

Applus+ AGREES TO SELL ITS OIL & GAS BUSINESS IN THE US

- A major step forward in **delivering portfolio evolution** towards higher growth and margin businesses.
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March 30th, 2023 - Applus+, a global testing, inspection and certification company, is pleased to announce that it has signed an agreement to sell 100% of the non-destructive asset testing and inspection business and operations in the US that served primarily the oil and gas industry. The sale is to a financial investor and completion is subject to regulatory approvals and customary conditions and expected to take place in the next few months.

The business generated revenue of approximately €100 million in 2022 with an operating loss, trading under challenging competitive local market conditions over the last few years.

The disposal proceeds are non-material; however, on completion of the transaction, the Group's profitability and return on capital employed will improve, and the remaining businesses of Applus+ in North America, now accounting for around 10% of the Group revenue, will continue to have strong growth and margin potential.

With this transaction, Applus+ strengthens the quality of the portfolio. In the last few months, Applus+ has announced three disposals of underperforming operations, with 2022 revenue sold of more than €150 million. Furthermore, since the Strategic Plan was announced in November 2021, Applus+ has made seven acquisitions, in addition to the purchase of the 20% minority share interest in the statutory vehicle inspection business in Galicia not already owned. In total, so far, approximately €100 million has been invested in strategic areas of the portfolio that enhance the service offering towards more sustainable and higher growth and margin businesses.

Javier López Serrano, Executive Vice President of Energy & Industry Division at Applus+, says: "I would like to extend my thanks to all of those that have worked so hard in our US Oil & Gas operations, providing an excellent quality of service to our customers. I am confident the business is well placed to continue to provide essential services to these customers and society."

Joan Amigó, Chief Executive Officer of the Applus+ Group, says: "I am pleased to announce this transaction which, again, shows our commitment to deliver the Strategic Plan, including our strategy of accelerating our active portfolio management to strengthen our business mix to drive sustained value creation."

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About the Applus+ Group

Applus+ is one of the world's leading and most innovative companies in the Testing, Inspection and Certification (TIC) sector. It has a broad portfolio of services for customers in all types of industries to ensure that their assets and products meet quality, health & safety and environmental standards and regulations.

The company drives increasingly profitable revenue generation through its sustainability services supported by innovation and digitalisation at all levels and invests in the development of proprietary solutions. The Group strategy aligns with the global megatrends of Energy Transition, Electrification and Connectivity.

Headquartered in Spain and listed on the Spanish stock markets, Applus+ operates in more than 70 countries and employs over 26,000 people. For the full year of 2022, Applus+ reported revenue of €2,050 million, and an adjusted operating profit of €202 million. The total number of shares is 135,867,508.

The Group is at the forefront of ESG best practices which is recognised by external ratings agencies.

**ISIN: ES0105022000****Symbol: APPS-MC**

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