

Message from the Chairman

Message from
the Chairman



Ladies and Gentlemen,

In this Integrated Report, we describe and discuss the performance of OHLA in 2022. The past year was one of global uncertainty and far-reaching change, but also offered attractive opportunities in the infrastructure industry.

The global pandemic and its aftermath were followed by war in Ukraine. These events have hurt societies worldwide and brought about a financial and macro-economic environment that will prove difficult to navigate.

Global inflation is persistently high. Finance is now more expensive, as a result of the higher borrowing rates driven by tighter monetary policy.

However, it is precisely in times of slower growth that infrastructure plays a key role as a counter-cyclical lever, creating jobs and supporting progress and development. It also falls to us, the infrastructure industry, to lead the ecological and digital transition that the world needs.

We help to meet the current and future requirements of society. We build new hospitals and safer, cleaner roads. We improve water management and sanitation. We deliver on our pledge to clean energy, to support sustainable mobility and higher living standards in our cities.

In 2022, therefore, we focused on driving forward with these goals. This was a year in which we achieved outstanding results at the operating level. We either achieved or even amply exceeded all our targets for the period. Revenue rose 17.3% year-on-year to approach EUR 3.26 billion. We achieved the largest order intake of the past eight years, winning contracts worth EUR 4.3 billion. At year-end, our total backlog exceeded EUR 7 billion, our best figure since 2015. EBITDA for 2022 was more than EUR 114 million, reflecting robust activity at the operating level.

Over the year, the company strengthened the balance sheet by reducing its debt burden, which we shall continue to do in 2023 as a strategic priority in our bid to achieve sustained growth and create value for our

shareholders and investors, for our employees, and for our stakeholders across the wider community.

In the Construction division – one of our core businesses – we had major contract wins in our key geographies. In the United States, we are a key joint venturer in the design and construction of one of the country’s largest rail projects: the Maryland Purple Line. The new light rail line will lighten the daily road traffic burden by 17,000 vehicles. We are also working on a major project for the New York City Subway. Our track record in the United States over the past 16 years is a success story, and, every year, our order intake continues to grow.

In Latin America, where we have had a presence for more than four decades, we won new contracts in Mexico, Peru, Colombia and Chile.

And, in Europe, we were the winning bidders for projects to support sustainable mobility in Spain, the Czech Republic, Ireland and Sweden – where we are now the main contractor for the Stockholm Metro. We are a key player, for instance, in one of the most advanced rail digitalisation projects in Europe, upgrading the Lund-Arlöv rail route (Sweden).

Our Concessions division is also going from strength to strength. We now have two new major assets under management: the North 2 access corridor in Colombia, which will serve a population of close to eight million; and, in Spain, the expansion works of the Niño Jesús children’s hospital. This confirms the breadth of our experience in hospital infrastructure, which we have amassed over our history of more than 100 years. As recently as February 2023 the company was awarded the concession for the Instituto Nacional del Cáncer, in Chile.

In the Services division, we strengthened our positioning and created value-added by leveraging our digital transformation. This enables us to provide proprietary digital design solutions for urban climate management and healthcare facilities.

In 2023, we shall focus on shoring up the stability of our financial position and returning our operations to the smooth forward track that is the hallmark of our

business, thus improving our margins and growing our profit.

At OHLA, our goal is to place infrastructure at the service of the wider community through the technical excellence of our expert team. And, in this endeavour, our efforts have earned a range of distinctions and accolades.

In Europe, in the United States and in Latin America, infrastructure built by OHLA has attracted major awards: in Spain, the LEED Gold sustainable certificate for Centro Canalejas Madrid; in the United States, ‘Best Project in 2022’, awarded by the widely respected publication *Engineering News-Record (ENR)* for the Robert F. Kennedy Bridge, New York; the River-Edge Park pedestrian bridge, Illinois; and the Ardie R. Copas State Veterans’ Nursing Home, Florida.

These achievements reflect our bid to seek out and adopt the best new methods and innovative solutions for effective production, the circular economy and diversity protection.

Economic and social progress and enhanced living standards for the public are dependent on investment in infrastructure. At OHLA, therefore, we shall continue to create sustainable, safe and high-quality infrastructure, while using resources to a standard of efficiency that aligns with the UN Sustainable Development Goals. And we must do so while upholding our values of ethics, transparency and good governance.

The current environment provides attractive opportunities for innovation and digitalisation as external factors that support sustainability, aid societal progress, and create a competitive edge. I assure you that in that context we shall endeavour to create value to the full extent of our ability for our shareholders, investors, employees and the wider community.

Luis Fernando Martín Amodio Herrera

Chairman of the Board of Directors