

Presentation of Strategic Plan 2022-2024

30 November 2021

Applus Services, S.A. ("Applus+" or "the Group"), one of the world's leading and most innovative companies in Testing, Inspection and Certification, announces that at 11.00 CET today it will present a new Strategic Plan for the period 2022 to 2024 that will include financial targets over the three-year plan and a new capital allocation policy.

Unlocking Value – Strategic Priorities

- Accelerate the portfolio evolution
- Accelerate growth aligned to global megatrends
- Continued focus on ESG with 3-year targets tied to remuneration
- Enhance returns to shareholders

Financial Targets for 2022-2024

- Revenue growth 2021-2024 CAGR above 10%*
 - Mid to high single digit organic
 - M&A
- Adjusted operating profit margin to improve to 12%**
- Adjusted EPS CAGR 21-24 above 13% pre buyback
- Average cash conversion rate above 70%
- ROCE 2024 > 12%

New Capital Allocation Policy 2022-2024

- Continued investment in organic growth
- M&A of €300-400m over Plan period, partly funded by disposals)
- Dividend distribution of at least 20% of adjusted net profit
- Target 5% share buyback in 2022
- Target leverage < 3x

* Continuing operations

** Excluding IDIADA accelerated depreciation (~80bps in 2024)

Fernando Basabe, Chief Executive Officer of Applus+, said:

"We have an ambitious plan to unlock the value within Applus+ with clear financial targets driven by an acceleration in the portfolio mix improvements towards higher growth end markets whilst at the same time, taking actions to further mitigate business risks. We will accelerate our revenue and profit growth further aligning ourselves with the key global megatrends offering the highest opportunities for us of Energy Transition, Electrification and Connectivity. We will do this alongside a continued focus on our ESG influential position and linked to three-year performance related remuneration. And finally, as a major priority, we will deliver superior returns to our shareholders through the continued dividend policy and



commencing a new share buyback programme targeting 5% of the total equity capital.

Please join us at 11am today to listen to our strategy for growth and shareholder value creation."

Presentation (virtual)

At 11.00 CET today, the Management of Applus+ will make an online video presentation in English followed by a Q&A session and is expected to last 2 hours. The presenters will be Fernando Basabe, Chief Executive Officer, Joan Amigó, Chief Financial Officer, Javier López Serrano, Head of Energy & Industry Division and Jordi Brufau, Head of the Laboratories Division.

Link to the live event commencing at 11am CET Tuesday 30 November:

[World Television - Stream Studio \(world-television.com\)](https://www.worldtelevision.com/stream-studio)

The recording of the presentation will be available to watch from the same link and accessible from the Investors pages of the Applus+ website approximately 1 hour after the event ends.

To make an appointment to meet with the Company please contact Aston Swift or to see the list of investor conferences the Company will attend, visit the website at: <https://www.applus.com/global/en/investor-relations/conferences-calendar>

For further information

Applus+ Investor Relations:

Aston Swift +34 93 5533 111 aston.swift@applus.com

Applus+ Media:

Maria de Sancha Rojo +34 691 250 977 maria.sancha@applus.com

Equity Advisory, Europe – Finsbury Glover Hering, London:

Justin Shinebourne +44 7771 840 593 justin.shinebourne@fgh.com

About Applus+ Group

Applus+ is a worldwide leader in the testing, inspection and certification sector. It is a trusted partner, enhancing the quality and safety of its client's assets and infrastructures while safeguarding their operations. Its innovative approach, technical capabilities and highly skilled and motivated workforce of over 23,000



employees assure operational excellence across multiple sectors in more than 70 countries.

The Group offers a complete portfolio of solutions placing a strong emphasis on technological development, digitalisation and innovation, as well as having the latest knowledge of regulatory requirements.

The Group is committed to improving Environmental, Social and Governance (ESG) indicators. Applus+ helps clients reduce their environmental impact, improving the safety and sustainability of their products and assets, and it has been implementing measures to reduce its own environmental footprint and improve its social and governance measures since 2014, setting specific targets to be reached in 2021. These actions have attracted external recognition: high and above-average scores from Sustainalytics of 15.6 (Low risk), from MSCI ESG Ratings of "AA" , from the CDP of "B" , from Gaïa of 72/100 and the inclusion of Applus+ within the FTSE4Good Index Series of Ibex.



For the full year of 2020, Applus+ recorded revenue of €1,558 million, and an adjusted operating profit of €118 million. Headquartered in Spain, the company operates through four global divisions under the Applus+ brand. It is listed on the Spanish stock markets. The total number of shares is 143,018,430.

ISIN: ES0105022000

Symbol: APPS-MC

For more information go to www.applus.com/en