

# EXTRAORDINARY GENERAL SHAREHOLDERS MEETING



26 March 2021



Guadalajara Light train.  
Mexico



# Starting point for progressive normalization of the business

Acceso elevado que conecta el puente Robert F. Kennedy Bridge. USA.

## 2018 - 2020 Implemented initiatives

### OPERATIONAL

- Order book review
- Contract management vs. project management
- Control, follow-up and detailed analysis of legacy projects
- Risk control: Strategy focusing on profitable countries with a long-term perspective
- Active management of “bonding” capacity

### FINANCIAL

- Cash-flow principle applied in decision-making
- Strengthened balance sheet structure
- Prudential accounting criteria
- Reduction in overheads

### STRATEGIC

- Launching of Senda Infraestructuras
- Crystalize the value of non-core assets
- Withholding and attraction of talent
- Solid and independent corporate governance
- CSR

## Start of 2021 Outcome of implemented initiatives

- ✓ **Resilience against COVID-19:** improving procurement and EBITDA with respect to 2019
- ✓ **Business model:** The grounds have been laid down for a change of course and sustainable growth, with solid expansion in the U.S.
- ✓ **All divisions are yielding a profit** at operational level since 4Q2018
- ✓ **Legacy Projects:** by late 2021, 10% of cash outflows left
- ✓ **Overhead costs:** 46% decrease since 2017, representing savings of +100Mn€
- ✓ **Crystalize value of non-core assets:** CHUT, Canalejas and Cemonasa
- ✓ **Entry of a new reference shareholder,** backing up the implemented strategy
- ✓ **Transaction agreed to strengthen the balance sheet and for deleveraging**

Following the strategy implemented in 2018 and once the transaction to strengthen the long term balance sheet and financial structure is implemented, **the circumstances exist for the relaunch of the Company**

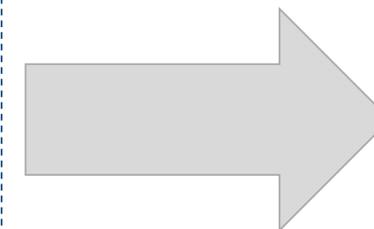


# STRENGTHENING OF THE LONG TERM BALANCE SHEET AND FINANCIAL STRUCTURE TRANSACTION

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## || March 2020 starting point:

- Long-term debt level of 9.2x over EBITDA<sup>1</sup>
- Covid-19 pandemic emergence: Operational impact and delay in asset rotation
- Maturity of 323 Mn€ Bonds on March 15, 2022
- Capital markets: instability and inability to access them
- Need to improve the capital structure



Need for a transaction to **strengthen the long-term balance sheet and financial structure**

## || Evolution of the process:

1S2020

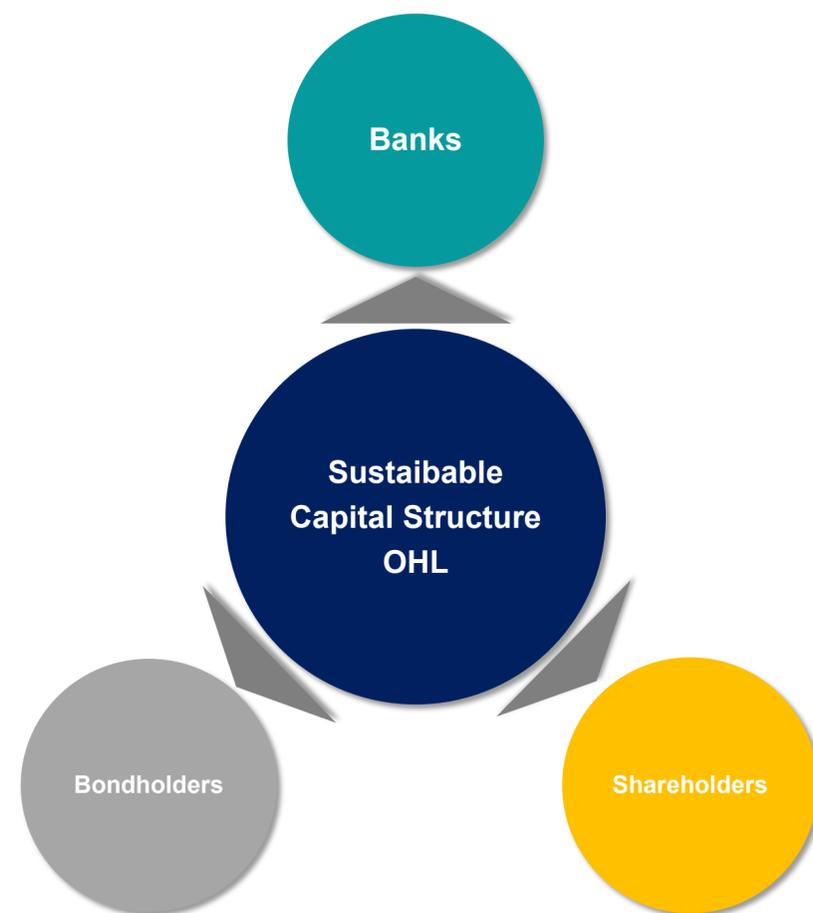
- ✓ Impact of Covid-19 on the Company's deleveraging plan
- ✓ Strengthening of liquidity through the signing of a syndicated loan (ICO) in April for the amount of € 140 Mn
  - It includes analyzing, together with financial and legal advisers, long-term balance and financial structure alternatives, including the Company's outstanding bond issues
- ✓ Shareholder renewal
- ✓ First contacts with different stakeholders through the advisors

2S2020  
AND  
1Q2021

- ✓ Lock-up Agreement signed between: Amodio, GVM, Tyrus and Ad hoc Group (c.57% of total outstanding bonds)
- ✓ Increase in adherence to the Lock-up Agreement, reaching 93% of total outstanding bonds
- ✓ OHL adherence to the Lock-up agreement and sign of the Intercreditor Principles
- ✓ Submission of the *Practice Statement letter* (PSL) and launch of the *Scheme of arrangement* in London

# STRENGTHENING OF THE LONG TERM BALANCE SHEET AND FINANCIAL STRUCTURE (3/7)

## Summary and structure of the Transaction:



**Renegotiating the terms of the bonds and support from financial entities**

A combination of the following:

- i. cancellation of debt
- ii. capitalisation of part of the bond principal through a capital increase, by setting off credits<sup>(1)</sup>
- iii. issuance of new bonds extending maturity in 3 years
- iv. Certain assets of the Company will be incorporated as collateral for bondholders and banks

**Corporate restructuring**

A material part of the business is carried out in the future by a newco subsidiary registered in Spain, 100% indirectly controlled by OHL

**Monetary capital increases <sup>(2)</sup>**

Monetary capital increase with preferential subscription rights granted to OHL shareholders, for a total effective amount of 35 Mn€, at a price of 0.36 euros per share

As well as, a monetary capital increase without preferential subscription rights, addressed to the Amodio and Tyrus Capital shareholders, at a price of 0.36 euros per share, in order to complete their respective investment commitments (37 Mn€ for Amodio and 5 Mn€ for Tyrus Capital)

All the pillars of the transaction are interrelated and conditional on each other.  
**In order to implement the transaction, all must be approved.**

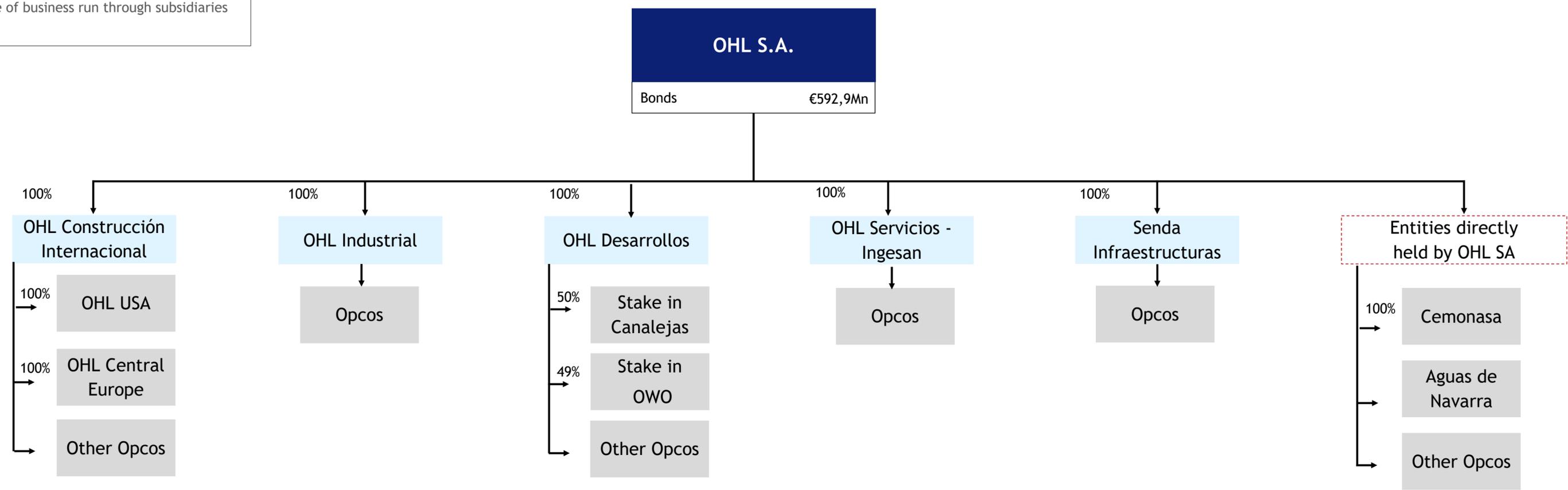
<sup>(1)</sup> Includes underwriting commissions

<sup>(2)</sup> Includes commission for underwriting the capital increase

## Simplified corporate structure pre-transaction<sup>1</sup>

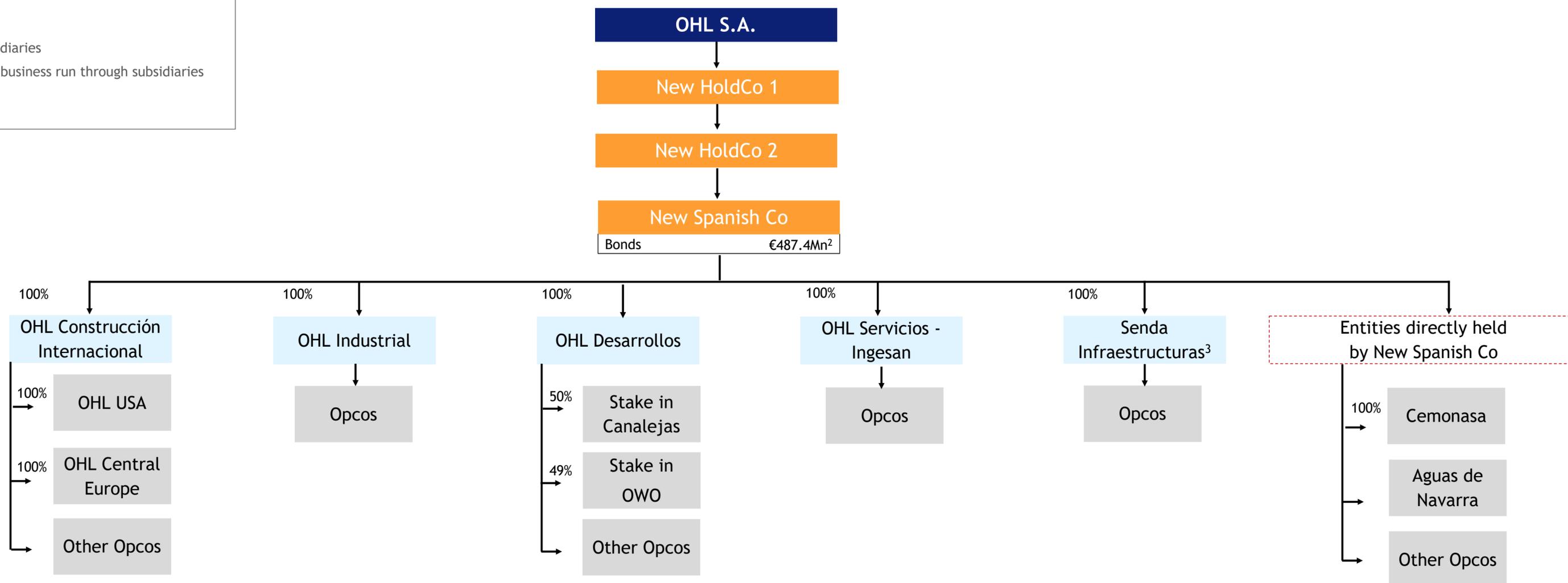
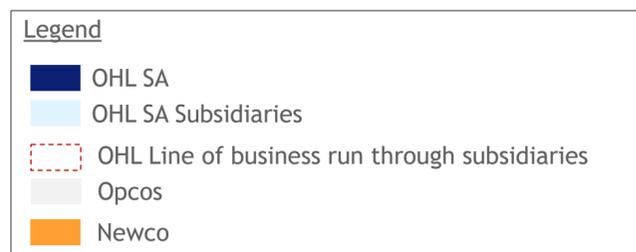
**Legend**

- OHL SA
- OHL SA Subsidiary
- OHL line of business run through subsidiaries
- Opcos



(1) The chart above shows an indicative simplified corporate structure and does not show all the debt or entities within the Group

## Estimated simplified corporate structure post-transaction<sup>1</sup>



(1) The chart above shows an indicative simplified corporate structure and does not show all the debt or entities within the Group

(2) Assuming the new bond issue with c.93% adherence today

(3) The idea is to have non recourse subsidiaries

## Structural debt of long-term financial obligations (bonds):

	Pre-transaction Gross structural debt				Post-transaction Gross structural debt				
	€Mn	Spread (bps)	Maturity	Leverage EBITDA FY20 @ €68Mn	€Mn	Spread (bps)	Maturity	Leverage EBITDA @ €68Mn	Run-rate EBITDA @ €120-155Mn
2022 Senior Unsecured Notes	323.0	475	March-22	4.8x					
2023 Senior Unsecured Notes	269.9	550	March-23	4.0x					
New Senior Secured Notes					487.4 <sup>1</sup>	660-975	50% March-25 50% March-26	7.2x	
<b>Gross Senior Debt</b>	<b>592.9</b>	<b>509</b>		<b>8.7x</b>	<b>487.4</b>			<b>7.2x</b>	<b>3.1-4.1x</b>
<b>Shareholders' Equity Improvement</b>	<b>€464Mn<sup>2</sup></b>				<b>€612-641Mn</b>				
				<b>+€148-177Mn<sup>3</sup></b>					

✓ OHL has a bridge financing linked to the divestment of assets for 130 Mn€ (ICO), not being considered as long-term structural debt<sup>4</sup>

Long term target of a **maximum 3x EBITDA**

(1) Considering LUA adhesion of c.93% of the noteholders

(2) Amount at 31 December 2020

(3) Includes the senior gross debt reduction of €105.5Mn and the capital increase in the range € 42-71Mn , subject to tax due diligence and final legal terms

(4) In addition to the bonds and the ICO loan, at 31 December 2020, OHL had c.10 Mn € of other recourse debt. The total amount of the recourse debt at FY2020 is 697.9 Mn€

## Targets and benefits of the Transaction:

- ✓ Debt maturity extension until March 2025 (50% maturity) and March 2026 (50% maturity)
- ✓ Decrease in OHL's leveraging of 105 Mn€ by reducing the outstanding balance in bonds to € 487Mn
- ✓ Reinforcement of OHL shareholders equity by between 148 and 177 Mn€
- ✓ Supported by the vast majority of stakeholders
- ✓ Progressive return of the business to normal

## Estimated summary of the Transaction's main milestones:





HOSPITAL DE CURICO

# AGENDA 2021

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1	Share capital reduction by means of reducing the nominal value of the shares by €0.35 each, from €0.60 to €0.25 per share
2	Share capital increase to raise the Company's equity by an effective amount (nominal plus premium) of thirty-five million euro and twenty-eight cents (€35,000,000.28) through the issue and placing of 97,222,223 new ordinary shares each with a nominal value of twenty-five euro cents (€0.25), to be issued against cash consideration, with the recognition of shareholders' preferential subscription rights
3	Share capital increase in an effective maximum amount (nominal plus premium) of thirty-six million three hundred and ninety-nine thousand nine hundred and ninety-nine euro and ninetysix cents (€36,399,999.96) through the issue and placing of a maximum of 101,111,111 new ordinary shares each with a nominal value of twenty-five euro cents (€0.25) at 0.36 euros per share
4	Share capital increase in an effective amount (nominal plus premium) of sixty-eight million, thirty-five thousand, two hundred and seventy-five euro (€68.035.275) through the issue and placing of 91,939,560 new ordinary shares each with a nominal value of twenty-five euro cents (€0.25) at 0.74 euros per share, by way of offsetting of credit rights for the purpose of capitalizing certain credit rights derived from the Company's senior notes
5	Share capital increase in an effective amount (nominal plus premium) of one million seven hundred and fifty thousand euro (€1,750,000), through the issue and placing of 4,861,111 new ordinary shares each with a nominal value of twenty-five euro cents (€0.25), by way of offsetting of credit rights, for the purpose of capitalizing the credit rights arising from the fee payable to Forjar Capital, S.L.U. and Solid Rock Capital, S.L.U. for their participation in the restructuring process and the assumption of an equity commitment in the Company
6	Share capital increase in an effective amount (nominal plus premium) of three million four hundred and one thousand seven hundred and sixty-three euro and seventy-five cents (€3,401,763.75) through the issue and placing of 9,449,343 new ordinary shares each with a nominal value of twenty-five euro cents (€0.25) at 0.36 euros per share, by way of compensation of credit rights, for the purpose of capitalizing the credit rights arising from the fee payable to certain holders of the Company's senior notes who committed to subscribe for new shares in the capital increase by way of compensation of credit rights approved pursuant to resolution Fourth above
7	Contribution of essential assets to a new subsidiary
8	Ratification of the appointment of Director by co-option, Mr. Luis Fernando Martín Amodio Herrera
9	Ratification of the appointment of Director by co-option, Mr. Julio Mauricio Martín Amodio Herrera
10	Delegation of faculties

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