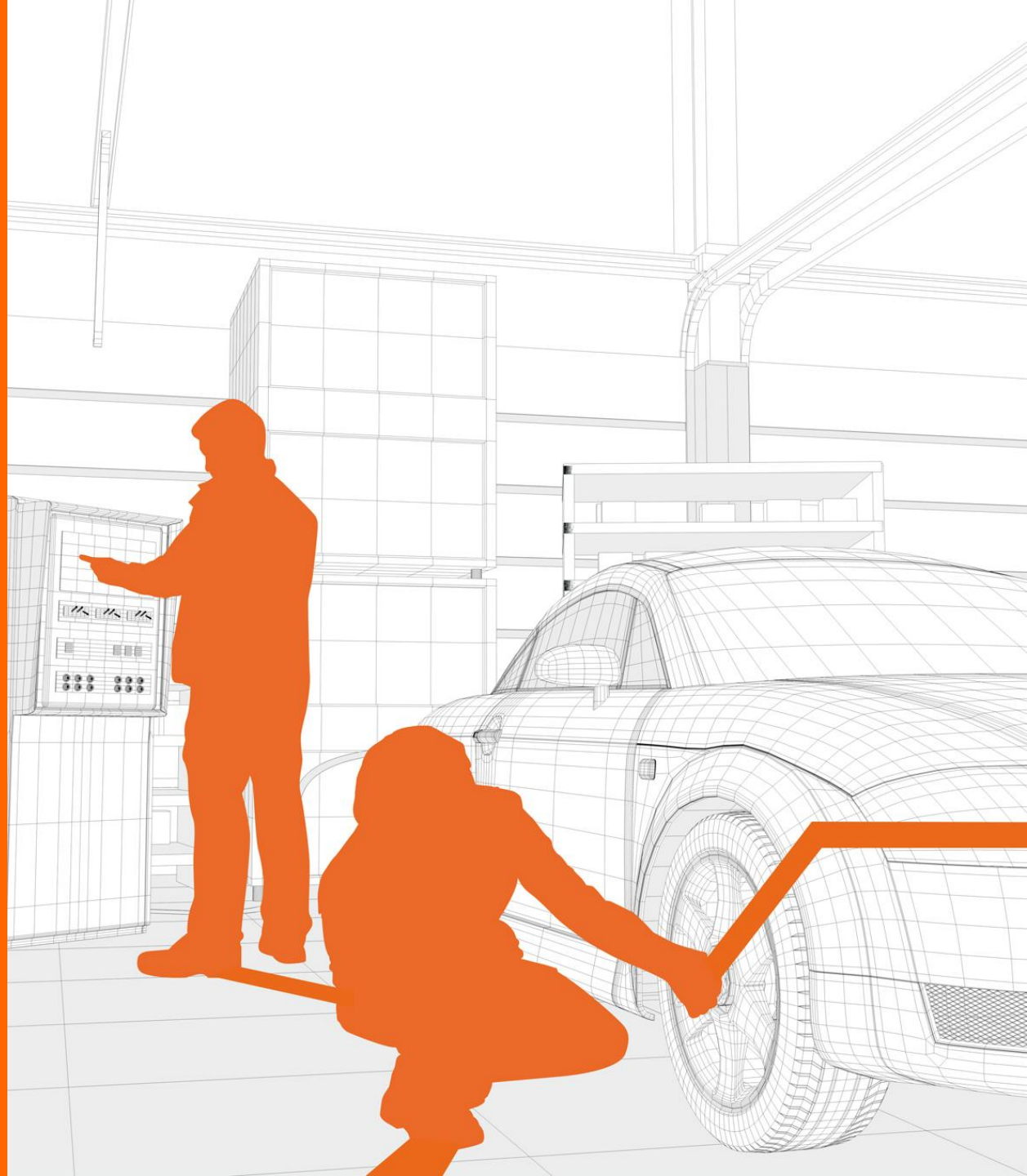


Introduction to Applus+ for Investors

Aston Swift, IR
January 2023



A Leading Global Provider of Testing, Inspection and Certification Services

- ⊕ A world leading Testing, Inspection & Certification company
- ⊕ Solutions for customers in all industries to ensure that their assets and products meet quality, health & safety and environmental standards and regulations



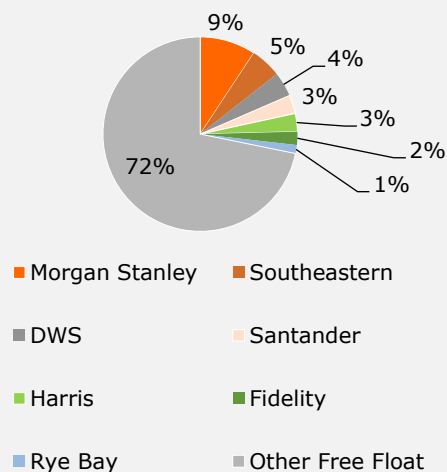
Investment case

- ⊕ Quality, Safety & Environmental drivers:
 - ⊕ Increasing regulations
 - ⊕ Risk reduction and sustainability
 - ⊕ Brand protection
 - ⊕ Increased product variety and complexity
 - ⊕ Ageing assets
 - ⊕ Outsourcing of in-house testing
- ⊕ Environmental drivers: Energy Transition, Electric vehicles, energy efficiency and lighter materials
- ⊕ High ESG scoring
- ⊕ Leading market positions in key markets with high recurrent revenue streams
- ⊕ High entry barriers: accreditations, reputation, relationships, network, innovation
- ⊕ Fragmented industry / good acquisition synergies
- ⊕ 3-Year Strategic Plan to unlock shareholder value

Financial Performance in 2021

- ⊕ Revenue of €1,777 million
Up 14% on 2020
- ⊕ Adj. Op. Profit of €175m
Up 48% from 2020
- ⊕ Margin 9.9%
- ⊕ EPS €0.65 double 2020
- ⊕ Net debt/EBITDA at 2.7x

Shareholders



Portfolio evolution towards higher growth end markets and to mitigate business risks

Accelerate growth in structurally attractive segments aligning to global megatrends



Active Portfolio Management

Higher Revenue growth

Revenue growth CAGR above 10%*

Significant margin improvement

AOP margin to improve to 12%**

Strong cash flow generation

Average cash conversion rate above 70%



Superior shareholders returns






ROCE 2024: >12%

Dividend distribution >20% Adjusted Net Profit (minimum 15 cts per share)

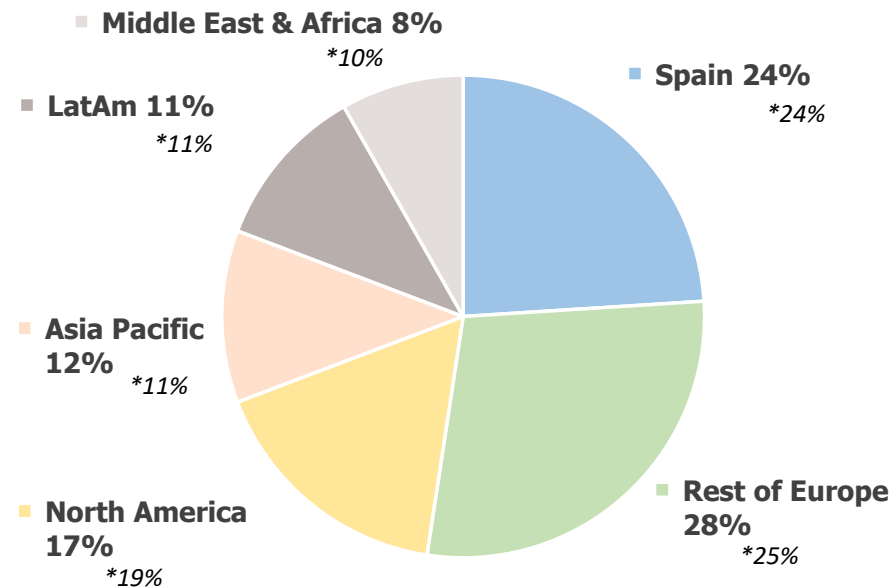
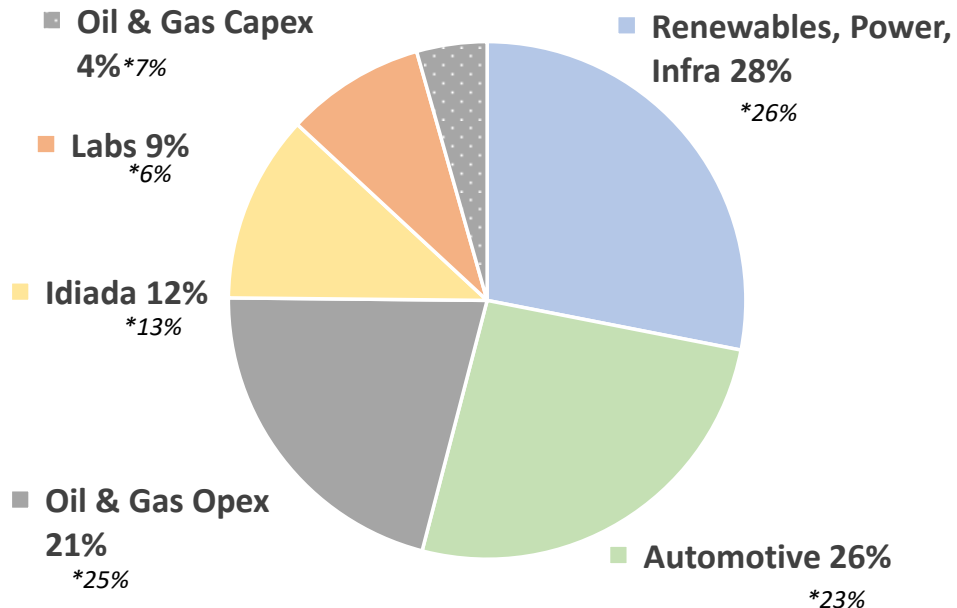
Target 5% share buyback in 2022

(*) Continuing operations / (**) Excluding IDIADA Accelerated Depreciation (AD)

History of the Group

Period	1996 - 2003	2004 - 2007	2008 - 2013	2014 - 2019	2020 - Present
Ownership	 Grupo Agbar	 Grupo Agbar 53%  UNION FENOSA 25%  CAJA MADRID 22%	 THE CARLYLE GROUP 70% Financial Institutions and other shareholders 30%	100% Free Float ABO of 10% in Sep 2017 at €10.55	99% Free Float: Southeastern 5% Santander 3% Harris 3% Fidelity 2% Rye Bay 1%
Milestones	Automotive established in 1996 IDIADA contract awarded (est 1971) Labs contract awarded (est 1907)	Acquisition of RTD (est 1937) Acquisition of Norcontrol (est 1981)	Acquisition of VELOSI (est 1982) 20 more companies acquired	IPO May 2014 at €14.5 per share (Market cap €1.9bn) Energy & Industry division formed Acqn of Inversiones Finisterre plus 15 companies for total revenue of €150m	15 more acquisitions adding €215m sales Strategy Update with value creation plan over three years 5% share buyback Second 5% share buyback ESG Targets and strong ESG ratings





- Rebalanced portfolio with higher quality business mix, enhancing the Group's growth and margin profile
- Portfolio evolution to accelerate in 2022

* FY 2020

In 2021 53% Revenue and 29% of Adj Op Profit

- ⊕ Non-destructive testing, industrial and environmental inspection, quality assurance/control, engineering/consultancy, vendor surveillance, technical assistance, certification and asset integrity services
- ⊕ In 2015 integrated 3 separate divisions realising cost savings and optimising growth opportunities through complementary geographic footprint and cross selling

c. **15,371** employees

60 countries

53%
of Revenue
€942m

29%
Adj. Op. Profit
€59m
Margin 6.3%

- ⊕ Oil & Gas Opex infrastructure (40% division revenue in 2021)
- ⊕ Oil & Gas Capex infrastructure (8% division revenue in 2021)
- ⊕ Power Generation and Distribution (includes Renewables)
- ⊕ Construction
- ⊕ Mining infrastructure
- ⊕ Telecom infrastructure
- ⊕ Aerospace

Growth Drivers and Performance

- ⊕ Energy Transition: Oil & Gas to Renewables, Hydrogen, Nuclear
- ⊕ Capex and Opex in Construction and other infrastructure
- ⊕ Long term O&G Opex growth (Global leader)
- ⊕ Cyclical upturn in O&G Capex (Global leader)
- ⊕ Advance technology and exclusive proprietary solutions
- ⊕ Geographical Footprint

⊕ 2021: Revenue up 4% and AOP up 44%. Margin 6.3%

⊕ 2020: Revenue down 14% and AOP down 53%

⊕ Acquisitions in last 3 years

2022: K2 in Colombia. Environmental consult, €13m revenue

2021: Enertis in Spain. Renewables, €20 million revenue

2021: Inecosa and Adícora in Spain. Power (76 employees)

2020: SAFCO in KSA. Construction, €29 million revenue

⊕ ESG Services (11% of division revenue)

Renewables (On/Offshore; Wind/Solar; Capex/Opex), Energy Efficiency, Environmental Inspection, Waste Mngt



In 2021 26% Revenue and 49% of Adj Op Profit

- Statutory vehicle inspection services for Safety and/or Emissions
- 16 million inspections across 30 programmes in 14 countries plus a further 10 million programme managed inspections
- 72% Regulated and 28% Liberalised

c. **5,271** employees

14 countries

26%
of Revenue
€457m

49%
Adj. Op. Profit
€100m
Margin 21.9%

- Spain (Catalonia, Galicia, Alicante, Basque Region, Aragon, Castilla la Mancha, Canary Islands, Madrid)
- USA (Georgia, Illinois, Massachusetts, Texas, Salt Lake City, Idaho, Utah-Weber, New York)

- Ireland
- Denmark
- Sweden
- Andorra
- Mexico

- Uruguay
- Argentina (3 contracts)
- Chile (3 contracts)
- Ecuador (4 contracts)

Growth Drivers and Performance

- Regulations (emissions, safety)
- Increasing car inspection frequency (volume, age, compliance rates)
- Emerging markets implementing legislation
- Outsourcing

- 2021: Revenue up 28% and AOP up 21%. Margin 21.9%
- 2020: Revenue down 8% and AOP down 10%

- Acquisitions in last 3 years
 - 2022: IDV Madrid. SVI in Liberalised market, €6 million revenue
 - 2020: Besikta in Sweden. SVI in Liberalised market, €62 million revenue
 - 2020: ITV Canarias in Spain. SVI in Liberalised market, €4m revenue
- ESG Services (20% of division revenue)
 - Auto emissions inspection to reduce air pollution

In 2021 12% Revenue and 10% of Adj Op Profit

- Testing, engineering, homologation and R&D services provider to the leading vehicle manufacturers (OEMs)
- Specialised facilities, people and proving ground with knowledge of global technical requirements
- IDIADA A.T. (80% owned by Applus+ and 20% by the Government of Catalonia) has been operating under an exclusive contract since 1999. The contract to operate the business and use the assets runs until September 2024 for which there will be a tender for a new 20 or 25 year concession.

Growth Drivers and Performance

- Quality & Safety (Regulations and own brand requirements)
- Increasing car models (Electric and Autonomous Vehicles)
- Technology (eg Advanced Driver Assistance Systems)
- Emerging Markets
- Outsourcing

c. **2,616** employees

22 countries



- 2021: Revenue up 11% and AOP up 69%. Margin 8.7%
- 2020: Revenue down 16% and AOP down 62%

- | | |
|---|--|
| <ul style="list-style-type: none"> Passive Safety Chassis & Power Train Proving Ground Homologation (Type Approval) | <ul style="list-style-type: none"> Spain Germany, UK, Czechia France, Italy, Belgium, Korea China USA |
|---|--|

- Acquisitions in last 5 years
 - 2018: Karco in USA. Crash testing, €4 million revenue
- ESG Services (38% of division revenue)
 - Electric and Hybrid vehicles testing and homologation, Tyre labelling, Emissions inspection (WLTP)



In 2021 9% Revenue and 12% of Adj Op Profit

- Multi-technology state-of-the-art testing laboratories for product development serving the Aerospace, Auto, Construction, Energy, IT & Cybersecurity industries
- Testing, evaluation and certification services
- Main facilities in Europe, USA and China

c. **1,792** employees

13 countries

9%
of Revenue
€153m

12%
Adj. Op. Profit
€26m
Margin 16.7%

- | | |
|--|---|
| <ul style="list-style-type: none"> Industry (incl Aerospace, Auto) Construction (Fire and structural materials testing) Electrical & Electronic Cybersecurity Metrology System certification | <ul style="list-style-type: none"> Spain Rest of Europe North America China Asia Pacific |
|--|---|

- ESG Services (11% division revenue)

Electric/Hybrid vehicles electrical components testing, lighter materials for aerospace, energy efficient building products

Growth Drivers and Performance

- Quality, Safety and Security
- Regulations
- Technology development and increasing product complexity

- 2021: Revenue up 65% and AOP up 163%. Margin 16.7%

- 2020: Revenue flat and AOP down 28%

- Acquisitions in last 3 years

2022: Lightship in Canada and JTSEC in Spain. Cybersecurity, c. €10 million revenue combined

2022: Alpe in Spain. Metrology, €2 million revenue

2021: Mipelsa in Spain. Metrology, €2 million revenue

2021: IMA in Dresden. Materials testing, €25 million revenue

2020: QPS in Canada. Certification, €16 million revenue

2020: Reliable Analysis China/US. EV testing, €24m revenue

2020: ZYX in Spain. Metrology, €2 million revenue

At the forefront of ESG practices in the last few years

- ESG formally introduced practice in 2014 with the creation of the ESG Committee of the Board
- First Corporate Social Responsibility Report published 2015 following the Global Reporting Initiative (GRI)
- UN Global Compact
 - Signatory since 2017 and Advanced Level from 2018
 - Follow the 10 Principles
- UN Sustainable Development Goals (SDG). Adopted since 2017 as a framework for ESG goals
- 15% of annual bonus is on Environmental, Social and Governance targets and 10% of Long Term Incentive Plan
- Committed to SBTi to be net carbon zero by 2050 and intermediate targets for 2030 have been validated

Environmental

Group wide focus on reducing impact with improvements in key parameters in 2021

Social

Development and inclusion programmes in place

23 hours training per employee
20% decrease in accident rate since 2017

Governance

High adherence to CNMV recommendations (93%)
Strong culture of compliance
Annual Corp. Governance road show by Non Executive Director

	Vision	2024 Targets
Environment	Help the environment by improving both ours and our client's industries and mitigate the negative impact of climate change on our business	<ul style="list-style-type: none"> ▪ 30% reduction of Scope 1 & 2 emissions vs 2019 ▪ Be scope 1 and 2 carbon neutral by 2023 ▪ Plan for net zero by 2050 under SBTi
Social	To attract diverse, talented and committed people enabling them to reach full potential in a safe and contented workplace	<ul style="list-style-type: none"> ▪ ≥ 40% appointments to top management and Group corporate services to be filled by women ▪ 10% reduction in Lost Time Injury Frequency
Governance	To uphold our principles of good governance and to operate ethically, responsibly and with highest integrity which our stakeholders expect and deserve	<ul style="list-style-type: none"> ▪ ≥ 90% Compliance with applicable CNMV (Spanish regulator) recommendations ▪ ≥ 98% professionals complete the training and sign up to the Code of Ethics

**ESG Targets included 2022 to 2024 within the Management Long Term Incentive Plan (LTIP) at 10%
Plus
Annual progress Bonus Targets from 2022 at 15%**



AA Rating. Classified as a "Leader"



Score of 15.6 is classified as "Low risk". Top 11% of all companies analysed



Score of 54%. Average is 24%. 11th best in sector (105 companies).
Within 19% of all companies analysed (Ranked 81)



Score of B is above the average (scores rank from A to D-)



71%. Top 20% of all companies analysed



Sustainable with rating of EE+ "Vert Strong". First in Spain Mid Cap Companies



FTSE4Good

Included within FTSE4Good IBEX

Sustainability is an integral part of our services

Circa **€300 million** revenues with a **substantial sustainability contribution** - directly related to protecting / reducing environmental impact, from a range of services:

- Renewables
- Automotive Emissions
- Environmental Surveys
- Energy Audits
- Waste Management Surveys
- Innovation projects for Automotive eco-engines and lightweight Aerospace materials

These are services which help customers reduce their environmental impact, and have a significant positive effect

And a fundamental pillar of the strong macro drivers creating incremental opportunities for Applus+

The TIC industry should continue to benefit from structural growth trends: an acceleration of outsourcing, tightening regulation, as well as increasing product innovation and complexity of supply chains, **all underpinned by increased focus on ESG**

- **Stricter standards** (quality, performance, safety) set by governments/regulatory bodies and/or corporates are being implemented
- As stakeholders across industries pay closer attention to the ESG impact, they will increasingly demand third party controls and assessments. **It should also improve client penetration and create cross-selling opportunities**

Highlights

- Strong first half with all divisions performing well
- High single digit organic revenue growth and mid-single digit inorganic contribution
- Acquisitions aligned with the Strategic Plan with five made in 2022
- Statutory vehicle inspection contracts in Galicia, Massachusetts and Buenos Aires extended; Costa Rica terminated
- Outlook maintained

H1 financial results

- Revenue of €986.7 million up 17.0% (organic¹ up 8.6%)
- Operating profit² of €97.1 million up 21.0% (organic¹ up 10.2%)
- Operating profit² margin of 9.8% (9.5% H1 2021)
- Earnings per share² of €0.38, up 26.9%
- Reported net profit €21.8 million (€14.7m H1 2021)
- Free cash flow² of €71.5 million (up 72%)
- Net debt/EBITDA³ ratio of 2.7x and liquidity of €494 million

1. Organic is at constant exchange rates

2. Adjusted for Other results, amortisation of acquisition intangibles and impairment (page 4)

3. Excluding IFRS 16

Highlights

- Strong revenue and adjusted operating profit growth
- Margin progression impacted by rise of energy costs in Labs and IDIADA
- Cash generation and liquidity remain strong
- Five acquisitions made year to date for a spend of €62 million
- Second share buyback programme of a further 5% to commence
- Appointment of new Chief Financial Officer

YTD Q3 operating results

- Revenue of €1,519 million up 16% (organic¹ up 8.2%)
- Operating profit² of €148 million up 17% (organic¹ up 5.7%)
- Operating profit² margin of 9.7% (9.7% YTD Q3 2021)
- Free cash flow² of €106 million (€75m YTD Q3 2021)
- Net debt/EBITDA³ ratio stable at 2.7x and liquidity of €490 million

Outlook for the full year modified:

- Organic revenue growth outlook revised up to high single digits
- Margin adjusted for the impact of the higher energy costs and now expected to be flat

1. Organic is at constant exchange rates

2. Adjusted for Other results, amortisation of acquisition intangibles and impairment

3. Excluding IFRS 16

2022 FY Results

28 February 2023

Ticker: APPS-MC

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