

PROPOSED ACQUISITION OF EQUANS

09 NOVEMBER 2021
PRESENTATION



BOUYGUES

Making progress become reality

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THE PROPOSED ACQUISITION OF EQUANS IS IN LINE WITH THE GROUP DEVELOPMENT STRATEGY

- ✓ Strengthen the positioning of the existing business segments
- ✓ Grow the portfolio of sustainable products and services to seize new business opportunities
- ✓ Enhance differentiation through innovation, quality and proximity

A TARGETED DEVELOPMENT STRATEGY WHILE MAINTAINING A ROBUST FINANCIAL STRUCTURE

A selective investment and external growth policy

Seize opportunities in growth sectors



Proposed merger between
TF1 and M6 to create a
major French media group



Participation in the
Energies and Services
sector consolidation

Target expertise, technologies and geographies



Expertise:
robotics, fixed
BtoB, hydrogen,
etc.



Technologies:
5G, FTTH, etc.









Geographies:
Northern Europe,
Germany,
North America

A disciplined policy promoting value creation

THREE MAJOR TRANSITIONS UNDERPIN THE BUOYANT MULTI-TECHNICAL SERVICES MARKET

GLOBAL MARKET TRENDS

Shift of the energy mix towards renewable and decentralized energies	
Transformation of the energy mix towards electricity	
Surge of data and connectivity	
Development of high-tech technologies and intelligent solutions	
Digitalization of infrastructure	
Ageing infrastructure and buildings	

3 MAJOR TRANSITIONS

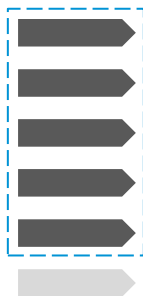
Energy transition	32% share of electricity in EU energy demand in 2050 vs. 21% in 2020
Digital transition	+8% expected CAGR for the global data center energy market (2020 to 2026)
Industry transition	+8% expected CAGR for the global market for industrial robots (2021 to 2030)

MULTI-TECHNICAL SERVICES PROVIDE A RESILIENT BUSINESS MODEL

A RESILIENT MARKET

>70%

of revenues generated
by recurring clients^a for
key players



<€50k

average annual revenue
per contract in France
for key players

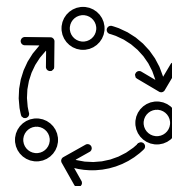
AN ASSET-LIGHT ACTIVITY



<2%

CAPEX ratio on revenues for
key multi-technical players

A CASH GENERATING BUSINESS



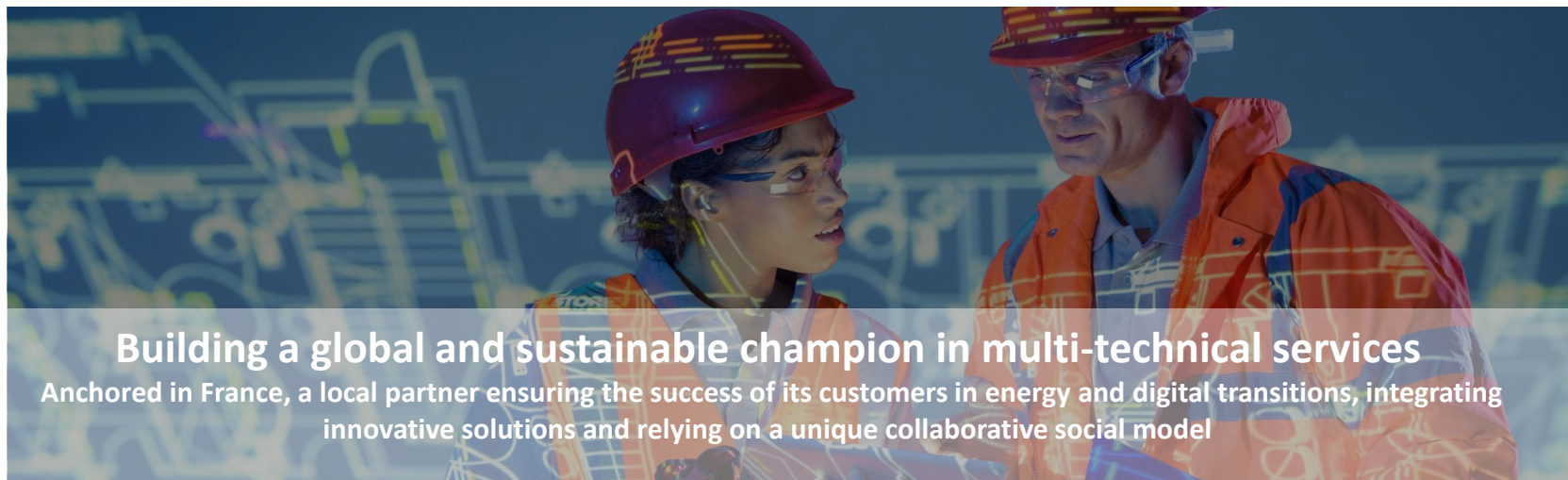
Strong EBITDA-to-cash
conversion rate for key multi-
technical players

AN ATTRACTIVE OPPORTUNITY TO ACCELERATE BOUYGUES' DEVELOPMENT IN MULTI-TECHNICAL SERVICES

- **A UNIQUE OPPORTUNITY**

- To create a France-based **global player in a strategic sector** with strong development opportunities
- To build the Group's first business segment **strengthening the resilience** of its business model

- **A LONG-TERM INDUSTRIAL VISION FOR THE NEW COMBINED ENTITY**


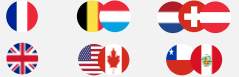





Building a global and sustainable champion in multi-technical services

Anchored in France, a local partner ensuring the success of its customers in energy and digital transitions, integrating innovative solutions and relying on a unique collaborative social model

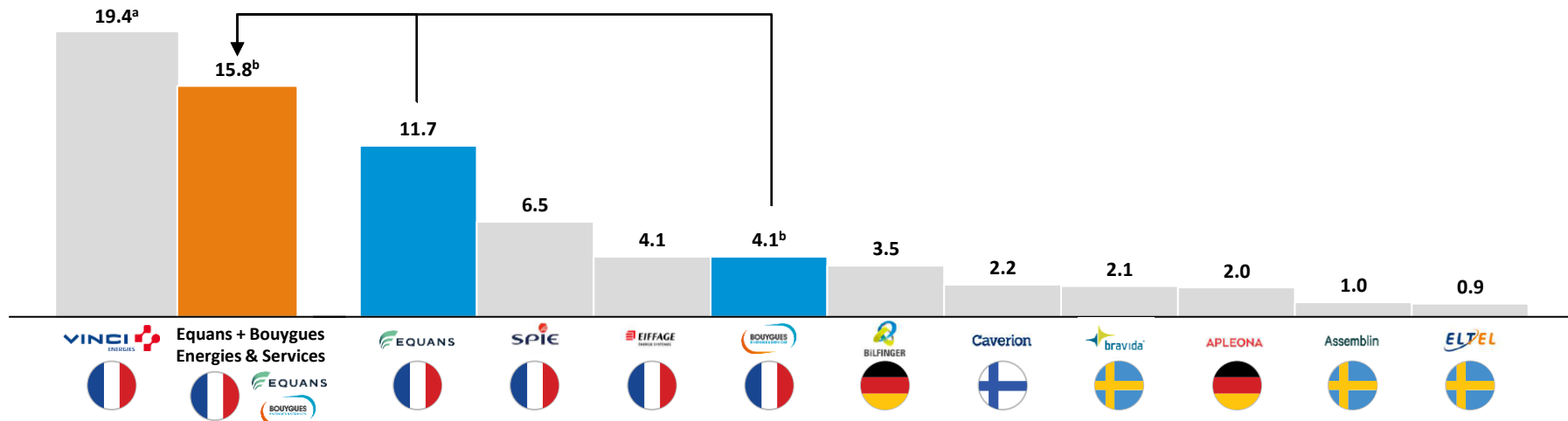
EQUANS OVERVIEW

MAIN BUSINESSES

Electrical engineering	HVAC & refrigeration	Mechanical engineering & robotics	Digital systems & telecom networks	Facility Management
<ul style="list-style-type: none"> Installation/renovation/maintenance of electrical equipment Management/transmission/distribution of electrical power through networks and to substations (conventional and renewable) Electrical power installation for industrial buildings and other specific infrastructure 	<ul style="list-style-type: none"> Installation/maintenance of HVAC equipment Design/installation/maintenance of refrigeration/cooling systems Air quality control 	<ul style="list-style-type: none"> Plumbing/pipework installation Heavy mechanical engineering (machining, modular assembly, offshore platforms and robotics) Fire extinguishing systems 	<ul style="list-style-type: none"> Data and communication technologies (telecom networks, data centres, etc.) Innovative data management technologies (BIM, real time data acquisition and control, artificial intelligence) Commercial applications (connectivity in public transport, secure communications, building management systems, etc.) 	<ul style="list-style-type: none"> Installation/management of hardware (electrical systems, HVAC, maintenance) Energy efficiency management (rehabilitation, multi-annual energy audits and consultancy) Other (in partnership): space management, security
				
Others	<ul style="list-style-type: none"> Apartment building renovation activities and asset-based activities (district heating and cooling networks in the UK and Central Europe) 			

A WORLD LEADER IN MULTI-TECHNICAL SERVICES WITH €16 BILLION IN REVENUE

Ranking based on 2020 revenue of European players (in €bn)



Building on Bouygues Group's long-standing international experience, the combined entity will strengthen the support it provides to its customers' cross-border projects, and the business expansion in new geographies

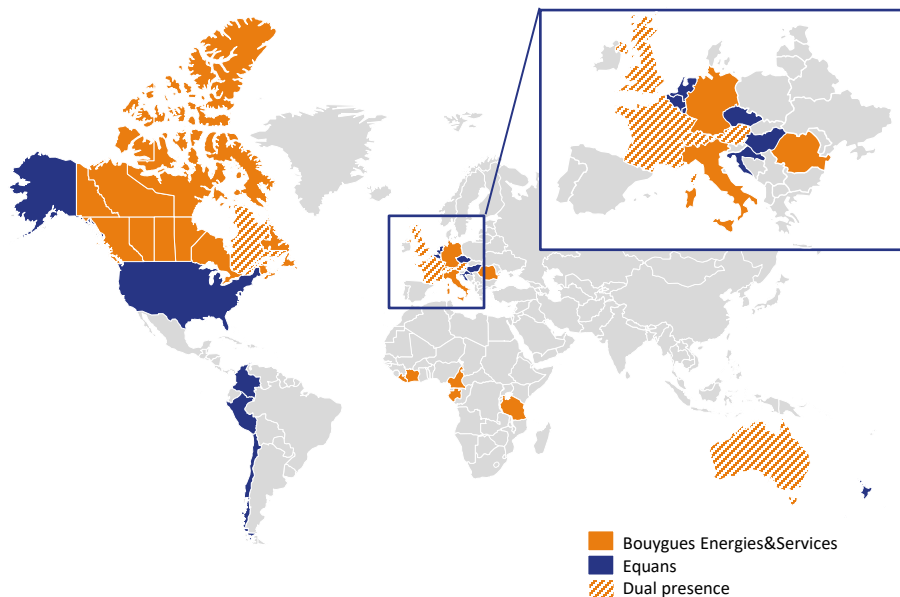
(a) Including the acquisition of ACS energy business (€5.7bn revenue in 2020)

(b) Including €0.5bn of Axione

COMPLEMENTARY GEOGRAPHIC PRESENCE

- **A BROADER GLOBAL FOOTPRINT**

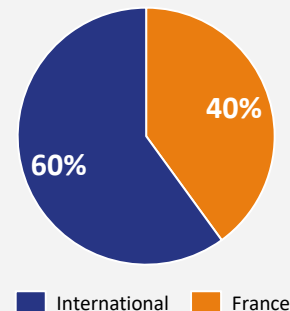
- Presence in **more than 20** countries
- **A limited overlap**



- **A DENSIFIED LOCAL NETWORK IN FRANCE AND SWITZERLAND ENABLING**

- **Close proximity** to all customers
- **In-depth knowledge** and privileged access to local markets
- **Strong responsiveness** to customer requests
- **A balanced income** distributed across geographies

Combined entity 2020 revenue by zone



THE COMBINATION WILL BENEFIT BOTH EQUANS AND BOUYGUES ENERGIES & SERVICES CUSTOMERS



- A world leader in multi-technical services, anchored in France with ~96,000 employees
- A global presence including strong positions in the main European markets and promising development opportunities in North America
- A denser geographical network ensuring great customer proximity



- A broad portfolio of public and private, tertiary and industrial clients
- A wider expertise in key specialty segments with high added value (nuclear, defense, pharmaceutical...)



- Know-how and cutting-edge solutions in multi-technical services
- Increased innovation and enhanced capacity in digital and energy transitions

THE COMBINED ENTITY CREATES NEW OPPORTUNITIES FOR ITS EMPLOYEES

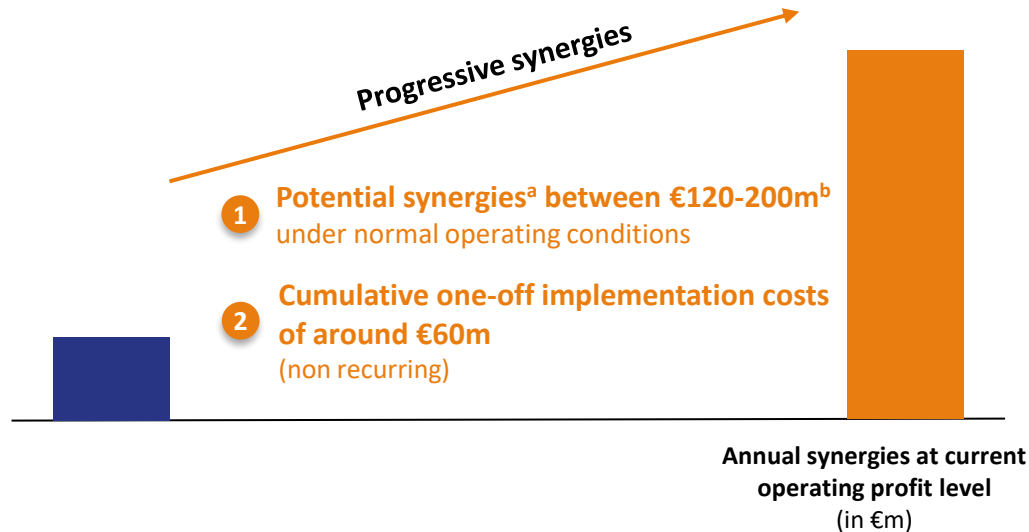
- **~96,000 employees**, united by **common values** and constantly striving to **offer customers the highest quality in service and innovation**, setting a **sound base for a successful combination**
- Bringing together the expertise of Equans and Bouygues Energies & Services

- **No compulsory redundancies in France and in Europe for at least 5 years** from the deal's date of completion
- **Long-term job creation and access to employment for young people**
 - > Creation of over 10,000^a net new jobs over the next 5 years
 - > Hiring at least 2,000 apprentices in France by 2025

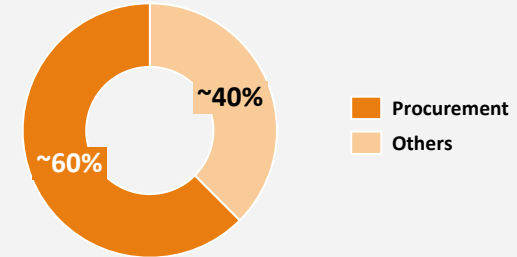
- Ability for each employee to :
 - > Seize the opportunity to access **new and attractive professions and careers within a larger group**
 - > Benefit from **strong training programs to develop skills and increase employability**
 - > Benefit from a **gradual upward alignment of employee benefits**: welfare schemes, employee share ownership plans, voluntary/compulsory profit-sharing, workplace safety and ESG commitments

(a) In addition to the 15,000-20,000 new hires required annually to cover estimated staff turnover at the new entity

THE COMBINATION OF BOUYGUES ENERGIES & SERVICES AND EQUANS OFFERS THE POTENTIAL OF RECURRING SYNERGIES



• BREAKDOWN OF SYNERGIES



• MAIN LEVERS

■ Procurement

- > Volume massification and price alignment

■ Others (SG&A, revenues...)

- > No compulsory redundancies in France and in Europe for at least 5 years from the deal's date of completion

A CLEAR VALUE CREATION OVER THE LONG TERM

TARGET FOR THE COMBINED ENTITY: MID-TERM CURRENT OPERATING MARGIN > 5%

1

Short term objectives

Successful integration and profitability increase

Achieve combination, activate synergies and execute performance plans

Finalize the standalone organization

Ensure business continuity from Day 1

Procurement – synergies and quick wins
(alignment price, massification)

Management of loss-making contracts

Pricing

2

Medium term objectives

Growth and additional value creation

Identify growth opportunities and activate additional performance levers

Growth opportunities in attractive segments
(geography, customers, cross/upsell)

Commercial excellence

Procurement – « Buy smarter »
(e.g. standardization of ranges)

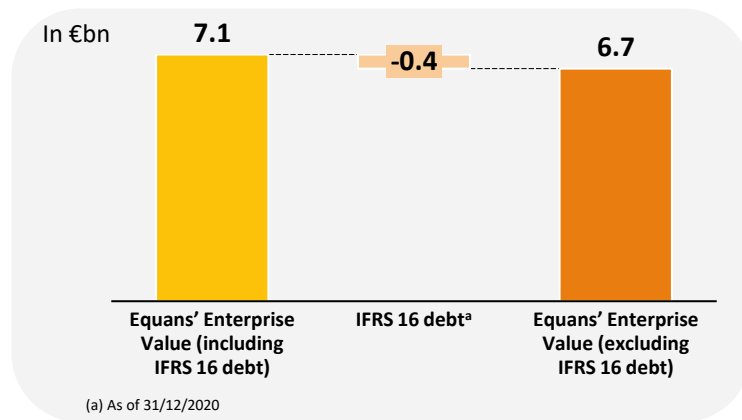
Operational excellence
(e.g. agency sequencing)

M&A
(once the minimum profitability target has been reached)

ACQUISITION PRICE AND FINANCING

- **PRICE**

- **Enterprise value of €6.7bn**
- **Enterprise value/2026 current operating profit: 11.4x**, considering the expected synergies and strong growth over the coming years
- Deal **significantly accretive** for Bouygues group **EPS** in year one



- **A FULLY SECURED FINANCING**

- The acquisition of 100% of Equans shares is **financed by the Bouygues group's existing resources and by a fully secured bank loan from partner banks**. This loan will ultimately be subject to a bond refinancing
- This loan does not include any financial covenants or rating clauses

NEXT STAGES AND INDICATIVE TIMETABLE

- **THE DEAL HAS ALREADY BEEN APPROVED UNANIMOUSLY BY THE RELEVANT EMPLOYEE REPRESENTATIVE BODIES WITHIN THE BOUYGUES GROUP**
- **CONSULTATION OF THE EMPLOYEE REPRESENTATIVE BODIES AT ENGIE AND EQUANS TO BE CONDUCTED IN ACCORDANCE WITH THE LEGISLATION IN FORCE**
- **COMPLETION OF THE TRANSACTION SUBJECT TO THE CONDITION PRECEDENTS**
 - Finalization of the constitution of Equans' business scope
 - Control procedure of ownership percentages and foreign investment controls in the jurisdictions where Equans operates
- **FINAL COMPLETION OF THE DEAL EXPECTED BY H2 2022**

CONCLUSION

- **A UNIQUE OPPORTUNITY TO BOOST BOUYGUES AS A GLOBAL LEADER IN MULTI-TECHNICAL SERVICES**
 - Creation of a France-based **global player in a strategic sector** at the convergence between the energy, digital and industrial transitions with strong development opportunities
- **STRENGTHENING THE RESILIENCE OF ITS BUSINESS MODEL**
 - A business with a **highly strategic positioning**, an **attractive financial profile** and a **strong cash generation**
- **A SIGNIFICANT LONG-TERM VALUE CREATION DEAL**
 - **Substantial improvement of profitability, synergies and growth ramp-up**
 - Deal **significantly accretive** for Bouygues' **EPS** and **free cash-flow**
- **A MAJOR STRATEGIC MOVE FOR BOUYGUES, IN LINE WITH ITS FINANCIAL DISCIPLINE**



Q&A



BOUYGUES

Making progress become reality