



**FY 2023**

Results Presentation

February, 29<sup>th</sup> 2024



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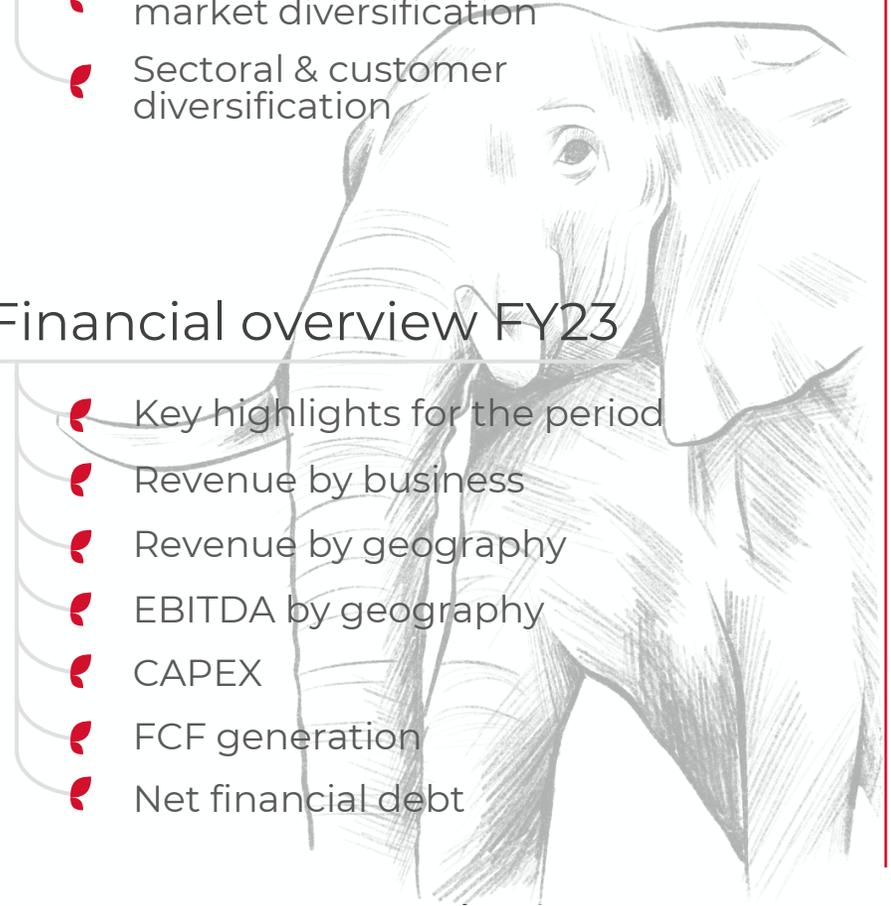
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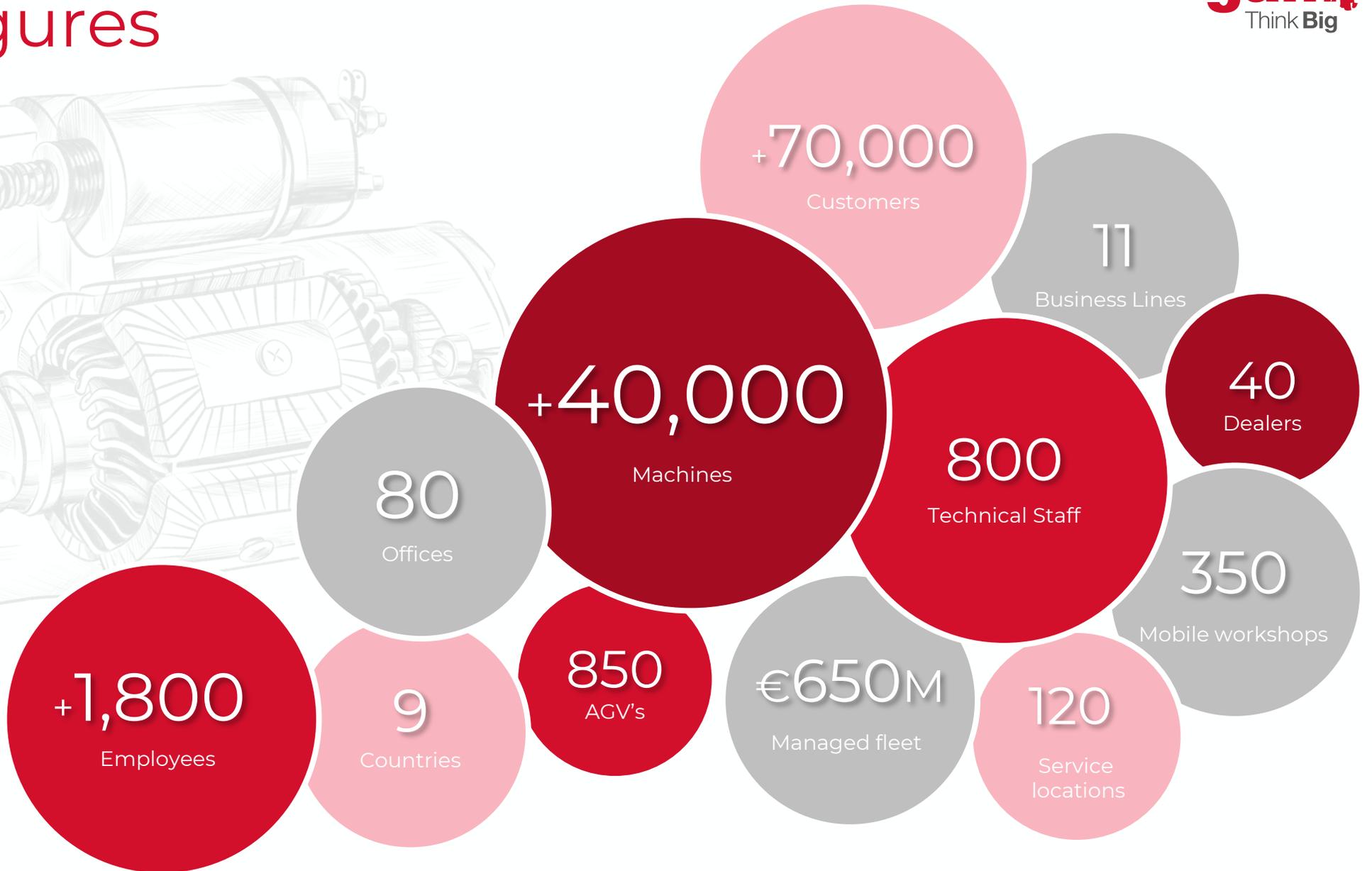
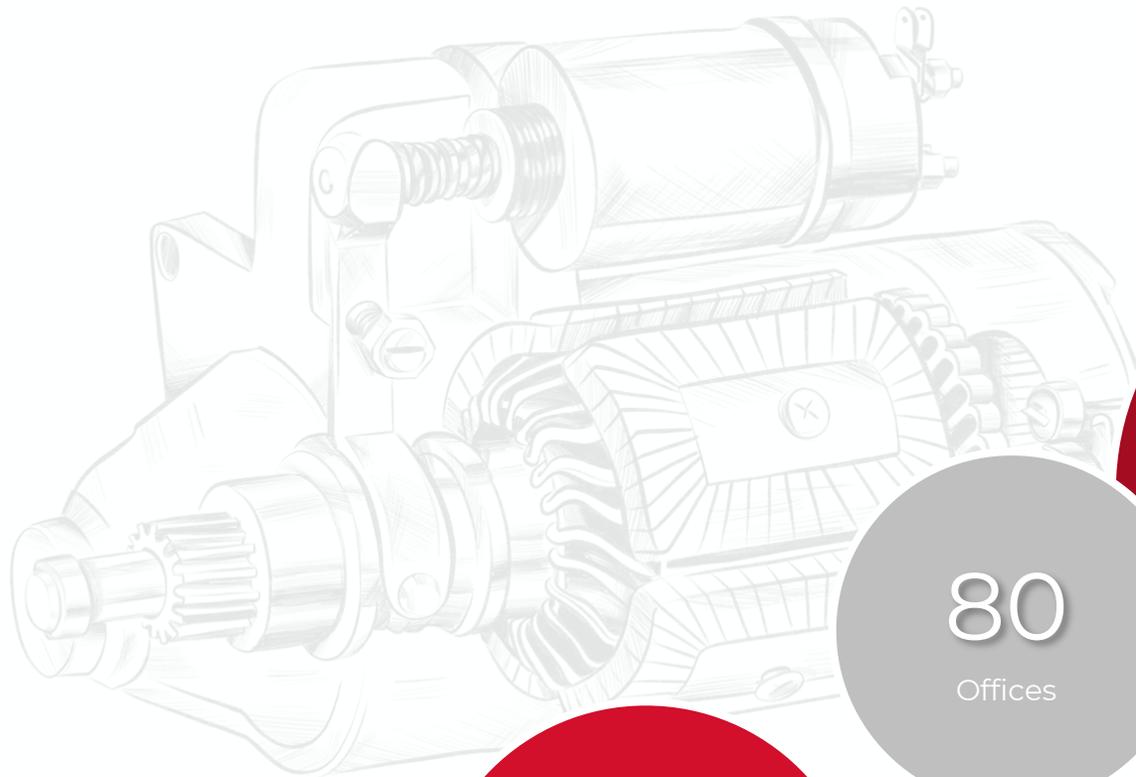
SOLUCIONES



GAM at a glance

# GAM at a glance

## Key figures



# GAM around the world



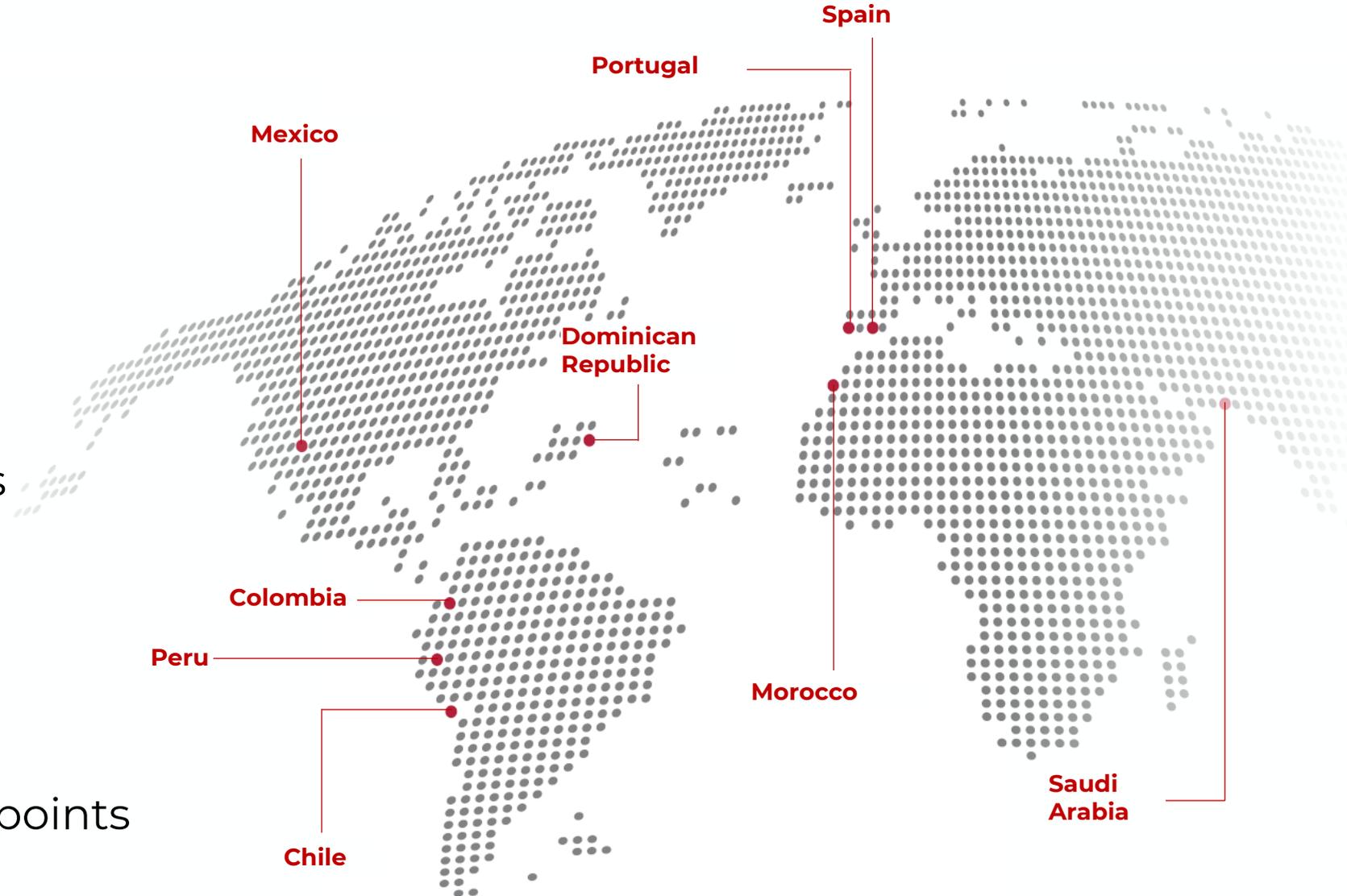
9 Countries



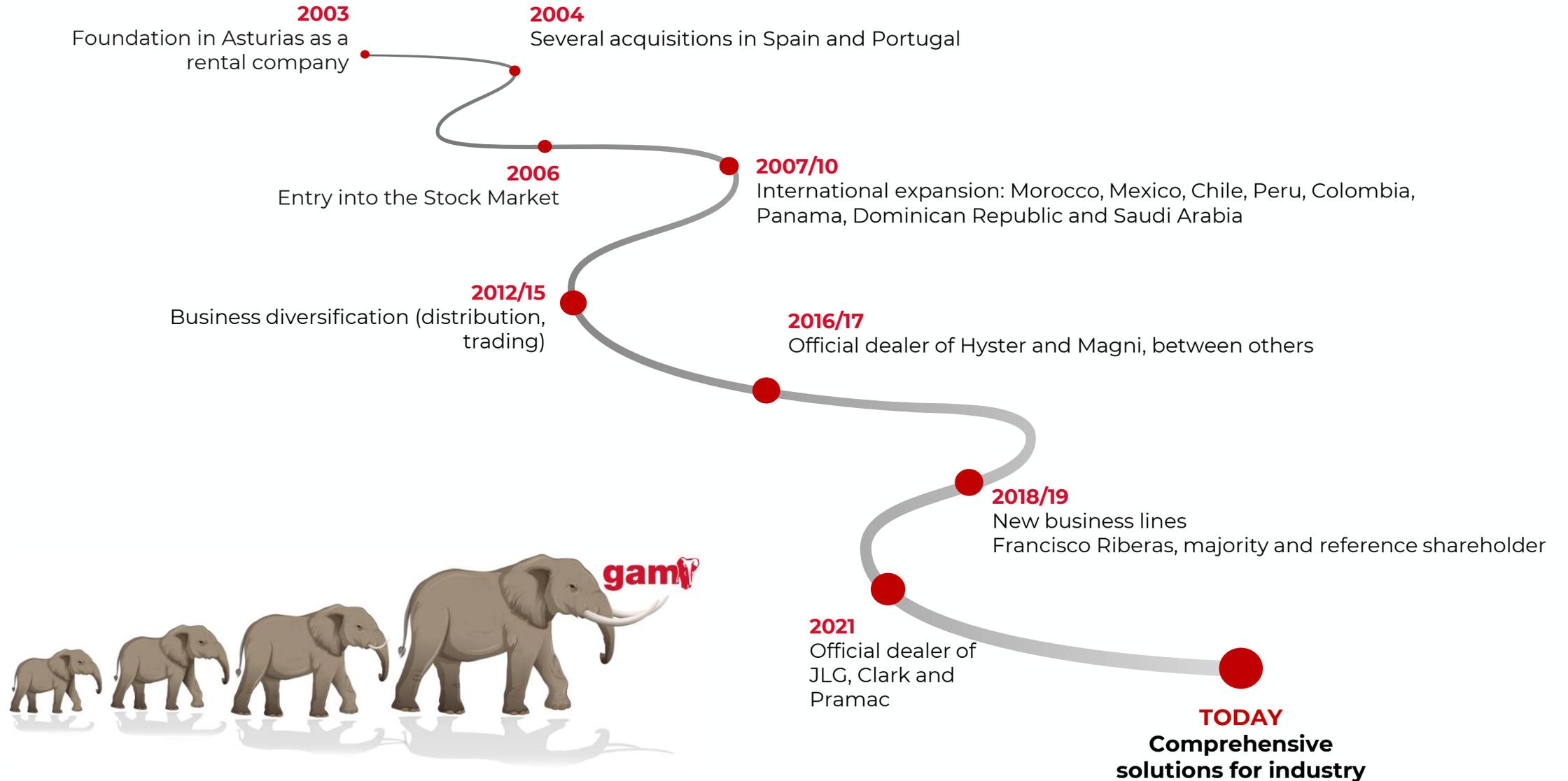
80 Branches



120 Service points



# Where do we come from?



# Company Overview



Diversified & less capital-intensive business model. **Focus on business and market diversification.**



**Resilient company.** High degree of sectoral diversification and low exposure to the more cyclical ones.



Transformative **circular economy project** "REVIVER", which will reduce capital investment.



**Clear strategy** to improve profitability, maximize return on capital, reduce operating leverage and maximize value creation.



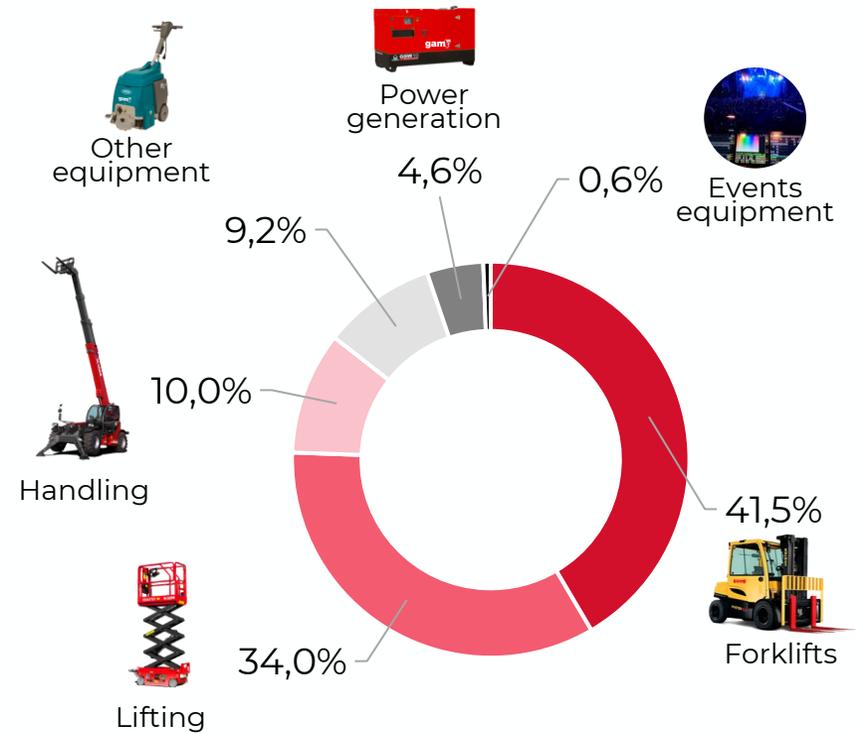
**Customer focus.** Strong backlog and lasting relationships with clients (Top-15 > 10 years commercial relation with GAM).



**Experienced management** and technical & commercial know how.

More than **40,000** machines to meet market demand:

- Fleet accounting value at year-end 2023 amounts to **>€300 million**.
- Market value is estimated in **€370 million**.
- **6.2-year-old** fleet, being the average fleet useful life around 12 years.



BOSQUE



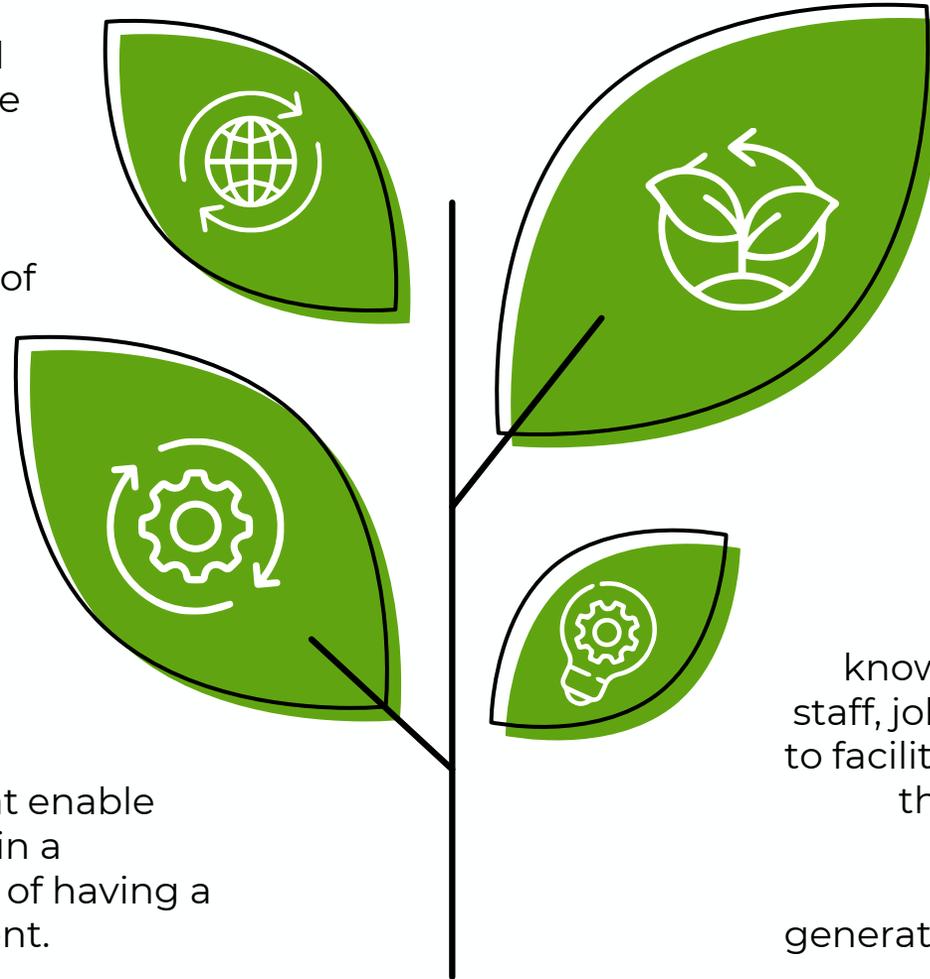
# Embracing sustainability



# Transforming business in four steps

## Circular economy

We incorporate the circular economy into our business model with the aim of giving a second life to parts and machinery through reconditioning or recycling and thus making a smaller and more efficient use of resources.



## Sustainable energy and mobility

We are working to renew our fleet, more than 82% of which is zero-emission. GAM has also launched a new line of business dedicated to sustainable last-mile mobility, Inquieto, with the aim of minimising the environmental impact of logistics vehicles.

## Transforming business

At GAM we invest in initiatives that enable the development of the business in a sustainable way and with the aim of having a positive impact on the environment.

## Social innovation

We promote the development of knowledge and professional skills of the staff, job placement and training of people to facilitate their professional development through upskilling and reskilling. We promote collaboration between organisations and encourage the generation of ideas and projects within the organisation.

# Reviver: our circular economy project

Reviver arises from GAM's objective of transforming business by generating a positive impact in the environment and the communities in which it operates.



## For what?

- Provide a second-useful-life to machinery and spare parts.
- Contribute to a more efficient and environmentally friendly use of resources.
- Reduce substantially CAPEX investment, and therefore total indebtedness.
- Improve ROCE (by decreasing capital employed).
- Reduce Net Debt/ EBITDA ratio.

## Where?

- In a small village of León (Villacé), in the old facilities of a ceramics factory.



# Reviver: our circular economy project

## How?

### CIRCULAR ECONOMY

- 
**Re manufacturing**  
 Machines with an optimal market potential
- 
**Providing**  
 Remanufactured machines with a guarantee and a circular certificate
- 
**Re furbishing**  
 Spare parts with a correctable wear and recycling those in better conditions.
- 
**Providing a sustainable end-life**



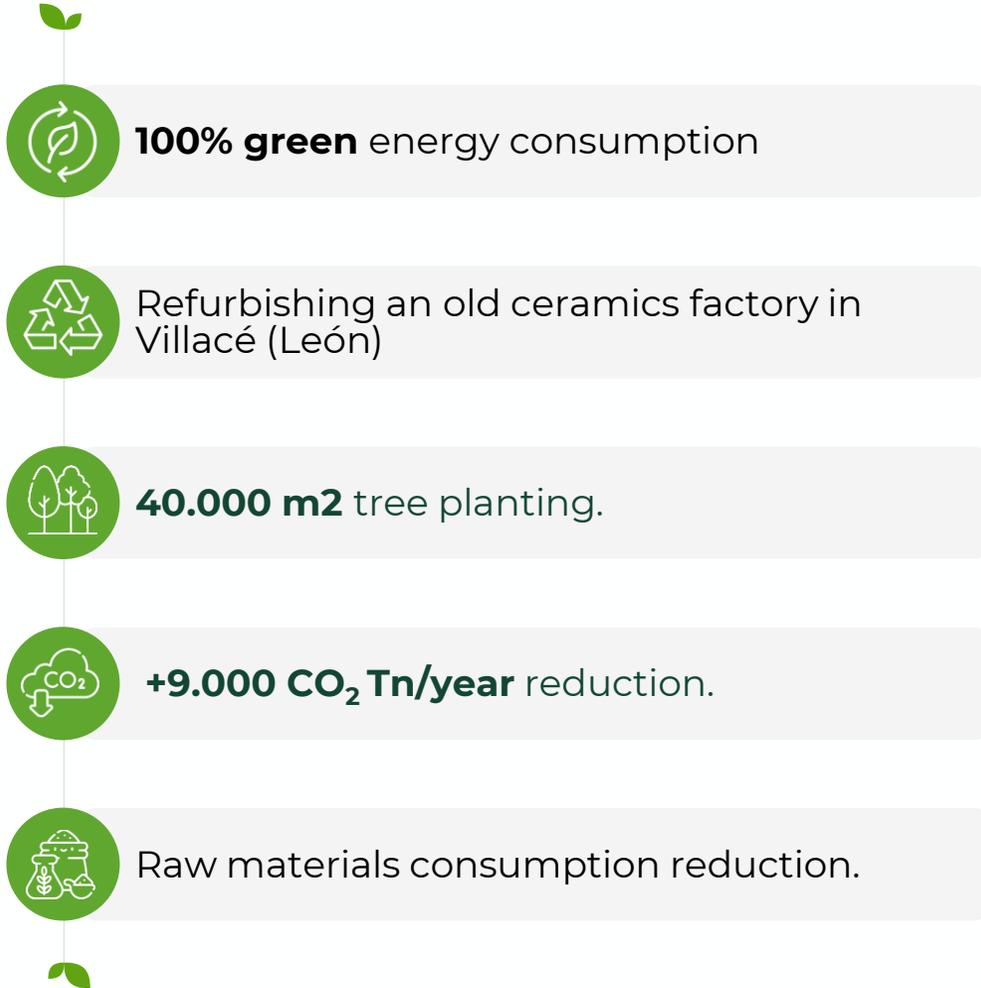
The life cycle of the machinery ended up generating a serious environment impact and high socioeconomic cost.

The machinery is once again 100% operational and ready to begin a new useful life.

# Reviver: our circular economy project

## How?

### ENVIRONMENTAL IMPACT



## How?

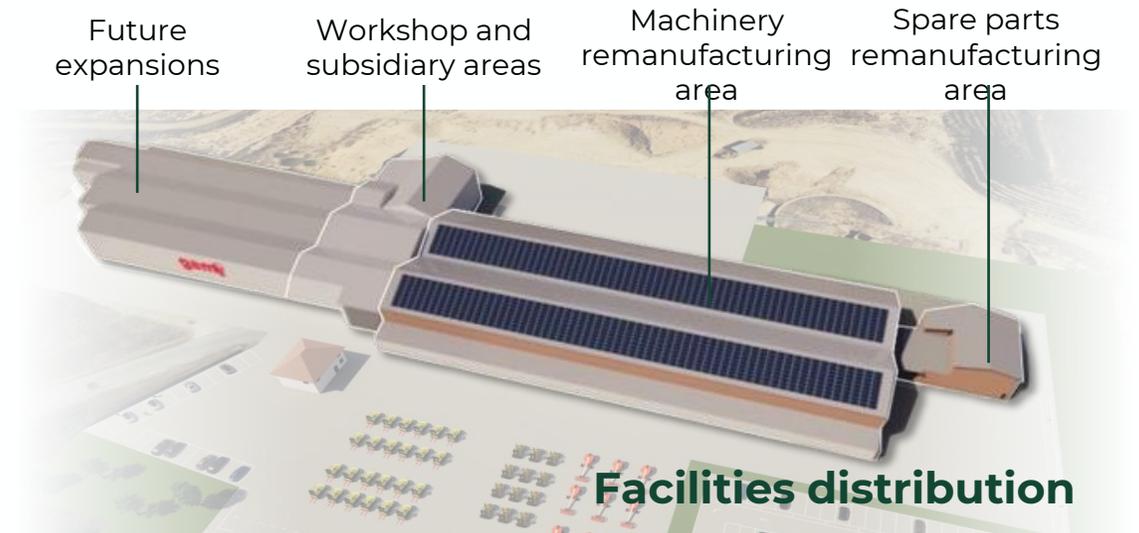
### FACILITIES

+12.000 m<sup>2</sup>  
*workshop*

+300 m<sup>2</sup>  
*technical offices*

+20.000 m<sup>2</sup>  
*outdoor area*

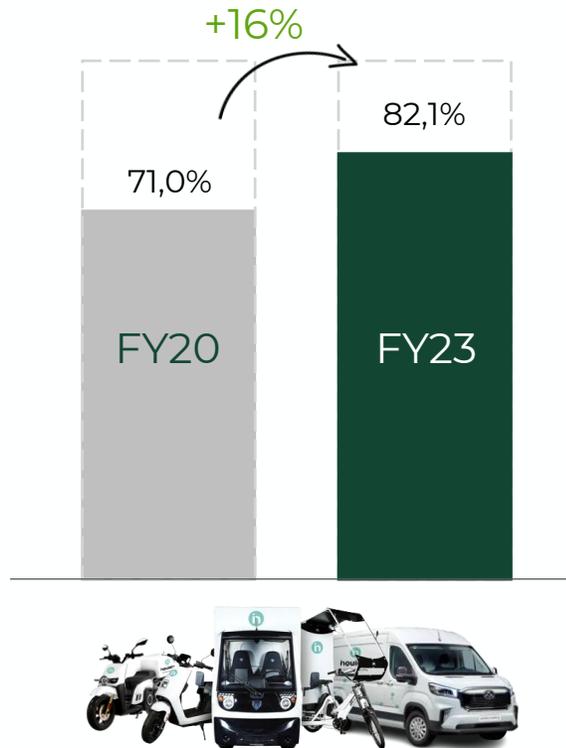
+1.250 m<sup>2</sup>  
*warehouse*



# Energy and sustainable mobility

This step includes initiatives promoting the reduction of CO<sub>2</sub> Emissions through the renewable energy consumption: +95% of the energy consumed at GAM comes from clean energy sources.

## % 0 emissions fleet



## Installed solar panels



GAM is constantly working on the machinery fleet renewal, with the aim of reaching a 0 Emissions fleet. At 2023 year-end, **82,1% of GAM's total fleet is 0 emissions**, and the company achieved a **16% non-emissions fleet increase in the last 3 years..**

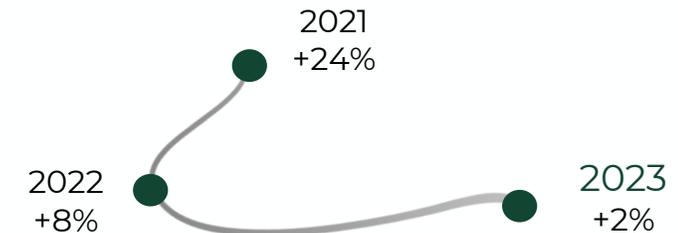
# Embracing sustainability

## Social innovation

GAM is aware of the fundamental role of people, as an indispensable pillar of entrepreneurial success.

This pillar includes initiatives related to the development of knowledge and professional competencies of GAM's workforce, young people labour integration and, in general, employee's capacitation to enhance its professional development, through its upskilling y reskilling.

This is performed through KIRLEO School of Trades.



% annual increase of  
employees training hours

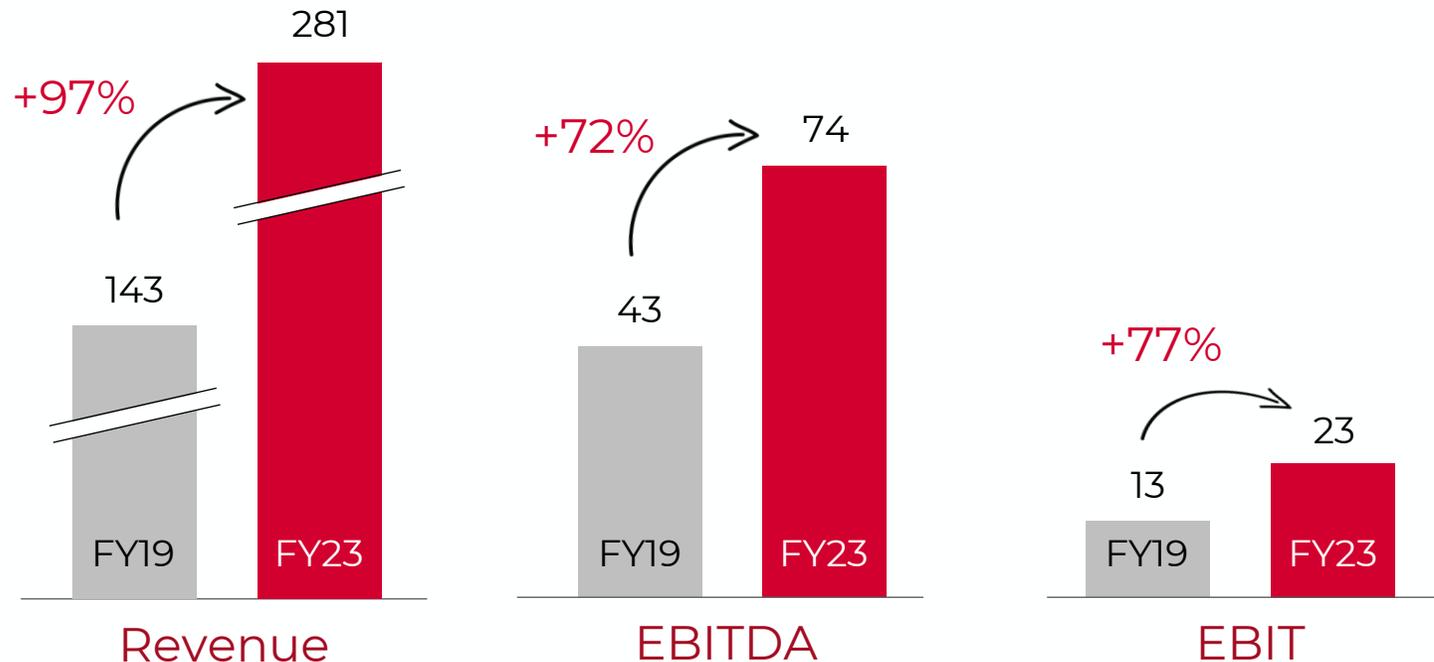
# Last 5-year transformation



## Last 5-year transformation

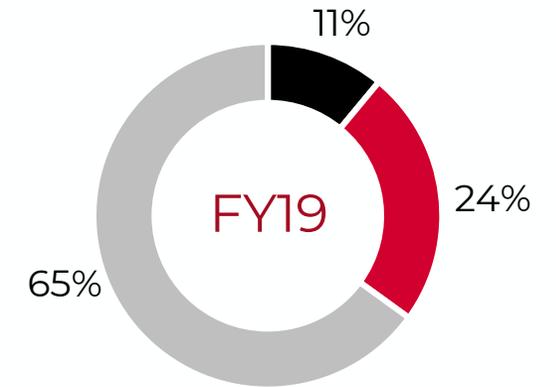
# Resilient? Yes, we are

- GAM doubles its size in the period, showing its vocation and ability to consolidate its position.
- Organic and inorganic growth (GAM completed the acquisition of 8 companies in the last four years).
- Strong degree of business diversification, as well as sectoral and market diversification. The business mix change and the increasing weight of distribution business with lower margins makes leads increasing EBITDA less than revenue.
- High degree of resilience, proven in a complex period (covid-19 crisis, inflation, interest rates increase, supply chain breakage, etc.).

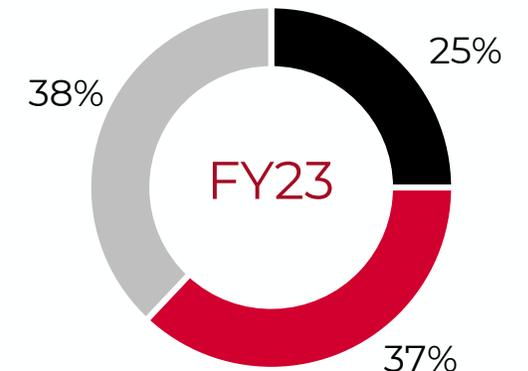


\* Figures in EUR millions

## Business weight



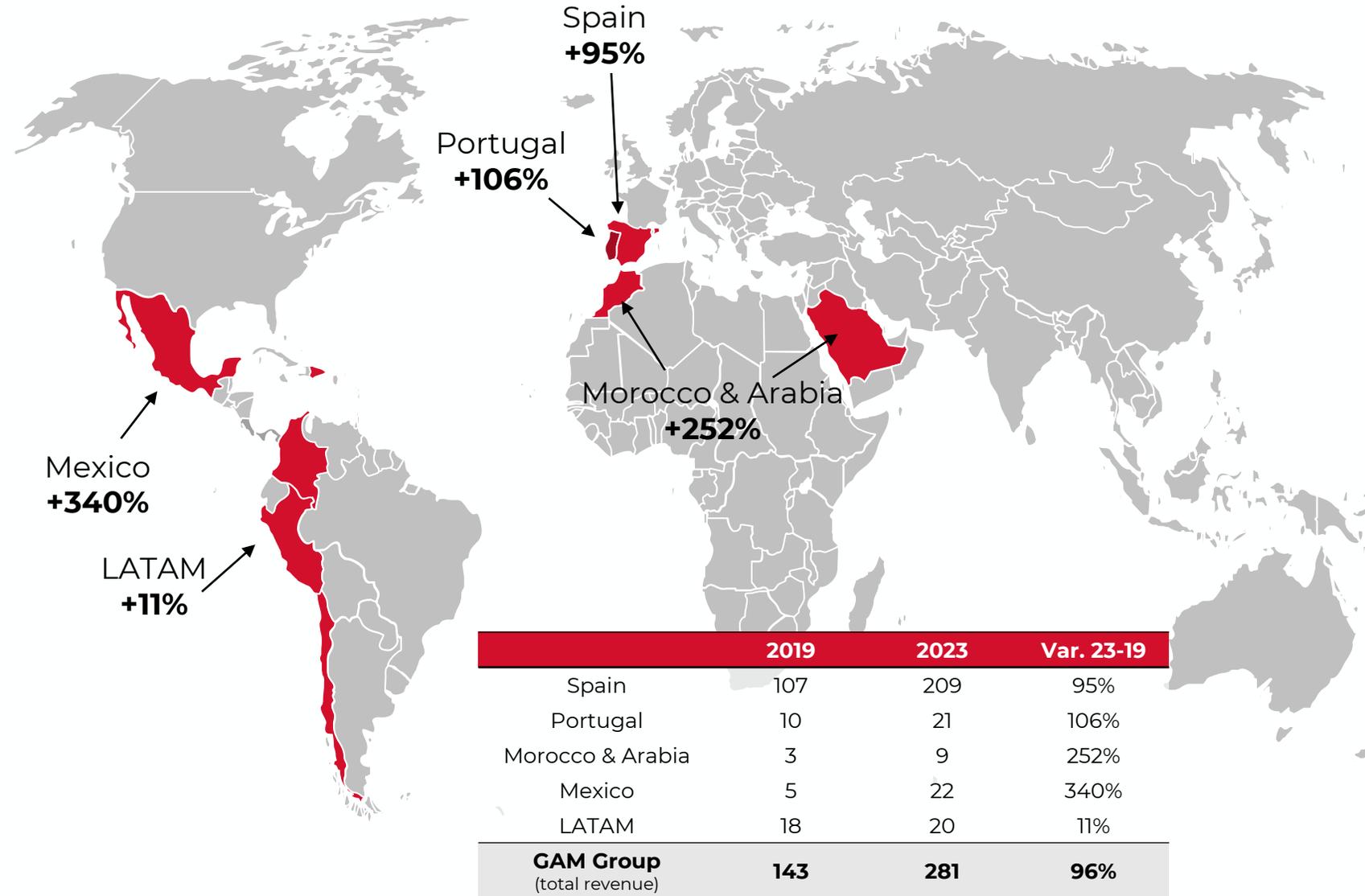
- Renting/Outsourcing
- Distribution and after-sales
- Rental and services



Last 5-year transformation

# Deep transformation & market diversification

- Increasing market diversification.
- GAMs future growth in Iberia would be lower than International growth.



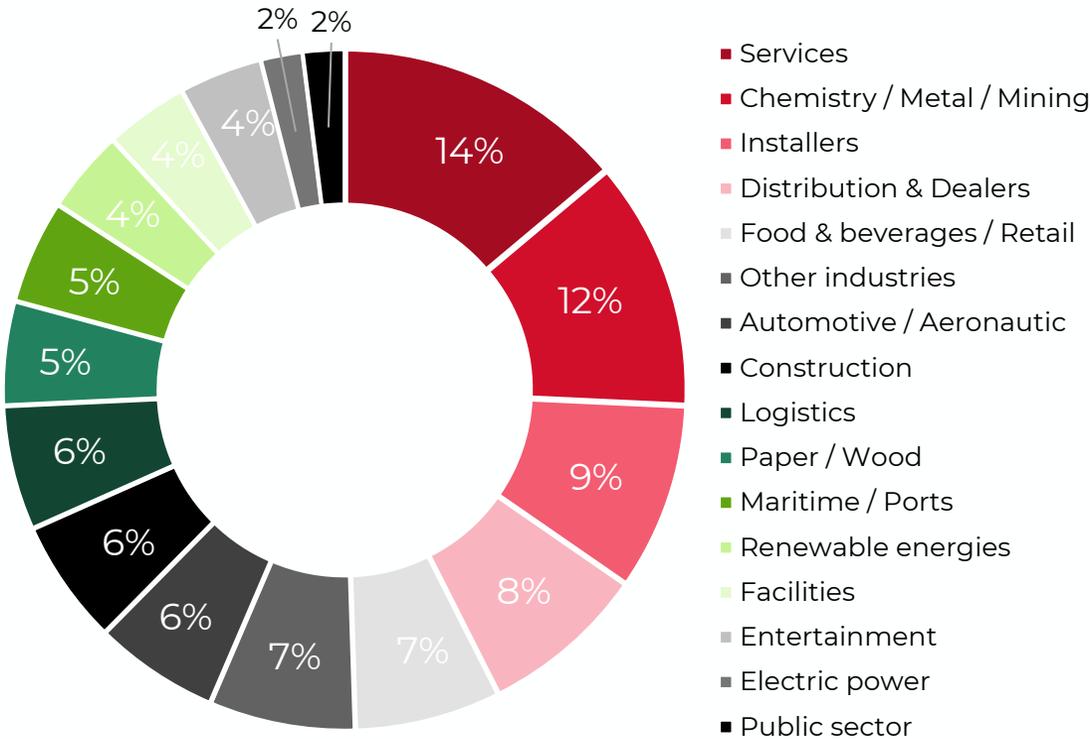
\* Figures in EUR millions

# Last 5-year transformation



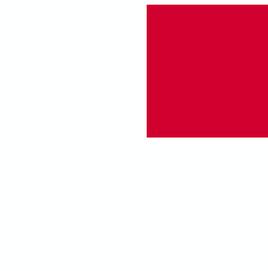
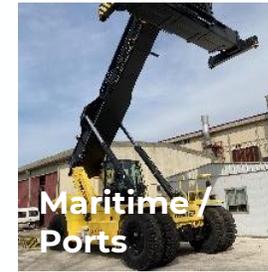
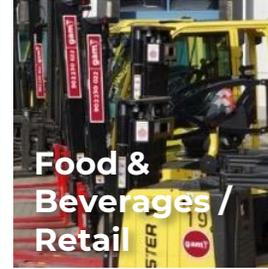
## Sectoral and customer diversification

- GAM's business diversification also carries a relevant sectoral diversification.
- High diversification and low sectoral exposure.
- The company has a backlog<sup>1</sup> > €240 Million (renting/outsourcing business). Renewal contracts rate is >90%.



\* Backlog includes revenue to be obtained in the future, which is already formalized under contracts with customers.

“ Tailor-made solutions from a single interlocutor ”



# Financial overview FY23



# Key highlights for the period

FY 2023 reported revenues and EBITDA margin increased by **+26%**, by keeping net debt/ EBITDA ratio in **3.4x**.



Revenue

**€280.9M**

+26% YoY



EBITDA<sup>1</sup>

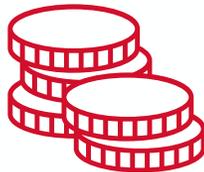
**€73.7M**

+26% YoY



Net F. Debt-to-EBITDA

**3.4x**



FC operating activities<sup>2</sup>

**€65.9M**

89% EBITDA converted into cash from operations



2x Acquisitions

**>€33M**

Revenue incorporated

## Main figures FY23 VS FY22

	FY22	FY23
Revenue	223.2	280.9
EBITDA	58.3 26%	73.7 26%
EBIT	17.1 8%	23.2 8%
Net Result	7.9 4%	9.0 3%
CAPEX <sup>3</sup>	62.4	87.6
Net Financial Debt <sup>1</sup>	200.5	265.4

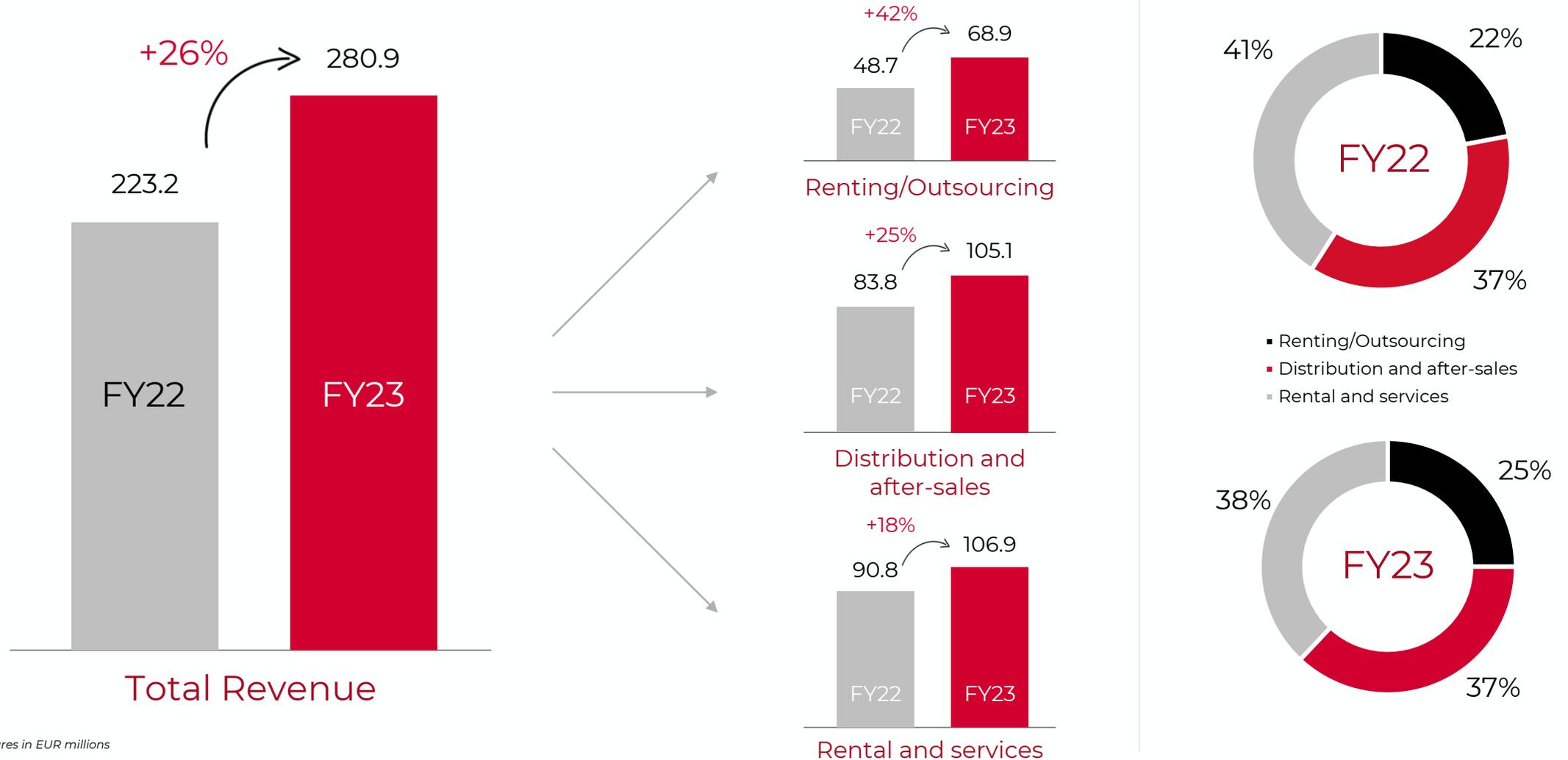
<sup>1</sup> Recurring EBITDA and Net Debt are Alternative Performance Measures, defined in the consolidated annual accounts.

<sup>2</sup> Cash from operating activities in the consolidated annual accounts, excluding from the "result adjustments" the total financial expenses.

<sup>3</sup> CAPEX excludes M&A and REVIVER project investments.

# Revenue by business

Renting/Outsourcing business, with >€240 million backlog and a renewal contract rate >90%, takes a relevant position in GAM's total revenue. The pie chart is almost perfectly equilibrated.

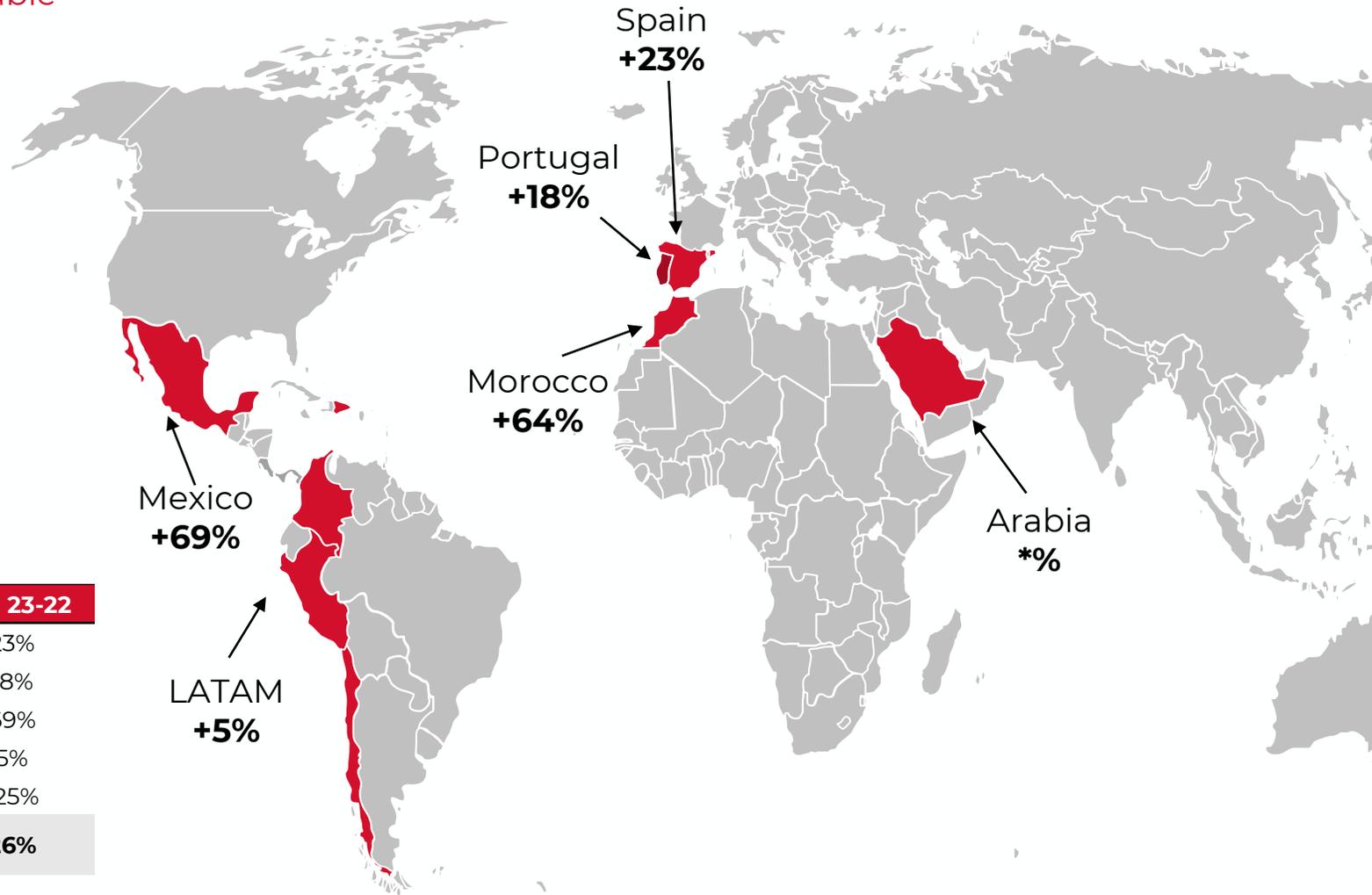


\* Figures in EUR millions

# Revenue by geography

GAM continues its growth path ... **double digit revenue growth** again.

- +23% in Spain FY23 (+32% in FY22)
- +18% in Portugal FY23 (+33% in FY22)
- +34% in Latam FY23 (+29% in FY22)
- +64% in Morocco FY23 (+76% in FY22)



	2022	2023	Var. 23-22
Spain	169	209	23%
Portugal	18	21	18%
Mexico	13	22	69%
LATAM	19	20	5%
Other geographies	4	9	125%
<b>Total Revenue GAM</b>	<b>223</b>	<b>281</b>	<b>26%</b>

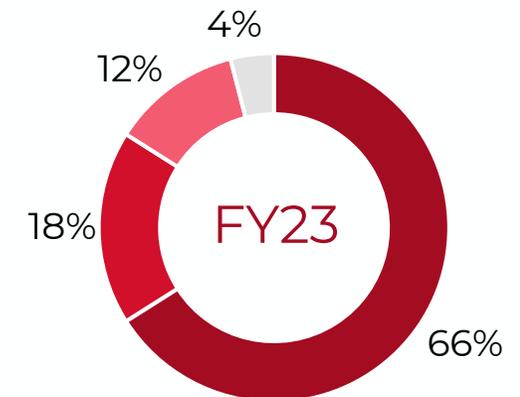
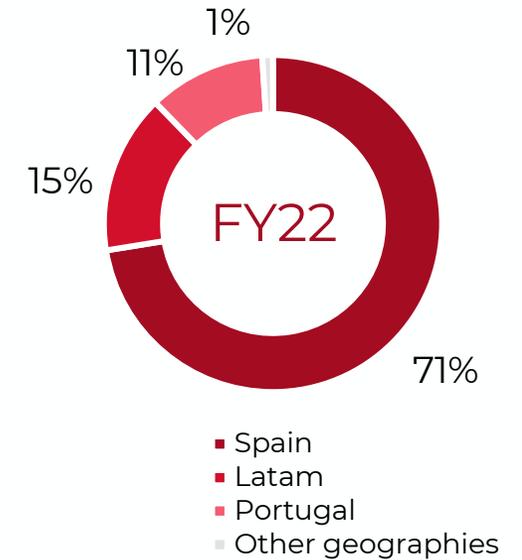
*\* Until FY23, Arabia was consolidated by equity method (GAM's stake was 50%). Now GAM owns 100% share capital and is included by global consolidation*

*\* Figures in EUR millions*

# EBITDA by geography

GAM reduces Iberian market exposure, and yield place to international markets with higher returns and increasing opportunities.

	Spain	Portugal	Latam	Other geographies	Total
<b>2022</b>					
Revenue	169.5	17.7	31.6	4.4	<b>223.2</b>
EBITDA	38.6	7.1	10.9	1.7	<b>58.3</b>
EBITDA Margin	<b>22.8%</b>	<b>40.1%</b>	<b>34.5%</b>	<b>38.6%</b>	<b>26.1%</b>
<b>2023</b>					
Revenue	208.5	21.1	42.5	8.8	<b>280.9</b>
EBITDA	47.8	9.3	13.5	3.1	<b>73.7</b>
EBITDA Margin	<b>22.9%</b>	<b>44.1%</b>	<b>31.8%</b>	<b>35.2%</b>	<b>26.2%</b>



# CAPEX

**REVIVER circular economy** factory will contribute to achieve a **substantial annual CAPEX reduction** by providing a second life to GAM's fleet.

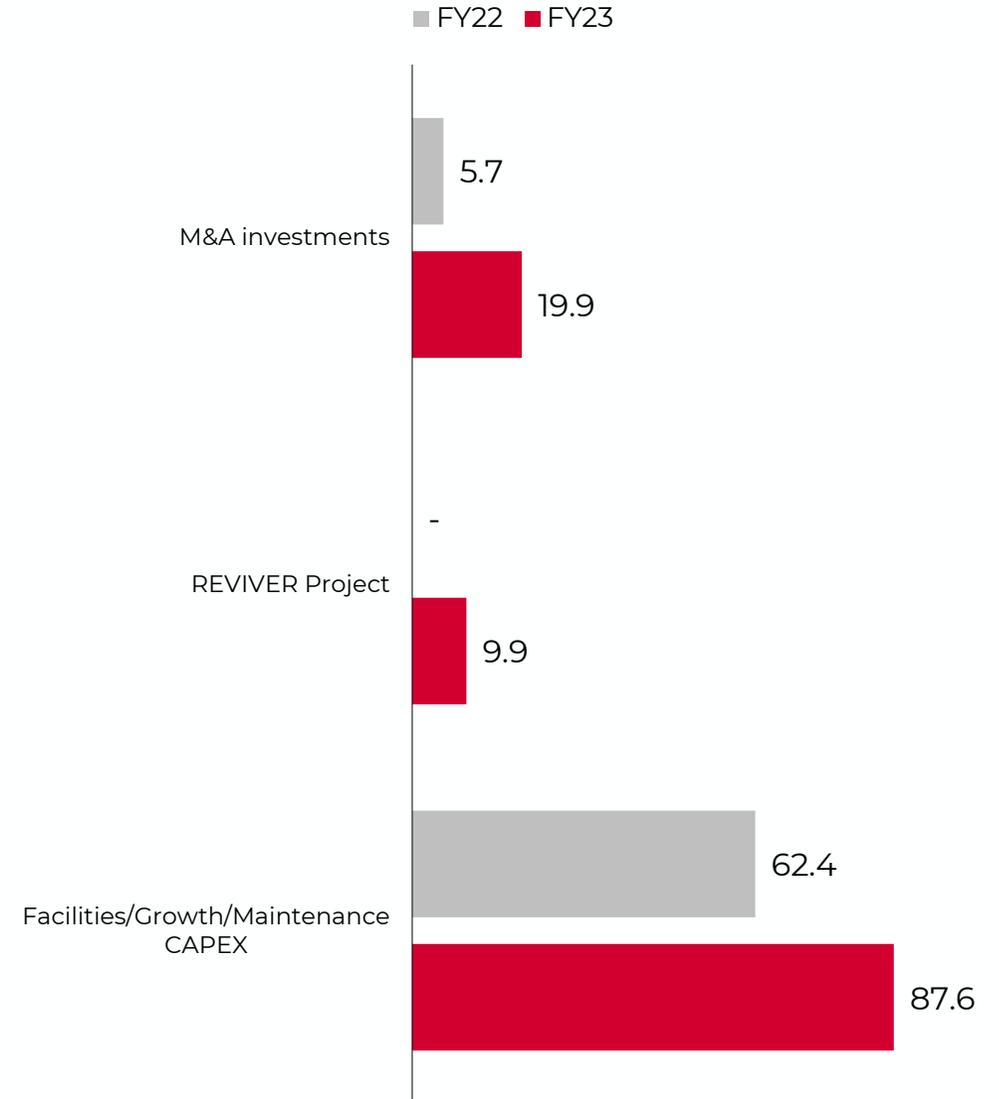
The CAPEX investment in the factory construction will start generating returns in 2024.

- Great efforts in equipment renewal and maintenance, that lead to a **6.2-year-old fleet** (beins its average useful-life 12 years)...
- Growth CAPEX, that lead to a **>€240 Million backlog** and...
- M&A investments, that lead to a consolidated and **solid position**.

FY22  
**€68.1M**  
 Total CAPEX

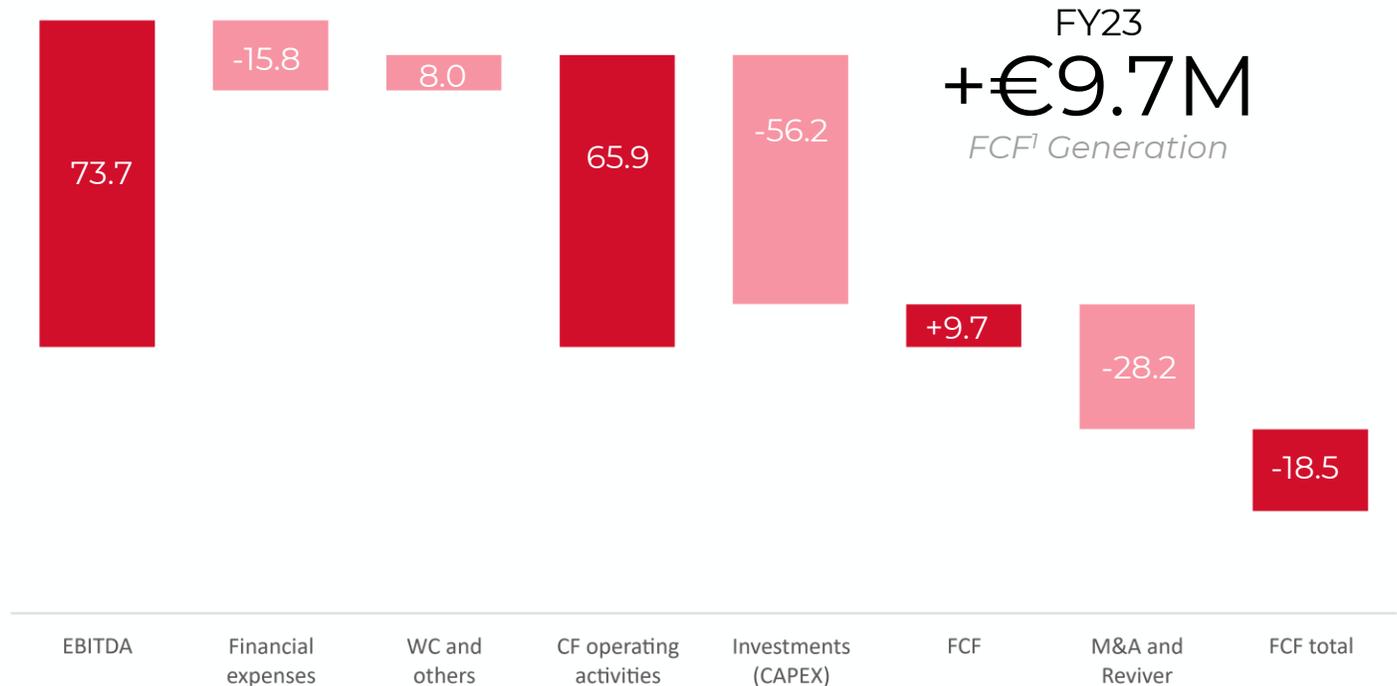
FY23  
**€117.4M**  
 Total CAPEX

\* Figures in EUR millions



# Free cash flow generation

- Cash from operating activities +€65.9 Million, EBITDA conversion into cash +89%.
- Positive FCF +€9,7 Million, excluding M&A and Reviver investments.
- GAM expects a **substantial reduction of annual investment (CAPEX)** thanks to REVIVER (end-life machines will have a second life).



<sup>1</sup> FCF generation excluding the M&A and REVIVER project investments from total CAPEX.

\* Figures in EUR millions

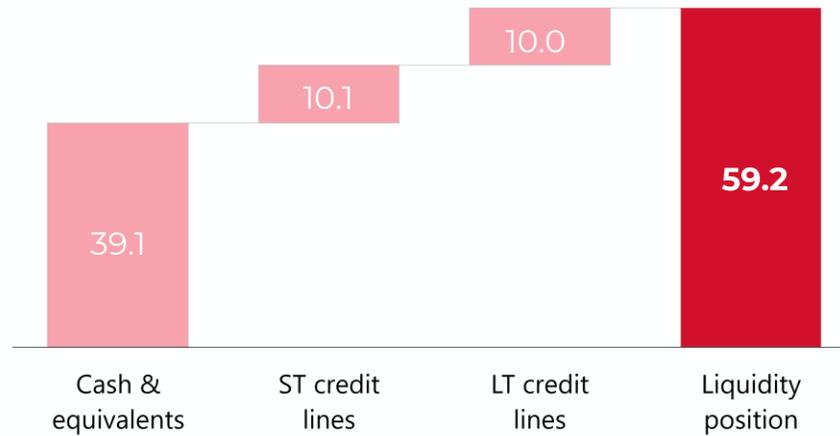
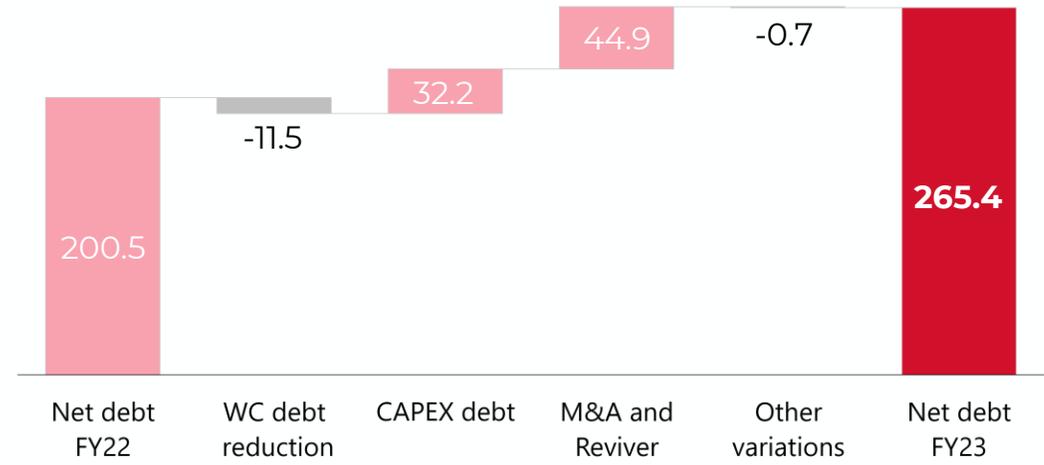
# Financial overview FY23

## Net financial debt



GAM grows +26%, keeping net debt/EBITDA ratio<sup>1</sup> in 3.4 times.

<p>FY22</p> <p><b>3.4x</b></p> <p><i>Net-Debt-to-EBITDA</i></p>	<p>FY23</p> <p><b>3.4x</b></p> <p><i>Net-Debt-to-EBITDA<sup>1</sup></i></p>
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FY23 **€265.4M** *Net F. Debt* → FY23 **€95.6M** *Sustainable related Debt*

€95.6 Million debt is linked to social/sustainable KPI's, or sustainability linked projects (fleet electrification and circular economy).

<sup>1</sup> Net debt/EBITDA ratio is calculated considering whole year EBITDA of acquisitions (+€2.9Million). Recurring EBITDA and Net Debt are Alternative Performance Measures, defined in the consolidated annual accounts.  
\* Figures in EUR millions.



## Headquarters

Road Tiñana Km 1,  
33199 Granda, Asturias,  
Spain

## Contact

**[gamrentals.com](http://gamrentals.com)**

[investor.relations@gamrentals.com](mailto:investor.relations@gamrentals.com)

985 732 273



“Ordinary people doing  
extraordinary things”

Pedro Luis Fernández, GAM CEO