital solutions...

## Artificial Intelligence



## IIoT



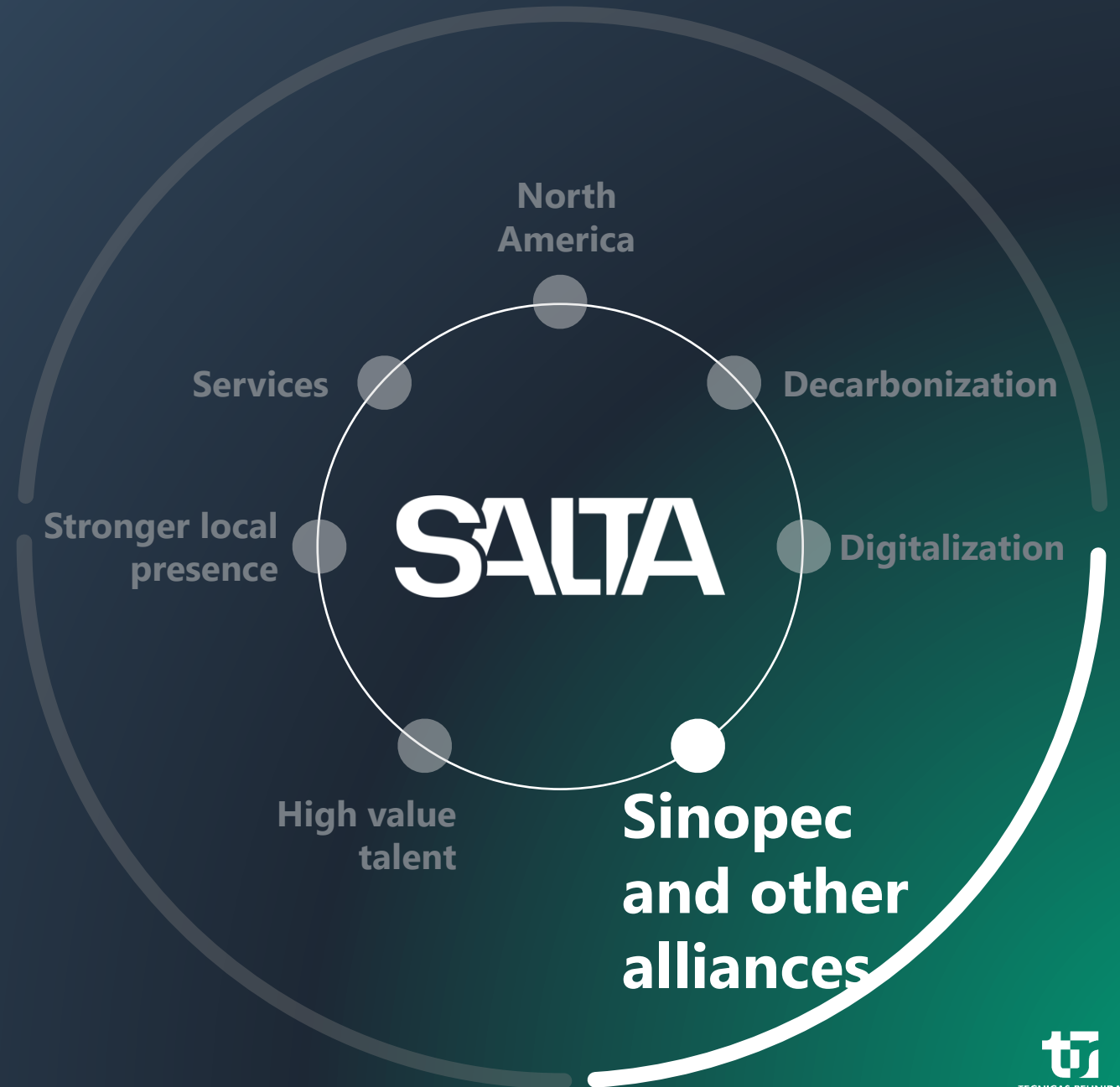
## Drones



## Computer Vision & Robots



# Enhancing margin improvement and innovation



**Jesús Rodríguez**

COO

---

# Our track record with Sinopec...



> 20 years of collaboration  
> 20 projects



Working as **subcontractor**

**17 projects** in KSA, Kuwait, Oman, Singapore, Bolivia



Becoming a **partner in JV**

**2 projects** in KSA, Kuwait



Agreement for **long term partnership**

**1 project** awarded and promising pipeline

# Some highlights of our collaboration

## Joint Venture for Al-Zour refinery

Biggest capacity refinery built in Middle East as a single project (600.000 BPSD)



## Construction subcontracts

4 major refineries – PetroRabigh, SATORP, Jizan & Ras Tanura



# The partnership



SINOPEC



TECNICAS REUNIDAS



Complementary **capabilities** – not only for third party clients but also for **SINOPEC projects**



**Financial assistance** to address increased workload



Development of a **new purchase office in China** with **mixed personnel** (benefitting from local advantages)



Extensive availability of **qualified resources for engineering and construction**



Development of **self-performing capabilities**



Access to **new geographies** where we are less present (e.g., Africa)



**Complementary technologies** usage



## A promising pipeline

> 15 projects under consideration

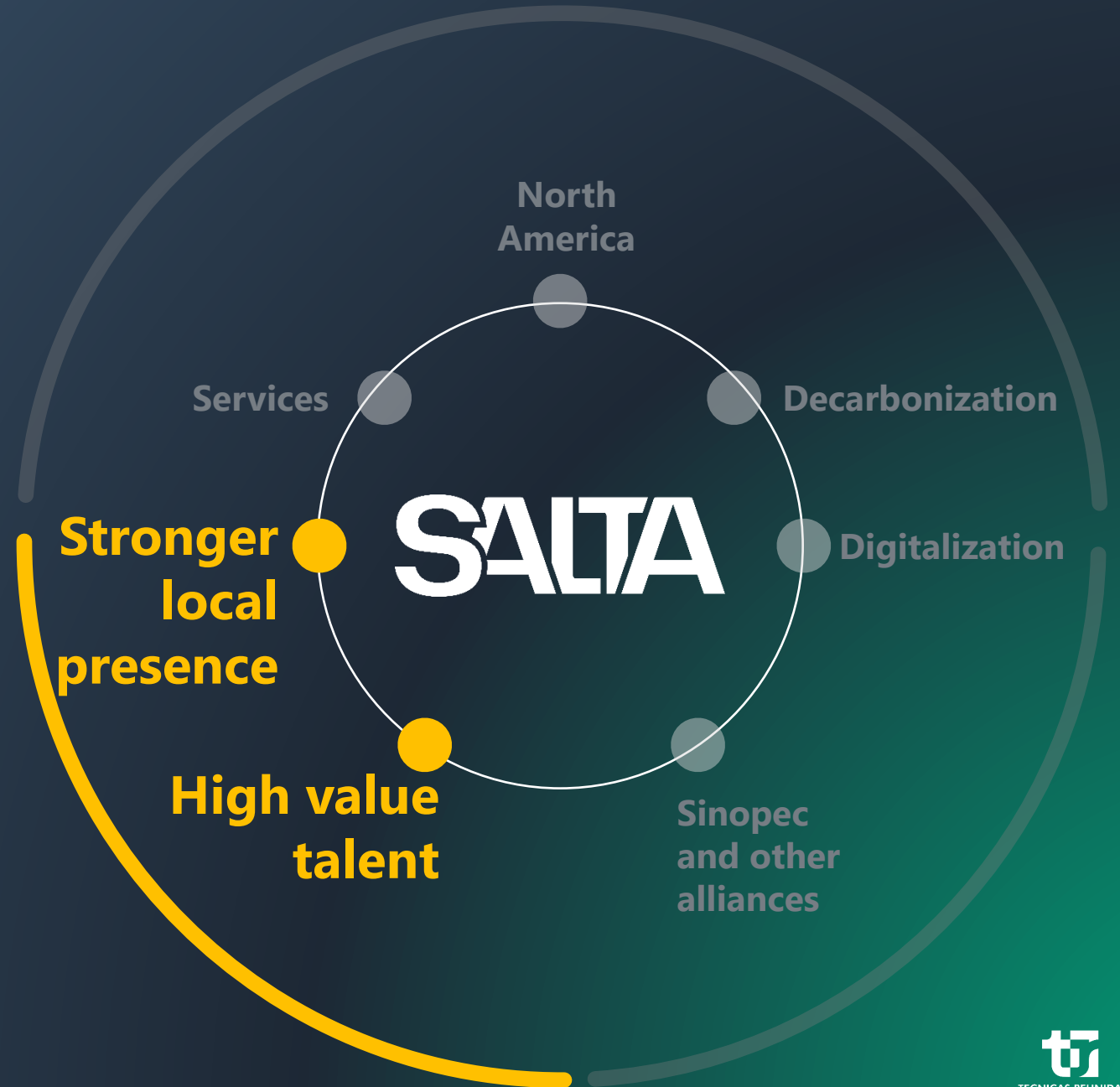
> 45 B€ for joint bid

... an inflection point in our future growth!





**Operating model  
re-design to  
maximize  
accountability and  
customer centricity**



# Hugo Mínguez

Chief Human Resources Officer

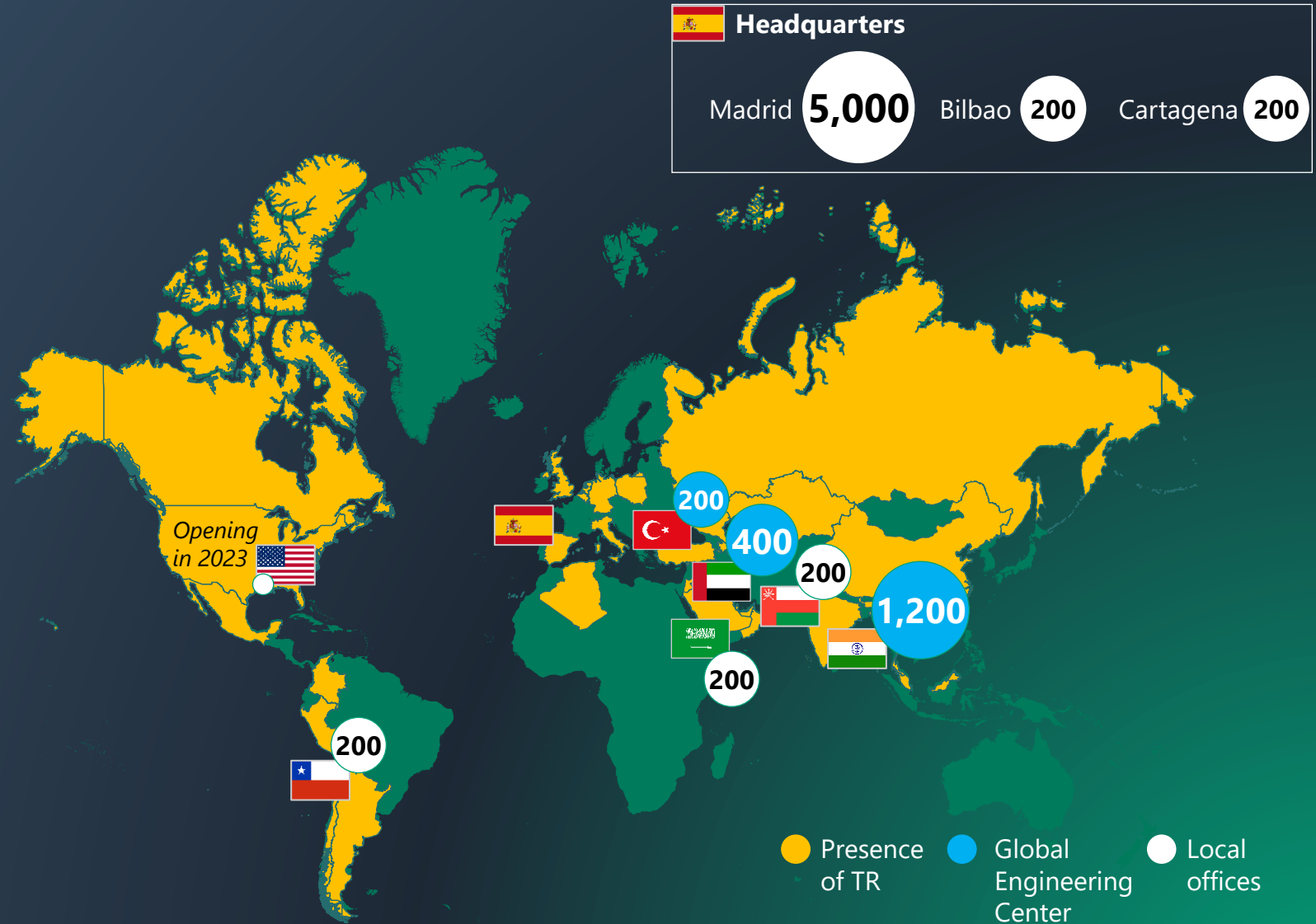
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Técnicas Reunidas is a true global company of >9k employees

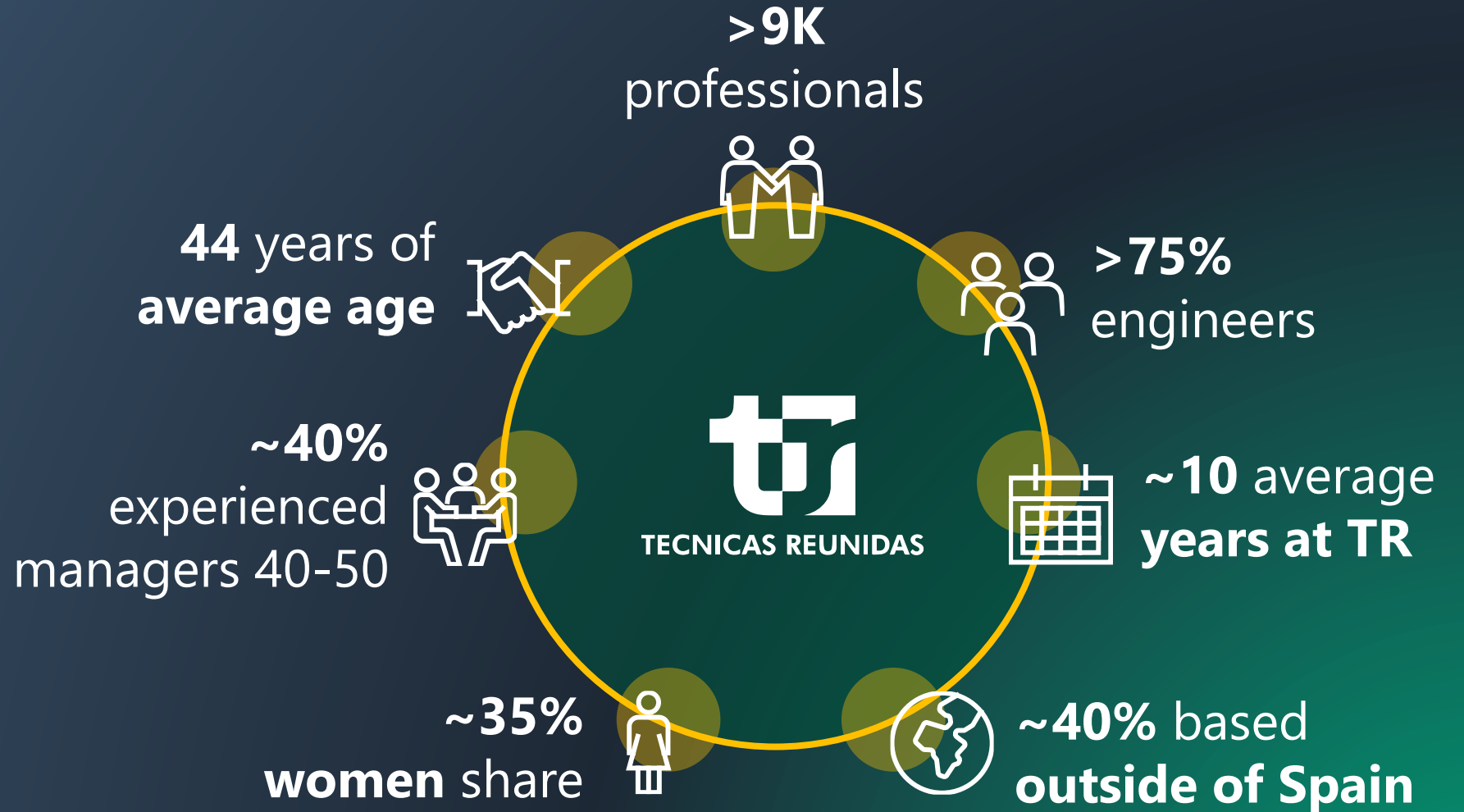
>30 countries with presence

Madrid technological hub & Headquarter

3 global engineering centers (India, Abu Dhabi, Turkey)

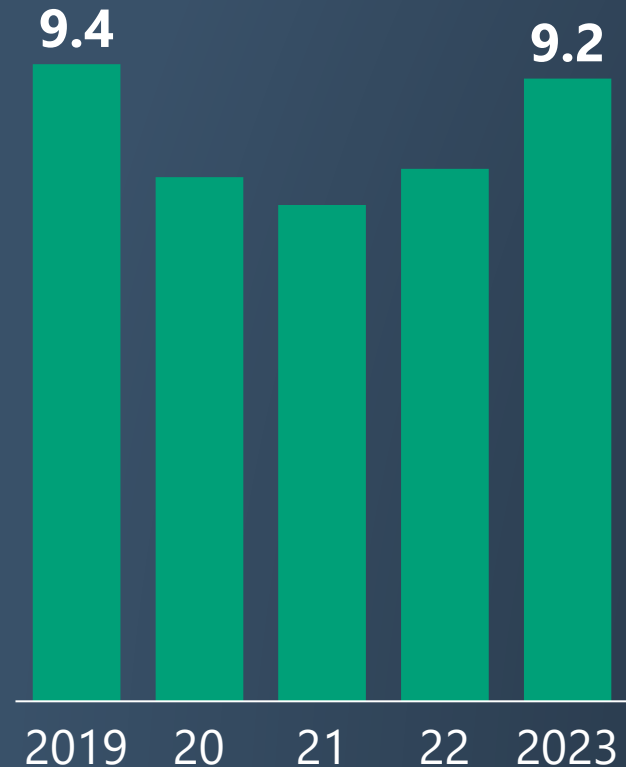


**Our key asset:  
diversified and  
high  
qualification  
professionals  
with extensive  
experience in  
the energy  
sector**



# Over the last years, we restructured our resources while retaining our know-how and a global cost efficiency company

TR employees, thousands



## Maintain our know-how

**Core capabilities retention** in engineering (<10% attrition in HQ)

**Right-sizing** mainly in site supervision

**Smart growth** according to activity levels

## Growth and hiring strategy

~**65% at Madrid HQ**, maintaining our heart and core values

**Local offices** near our clients

**Engineering centers** with high added value across the globe (India, Abu Dhabi, Turkey)

**Young talent** attraction with mentoring programs

# In a complex context of talent scarcity in the sector, we are protecting and developing our core capabilities

● **People centered** program & **CORE** program



Programa  
**CORE**

● Alignment of **incentive plans**

● Launch of the **Ultreia** project, focused on **training and career development**



● Rollout of the **Muéve-TR** initiative, promoting **staff rotation** among units

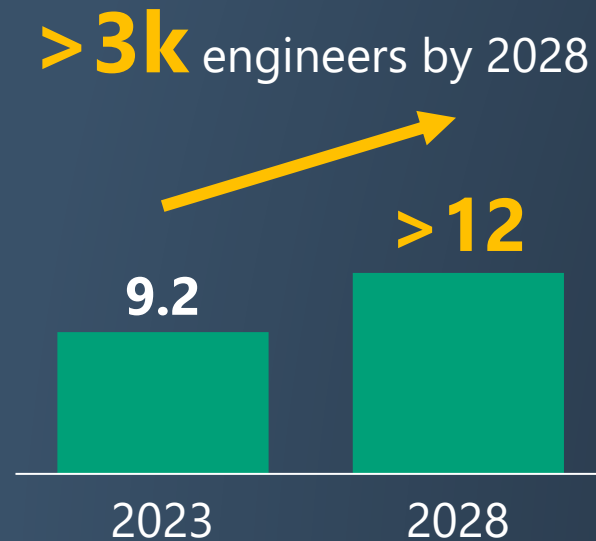


● Implementation of **work-life balance measures** (remote work, flexible schedules)

● Strengthening **internal communication and connectivity** across TR –  
*One company, one culture*



To support SALTA's ambition, we have launched a targeted resources plan



**Talent to value** matching high talented people to high value-added roles

- Special focus on experienced **management professionals**



**Diversified growth** across offices



**External** focus, with a dedicated **communication plan** (e.g., universities, internally comms.) and **employer brand** reinforcement

# Javier Díaz Hevia

Chief Financial Officer

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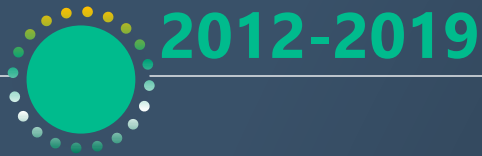


# Financial overview



TECNICAS REUNIDAS

# TR value-focused transformation journey



2012-2019

## TR consolidation and expansion

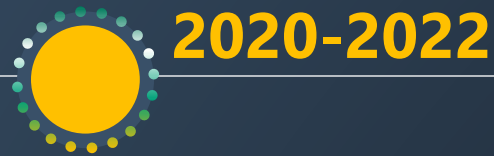
**30 B€** euros delivered in projects execution

**~1.000 M€** EBIT

**500 M€** paid in dividends

**>400 M€<sup>1</sup>** Net cash positive

**>400 M€** Consolidated equity



2020-2022

## Actions taken to adapt to external shock

**340 M€** loan from SEPI

**175 M€** participation loan, to mitigate COVID impact (~180 M€)

**165 M€** ordinary loan

**>10 B€** in backlog FY 2022



2023

## Strong financial turnaround

**>6 B€** of awards in FY2023, capturing growth from upstream petchem and low carbon technologies

**150 M€** Successful right issue

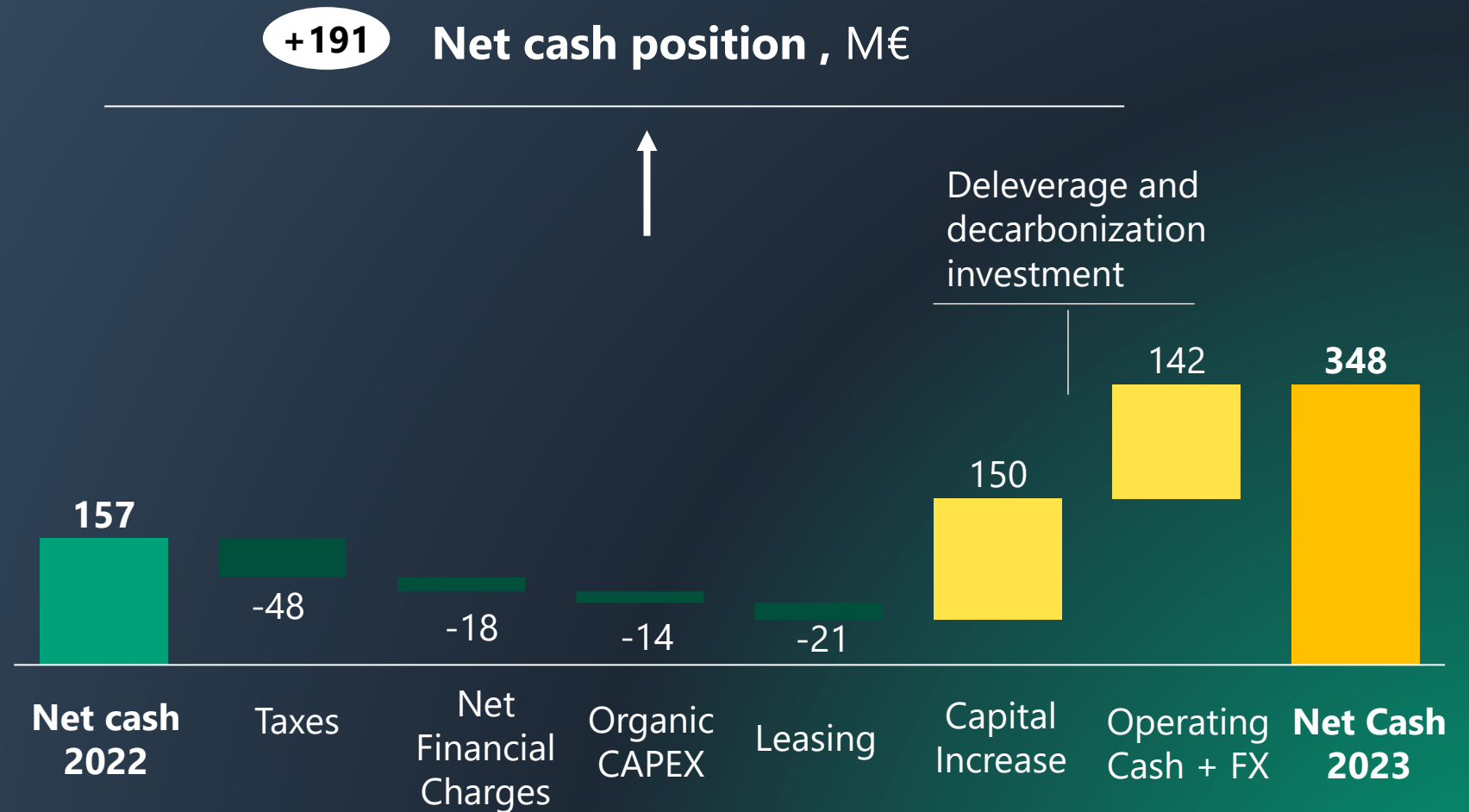
**348 M€** Positive Net cash Position

Maintain controlled credit risk with **~3.8x** Gross debt/EBITDA and **€500 M€** of Consolidated equity<sup>2</sup>

1. Average 2012-2019

2. PPL is considered Equity on above calculations

**Net Cash Position improved in >190 M€ thanks to capital increase and a stable Operating cash Flow**



**Our financial policy will ensure a healthy leverage profile, while growing and delivering projects with an attractive shareholder remuneration**



**Well managed debt and hedging,  
with comfortable maturities**

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**Organic Growth and a solid business  
strategy**

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**Attractive Shareholder remuneration**

# A sound financial policy means

**Well managed debt and hedging with comfortable maturities<sup>1</sup>**

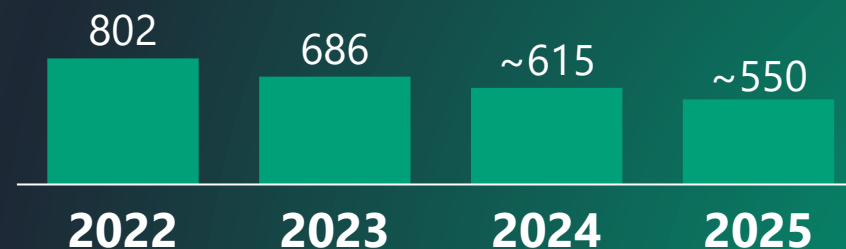


**~4%** average all in cost<sup>2</sup> and **1.7 years** average debt maturity aligned with orderbook

**65%** hedged or fixed rate debt

**~ 550 M€** gross debt by 2025

**Gross debt evolution, M€**



1. Gross debt maturities Eur

2. Considering PPL cost in the calculation.

Note: Average cost of debt 2024-26 assumes 3% Euribor

# A sound financial policy means



**Organic Growth and a solid business strategy that allows**

**~500 M€** of consolidated Equity by the end of 2025 (not considering PPL)

**~3.5x** Gross debt/ EBITDA and Net Cash Positive by the end of 2025, keeping a healthy leverage profile

**Redeem PPL** for financial debt by the end of 2025-beginning 2026

# A sound financial policy means



**Attractive  
Shareholder  
remuneration  
from 2026**

**> 500 M€** consolidated equity from 2026

**~3.5x** Gross debt/ EBITDA and Net Cash positive, keeping a healthy leverage profile

**30% of dividend payout** by 2026 (~50 M€, 0.6 €/share)

and in subsequent years reach previous levels of **shareholder remuneration**

# Our financial roadmap towards 2026

	2023	2026F
Revenues, M€	4,135	~5,000
EBIT, M€, %	157 4%	>250 >5%
Financial result	(53)	(20)
Taxes, M€	(44)	(70)
Net profit, M€	60	>160

**2024 Guidance** | EBIT margin 4% | Revenues ~4,500 M€

## 6.5% CAGR 23-26 Revenue

**Growth** – Growth in US & Europe and Middle East on decarbonization and traditional technology

## 15% CAGR 23-26 EBIT figure,

based on backlog diversification, more profitable business and de-risking strategy

## Reduce to half the financial burden

Keeps **tax rate ~ 30%**

## Increase PBT and net profits

**30% dividend payout** by 2026





# Key takeaways | Our commitment to shareholders value creation



## Robust performance

Balance the weight of services and EP/EPCx  
Generate a solid EBIT and predictable cash generation consistent over time



## Solid balance sheet

Financial structure optimized with prudent balance sheet management and reasonable financial debt cost



## Cash flow driven

Accomplish a strong deleverage and a stable operating cash flow



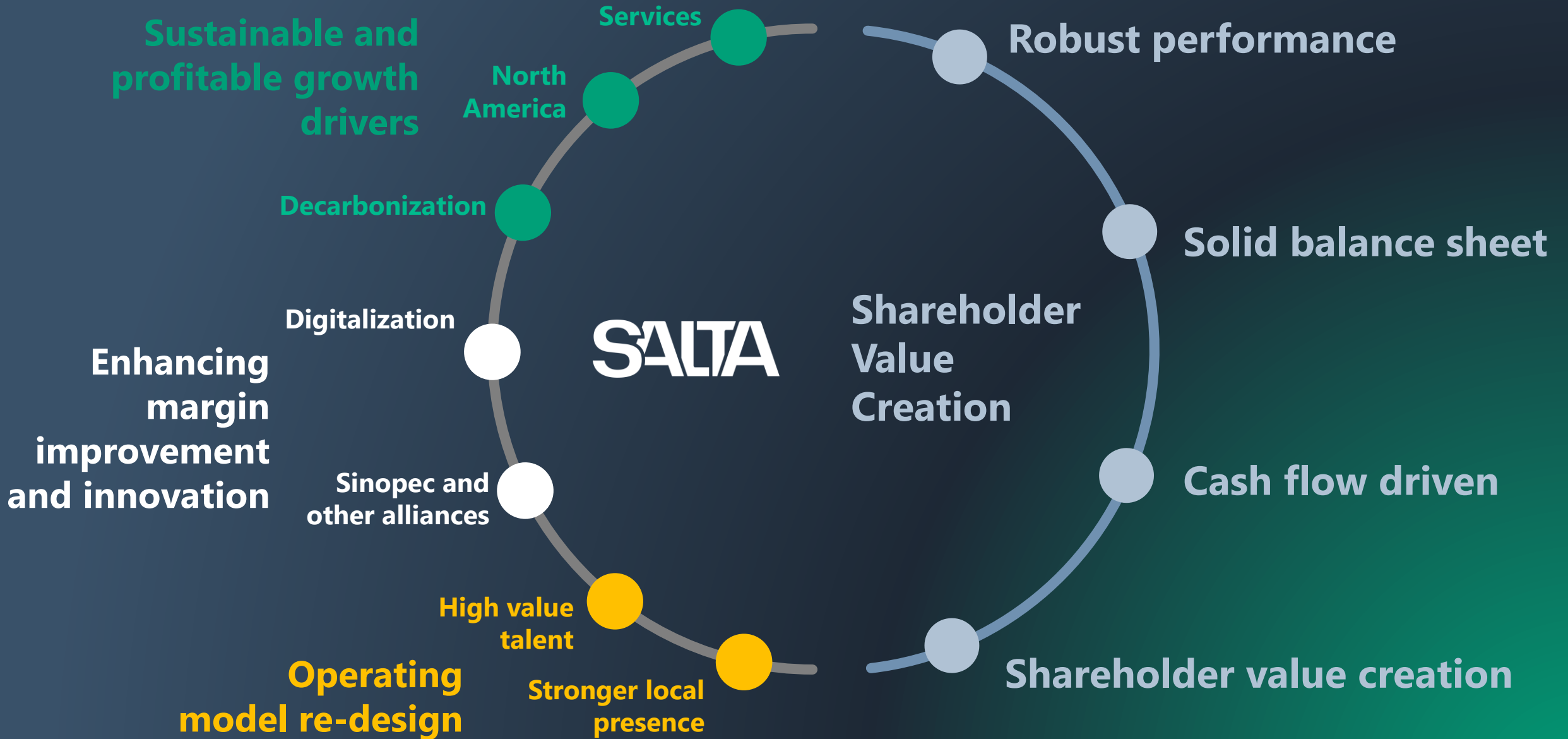
## Shareholder value creation

Re start a sustainable shareholder remuneration 2026

**Juan Lladó**

Executive Chairman

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# Our ambition towards 2028



TECNICAS REUNIDAS

# SALTA



**Margin  
improvement**

**~8%**  
EBIT margin



**Engineering  
& Services**

**> 500 M€**  
E&S turnover



**Sustained  
growth**

**> 5 B€**  
total turnover



**Shareholder  
remuneration**

by **2026**



**Ramp-up**

in **2026**

# Técnicas Reunidas Capital Markets Day

May 24<sup>th</sup>

Decarbonization projects presentation and Power	10:10 – 11:30
Closing remarks	11:30 – 11:45
Visit to Grand Mosque of Abu Dhabi	16:00 – 19:00
Farewell	19:00 – 19:15



**Juan Lladó**

Executive Chairman

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# Our story with CEPSA



Almost **30** projects in **55** years of collaboration

**Main sectors:** oil, gas, power, down/mid/up-stream

## CEPSA/ ELF

Expansion of the Crude Unit & modernization of the Amine Plant  
*Huelva, Spain*

**1994**

## CEPSA/ SONATRACH

EPC  
*Rhourde El Khrouf, Algeria*

**2006**

## CEPSA

Hydrocracker  
*Huelva, Spain*

## ADNOC/ CEPSA

LAB complex to produce N-paraffins, LAB product and HAB  
*Ruwais, Abu Dhabi*

**2018**

**1968**

## CEPSA

Petchem  
*Huelva, Spain*

**2000**

## OURHOUD ORG. (SONATRACH, CEPSA, others)

EPC, Hydrocarbon Field Development  
*Ourhoud, Argelia*

**2011**

## CEPSA

Phenol/ Acetone Plant  
Cumene  
*Shangai, China*

**2023**

## CEPSA

Second Generation Biofuel Plant  
*Huelva, Spain*

# Emilia Arias

Energy Transition - Operations & Tech Director

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Huelva Project



**Técnicas  
Reunidas is  
positioned as  
unique  
partner for  
energy  
transition  
technologies**



**Sustainable fuels** (e.g., e-fuels, biofuels)



*Flagship project to cover today: **CEPSA & APICAL HVO***



**Carbon capture, usage & storage**



**Hydrogen & derivatives**



*Flagship project to cover today: **Lizard***

# Low carbon fuels: HVO CEPSA Plant



**HVO** is a **mature technology** with a promising outlook for sustainable fuels production



**TR** has **partnered with CEPSA and BioOils** to provide project execution services for a HVO plant



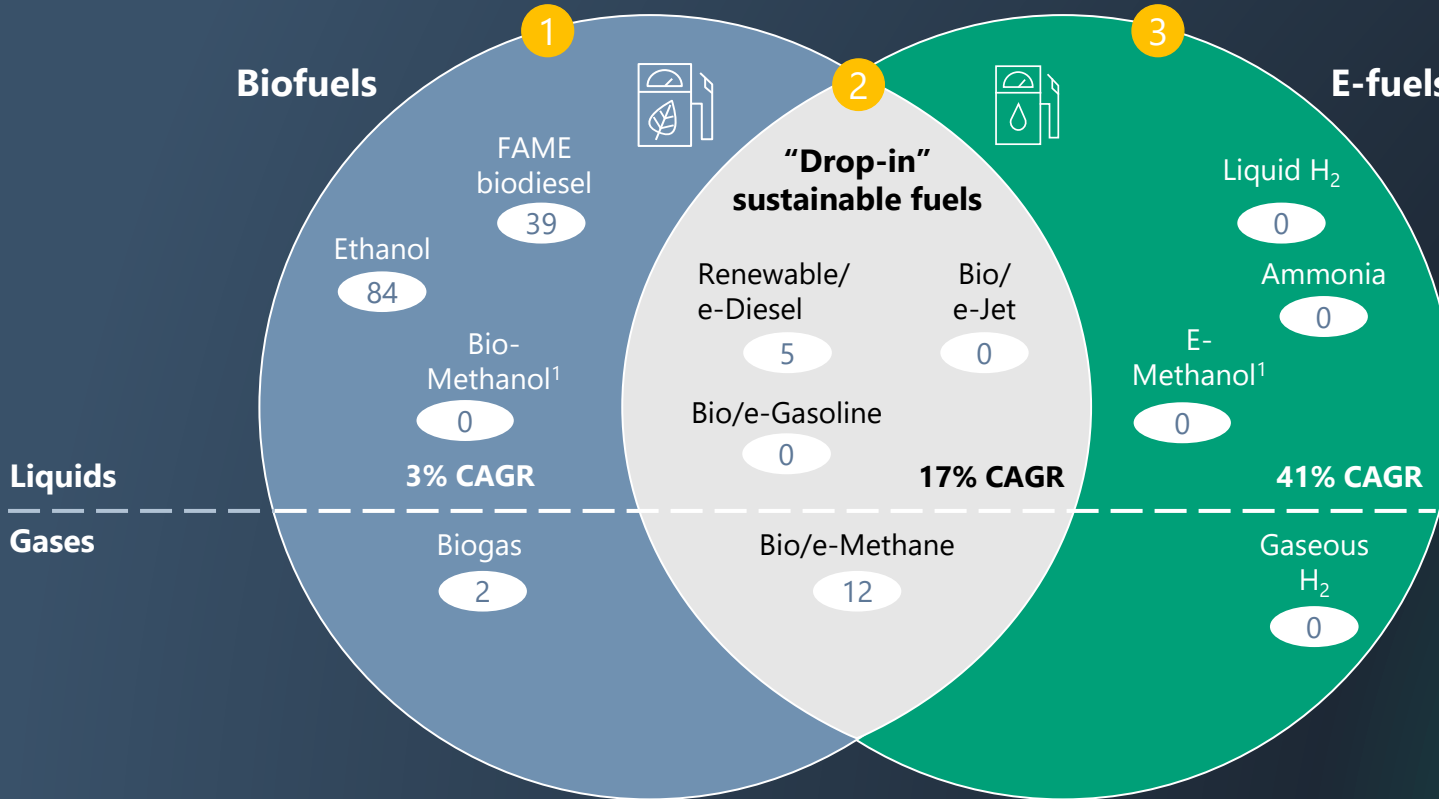
HVO project is a **1.2B\$ investment**, with **expected COD in 2026**

# The scope of sustainable fuels is carbon-based fuels, with “100% drop-in” in focus

Overview of sustainable liquid and gas energy carriers

FURTHER ACCELERATION

% Representative market CAGR (%), 2019-2030 (X) 2019 demand in Mta








- 1 Bio-based with **compatibility restrictions** (blend walls) with existing combustion engines
- 2 Fuels fully compatible with **existing infrastructure** (blended up to 100%) and **can be produced from either bio-based or hydrogen based sources**
- 3 Fuels which require new **infrastructure/engines**

1. Methanol is an exception as it can be upgraded to various drop-in fuels but by itself is not a 100% drop-in fuel

Note: Pure hydrogen and other decarbonization vectors do not meet the “drop-in” requirement

Source: McKinsey

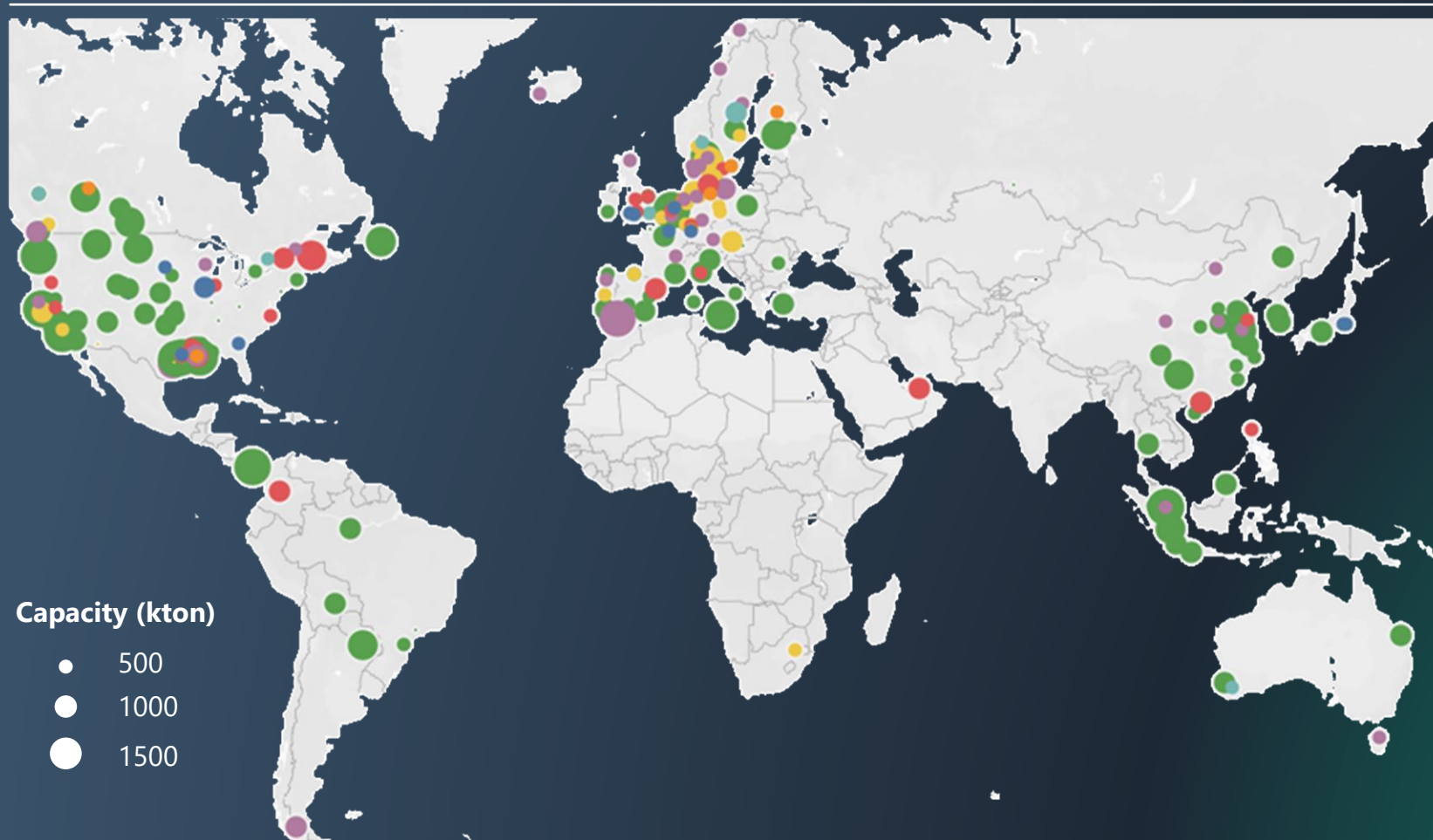
# There are many >15 sustainable fuels production pathways, with 4 liquid fuels of special interest

Pathways	Description	Number of projects	Total volumes in 2030, kt	Maturity
 <b>HEFA/HVO</b>	<b>Edible oils</b> – feedstock in a <b>hydrotreater</b>  <b>Waste/ residue oils</b> – <b>oil treated</b> through catalytic transesterification and <b>hydrogeneration</b>	65	15,418	
 <b>Gasification/ FT – MSW/ Biomass</b>	<b>Carbonaceous and organic materials</b> put in <b>high temperatures</b> and controlled <b>oxygen inflow</b>	15	1,458	
 <b>ATJ – 2G ethanol</b>	<b>Ethanol conversion</b> to <b>alternative jet fuel blend stock</b> , using catalytic steps similar to fossil fuel refining	11	706	
 <b>PtL – CO<sub>2</sub></b>	<b>Electrolysis and CO<sub>2</sub></b> , becomes carbon feedstock, then is converted into liquid fuel	26	1,545	

# There are >300 sustainable fuels projects announced globally, with associated investment of \$165B

ILLUSTRATIVE

## Announced sustainable fuels capacity projects, 2030<sup>1</sup>



## Number of projects

- 160**  
Hydrotreating (HVO/HEFA)
- 42**  
Power-to-Liquid Methanol synthesis
- 40**  
Power-to-Liquid-FT
- 22**  
Biomethanol
- 21**  
Alcohol-to-Jet
- 19**  
Gasification-FT
- 5**  
Hydrothermal liquefaction

1. Includes all announcements, post-FID and pre-FID. 2G ethanol not shown  
Source: McKinsey Sustainable fuel supply database based on IRENA, Methanol Institute

# HVO project overview



**1.2 B\$**  
project value



**La Rábida**  
(Huelva)



**Renewable  
fuel Unit (RFU)**  
with 2G Biomass  
Feedstock



**32 months** of  
project duration  
(2023-26)



**~500 ktpa**  
HVO/ SAF

# Project overview

## Capacity

~500 ktpa of HVO/  
SAF

**Top 5 HVO plants**  
planned in Europe

## Process units

**Renewable Fuel  
and stabilization**

**ARU & SWS**

**Wash Water  
Section**

## Feedstock

**UCO, Fats and  
POME**

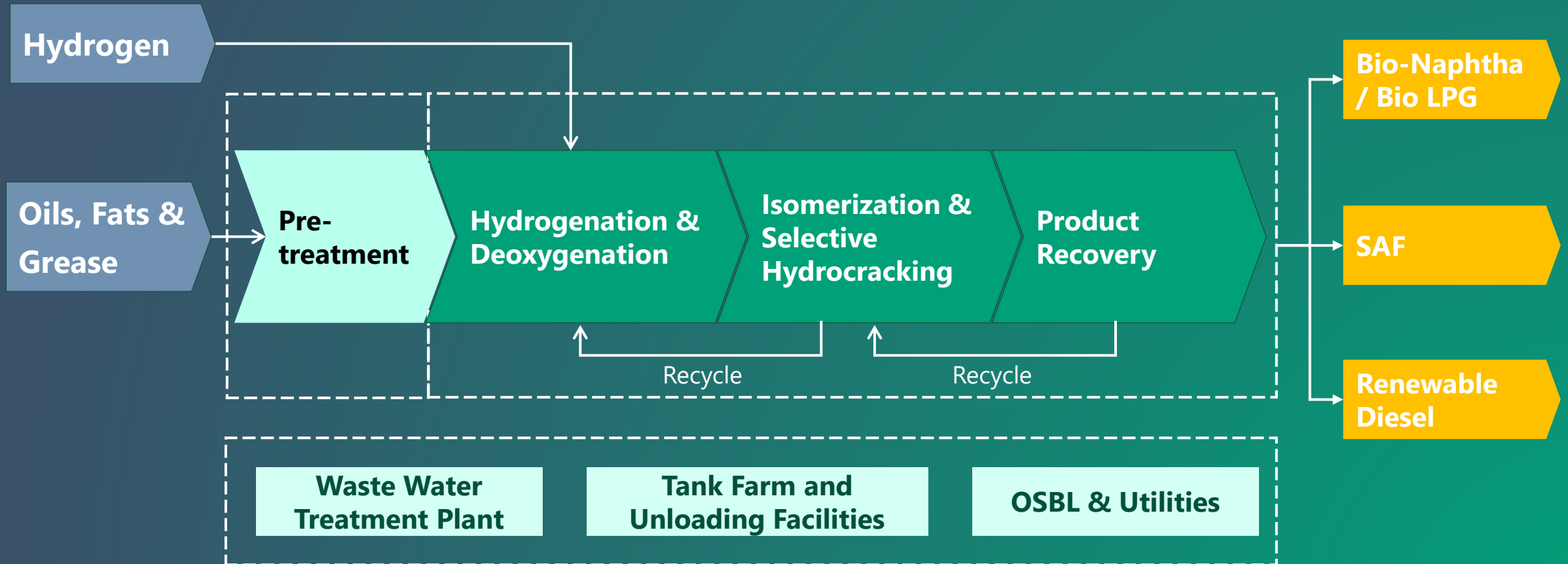
**Make-up gas**  
(hydrogen of 99.9% purity)

**Wash water**

# Huelva project aims to produce sustainable fuels using as feedstock a stream of 2G biomass

Hydrogenation Production Route

**TR's references** | **ISOM** >10 projects | **HCK** >40 projects | **Hydrotreating** >100 units





## Técnicas Reunidas Services scope for CEPSA HVO

Renewable fuel  
Unit (RFU) with 2G  
Biomass Feedstock

**>380k E&P  
manhours**



**E**ngineering services – from FEED to  
detailed engineering



**P**rocurement services



**Potential further collaboration as  
project further advance**

# Working closely with traditional clients

TR's  
**hydrogenation  
technology**  
knowledge and  
**OEMs** relationships



**Helping**  **our traditional clients** in their decarbonization journey



**Integration of teams** progressing smoothly



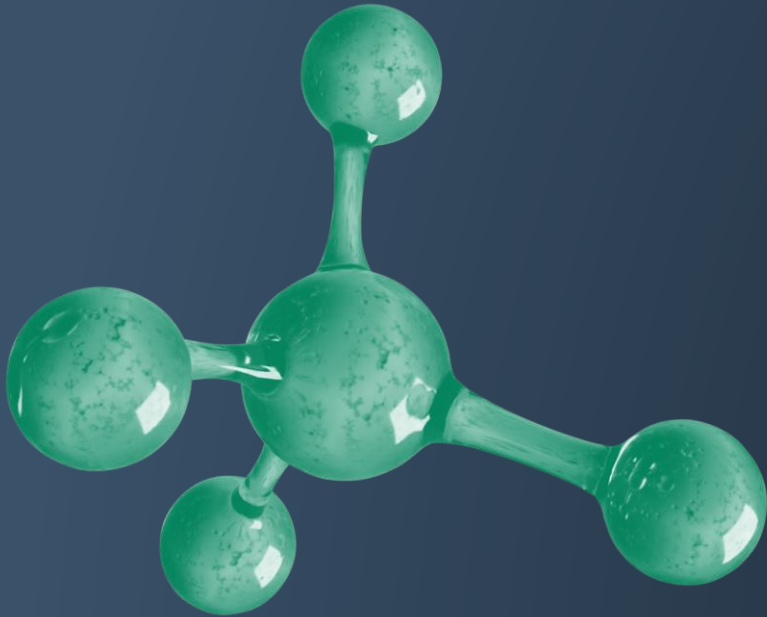
# Emilia Arias

Energy Transition - Operations & Tech Director

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Project Lizard

# Green ammonia & Técnicas Reunidas



**Ammonia market expected to grow towards 2050 ~3.5x** until 2050 fueled by emerging new cases








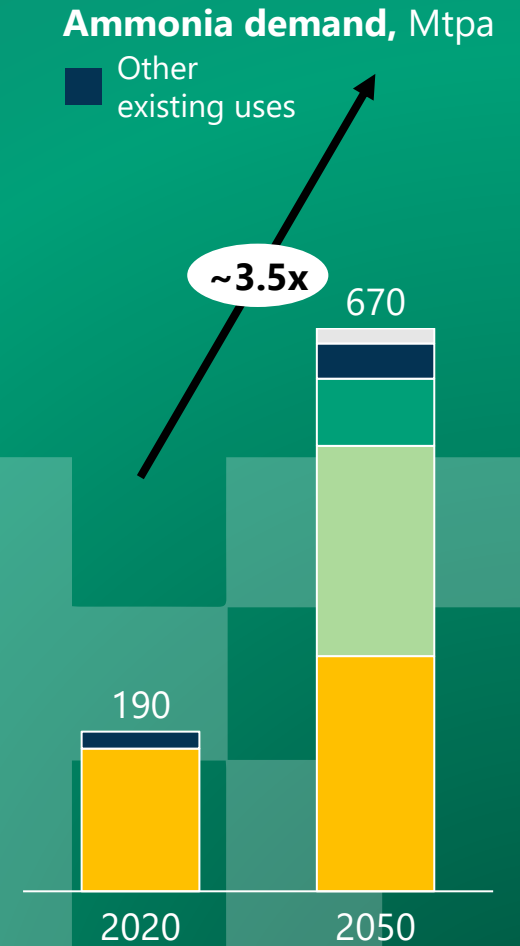
**Lizard** is a **~150-200 ktpa green ammonia** project, with expected COD in 2028



**TR** originated the project and is **co-developing** it with formal industrial and local partners

# Ammonia demand is expected to grow by 3-4 times vs current levels by 2050, with 5 viable use cases for green ammonia

Use case	Use case	Description	Current Consumption, %	IRENA Forecast 2050, %
Conventional uses	 <b>Fertilizer</b>	<b>Feedstock</b> for various <b>nitrogen fertilizers</b> applied in <b>agriculture</b>	~80%	~40%
	 <b>Chemicals</b>	<b>Feedstock</b> for <b>chemical manufacturing</b> for use in <b>plastics, textiles, explosives</b>	~20%	~5%
Emerging uses	 <b>Marine Fuel</b>	Potential to be used as a <b>marine bunker fuel</b>		~40%
	 <b>Power Generation</b>	<b>Co-fired</b> with <b>coal</b> to <b>generate power</b>		<5%
	 <b>Energy/ H2 Carrier</b>	Converted and <b>shipped in the form of ammonia</b>		~10%



# Lizard project overview



**0.6-0.9 B\$**  
total investment  
value



**Southern  
Spain**



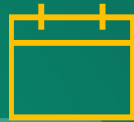
**TR** originated the  
project and is  
**co-developing it**



**End-to-end**  
optimization  
production routes



**150-200**  
**ktpa** green  
ammonia



**COD 2028**



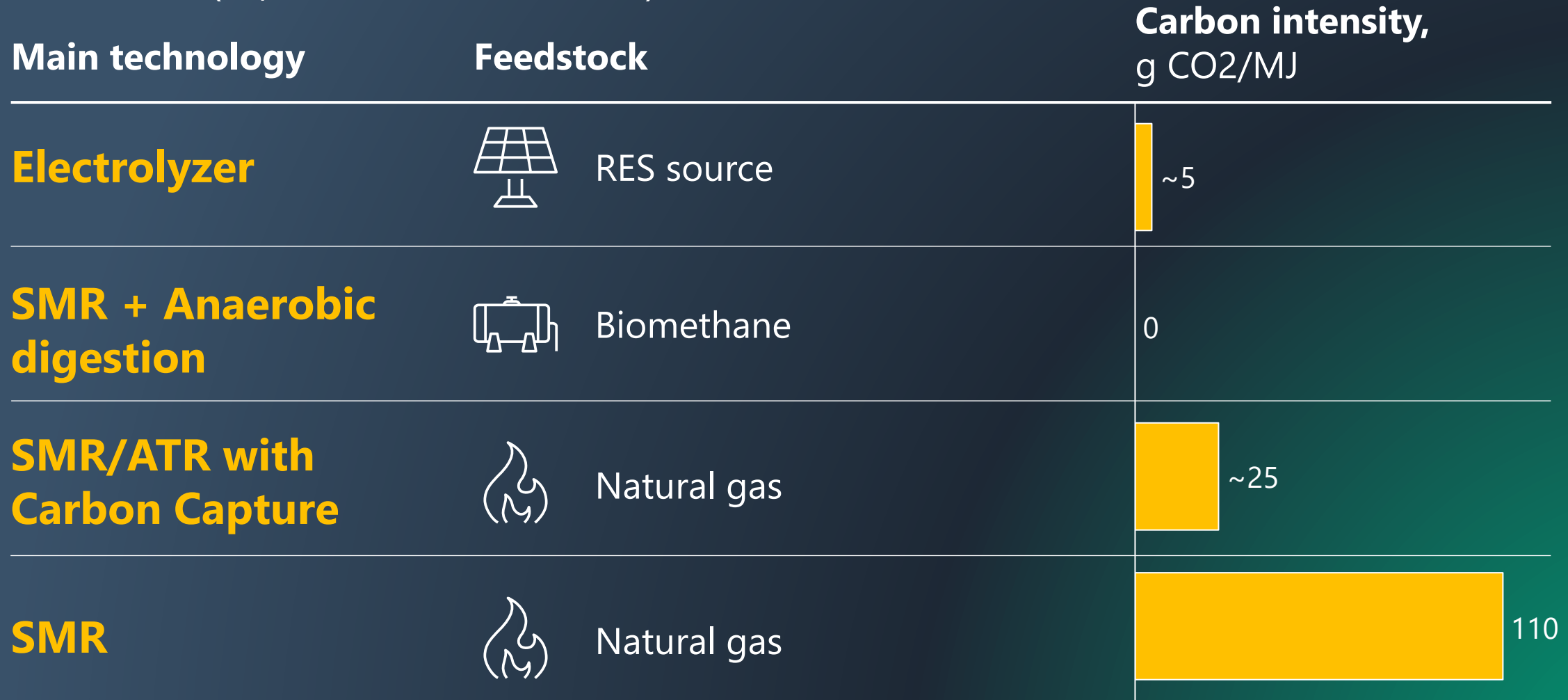
**Retrofitting** of a  
former industrial site



**300 MW**  
electrolyzer

# There are different low carbon production pathways depending on feedstock and technology

NON-EXHAUSTIVE (E.G., PINK PRODUCTION NOT INCLUDED)



# There are 3 main H2 electrolyzer technologies with different characteristics and expected competitiveness working at scale

Technology	Maturity	Complexity	Efficiency % LHV 2030	Power density
Alkaline Water Electrolysis (AWE)			~67%	
Polymer Electrolyte Membrane (PEM)			~68%	
Solid Oxide Electrolysis Cell (SOEC)			~67-86% <sup>1</sup>	

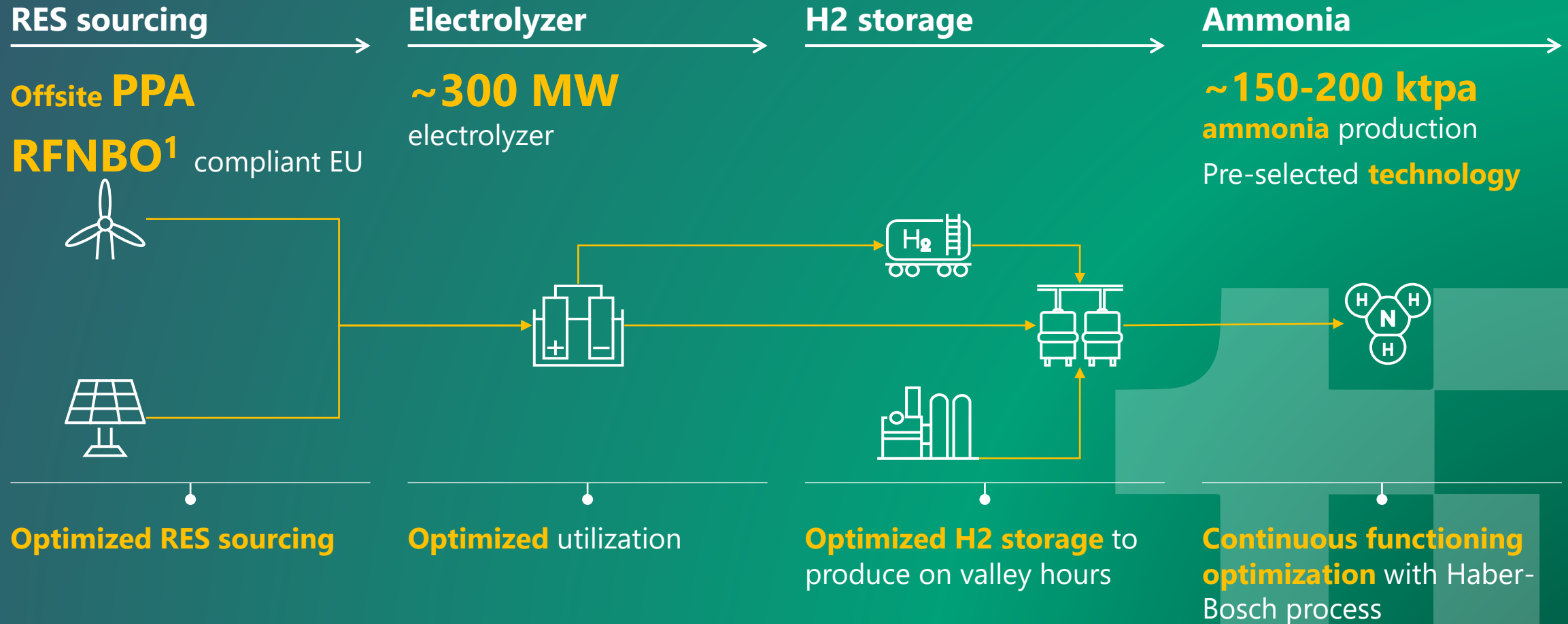
High Low

1. Lower end excluding waste heat integration, upper end including waste heat integration



# Lizard project consists of ~300MW electrolyzer with downstream optimization to produce ~150-200 ktpa of ammonia

Process green H2 to NH3 plant



1. Renewable fuel of non-biological origin

# We have developed eBOPS, our in-house tool for end-to-end production process optimization

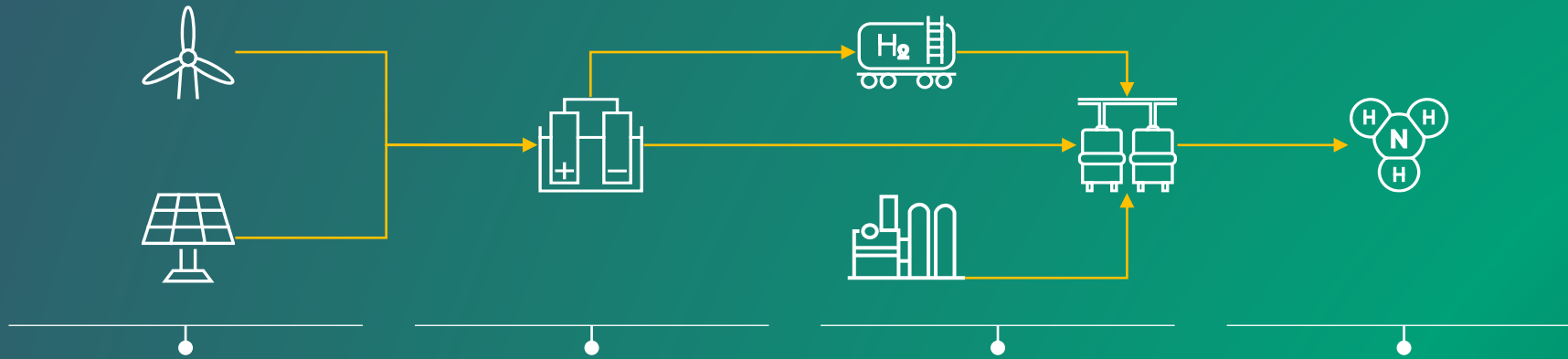
● Operational input

● Economic input

● Restrictions

eBOPS

## Process green H2 to NH3 plant



## Output

### Optimization metrics:

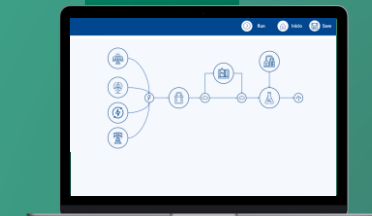
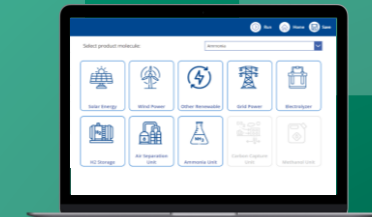
- **Indicative margin** (NPV of expected profit by production pathway)
- **LCOA Ammonia price estimation**

- **RES size**
- **RES yield curve**
- **Capex ratios** (e.g, ELY, BoP)
- **RES prices**
- **Forecasted day-ahead grid price curve**








- **Electrolyzer capacity**
- **Stack replacement cost**

- **H2 storage size**
- **CAPEX ratios** (e.g., H2 storage)
- **Opex consumption**

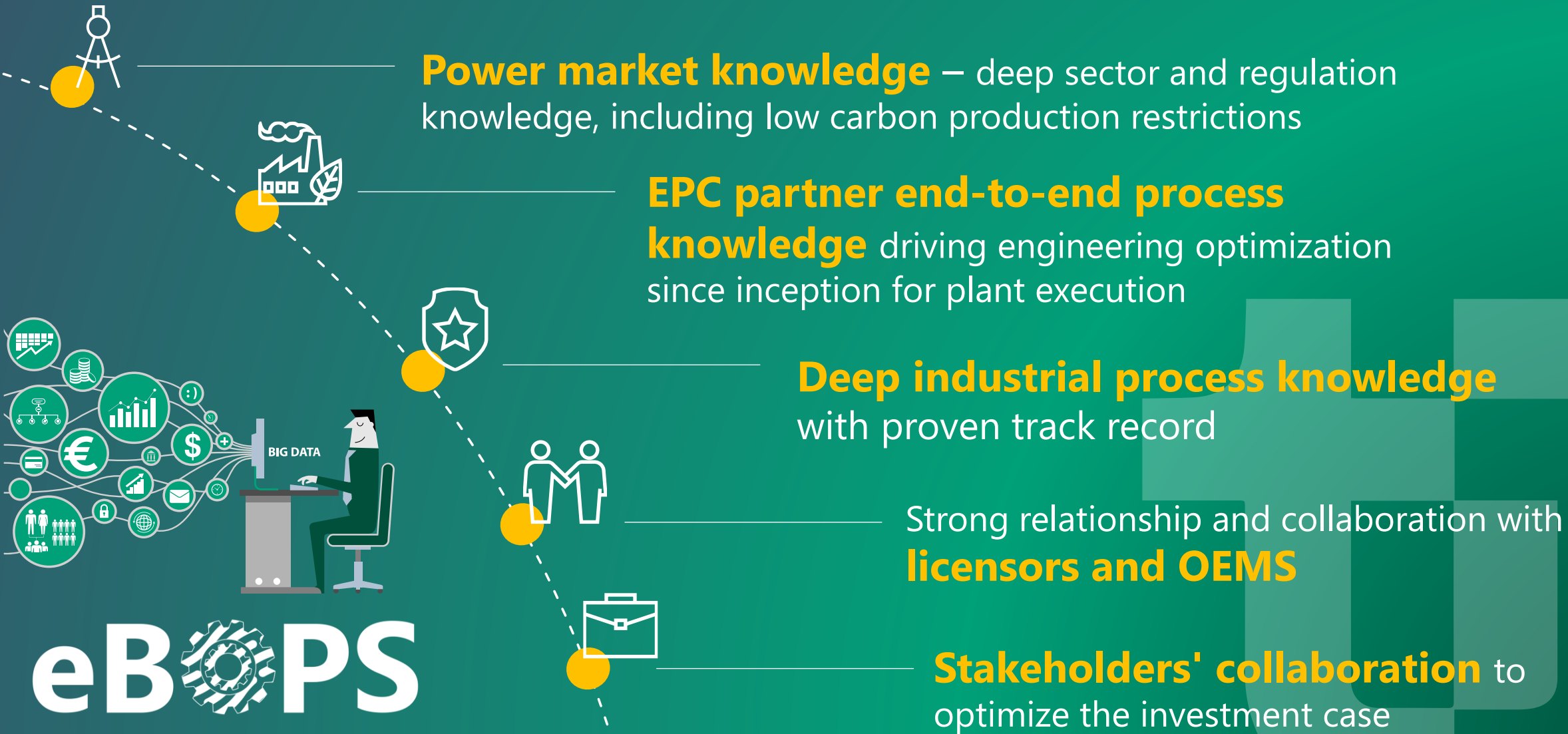
- **H-B size**
- **Continuous operation** of H-B unit
- **CAPEX ratios** (e.g., H-B)



# In case of Lizard, 3 production routes have been assessed for optimization purposes

Case	Production route	Production increase vs base line	LCOA difference vs base case
<b>Base case:</b> 1 single output	Renewable energy 	-	-
<b>Case 1:</b> 3 combined outputs	Renewable energy 	> 14%	(29%)
	Low carbon 		
	Grey 		
<b>Case 2:</b> 3 combined outputs	Renewable energy 	> 52%	(30%)
	Low carbon 		
	Other 		

# In-house develop tool underscores TR's competitive advantage from market expertise and experience



eB  PS

**Eduardo  
San Miguel**

CEO

---



TECNICAS REUNIDAS

**Ahmed  
Al Dhaheri**

CEO

---



Formerly NPCC

**Jesús Rodríguez**

COO

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Meram Project

# Meram project | Maximizing ethane recovery and monetization



**3.6 B\$** total contract value



**Abu Dhabi**



**Core client** in ME region



**New units and utilities** in **Habshan 5**



**Brownfield intervention** in Habshan 1, 2, 3 & 5 and Buhasa



**47 months** of project duration (2023-26)

## Contract scheme



**Integrated JV** between **NMDC** and **TR** (50%-50%)

**2 operating centers** – Madrid and Abu Dhabi

**Directorate** in Madrid

# Project overview

## Feedstock

**5 NGL** recovery units:

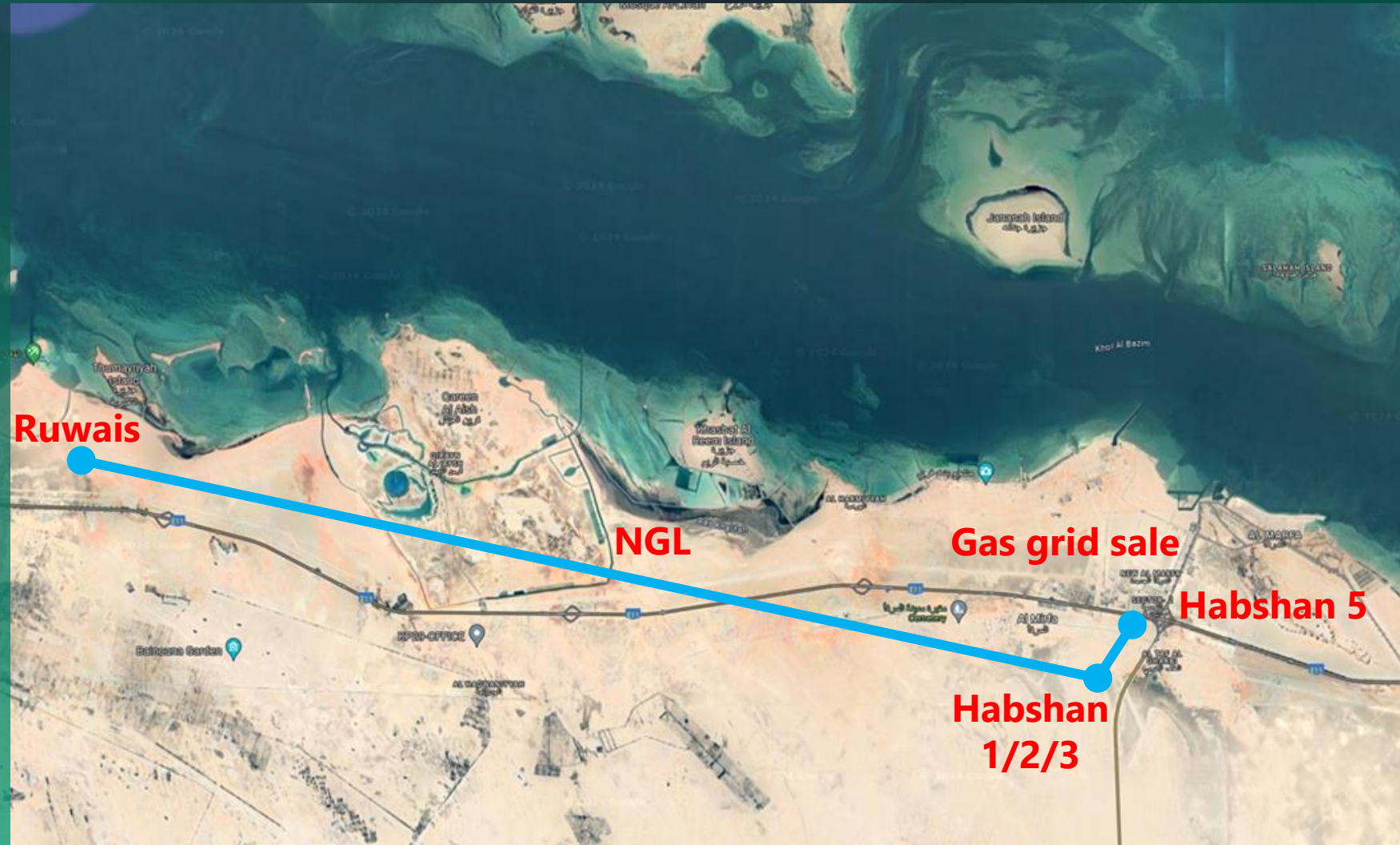
Residue/ Lean Gas from  
**Habshan 1 Train 1&2**

Residue/ Lean Gas from  
**Habshan 1 Train 3**

Residue/ Lean Gas from  
**Buhasa**

Residue Gas from **Habshan 2**

Sweet Gas from **Habshan 5**



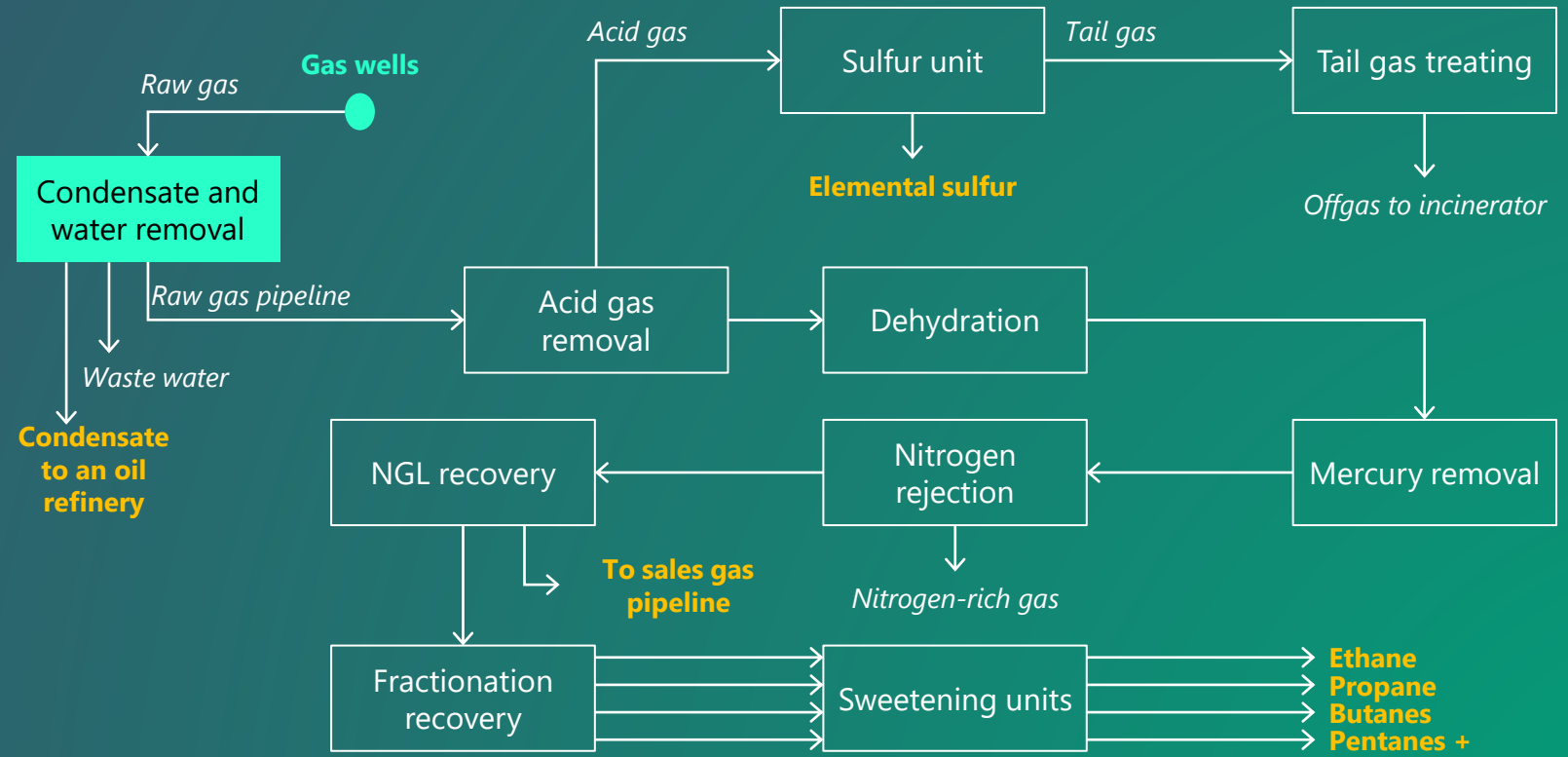


# Meram | Natural gas process overview

## Objective

Project objective of **maximizing ethane recovery and monetization** by establishing new facilities to recover the ethane from residue gas from **5 NGL recovery units**

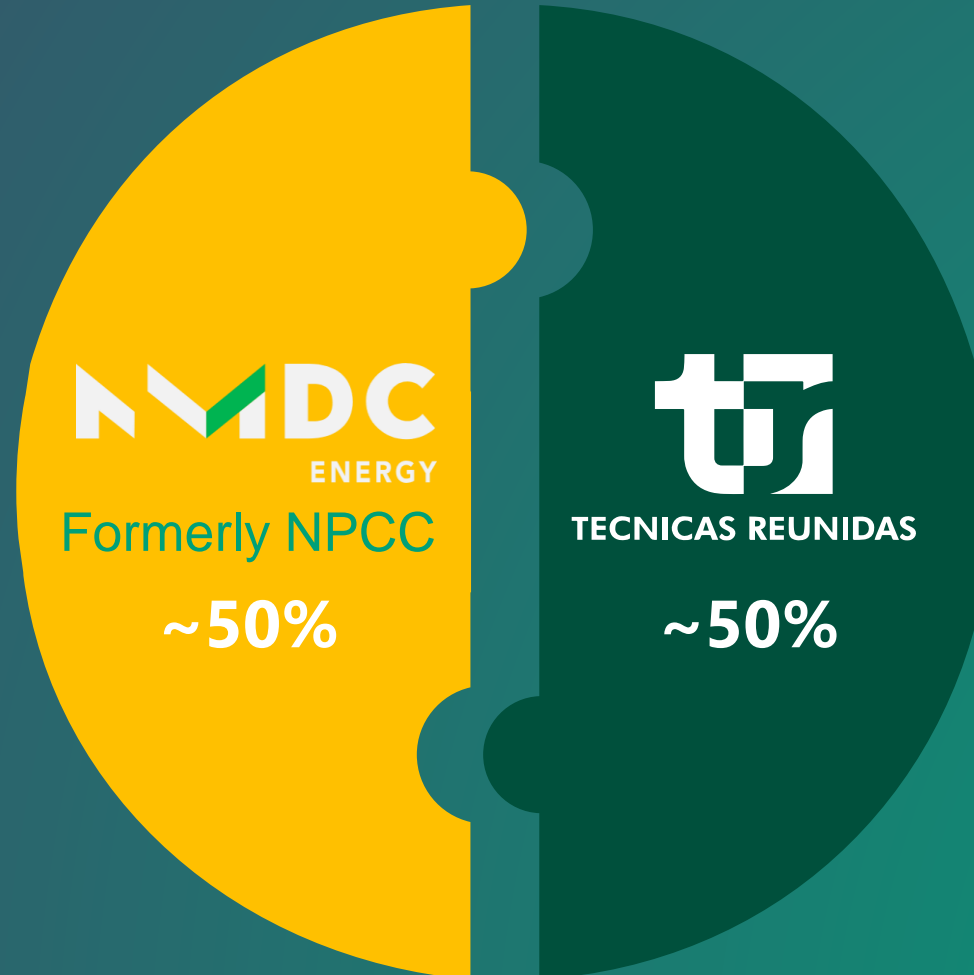
## Natural gas processing



# NPCC and TR have partnered together to execute Meram

**> 175 k manhours**  
Directorate Madrid

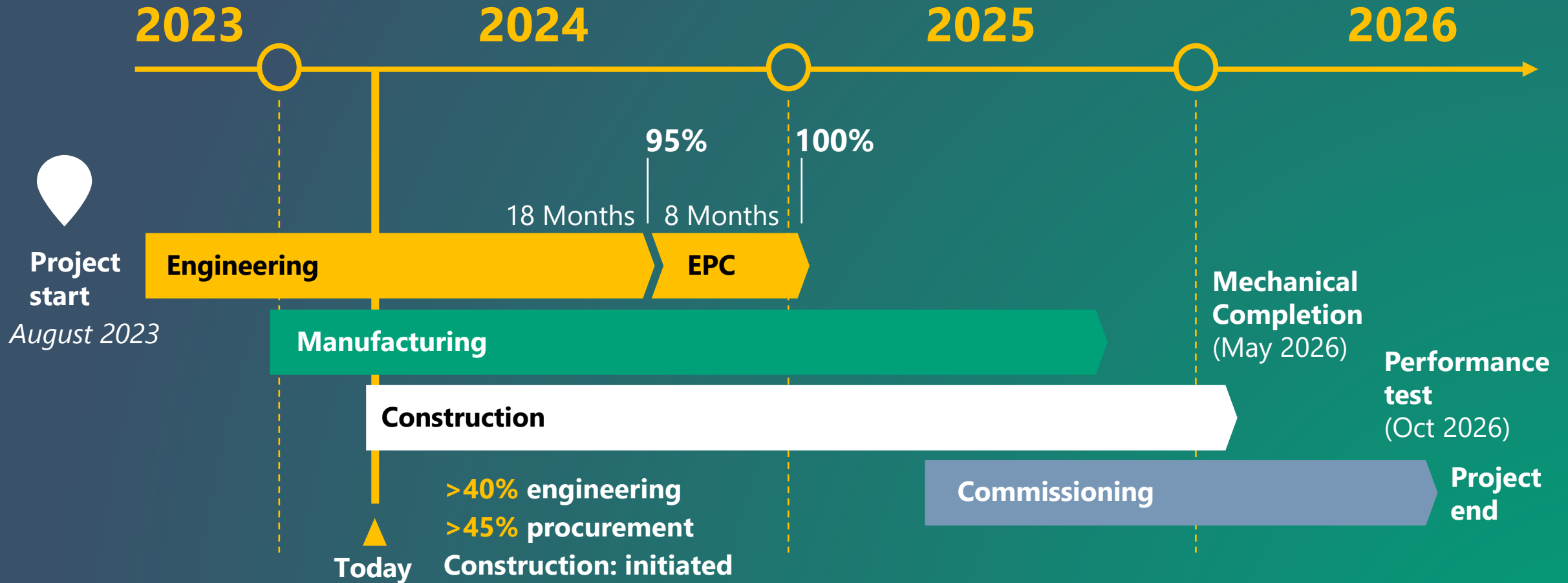
**> 500 k manhours**  
private H.O. Engineering



**> 250 k manhours**  
Directorate Madrid

**> 900 k manhours**  
private H.O. Engineering

# Meram schedule overview



*Fast track project with record procurement milestones, including long lead items*

# Jorge Macías

Power

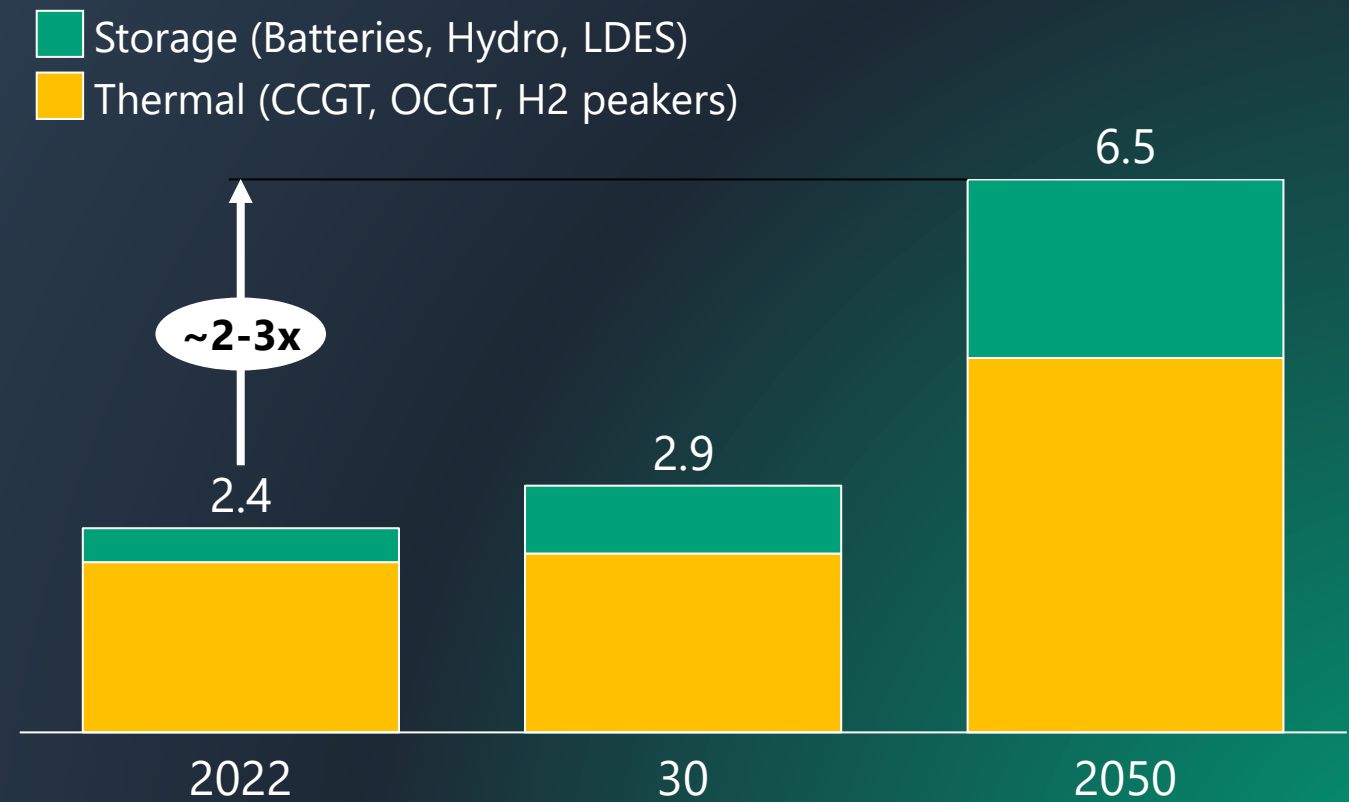
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*Remembering one of the hotspots we explained yesterday...*

**Power is a short term opportunity for TR**

**Power mix decarbonization drives CCGT capacity additions for firmness**

**Global power generation firm capacity, thousand GW**



# TR is a key player in the Power business



Wide **experience** in different geographies, technologies and type of clients



**Recognition from clients and OEMs** as an outstanding and reliable company with long term vision



**In-house design capabilities** allowing EPC seamless execution



**Task force execution** – one team fully focused in project



Powerful **design and organization tools**

*Reduced international competition of players with track record/expertise*

# > 50 years of experience in Power Plants

📍 9 Under execution    📍 Executed



**>55**  
Cogeneration  
Projects

**>26 GW** in Gas  
Combined Cycle  
Plants

**>8 GW** in  
Coal/Oil Fired  
Power Plants

**6 Nuclear**  
Power Plants

**>20 countries**  
where have  
operated

# This diversity gives us relevant Project execution leverages...

## Agreements with the 4 OEM

SIEMENS  
ENERGY

MITSUBISHI  
HEAVY INDUSTRIES

GE  
VERNOVA

ansaldo | energia

- 1<sup>st</sup> EPC in Consortium  
Agreements with General Electric worldwide
- Only Contractor executing projects in consortium with all four OEMs



Defining best **contractual scheme** (being our preference Open Consortium) which allows to **optimize and balance risks**



Continuous **improvement of Division of Responsibility** of the consortium

Enhance DoR for sake of **competitiveness**

**Mitigate cost/schedule risk** during execution

**Constructability optimization** for erection (quantities, sequence and auxiliary equipment)



Involvement with OEMs in **optimization programs**

Establish a **standard plant** design

Total investment **cost reduction**



Boosting experience with **Carbon Capture and Hydrogen firing**





# Example - Valladolid CCGT Power Plant

**1,020 MW** power  
plant net output

**Consortium**  
partner



Contractual duration  
of **35 months**

Current progress  
of **~80%**



Combined cycle **2x1**  
**configuration**

**2x Mitsubishi gas turbines**  
M501JAC model net power  
output: **365 MW/each**

**HITACHI steam turbine**  
TC2F-40SE Model: **347 MW**



# Example - Valladolid CCGT Power Plant

**1,020 MW** power  
plant net output

**Consortium**  
partner



Contractual duration  
of **35 months**

Current progress  
of **~80%**

**January**  
Contract  
signature



2022

**August**  
GT on foundation  
gas turbine 1



2023

**November**  
First steam,  
steam turbine



2024

**March**  
P.A.C.



2025



**June**  
Commencement  
of demolition  
works on site



**September**  
First fire gas  
turbine 1



**February**  
C.O.D.

# Example - Hamriyah CCGT Power Plant

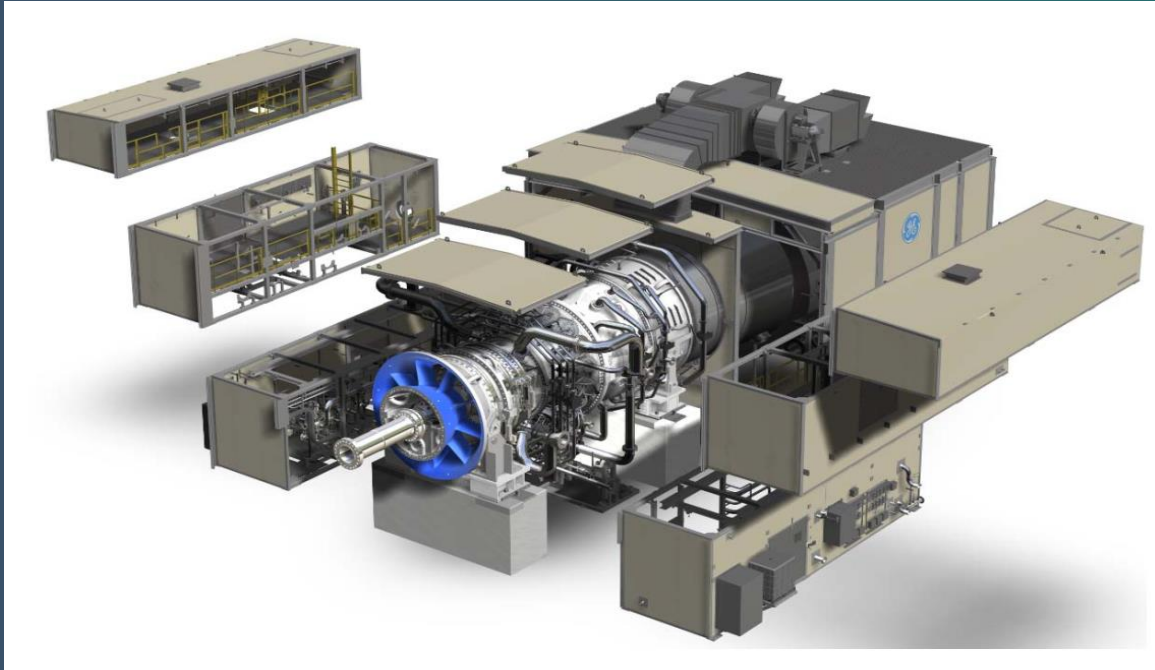
Contract value  
**1,000 M\$** (380 M\$ TR)

**In  
operation**

TR acting as  
**partner**

Location  
**Sharjah**

Delivery **51 months**  
from May 2018



**1,800 MW**

3 units 1x1x1 **multi-shaft**

Gas turbine: **General Electric 9HA.02**



# Example - Hamriyah CCGT Power Plant

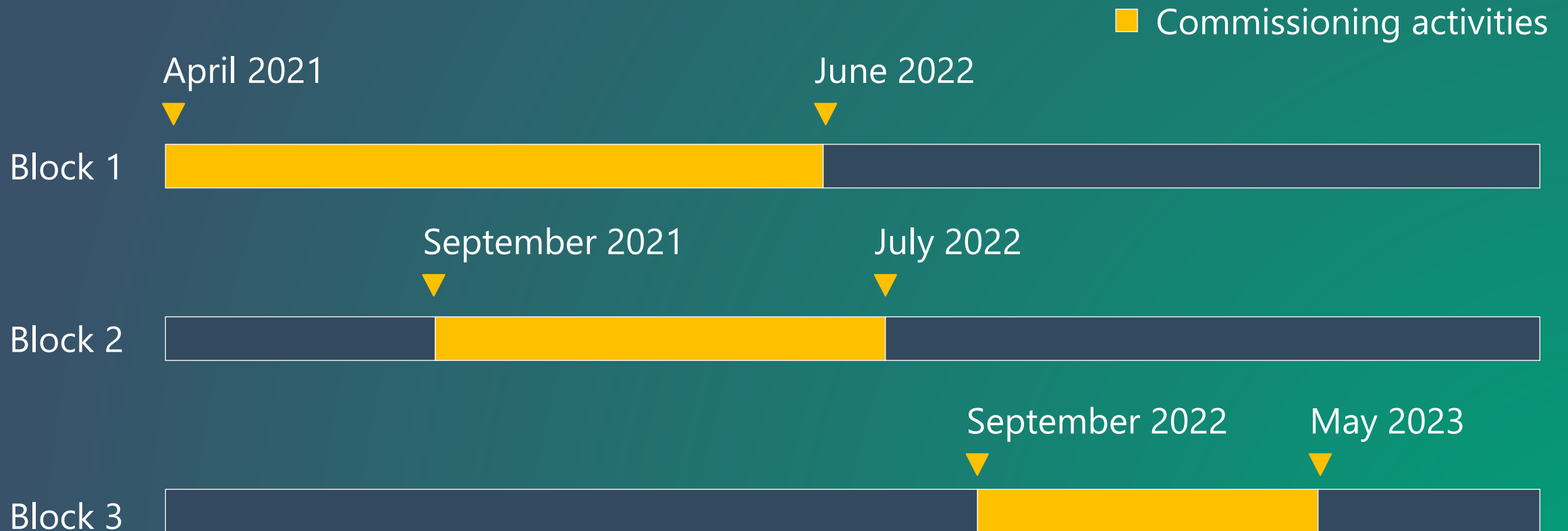
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Delivery **51 months**  
from May 2018



# Key takeaways on Power



Relevant **opportunity** due to firm capacity uplift needed in **energy market** Outlook

- Natural Gas will be essential in renewable energy growth



**P&L accountability** and dedicated management team, including specialized teams



**Relevant track-record** (>26 GW in Gas Combined Cycle Plants)



Collaboration with **4 OEMs in optimization programs (strong partnership)**

**Juan Lladó**

Executive Chairman

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# TECNICAS REUNIDAS

CAPITAL MARKETS DAY | ABU DHABI 2024

**SALTA**  track

