Applus Services, S.A. and Subsidiaries

Interim Condensed Consolidated Financial Statements for the six-month period ended 30 June 2022, together with Report on Limited Review

Translation of a report originally issued in Spanish and of interim condensed consolidated financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group in Spain. In the event of a discrepancy, the Spanish-language version prevails.

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Translation of a report originally issued in Spanish and of interim condensed consolidated financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group in Spain. In the event of a discrepancy, the Spanish-language version prevails.

REPORT ON LIMITED REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

To the Shareholders of Applus Services, S.A. at the request of the Board of Directors,

Report on the interim condensed consolidated financial statements

Introduction

We have performed a limited review of the accompanying interim condensed consolidated financial statements ("the interim financial statements") of Applus Services, S.A. ("the Parent") and Subsidiaries ("the Group"), which comprise the condensed consolidated statement of financial position as at 30 June 2022, and the condensed consolidated statement of profit or loss, condensed consolidated statement of comprehensive income, condensed consolidated statement of changes in equity, condensed consolidated statement of cash flows and explanatory notes thereto for the six-month period then ended. The Parent's directors are responsible for preparing these interim financial statements in accordance with the requirements of International Accounting Standard (IAS) 34, Interim Financial Reporting, as adopted by the European Union, for the preparation of interim condensed financial information, in conformity with Article 12 of Royal Decree 1362/2007. Our responsibility is to express a conclusion on these interim financial statements based on our limited review.

Scope of Review

We conducted our limited review in accordance with International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A limited review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A limited review is substantially less in scope than an audit conducted in accordance with the audit regulations in force in Spain and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the accompanying interim financial statements.

Conclusion

Based on our limited review, which under no circumstances may be considered to be an audit of financial statements, nothing has come to our attention that causes us to believe that the accompanying interim financial statements for the six-month period ended 30 June 2022 are not prepared, in all material respects, in accordance with the requirements of International Accounting Standard (IAS) 34, Interim Financial Reporting, as adopted by the European Union, for the preparation of interim condensed financial statements, pursuant to Article 12 of Spanish Royal Decree 1362/2007.

Emphasis of Matter

We draw attention to accompanying explanatory Note 2-a, which indicates that the aforementioned accompanying interim financial statements do not include all the information that would be required for a complete set of consolidated financial statements prepared in accordance with International Financial Reporting Standards as adopted by the European Union and, therefore, the accompanying interim financial statements should be read in conjunction with the Group's consolidated financial statements for the year ended 31 December 2021. Our conclusion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

The accompanying interim consolidated directors' report for the six-month period ended 30 June 2022 contains the explanations which the Parent's directors consider appropriate about the significant events that took place in this period and their effect on the interim financial statements presented, of which it does not form part, and about the information required pursuant to Article 15 of Spanish Royal Decree 1362/2007. We have checked that the accounting information in the interim consolidated directors' report is consistent with that contained in the interim financial statements for the six-month period ended 30 June 2022. Our work was confined to checking the interim consolidated directors' report with the aforementioned scope, and did not include a review of any information other than that drawn from the accounting records of Applus Services, S.A. and Subsidiaries.

Other Matter

This report was prepared at the request of the Board of Directors of the Parent in relation to the publication of the half-yearly financial report required by Article 119 of the Consolidated Spanish Securities Market Law, approved by Legislative Royal Decree 4/2015, of 23 October, and implemented by Royal Decree 1362/2007, of 19 October.

DELOITTE, S.L.

Ana Torrens Borrás

22 July 2022

Applus Services, S.A. and Subsidiaries

Interim Condensed Consolidated Financial Statements for the six-month period ended 30 June 2022 together with the Report on Limited Review

Translation of a report originally issued in Spanish and of interim condensed consolidated financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group (see Notes 2 and 21). In the event of a discrepancy, the Spanish-language version prevails.

Translation of interim condensed consolidated financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group (see Notes 2 and 21). In the event of a discrepancy, the Spanish-language version prevails.

APPLUS SERVICES, S.A. AND SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2022

(Thousands of Euros)

ASSETS	Notes	30/06/2022 (*)	31/12/2021	EQUITY AND LIABILITIES	Notes	30/06/2022 (*)	31/12/2021
NON-CURRENT ASSETS				**EQUITY**			
Goodwill	4	**774,840**	**725,789**	**Share capital and reserves-**			
Other intangible assets	5	**394,114**	**419,967**	Share capital	10.a	13,070	13,070
Right of use assets	13	**183,818**	**180,720**	Share premium	10.b	449,391	449,391
Property, plant and equipment	7	**258,614**	**253,774**	Retained earnings and other reserves		197,927	187,671
Investments accounted for using the equity method		**3,409**	**520**	Profit / (Loss) for the year attributable to the Parent	10.e	21,791	32,242
Non-current financial assets		**18,455**	**17,693**	Treasury Shares	10.c	(56,676)	(3,427)
Deferred tax assets	15.a	**61,905**	**61,024**	**Valuation adjustments-**			
Total non-current assets		**1,695,155**	**1,659,487**	Foreign currency translation reserve	10.f	(36,317)	(61,316)
				EQUITY ATTRIBUTABLE TO THE SHAREHOLDERS OF THE PARENT		**589,186**	**617,631**
				NON-CONTROLLING INTERESTS	10.g	**54,592**	**48,715**
				Total Equity		**643,778**	**666,346**
				NON-CURRENT LIABILITIES			
				Long-term provisions		**36,231**	**34,265**
				Obligations and bank borrowings	11	**782,177**	**724,804**
				Obligations under leases	13	**143,539**	**141,968**
				Other financial liabilities		**24,039**	**25,806**
				Deferred tax liabilities	15.b	**117,190**	**122,450**
				Other non-current liabilities		**82,291**	**75,352**
CURRENT ASSETS				**Total non-current liabilities**		**1,185,467**	**1,124,645**
Inventories		**13,028**	**11,240**				
Trade and other receivables-				**CURRENT LIABILITIES**			
Trade and other receivables	9	454,376	393,098	**Short-term provisions**		**4,193**	**7,487**
Trade receivables from related companies	9 & 18	187	221	**Obligations and bank borrowings**	11	**45,150**	**47,074**
Other receivables	9	26,012	25,978	**Obligations under leases**	13	**55,779**	**54,510**
Corporate income tax assets		12,997	17,707	**Trade and other payables**		**436,000**	**379,020**
Other current assets		27,437	15,824	**Trade payables from related companies**	18	**1**	**1**
Other current financial assets		**6,000**	**6,386**	**Corporate income tax liabilities**		**17,599**	**18,595**
Cash and cash equivalents		**165,036**	**176,544**	**Other current liabilities**		**12,261**	**8,807**
Total current assets		**705,073**	**646,998**	**Total current liabilities**		**570,983**	**515,494**
TOTAL ASSETS		**2,400,228**	**2,306,485**	**TOTAL EQUITY AND LIABILITIES**		**2,400,228**	**2,306,485**

(*) Unaudited interim condensed consolidated statement of financial position as at 30 June 2022.

The accompanying Notes 1 to 21 are an integral part of the interim condensed consolidated statement of financial positions at 30 June 2022.

Translation of interim condensed consolidated financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group (see Notes 2 and 21). In the event of a discrepancy, the Spanish-language version prevails.

APPLUS SERVICES, S.A
AND SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS FOR THE FIRST HALF OF 2022

(Thousands of Euros)

	Notes	30/06/2022 (*)	30/06/2021 (*)
CONTINUING OPERATIONS			
Revenue	16	986,701	842,993
Procurements		(94,138)	(67,733)
Staff costs	14.a	(553,401)	(475,699)
Other operating expenses		(182,717)	(165,272)
Operating Profit Before Depreciation, Amortization and Others		**156,445**	**134,289**
Depreciation and amortization charge	5, 7 & 13	(87,072)	(79,366)
Impairment and gains and losses on disposals of non-current assets	4	(6,500)	(5,750)
Other results		(3,770)	(3,405)
OPERATING PROFIT		**59,103**	**45,768**
Financial Result	14.b	(12,668)	(11,430)
Share of profit of companies accounted for using the equity method		(136)	-
Profit / (Loss) before tax		**46,299**	**34,338**
Corporate income tax		(15,811)	(11,304)
Net Profit / (Loss) from continuing operations		**30,488**	**23,034**
PROFIT / (LOSS) FROM DISCONTINUED OPERATIONS NET OF TAX		-	-
NET CONSOLIDATED PROFIT / (LOSS)		**30,488**	**23,034**
Profit / (Loss) attributable to non-controlling interests	10.g	8,697	8,304
NET PROFIT / (LOSS) ATTRIBUTABLE TO THE PARENT		**21,791**	**14,730**
Profit / (Loss) per share (in euros per share)	10.e		
- Basic		**0.16**	**0.10**
- Diluted		**0.16**	**0.10**

(*) Unaudited interim condensed consolidated statement of profit or loss for the first half of 2022 and of 2021.

The accompanying Notes 1 to 21 are an integral part of the interim condensed consolidated statement of profit or loss for the first half of 2022.

Translation of interim condensed consolidated financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group (see Notes 2 and 21). In the event of a discrepancy, the Spanish-language version prevails.

APPLUS SERVICES, S.A
AND SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CHANGE IN EQUITY FOR THE FIRST HALF OF 2022
(Thousands of Euros)

	Capital	Share premium	Retained earnings and other reserves	Profit/(loss) for the period attributable to the Parent	Treasury shares	Foreign currency translation reserve	Non-controlling interests	Total
Balance at 31 December 2020	**13,070**	**449,391**	**363,291**	**(158,239)**	**(2,664)**	**(79,611)**	**48,635**	**633,873**
Changes in the scope of consolidation and other changes	-	-	1,297	-	-	-	473	1,770
Allocation of 2020 profit	-	-	(158,239)	158,239	-	-	-	-
Dividends paid	-	-	(21,453)	-	-	-	(11,632)	(33,085)
Treasury shares	-	-	1,389	-	1,338	-	-	2,727
Other changes	-	-	903	-	-	-	98	1,001
Comprehensive income for the first half of 2021	-	-	-	14,730	-	9,124	8,715	32,569
Balance at 30 June 2021 (*)	**13,070**	**449,391**	**187,188**	**14,730**	**(1,326)**	**(70,487)**	**46,289**	**638,855**

	Capital	Share premium	Retained earnings and other reserves	Profit/(loss) for the period attributable to the Parent	Treasury shares	Foreign currency translation reserve	Non-controlling interests	Total
Balance at 31 December 2021	**13,070**	**449,391**	**187,671**	**32,242**	**(3,427)**	**(61,316)**	**48,715**	**666,346**
Changes in the scope of consolidation and other changes	-	-	(46)	-	-	-	195	149
Allocation of 2021 profit	-	-	32,242	(32,242)	-	-	-	-
Dividends paid	-	-	(21,453)	-	-	-	(5,719)	(27,172)
Treasury shares	-	-	555	-	(53,249)	-	-	(52,694)
Other changes	-	-	(1,042)	-	-	-	8	(1,034)
Comprehensive income for the first half of 2022	-	-	-	21,791	-	24,999	11,393	58,183
Balance at 30 June 2022 (*)	**13,070**	**449,391**	**197,927**	**21,791**	**(56,676)**	**(36,317)**	**54,592**	**643,778**

(*) Unaudited interim condensed consolidated statement of changes in equity for the first half of 2022 and of 2021.

The accompanying Notes 1 to 21 are an integral part of the interim condensed consolidated statement of changes in equity for the first half of 2022.

Translation of interim condensed consolidated financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group (see Notes 2 and 21). In the event of a discrepancy, the Spanish-language version prevails.

APPLUS SERVICES, S.A
AND SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FIRST HALF OF 2022

(Thousands of Euros)

	30/06/2022 (*)	30/06/2021 (*)
NET CONSOLIDATED PROFIT:	**30,488**	**23,034**
1. Other comprehensive income and expenses recognised directly in equity	**27,695**	**9,535**
a) Items that will not be transferred to profit or loss	-	-
b) Items that could be transferred to profit or loss:		
Exchange differences on translating foreign operations	27,695	9,535
2. Transfers to the statement of profit or loss:	-	-
Other comprehensive result	-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	**58,183**	**32,569**
Total comprehensive income for the year attributable to:		
- The Parent	46,790	23,854
- Non-controlling interests	11,393	8,715
TOTAL CONSOLIDATED COMPREHENSIVE INCOME FOR THE YEAR	**58,183**	**32,569**

(*) Unaudited interim condensed consolidated statement comprehensive income for the first half of 2022 and of 2021.

The accompanying Notes 1 to 21 are an integral part of the interim condensed consolidated statement of comprehensive income for the first half of 2022.

Translation of interim condensed consolidated financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group (see Notes 2 and 21). In the event of a discrepancy, the Spanish-language version prevails.

APPLUS SERVICES, S.A
AND SUBSIDIARIES

INTERIM CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FIRST HALF OF 2022
(Thousands of Euros)

	Notes	30/06/2022 (*)	30/06/2021 (*)
CASH FLOWS FROM OPERATING ACTIVITIES:			
Profit from operating activities before tax		**46,299**	**34,338**
Adjustments of items that do not give rise to operating cash flows-			
Depreciation and amortisation charge	5, 7 & 13	87,072	79,366
Changes in provisions and allowances		(5,596)	293
Financial result	14.b	12,668	11,430
Share of profit of companies accounted for using the equity method		136	-
Gains or losses on disposals of intangible and tangible assets		5,677	6,360
Profit from operations before changes in working capital (I)		**146,256**	**131,787**
Changes in working capital-			
Changes in trade and other receivables		(72,802)	(47,316)
Changes in inventories		(1,788)	(1,038)
Changes in trade and other payables		41,667	(5,295)
Cash generated by changes in working capital (ii)		**(32,923)**	**(53,649)**
Other cash flows from operating activities			
Other payments		-	(1,715)
Cash flows from operating activities (III)		-	**(1,715)**
Corporate Income tax payments		(18,424)	(16,433)
Cash flows from Income Tax (IV)		**(18,424)**	**(16,433)**
NET CASH FLOW FROM OPERATING ACTIVITIES (A)= (I)+(II)+(III)+(VI)		**94,909**	**59,990**
CASH FLOWS FROM INVESTING ACTIVITIES:			
Business combination		3,276	4,510
Payments due to acquisition of subsidiaries and other non-current financial assets		(42,809)	(60,545)
Proceeds from disposal of subsidiaries		-	2,758
Payments due to acquisition of intangible and tangible assets	5 & 7	(23,952)	(20,792)
Net cash flows used in investing activities (B)		**(63,485)**	**(74,069)**
CASH FLOWS FROM FINANCING ACTIVITIES:			
Share Buyback	10.c	(53,642)	-
Interest received	14.b	440	1,293
Interest paid		(7,686)	(7,107)
Net changes in non-current financing (proceeds and payments)		49,487	2,513
Net changes in current financing (proceeds and payments)		(3,940)	12,723
Net payment of lease liabilities	13.c	(31,821)	(29,587)
Dividends paid by Group companies to non-controlling interests		(1,854)	(8,059)
Net cash flows used in financing activities (C)		**(49,016)**	**(28,224)**
EFFECT OF FOREIGN EXCHANGE RATE CHANGES (D)		**6,084**	**1,875**
NET CHANGE IN CASH AND CASH EQUIVALENTS (A + B + C + D)		**(11,508)**	**(40,428)**
Cash and cash equivalents at beginning of year		**176,544**	**189,468**
Cash and cash equivalents at end of year		**165,036**	**149,040**

(*) Unaudited interim condensed consolidated statement of cash flows for the first half of 2022 and of 2021.

The accompanying Notes 1 to 21 are an integral part of the interim condensed consolidated statement of cash flows for the first half of 2022.

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Explanatory Notes to the Interim Condensed Consolidated Financial Statements for the first half of 2022

Translation of interim condensed consolidated financial statements originally issued in Spanish and prepared in accordance with the regulatory financial reporting framework applicable to the Group (see Notes 2 and 21). In the event of a discrepancy, the Spanish-language version prevails.

Applus Services, S.A.
and Subsidiaries

Explanatory Notes to the Interim Condensed Consolidated Financial Statements for the first half of 2022

1. Group activities

Applus Services, S.A. (formerly Applus Technologies Holding, S.L., "the Parent") has been the Parent of the Applus Group ("Applus Group" or "The Group") since 29 November 2007. The Parent Company has its registered office in calle Campezo 1, edificio 3, Parque Empresarial Las Mercedes, in Madrid.

The Parent's Company purpose is as follows:

- To provide services in relation to the transport sector and vehicle and highway safety (engineering processes, design, testing, approval and certification of used cars), as well as technical inspections in sectors other than the automotive sector, with a blanket exclusion of activities that are covered by special legislation.

- The technical audits of all types of installations for technical inspection or control of vehicles located anywhere in Spain or abroad, as well as any other type of technical inspection other than vehicles.

- The production and execution of studies and projects in relation to the previously mentioned activities: economic, industrial, property, information technology, market surveys and research, as well as the supervision, direction and provision of services and advice in the execution thereof. Provision of services, advice, administration, operation and management, whether technical, fiscal, legal or commercial.

- Business intermediation services, both locally and abroad.

- To provide all types of inspection services and quality and quantity control, regulatory inspection, collaboration with administration, consultancy, audit, certification, approval, personnel training and qualification, and technical assistance in general in order to improve the organisation and management of quality, safety and environmental aspects.

- To carry out studies, works, measurements, tests, analyses and controls, in laboratories or in situ, and such other professional methods and actions considered necessary or advisable, in particular those related to manufacturing materials, equipment, products and installations, in the fields of mechanics, electricity, electronics and information technology, transport and communications, administrative organisation and office automation, mining, food, environment, construction and civil works, performed during the stages of design, planning, manufacturing, construction and assembly and commissioning, maintenance and production for all types of companies and entities, both public and private, as well as before the Central State Administration, the Administrations of Autonomous Communities, Provinces and Municipalities, and all types of agencies, institutions and users, whether within the country or abroad.

- The purchase, holding and administration, whether direct or indirect, of shares, corporate interests, quota shares and any other form of holding or interest in the capital and/or securities granting right to the obtaining of shares, corporate interests, quota shares, or other holdings or interests in companies of any type, with or without legal personality, established in accordance with Spanish law or any other applicable legislation, in accordance with Article 108 of the Law 27/2014, of 27 November 2014, on Corporate Income Tax, or by such legislation as may replace it, as well as the administration, management and guidance of such companies and entities, whether directly or indirectly, by means of the membership, attendance and holding of positions on any governing and management bodies of such companies or entities, carrying out the described advisory, management and guidance services making use of the corresponding organisation of material and personnel means. An exception is made for those activities expressly reserved by law for Collective Investment Institutions, as well as for that expressly reserved by the Securities Market Act for investment service companies.

The activities may be carried out either directly by the Parent Company or through the ownership of shares or equity interest in other companies with an identical or related purpose, including the carrying out of all its activities in an indirect manner, therefore acting solely as a holding company.

All activities for which the law establishes special requirements that cannot be carried out by the Parent Company are excluded from the corporate purpose. Should legal provisions require a professional qualification, administrative authorization, or registration with a public registry to be able to perform any of the activities included in the corporate purpose, such activities must be performed by persons who hold such professional qualifications, and such tasks shall not be able to commence until the administrative requirements have been met.

The Parent's shares have been listed on the stock market since 9 May 2014.

In view of the business activities carried out on by the Parent Company and its subsidiaries, they do not have any environmental liability, expenses, assets, provisions or contingencies that might be material with respect to its equity, financial position or results. The environmental activities carried out by the Group are detailed in the Note 23 to the consolidated financial statements for 2021.

2. Basis of presentation and basis of consolidation

a) Basis of presentation

These interim condensed consolidated financial statements for the first half ended 30 June 2022 were prepared in accordance with IAS 34, Interim Financial Reporting, which forms part of the International Financial Reporting Standards as adopted by the European Union (EU-IFRSs). These interim condensed consolidated financial statements must be read in conjunction with the consolidated financial statements for the year ended 31 December 2021, which were prepared in accordance with EU-IFRSs. Accordingly, it was not necessary to repeat or update certain notes or estimates included in those consolidated financial statements. Therefore, the accompanying selected explanatory notes include an explanation of the events and changes that are significant to an understanding of the changes in consolidated statement of financial position, consolidated statement of profit and loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows of the Applus Group in the period from 31 December 2021, the date of the aforementioned consolidated financial statements, to 30 June 2022.

These interim condensed consolidated financial statements were approved by the Parent's Directors at the Board of Directors meeting held on 22 July 2022.

The interim condensed consolidated financial statements of the Applus Group were prepared on the basis of the financial statements of the Parent and the Group companies in accordance with EU-IFRS.

b) Comparative information

In accordance to IAS 34, in order to obtain comparative information, these interim condensed consolidated financial statements include the interim condensed consolidated statement of financial position as at 30 June 2022 and the consolidated statement of financial position as at 31 December 2021, the interim condensed consolidated statements of profit or loss for the six-month periods ended 30 June 2022 and 2021, the interim condensed consolidated statements of comprehensive income for the six-month periods ended 30 June 2022 and 2021, the interim condensed consolidated statements of changes in equity for the six-month periods ended 30 June 2022 and 2021, the interim condensed consolidated statements of cash flows for the six-month periods ended 30 June 2022 and 2021, and the explanatory notes to the interim condensed consolidated financial statements for the six-month period ended 30 June 2022.

c) Responsibility for the information and use of estimates

The Parent's Directors are responsible for the information contained in these interim condensed consolidated financial statements with the applicable regulatory financial reporting framework (see section 2.a) above) and for such internal control measures that they consider necessary to ensure the interim condensed consolidated financial statements do not have any material misstatement.

In the Group's interim condensed consolidated financial statements at 30 June 2022 estimates were made by the Group Management, later ratified by the Directors, in order to quantify certain of the assets, liabilities, income, expenses and obligations reported herein. These estimates relate basically to the following:

- The measurement of goodwill (see Notes 3.c. and 4).
- The impairment losses on certain assets (see Note 6).
- The recoverability of the deferred tax assets recognised (see Note 15.a).
- The right-of-use assets and obligations under leases (see Note 13).
- The useful life of the property, plant and equipment and intangible assets.
- The assumptions used in measuring the recoverable amount of the financial instruments and the assets and liabilities in the business combinations.
- Income from pending to be billed services.
- Provisions and contingent liabilities (see Note 17).
- Corporate income tax and deferred tax assets and liabilities (see Note 15).

Although these estimates were made on the basis of the best information available as of 30 June 2022 on the events analysed, events that may take place in the future might make it necessary to change these estimates (upwards or downwards) in the coming years, in accordance with the requirements of IAS 8, recognising the effects of the change in the related consolidated statement of profit or loss or consolidated statement of changes in equity, as appropriate.

In February 2022, following the geopolitical events in Russia and Ukraine and taking into account the complexity of the markets due to their globalisation, the Parent's Directors made a preliminary assessment of the situation described above based on the best information available. Since the Applus Group does not have significant operations in the area involved, no significant impact has arisen and none is expected to arise, on the condensed consolidated interim financial statements or operations of the Group. In addition, the Directors will continue to review the evolution of the situation and its possible impacts, which are still uncertain.

Considering the economic projections in the markets in which the Group operates, the three year Strategic Plan announced in November 2021 and the liquidity position, that at 30 June 2022 amounts EUR 494 million (see Note 11), the Group's Directors consider that the conclusion on the application of the going concern basis of accounting remains valid.

3. Accounting policies and measurement bases

The accounting policies and measurement bases used in these interim condensed consolidated financial statements as at 30 June 2022 are the same as those used to prepare the consolidated financial statements for the year ended 31 December 2021, with the following exceptions:

a) Changes in accounting policies and in disclosures of information effective in 2022

In 2022 new accounting standards came into force and were therefore taken into account when preparing the accompanying interim condensed consolidated financial statements. The following standards were applied in these interim condensed consolidated financial statements but did not have a significant impact on the presentation hereof or the disclosures herein:

New standards, amendments and interpretations		Obligatory application in annual reporting periods beginning on or after:
Approved for use in the European Union		
Amendments and/or interpretations:		
Reference to the Conceptual Framework (Amendments to IFRS 3) (issued in May 2020)	IFRS 3 is amended to align the definition of an asset and a liability in a business combination with those contained in the Conceptual Framework. Also, certain clarifications are introduced in relation to the recognition of contingent assets and liabilities.	1 January 2022
Property, Plant and Equipment—Proceeds before Intended Use **(Amendments to IAS 16)** (issued in May 2020)	The amendments prohibit deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while the entity is bringing that asset to the location and condition necessary for its intended use. The proceeds from selling any such items (samples), and the cost of producing those items, must be recognised in profit or loss.	1 January 2022
Onerous Contracts-Cost of Fulfilling a Contract **(Amendments to IAS 37)** (issued in May 2020)	These amendments explain that the cost of fulfilling a contract comprises the incremental costs of fulfilling that contract and an allocation of other costs that relate directly to fulfilling the contract.	1 January 2022
Annual Improvements to IFRS Standards 2018–2020 (issued in May 2020)	Minor amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41.	1 January 2022

b) *Accounting policies issued but not yet in force in 2022*

At the date of preparation of these interim condensed consolidated financial statements, the following standards and interpretations had been published by the International Accounting Standards Board (IASB) but had not yet come into force, either because their effective date is subsequent to the date of these interim condensed consolidated financial statements or because they had not yet been adopted by the European Union (EU-IFRSs):

New standards, amendments and interpretations		**Obligatory application in annual reporting periods beginning on or after:**
Approved for use in the European Union		
Amendments and/or interpretations:		
Disclosure of Accounting Policies **(Amendments to IAS 1)** (issued in February 2021)	Amendments that enable entities to appropriately identify the information on material accounting policies that should be disclosed in the financial statements.	1 January 2023
Definition of Accounting Estimates **(Amendments to IAS 8)** (issued in February 2021)	Amendments and clarifications of the definition of a change in accounting estimate.	1 January 2023
New standards:		
IFRS 17, Insurance Contracts and Amendments to IFRS 17 (issued in May 2017 and amendments in June 2020)	Supersedes IFRS 4 and establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts issued, the objective being to ensure that entities provide relevant and reliable information that gives a basis for users of the financial information to assess the effect that insurance contracts have on the financial statements.	1 January 2023
Not yet approved for use in the European Union		
Amendments and/or interpretations:		
Classification of Liabilities as Current or Non-current **(Amendments to IAS 1)** (issued in January 2020)	Clarifications relating to the presentation of liabilities as current or non-current.	1 January 2023
Deferred Tax related to Assets and Liabilities arising from a Single Transaction **(Amendments to IAS 12)** (issued in May 2021)	Clarifications regarding how entities shall recognise deferred tax arising in transactions such as leases and dismantling obligations.	1 January 2023

Initial Application of IFRS 17 and IFRS 9—Comparative Information (Amendments to IFRS 17, Insurance Contracts) (issued in December 2021)	Amendments to the transition requirements of IFRS 17 for insurers that first apply IFRS 17 and IFRS 9 at the same time.	1 January 2023

The Parent's Directors have not considered the early application of the standards and interpretations detailed above and, in any event, application thereof will be considered by the Group once they have been approved, as the case may be, by the European Union.

In any case, the Parent's Directors are assessing the potential impact of applying these standards in the future and consider that their entry into force will not have a material effect on the Group's interim condensed consolidated financial statements.

c) *Changes in the scope of consolidation*

The companies included in the scope of consolidation in the first half of 2022 are as follows:

- Companies acquired in the first half 2022:
  - Lightship Security, Inc.
  - Lightship Security USA, Inc.
  - Alpe Metrología Industrial, S.L.
  - Entidad IDV Madrid, S.L.
- Investment using the equity method in the first half 2022:
  - Indoor Climate Management, S.L.
- Companies incorporated in the first half 2022:
  - Applus Certificación IDI, S.L.

On 27 January 2022, the Applus Group acquired Lightship Security, Inc. and Lightship Security USA, Inc., for an initial cost of CAD 30.3 million (EUR 20.9 million at the acquisition date). Additionally, the agreement includes an earn-out tied to certain financial targets, which the acquiree would have to achieve in the period 2022-2026. The Group considers that the conditions will be met for the earn-out amount to CAD 14.5 million (EUR 10 million at the acquisition date) and, accordingly, this amount was considered when determining the acquisition cost. The goodwill resulting from the difference between the fair value of the assets and liabilities assumed, and the cost of the business combination amounts, provisionally, to CAD 44.4 million (EUR 30.6 million at the acquisition date). The companies have been integrated into the Applus+ Laboratories division.

On 1 April 2022, the Applus Group acquired Alpe Metrología Industrial, S.L, for an initial cost of EUR 4 million. Additionally, the agreement includes an earn-out tied to certain financial targets, which the acquiree would have to achieve in 2022 and 2023. The Group considers that the conditions will be met for the earn-out amount to EUR 0.2 million and, accordingly, this amount was considered when determining the acquisition cost. The goodwill resulting from the difference between the fair value of the assets and liabilities assumed, and the cost of the business combination amounts, provisionally, to EUR 2.4 million. The company has been integrated into the Applus+ Laboratories division.

On 20 April 2022, the Applus Group acquired Entidad IDV Madrid, S.L., for an initial cost of EUR 14.2 million. The goodwill resulting from the difference between the fair value of the assets and liabilities assumed, and the cost of the business combination amounts, provisionally, to EUR 9.7 million. This company has been integrated into the Applus+ Automotive division.

On 8 April 2022, the Applus Group acquired 30% of Indoor Climate Management S.L. for an initial price of EUR 3 million. This company was included in the Applus+ Energy & Industry division. The company was accounted for using the equity method in the interim condensed consolidated financial statements.

At the date of preparation of the interim condensed consolidated financial statements, neither the assets nor liabilities' measurement processed at fair value of the acquisitions described above had been completed and the goodwill allocations is provisional. The Parent's Directors considered that the assets and liabilities' measurement process and the goodwill allocation would be completed in the second half of 2022, and applied retroactively as stated in IFRS 3 – Business Combinations.

According to IFRS 3, in the first half of 2022 the accounting process of certain acquisitions made in 2021, which are detailed in Note 2.b.e.1.1. of the consolidated financial statements of the year ended 31 December 2021, has been completed.

d) Transactions in currencies other than the Euro

The Group's presentation currency is the Euro. Therefore, all balances and transactions in currencies other than the euro are deemed to be "foreign currency transactions". The main average and closing rates used in the translation to euros of the balances held in foreign currency at 30 June 2022 and 31 December 2021 were as follows:

		30/06/2022		31/12/2021	
Euro	Currency:	Average rate	Closing rate	Average rate	Closing rate
Danish Krone	DKK	7.44	7.44	7.44	7.44
Swedish Krona	SEK	10.47	10.68	10.14	10.29
Omani Riyal	OMR	0.42	0.41	0.45	0.43
Czech Koruna	CZK	24.63	24.73	25.64	25.02
Canadian Dollar	CAD	1.39	1.36	1.48	1.45
Singapore Dollar	SGD	1.49	1.46	1.59	1.54
US Dollar	USD	1.09	1.06	1.18	1.13
Papua New Guinean Kina	PGK	3.76	3.72	4.06	3.87
Pound Sterling	GBP	0.84	0.86	0.86	0.84
Argentine Peso	ARS	n/a	131.12	n/a	115.78
Chilean Peso	CLP	899.67	967.56	896.07	972.20
Colombian Peso	COP	4,269.46	4,360.00	4,423.13	4,527.00
Mexican Peso	MXN	22.16	20.92	23.97	23.35
Brazilian Real	BRL	5.55	5.53	6.38	6.43
Qatari Riyal	QAR	4.00	3.84	4.34	4.16
Malaysian Ringgit	MYR	4.67	4.64	4.90	4.76
Saudi Riyal	SAR	4.10	3.96	4.44	4.25
Indonesian Rupiah	IDR	15,795.70	15,659.00	16,920.63	16,146.00
Australian Dollar	AUD	1.52	1.52	1.57	1.56
Peruvian Nuevo Sol	PEN	4.12	3.98	4.58	4.52
Kuwait Dinars	KWD	0.33	0.32	0.36	0.34
Costa Rican Colon	CRC	715.54	728.07	732.18	724.26
Chinese Yuan	CNY	7.07	7.06	7.64	7.21

4. Goodwill

The detail, by cash-generating unit, of the Group's goodwill at 30 June 2022 and 2021 year-end is as follows:

Cash-Generating Unit	Thousands of Euros	
	30/06/2022	31/12/2021
Auto Spain (*)	189,065	179,374
Energy & Industry Northern Europe	83,602	83,921
Energy & Industry North America	74,864	69,630
IDIADA	21,317	23,385
Energy & Industry Seameap	63,395	62,022
Laboratories	193,873	155,554
Auto Finisterre (*)	13,929	17,929
Energy & Industry Latin America	13,168	12,614
Energy & Industry Spain	30,652	30,379
Auto Denmark	6,843	6,843
Auto US (*)	6,141	6,141
Auto Sweden	76,754	76,754
Other	1,237	1,243
Total goodwill	**774,840**	**725,789**

(*) Includes the aggregate business of various concessions and administrative authorisations.

The changes in the first half of 2022 and in 2021 were as follows:

	Thousands of Euros
Balance at 1 January 2021	**675,569**
Changes in the scope of consolidation	52,697
Other Changes	(11,500)
Translation differences	9,023
Balance at 31 December 2021	**725,789**
Changes in the scope of consolidation	42,952
Other Changes	(6,500)
Translation differences	12,599
Balance at 30 June 2022	**774,840**

Since the Group has various concessions with a finite useful life and according to the business plan, in order to ensure that at the end of the concession term the carrying amount of the assets is zero, in the first half of 2022 the Group recognised a write-down of EUR 6,500 thousand on goodwill under "Impairment and gains and losses on disposals of non-current assets" in the accompanying interim condensed consolidated statement of profit or loss in relation to the goodwill of the IDIADA and Auto Finisterre cash-generating units, as shown under “Other Changes” in the foregoing table.

5. Other intangible assets

The changes in the first half of 2022 and in 2021 in the intangible asset accounts and in the related accumulated amortisation and impairment losses were as follows:

	30 June 2022 – Thousands of Euros						
	Balance at 1 January 2022	Changes in the scope of consolidation	Additions or charge for the year	Disposals or reductions	Transfers	Change in exchange rates and other	Balance at 30 June 2022
Cost:							
Administrative concessions	262,412	-	116	(229)	55	(107)	262,247
Patents, licenses and trademarks	307,082	10	-	-	(4)	(1)	307,087
Administrative authorisations	269,223	-	19	-	-	1,271	270,513
Customer portfolio	202,381	-	-	-	-	3,402	205,783
Computer software	102,048	80	1,283	(11,198)	1,290	1,136	94,639
Goodwill acquired	20,454	390	-	-	-	170	21,014
Asset usage rights	74,442	-	-	-	-	-	74,442
Accreditations	58,002	-	-	-	-	1,742	59,744
Other	53,440	7	2,571	(17)	(1,498)	139	54,642
Total cost	**1,349,484**	**487**	**3,989**	**(11,444)**	**(157)**	**7,752**	**1,350,111**
Accumulated amortisation							
Administrative concessions	(212,104)	-	(9,546)	27	-	112	(221,511)
Patents, licenses and trademarks	(160,013)	-	(5,702)	-	(11)	(8)	(165,734)
Administrative authorisations	(154,009)	-	(4,154)	-	-	(483)	(158,646)
Customer portfolio	(115,185)	-	(4,963)	-	-	(1,182)	(121,330)
Computer software	(83,958)	(64)	(4,063)	11,190	(2)	(865)	(77,762)
Goodwill acquired	(78)	-	-	-	-	-	(78)
Asset usage rights	(54,812)	-	(2,003)	-	3	-	(56,812)
Accreditations	(6,783)	-	(3,224)	-	-	(218)	(10,225)
Other	(37,767)	(7)	(1,540)	17	470	(87)	(38,914)
Total accumulated amortisation	**(824,709)**	**(71)**	**(35,195)**	**11,234**	**460**	**(2,731)**	**(851,012)**
Total impairment	**(104,808)**	-	-	-	-	**(177)**	**(104,985)**
Total net value	**419,967**	**416**	**(31,206)**	**(210)**	**303**	**4,844**	**394,114**

In the first half of 2022, the amortisation charge of the intangible assets arising from the process to allocate the price paid on the acquisitions recognised in the accompanying interim condensed consolidated financial statements amounted to EUR 27,759 thousand.

In February 2022, the Group received notification from the Autonomous Government of Galicia of the concession extension to perform the vehicle roadworthiness inspections in the Autonomous Community until the end of 2027.

At the end of June 2022, the Group was informed on the decision of the Costa Rica Government on not to extend the contract for statutory vehicle inspection services which ends by July 15, 2022. The Parent's Directors have reviewed the accounting impact on the consolidated assets and liabilities related to this contract and no material impact is expected.

	31 December 2021 – Thousands of Euros						
	Balance at 1 January 2021	Changes in the scope of consolidation	Additions or charge for the year	Disposals or reductions	Transfers	Change in exchange rates and other	Balance at 31 December 2021
Cost:							
Administrative concessions	262,491	-	197	(820)	260	284	262,412
Patents, licenses and trademarks	305,515	1,528	42	(29)	-	26	307,082
Administrative authorisations	266,731	-	266	-	1,947	279	269,223
Customer portfolio	172,924	28,179	-	-	-	1,278	202,381
Computer software	96,227	1,976	3,080	(1,184)	654	1,295	102,048
Goodwill acquired	17,655	1,541	-	-	-	1,258	20,454
Asset usage rights	72,442	-	-	-	2,000	-	74,442
Accreditations	45,593	10,436	-	-	-	1,973	58,002
Other	50,571	1,381	6,050	(2,704)	(1,989)	131	53,440
Total cost	**1,290,149**	**45,041**	**9,635**	**(4,737)**	**2,872**	**6,524**	**1,349,484**
Accumulated amortisation							
Administrative concessions	(194,860)	-	(21,319)	34	-	4,041	(212,104)
Patents, licenses and trademarks	(148,669)	(17)	(11,327)	29	-	(29)	(160,013)
Administrative authorisations	(145,874)	-	(8,054)	-	-	(81)	(154,009)
Customer portfolio	(106,934)	-	(7,625)	-	-	(626)	(115,185)
Computer software	(75,199)	(1,738)	(7,556)	1,099	380	(944)	(83,958)
Goodwill acquired	(78)	-	-	-	-	-	(78)
Asset usage rights	(50,720)	-	(3,790)	-	(302)	-	(54,812)
Accreditations	(870)	-	(5,841)	-	-	(72)	(6,783)
Other	(36,493)	(508)	(3,011)	2,358	5	(118)	(37,767)
Total accumulated amortisation	**(759,697)**	**(2,263)**	**(68,523)**	**3,520**	**83**	**2,171**	**(824,709)**
Total impairment	**(104,642)**	-	-	-	-	**(166)**	**(104,808)**
Total net value	**425,810**	**42,778**	**(58,888)**	**(1,217)**	**2,955**	**8,529**	**419,967**

Intangible assets by cash-generating unit

The detail of intangible assets by cash-generating unit is as follows:

	30 June 2022 - Thousands of Euros														
	Auto Spain	Energy & Industry Northern Europe	Auto Finland	Energy & Industry Seameap	Energy & Industry North America	IDIADA	Energy & Industry Spain	Laboratories	Auto US	Energy & Industry Latin America	Auto Denmark	Auto Finisterre	Auto Sweden	Other	Total
Cost:															
Administrative concessions	92,659	-	-	-	-	-	182	-	17,881	-	-	151,525	-	-	262,247
Patents, licences and trademarks	18,608	89,400	10,213	58,565	28,210	12,304	40,113	10,368	6,456	-	-	-	32,708	142	307,087
Administrative authorisations	165,986	-	93,924	-	-	-	-	-	-	-	-	-	-	10,603	270,513
Customer portfolio and other	-	41,532	-	47,180	73,527	-	28,344	4,142	-	7,258	-	-	3,800	-	205,783
Computer software	5,343	12,679	288	4,409	4,078	8,502	9,392	7,317	11,806	2,772	2,400	1,248	10,834	13,571	94,639
Goodwill acquired	-	8,366	769	-	3,981	3,952	1,381	1,806	-	-	759	-	-	-	21,014
Asset usage rights	723	-	-	-	-	36,729	3	34,987	-	-	-	-	-	2,000	74,442
Accreditations	-	-	-	-	-	-	-	59,744	-	-	-	-	-	-	59,744
Other	545	17,963	1,136	528	217	23,638	6,139	2,403	1,046	21	941	65	-	-	54,642
Total cost	**283,864**	**169,940**	**106,330**	**110,682**	**110,013**	**85,125**	**85,554**	**120,767**	**37,189**	**10,051**	**4,100**	**152,838**	**47,342**	**26,316**	**1,350,111**
Accumulated amortisation:															
Administrative concessions	(81,115)	-	-	-	-	-	(182)	-	(11,909)	-	-	(128,305)	-	-	(221,511)
Patents, licences and trademarks	(10,852)	(39,272)	(5,388)	(49,974)	(14,201)	(9,293)	(23,502)	(5,329)	(4,050)	-	-	-	(3,731)	(142)	(165,734)
Administrative authorisations	(67,925)	-	(87,093)	-	-	-	-	-	-	-	-	-	-	(3,628)	(158,646)
Customer portfolio and other	-	(24,227)	-	(28,168)	(41,099)	-	(19,684)	(3,022)	-	(3,840)	-	-	(1,290)	-	(121,330)
Computer software	(4,918)	(8,634)	(285)	(3,942)	(1,805)	(7,984)	(8,586)	(6,513)	(10,305)	(2,482)	(2,224)	(1,184)	(9,379)	(9,521)	(77,762)
Goodwill acquired	-	-	-	-	-	-	(71)	(7)	-	-	-	-	-	-	(78)
Asset usage rights	(723)	-	-	-	-	(30,029)	(3)	(25,649)	-	-	-	-	-	(408)	(56,812)
Accreditations	-	-	-	-	-	-	-	(10,225)	-	-	-	-	-	-	(10,225)
Other	(545)	(10,393)	(737)	(213)	(208)	(19,089)	(4,537)	(2,146)	(1,046)	-	-	-	-	-	(38,914)
Total accumulated amortisation	**(166,078)**	**(82,526)**	**(93,503)**	**(82,297)**	**(57,313)**	**(66,395)**	**(56,565)**	**(52,891)**	**(27,310)**	**(6,322)**	**(2,224)**	**(129,489)**	**(14,400)**	**(13,699)**	**(851,012)**
Total impairment (Note 6)	**(7,051)**	**(50,128)**	**(8,115)**	-	**(33,719)**	-	-	-	**(5,972)**	-	-	-	-	-	**(104,985)**
Total net value	**110,735**	**37,286**	**4,712**	**28,385**	**18,981**	**18,730**	**28,989**	**67,876**	**3,907**	**3,729**	**1,876**	**23,349**	**32,942**	**12,617**	**394,114**

	2021 – Thousands of Euros														
	Auto Spain	Energy & Industry Northern Europe	Auto Finland	Energy & Industry Seameap	Energy & Industry North America	IDIADA	Energy & Industry Spain	Laboratories	Auto US	Energy & Industry Latin America	Auto Denmark	Auto Finisterre	Auto Sweden	Other	Total
Cost:															
Administrative concessions	92,659	-	-	-	-	-	182	-	17,881	-	-	151,690	-	-	262,41
Patents, licences and trademarks	18,598	89,400	10,217	58,565	28,210	12,304	40,113	10,368	6,404	-	-	-	32,761	142	307,08
Administrative authorisations	165,986	-	93,924	-	-	-	-	-	-	-	-	-	-	9,313	269,22
Customer portfolio and other	-	41,532	-	45,805	71,532	-	28,344	4,142	-	7,226	-	-	3,800	-	202,38
Computer software	5,253	11,868	301	4,061	3,587	8,257	9,186	7,082	10,719	2,656	2,395	1,230	11,250	24,203	102,04
Goodwill acquired	-	8,520	769	-	3,731	3,877	1,381	1,806	-	-	370	-	-	-	20,45
Asset usage rights	723	-	-	-	-	36,729	3	34,987	-	-	-	-	-	2,000	74,44
Accreditations	-	-	-	-	-	-	-	58,002	-	-	-	-	-	-	58,00
Other	545	17,312	1,299	521	254	22,888	5,910	2,651	975	20	942	123	-	-	53,44
Total cost	**283,764**	**168,632**	**106,510**	**108,952**	**107,314**	**84,055**	**85,119**	**119,038**	**35,979**	**9,902**	**3,707**	**153,043**	**47,811**	**35,658**	**1,349,48**
Accumulated amortisation:															
Administrative concessions	(79,587)	-	-	-	-	-	(182)	-	(11,909)	-	-	(120,426)	-	-	(212,10
Patents, licences and trademarks	(10,481)	(39,272)	(5,202)	(47,509)	(14,199)	(8,624)	(22,705)	(5,070)	(3,887)	-	-	-	(2,922)	(142)	(160,01
Administrative authorisations	(64,294)	-	(87,092)	-	-	-	-	-	-	-	-	-	-	(2,623)	(154,00
Customer portfolio and other	-	(23,396)	-	(25,814)	(39,345)	-	(19,253)	(2,884)	-	(3,583)	-	-	(910)	-	(115,18
Computer software	(4,720)	(8,237)	(301)	(3,679)	(1,443)	(7,723)	(8,286)	(6,273)	(8,995)	(2,278)	(2,157)	(1,149)	(9,078)	(19,639)	(83,95
Goodwill acquired	-	-	-	-	-	-	(71)	(7)	-	-	-	-	-	-	(7
Asset usage rights	(723)	-	-	-	-	(28,539)	(3)	(25,239)	-	-	-	-	-	(308)	(54,81
Accreditations	-	-	-	-	-	-	-	(6,783)	-	-	-	-	-	-	(6,78
Other	(545)	(9,824)	(878)	(182)	(193)	(18,331)	(4,441)	(2,398)	(975)	-	-	-	-	-	(37,76
Total accumulated amortisation	**(160,350)**	**(80,729)**	**(93,473)**	**(77,184)**	**(55,180)**	**(63,217)**	**(54,941)**	**(48,654)**	**(25,766)**	**(5,861)**	**(2,157)**	**(121,575)**	**(12,910)**	**(22,712)**	**(824,70**
Total impairment (Note 6)	**(7,051)**	**(50,128)**	**(8,115)**	-	**(33,542)**	-	-	-	**(5,972)**	-	-	-	-	-	**(104,80**
Total net value	**116,363**	**37,775**	**4,922**	**31,768**	**18,592**	**20,838**	**30,178**	**70,384**	**4,241**	**4,041**	**1,550**	**31,468**	**34,901**	**12,946**	**419,96**

6. Impairment of assets

Note 6 to the consolidated financial statements for 2021 details the various items included under this heading.

At each annual reporting date the Group's management team reviews the cash-generating units' performance based on the types of business and the various geographical areas, at least once per year, at year end or if there are indications of impairment,

At 30 June 2022, the Parent's Directors consider that there are no significant indications of impairment of any of the cash-generating units and, therefore, no significant asset impairment losses were recognised or reversed in the first half of 2022.

7. Property, plant and equipment

The changes in the first half of 2022 and in 2021 in the various property, plant and equipment accounts and in the related accumulated depreciation and provisions were as follows:

	30 June 2022 - Thousands of Euros						
	Balance at 1 January 2022	Changes in the scope of consolidation	Additions or charge for the year	Disposals or reductions	Transfers	Change in exchange rate and other	Balance at 30 June 2022
Cost:							
Land and constructions	173,335	4,619	997	-	3,211	3,356	185,518
Plant and machinery	437,796	1,574	8,365	(1,303)	5,479	9,219	461,130
Other fixtures, tools and furniture	90,352	271	619	(391)	1,935	595	93,381
Other items of property, plant and equipment	67,502	514	1,516	(740)	(1,417)	2,345	69,720
Advances and property, plant and equipment in progress	21,384	-	8,466	(33)	(9,275)	652	21,194
Grants	(3,341)	24	-	136	-	-	(3,181)
Total cost	**787,028**	**7,002**	**19,963**	**(2,331)**	**(67)**	**16,167**	**827,762**
Accumulated depreciation:							
Land and constructions	(80,746)	(1,527)	(3,903)	-	(6)	(1,529)	(87,711)
Plant and machinery	(315,937)	(1,185)	(15,371)	1,162	(250)	(6,816)	(338,397)
Other fixtures, tools and furniture	(67,413)	(166)	(1,872)	375	(923)	(511)	(70,510)
Other items of property, plant and equipment	(64,318)	(431)	(1,914)	728	943	(1,953)	(66,945)
Total accumulated depreciation	**(528,414)**	**(3,309)**	**(23,060)**	**2,265**	**(236)**	**(10,809)**	**(563,563)**
Total impairment	**(4,840)**	-	**(875)**	**213**	-	**(83)**	**(5,585)**
Total net value	**253,774**	**3,693**	**(3,972)**	**147**	**(303)**	**5,275**	**258,614**

	2021 - Thousands of Euros						
	Balance at 1 January 2021	Changes in the scope of consolidation	Additions or charge for the year	Disposals or reductions	Transfers	Changes in exchange rates and other	Balance at 31 December 2021
Cost:							
Land and buildings	158,323	8,465	4,617	(3,242)	3,095	2,077	173,335
Plant and machinery	349,843	54,638	22,923	(6,815)	7,780	9,427	437,796
Other fixtures, tools and furniture	83,320	2,893	3,270	(951)	1,210	610	90,352
Other items of property, plant and equipment	66,604	8,075	3,823	(13,418)	(73)	2,491	67,502
Advances and property, plant and equipment in progress	17,650	729	18,809	(179)	(16,819)	1,194	21,384
Grants	(1,819)	(403)	-	(1,064)	-	(55)	(3,341)
Total cost	**673,921**	**74,397**	**53,442**	**(25,669)**	**(4,807)**	**15,744**	**787,028**
Accumulated depreciation:							
Land and buildings	(70,152)	(2,565)	(6,817)	643	(531)	(1,324)	(80,746)
Plant and machinery	(244,655)	(44,887)	(27,594)	6,019	2,290	(7,110)	(315,937)
Other fixtures, tools and furniture	(61,053)	(2,567)	(3,724)	734	(194)	(609)	(67,413)
Other items of property, plant and equipment	(61,581)	(6,383)	(4,044)	9,392	287	(1,989)	(64,318)
Total accumulated depreciation	**(437,441)**	**(56,402)**	**(42,179)**	**16,788**	**1,852**	**(11,032)**	**(528,414)**
Total impairment	**(3,902)**	-	**(1,750)**	**889**	-	**(77)**	**(4,840)**
Total net value	**232,578**	**17,995**	**9,513**	**(7,992)**	**(2,955)**	**4,635**	**253,774**

The Group has taken out insurance policies to cover the possible risks to which its property, plant and equipment are subject and the claims that might be filed against it for carrying on its business activities. These policies are considered to adequately cover the related risks.

8. Non-current financial assets

Note 8 to the consolidated financial statements for 2021 details the various items included under this heading.

In the first half of 2022, there have not been other significant changes under this heading with respect to 31 December 2021.

At 30 June 2022, "Non-Current Financial Assets" included EUR 4.3 million (December 2021: EUR 3.6 million) relating to restricted cash deposits securing certain signed agreements.

9. Trade receivables for sales and services, trade receivables from related companies and other receivables

The detail of these headings at 30 June 2022 and 31 December 2021 is as follows:

	Thousands of Euros	
	30/06/2022	31/12/2021
Trade receivables for sales and services	307,268	301,152
Work in progress	168,643	110,195
Provision for doubtful debts	(21,535)	(18,249)
Trade receivables for sales and services	**454,376**	**393,098**
Trade receivables from related companies	187	221
Other receivables	18,552	19,427
Other accounts receivable from public authorities	7,460	6,551
Total trade and other receivables	**480,575**	**419,297**

The Group does not charge interest on receivables maturing within one year. The fair value and the nominal value of these assets do not differ significantly.

The changes in "Provision for doubtful debts" in the first half of 2022 and in 2021 are as follows:

	Thousands of euros
Balance at 1 January 2021	**23,027**
Additions	5,483
Amounts used	(4,052)
Disposals	(7,149)
Effect of exchange rate changes	940
Balance at 31 December 2021	**18,249**
Additions	4,877
Amounts used	(2,432)
Disposals	(178)
Effect of exchange rate changes	1,019
Balance at 30 June 2022	**21,535**

10. Equity

a) Share capital

At 30 June 2022 and 31 December 2021, the Parent's share capital was represented by 143,018,430 fully subscribed and paid-up ordinary shares of EUR 0.10 par value each.

As per the notifications of the number of shares submitted to the Spanish National Securities Market Commission (CNMV), the shareholders owning significant direct and indirect interests in the share capital of the Parent representing more than 3% of the total share capital at 30 June 2022 were as follows:

Company	% of share
Southeastern Asset Management Inc.	5.15%
Santander Asset Management, S.A. SGIIC	3.08%
Harris Associates L.P.	3.03%

The Parent's Directors are not aware of any other ownership interests of 3% or more of the share capital or voting rights of the Parent, or of any lower ownership interests that might permit the holder to exercise a significant influence over the Parent.

b) Reserves and share premium

The Parent's legal reserve at 30 June 2022 amounts to EUR 2,860 thousand which is equivalent to the 20% of capital.

The total amount of share premium at 30 June 2022 is EUR 449,391 thousand and it is fully available.

c) Treasury shares

At 30 June 2022, the Group held a total of 7,546,517 treasury shares at an average cost of EUR 7.51 per share. The value of these treasury shares totalled EUR 56,676 thousand, which is recognised under "Treasury Shares" in the accompanying interim condensed consolidated statement of financial position at 30 June 2022.

The Board of Directors of the Parent Company approved on 26 January 2022 to launch a programme to buyback the Company's shares, pursuant to the authorization granted by the General Meeting of Shareholders of the Company held on 29 May 2020, under item Seventh of its agenda. The share buyback programme started on 1 February 2022 and finalized on 13 May 2022. Further details of the terms and conditions of the programme can be found on the CNMV Inside Information dated 27 January 2022.

On 28 June 2022, the Annual General Shareholders Meeting approved the capital reduction by the redemption of 7,150,922 treasury shares, representing 5% of the Parent's Company share capital. On 30 June 2022, the capital reduction has not been registered in the Mercantile Register, therefore it will take effect in the same period in which the registration is completed.

At 31 December 2021, the Group held a total of 408,098 treasury shares at an average cost of EUR 8.40 per share. The value of these treasury shares totaled EUR 3,427 thousand.

In February and March 2022 the Group delivered to the Executive Directors, Senior Executives and certain executives a total of 212,503 shares, in accordance with the new incentive plan granted (see Note 19).

d) Distribution of profit

On 28 June 2022, the shareholders at Annual General Meeting of the Parent Company resolved to allocate EUR 41,265 thousand of the Parent's profit for 2021 to dividends for a value of EUR 21,453 thousand and to voluntary reserves EUR 19,812 thousand.

The resulting distributed dividend was 0.15 euros per share for all shares with the right to receive dividends.

On 7 July 2022 this dividend was paid.

e) *Profit per share*

The profit per share is calculated on the basis of the profit attributable to the shareholders of the Parent divided by the average number of ordinary shares outstanding in the year. At 30 June 2022 and 2021 the profit per share is as follows:

	30/06/2022	30/06/2021
Number of shares	143,018,430	143,018,430
Average number of shares	143,018,430	143,018,430
Net consolidated profit attributable to the Parent (thousands of euros)	21,791	14,730
Number of shares outstanding	135,471,913	142,860,332
Number of treasury shares	7,546,517	158,098
Total number of shares	143,018,430	143,018,430
Profit per share (in euros per share)		
- Basic	0.16	0.10
- Diluted	0.16	0.10

There are no financial instruments that could dilute the profit per share.

f) *Foreign currency translation reserve*

The detail of "Foreign currency translation reserve" in the interim condensed consolidated statement of financial position as at 30 June 2022 and the consolidated statement of financial position as at 31 December 2021 is as follows:

	Thousands of Euros	
	30/06/2022	31/12/2021
Applus+ Energy & Industry	(7,300)	(16,734)
Applus+ Laboratories	2,795	828
Applus+ Automotive	(37,947)	(48,794)
Applus+ IDIADA	1,355	662
Other	4,780	2,722
Total	**(36,317)**	**(61,316)**

g) *Non-controlling interests*

The detail of the non-controlling interests of the fully consolidated companies in which ownership is shared with third parties is as follows:

	30 June 2022 - Thousands of Euros		
	Share capital and reserves	Profit (Loss)	Total
LGAI Technological Center, S.A. subgroup	18,648	890	19,538
IDIADA Automotive Technology, S.A. subgroup	10,933	1,981	12,914
Arctosa Holding B.V. subgroup	962	267	1,229
Velosi S.à.r.l subgroup	7,904	879	8,783
Subgrupo Applus Iteuve Technology, S.L.U.	7,448	4,680	12,128
Total non-controlling interests	**45,895**	**8,697**	**54,592**

	2021 - Thousands of Euros		
	Share capital and reserves	Profit (Loss)	Total
LGAI Technological Center, S.A. subgroup	17,399	1,069	18,468
IDIADA Automotive Technology, S.A. subgroup	9,231	2,895	12,126
Arctosa Holding B.V. subgroup	128	466	594
Velosi S.à r.l subgroup	5,654	2,573	8,227
Applus Iteuve Technology, S.L.U. subgroup	(1,462)	10,762	9,300
Total non-controlling interests	**30,950**	**17,765**	**48,715**

11. Obligations and bank borrowings

The detail, by maturity, of the obligations and bank borrowings at 30 June 2022 and 31 December 2021 in the interim condensed consolidated statement of financial position is as follows:

	30 June 2022 - Thousands of Euros						
	Limit	Short Term Drawn	Long Term Drawn				Total
			2023	2024	2025	2026 onwards	
Facility A "Term Loan"	**200,000**	-	-	-	200,000	-	**200,000**
Facility B "Revolving Credit Facility"	**400,000**	-	-	-	167,272	-	**167,272**
US Private Placement lenders	**330,000**	-	-	-	150,000	180,000	**330,000**
Bilateral facilities	**33,333**	**33,333**	-	-	-	-	**33,333**
CaixaBank credit facility	**100,000**	-	-	65,000	-	-	**65,000**
Accrued interests	-	**3,310**	-	-	-	-	**3,310**
Debt Arrangement fees	-	**(964)**	(66)	(131)	(82)	(88)	**(1,331)**
Other loans	-	**1,263**	509	865	441	316	**3,394**
Credit facilities	**87,565**	**8,086**	17,981	-	-	-	**26,067**
Obligations under finance leases	-	**102**	51	97	7	5	**262**
Hedging instruments	-	**20**	-	-	-	-	**20**
Total	**1,150,898**	**45,150**	**18,475**	**65,831**	**517,638**	**180,233**	**827,327**

	2021 - Thousands of Euros						
	Limit	Short Term Drawn	Long Term Drawn				Total
			2023	2024	2025	2026 onwards	
Facility A "Term Loan"	**200,000**	-	-	-	200,000	-	**200,000**
Facility B "Revolving Credit Facility"	**400,000**	-	-	-	126,956	-	**126,956**
US Private Placement lenders	**330,000**	-	-	-	150,000	180,000	**330,000**
Bilateral facilities	**50,000**	33,333	16,667	-	-	-	**50,000**
CaixaBank credit facility	**100,000**	-	32,000	-	-	-	**32,000**
Accrued interests	-	3,398	-	-	-	-	**3,398**
Debt Arrangement fees	-	(973)	(539)	(131)	(82)	(88)	**(1,813)**
Other loans	-	1,209	992	595	250	1,247	**4,293**
Credit facilities	**96,992**	9,931	16,773	-	-	-	**26,704**
Obligations under finance leases	-	176	101	63	-	-	**340**
Total	**1,176,992**	**47,074**	**65,994**	**527**	**477,124**	**181,159**	**771,878**

At 30 June 2022, the consolidated Group's debt structure is mainly composed of a portion of syndicated bank borrowings and placed private debt borrowings with US institutional investors. The bank borrowings consist of a multi-currency syndicated loan of EUR 600 million, which comprises a Facility A "Term Loan" of EUR 200 million and a Facility B "Revolving Credit Facility" of EUR 400 million. The total amount of the US private placement debt is EUR 330 million and includes the new private placement debt of EUR 100 million carried out in 2021, bearing interest at a market rate and with final maturity in June 2036.

In relation to the bilateral loan, on 9 April 2021 a grace period of one year was agreed upon, with the first repayment set for April 2022, without altering the final maturity date of April 2023.

On 15 April 2021, the Applus Group entered a sustainability linked credit facility with CaixaBank limited to EUR 100 million maturing in 2023, with a one-year extension option that has been effective in 2022 of which EUR 65 million were drawn down at 30 June 2022.

The Group had liquidity of EUR 494 million at 30 June 2022, taking into account cash and cash equivalents reflected in the accompanying interim condensed consolidated statement of financial position and the undrawn balances of the financing lines detailed previously (2021 year-end: EUR 588 million).

a) Syndicated loan and private placement debt

The syndicated loan bears interest at Euribor for tranches in euros and at Libor for tranches in foreign currency (CAD 91 million and USD 2.5 million drawn down at 30 June 2022) plus a spread based on a leverage grid for each Facility.

All the tranches had an initial single maturity at 27 June 2023, which may be extended for a total of two additional years at the end of the first and second years. On 27 June 2019 all tranches were extended to 27 June 2024 and, on 16 June 2020, they were extended to 27 June 2025.

The initial private placement debt was placed from two US institutional investors. The structure includes a tranche of EUR 150 million maturing on 11 July 2025 and a tranche of EUR 80 million maturing on 11 July 2028. On 10 June 2021 a new private debt placement with one US institutional investor has been added with two tranches, each one of EUR 50 million, the first tranche maturing on 10 June 2031 and the second one on 10 June 2036.

The detail of syndicated loan and the private placement debt at 30 June 2022 and at 31 December 2021 is as follows:

First half of 2022

Tranche	Thousands of Euros		Maturity
	Limit	Amount drawn + interest added to principal	
Facility A "Term Loan"	200,000	200,000	27/06/2025
Facility B "Revolving Credit Facility"	400,000	167,272	27/06/2025
US Private Placement lenders - 7 years	150,000	150,000	11/07/2025
US Private Placement lenders - 10 years	80,000	80,000	11/07/2028
US Private Placement lenders - 10 years	50,000	50,000	10/06/2031
US Private Placement lenders - 15 years	50,000	50,000	10/06/2036
Accrued Interests	-	2,966	
Debt arrangement expenses	-	(1,331)	
Total	**930,000**	**698,907**	

2021

Tranche	Thousands of Euros		Maturity
	Limit	Amount drawn + interest added to principal	
Facility A "Term Loan"	200,000	200,000	27/06/2025
Facility B "Revolving Credit Facility"	400,000	126,956	27/06/2025
US Private Placement lenders - 7 years	150,000	150,000	11/07/2025
US Private Placement lenders - 10 years	80,000	80,000	11/07/2028
US Private Placement lenders - 10 years	50,000	50,000	10/06/2031
US Private Placement lenders - 15 years	50,000	50,000	10/06/2036
Accrued Interests	-	2,997	
Debt arrangement expenses	-	(1,813)	
Total	**930,000**	**658,140**	

a.1) Obligations and restrictions related to the syndicated loan and private debt

Both the syndicated loan and the private placement debt are subject to the achievement of certain financial ratios. The main one is defined as consolidated Net Debt to consolidated EBITDA of the last twelve months lower than 4.0x, tested every six months at 30 June and 31 December.

At 30 June 2022 the ratio, calculated on the basis of the contractually established definitions of net consolidated debt and consolidated EBITDA, was 2.7x.

In accordance with the established terms and conditions, the Parent's Directors expect the financial leverage ratio covenant to be met in the following years.

The Group also has to fulfil certain obligations under the syndicated loan and the private placement agreement which relate mainly to disclosure requirements concerning its consolidated financial statements and negative undertakings to not perform certain transactions without the lender's and investor's consent, such as certain mergers or changes of business activity (see Note 17.b).

a.2) Guarantees given

None of Applus Group subsidiaries have their shares or other assets pledged to secure the financial debt.

b) Credit facilities and other loans

The interest rates on the credit facilities and loans are tied to Euribor and Libor, plus a market spread.

The Group entered into a non-recourse factoring agreement to sell outstanding receivables from customers for up to a maximum of EUR 25 million bearing interest at the market rate, of which EUR 14,758 thousand had been used at 30 June 2022 (2021 year-end: EUR 12,429 thousand).

c) Disclosure for currency of obligations and bank borrowings

The detail of the main current and non-current obligations and bank borrowings at 30 June 2022 and 31 December 2021, by currency, is as follows:

	30 June 2022 – Thousands of Euros						
	Euro	US dollar	Canadian dollar	Colombian Peso	Chilean Peso	Others	Total
Syndicated loan	299,612	2,372	66,923	-	-	-	**368,907**
US Private Placement	330,000	-	-	-	-	-	**330,000**
Bilateral facilities	33,455	-	-	-	-	-	**33,455**
CaixaBank credit facility	65,222	-	-	-	-	-	**65,222**
Other loans	3,391	-	-	-	3	-	**3,394**
Credit facilities	5,821	17,945	18	2,044	3	236	**26,067**
Finance leases	94	12	-	-	131	25	**262**
Hedging instruments	20	-	-	-	-	-	**20**
Total	**737,615**	**20,329**	**66,941**	**2,044**	**137**	**261**	**827,327**

	2021 – Thousands of Euros						
	Euro	US dollar	Canadian dollar	Colombian Peso	Chilean peso	Others	Total
Syndicated loan	277,185	8,230	42,725	-	-	-	**328,140**
US Private Placement	330,000	-	-	-	-	-	**330,000**
Bilateral facilities	50,183	-	-	-	-	-	**50,183**
CaixaBank credit facility	32,218	-	-	-	-	-	**32,218**
Other loans	4,157	-	-	-	136	-	**4,293**
Credit facilities	4,218	20,776	-	1,531	1	178	**26,704**
Finance leases	103	47	-	-	155	35	**340**
Total	**698,064**	**29,053**	**42,725**	**1,531**	**292**	**213**	**771,878**

12. Financial risks and derivative financial instruments

In the first half of 2022 the Group arranged foreign currency derivatives with Spanish banks with a high credit rating.

The Group opted to apply hedge accounting, as permitted by IFRSs, and appropriately designated the hedging relationships in which the derivatives are fair value hedges, thereby neutralising the exchange rate gains or losses on the hedged items.

At 30 June 2022, the balance of "Current Liabilities – Obligations and Bank Borrowings" reflecting the fair value of the derivatives at that date amounted to EUR 20 thousand (see Note 11).

The fair value hedging relationships designated using these instruments are considered to be highly effective.

The detail of the current hedging instruments is as follows:

- Exchange rate hedging forward amounting to USD 770 thousand. The maturity of this instrument is on 18 January 2023.

- Exchange rate hedging forward amounting to USD 1,150 thousand. The maturity of this instrument is on 15 February 2023.

- Exchange rate hedging forward amounting to USD 1,150 thousand. The maturity of this instrument is on 19 April 2023.

The financial risks faced by the Group are the same as those indicated in Note 16 to the consolidated financial statements for 2021.

13. Leases

a) Amounts recognised in the interim condensed consolidated statement of financial position

The amounts related to operating leases recognised in the interim condensed consolidated statement of financial position as at 30 June 2022 are as follows:

Rights of use

	Thousands of Euros	
	Net value	
	30/06/2022	31/12/2021
Rights of use		
Offices	115,416	116,242
Rights of use of facilities (fixed levies)	21,990	23,817
Vehicles	24,332	23,248
Machinery	9,230	11,118
Land	12,377	5,600
Hardware	473	695
Total	**183,818**	**180,720**

Lease liabilities

	Thousands of Euros	
	30/06/2022	31/12/2021
Lease liabilities		
Current	55,779	54,510
Non-current	143,539	141,968
Total	**199,318**	**196,478**

b) Amounts recognised in the interim condensed consolidated statement of profit or loss

At 30 June 2022, the amounts related to leases recognised in the interim condensed consolidated statement of profit or loss are as follows: amortisation of the right-of-use assets for an amount of EUR 27,942 thousand (first half of 2021: EUR 25,668 thousand), basically offices and vehicles; finance costs on lease liabilities for an amount of EUR 3,709 thousand (first half of 2021: EUR 3,847 thousand) (see Note 14.b); and operating expenses related to leases of low-value assets not considered in a short-term, short-term leases and, variable lease payments not included in the measurement of lease liabilities, for an amount of EUR 33,231 thousand (first half of 2021: EUR 31,295 thousand), which correspond, basically, to auto stations' variable rent levies of the Automotive division for an amount of EUR 19,333 (first half of 2021: EUR 19,427 thousand).

In the first half of 2022 the consolidated EBITDA impact corresponds to minor operating lease expenses amounting EUR 31,821 thousand (first half of 2021: EUR 29,587 thousand).

c) Amounts recognised in the interim condensed consolidated statement of cash flows

In the six-month period ended 30 June 2022, the total amount of cash outflows relating to leases amounted to EUR 31,821 thousand (first half of 2021: EUR 29,587 thousand).

d) Leases in which the Group acts as lessee

All amounts recognised in the interim condensed consolidated statement of financial position as at 30 June 2022 and 2021 relate to leases in which the Group acts as lessee.

The main rights of use assets of the Group include two levies of surface rights of Applus+ Laboratories in Bellaterra and Applus+ IDIADA in L'Albornar (Catalonia, Spain) with maturities 2033 and 2024 respectively.

In the first half of 2022 and 2021, the Group has not recognised gains or losses in the interim condensed consolidated statement of profit or loss arising from sale and leaseback transactions.

New lease contracts additions amounting to EUR 24.5 million relate mainly to land assigned to the location, installation and exploitation of statutory vehicle inspection stations belonging to companies acquired in the first half of 2022 (see Note 3.c.) and formalizations and extensions of vehicle's and office's contracts.

In the first half of 2021 new lease contracts were registered as additions amounting to EUR 25 million, corresponding mainly to laboratories of companies acquired in the first half of 2021 and extensions of equipment's and vehicle's contracts.

Lastly, it should be noted that no renegotiations were held that have led to reductions or forgiveness of rent or other economic incentives resulting in a significant positive effect on the interim condensed consolidated statement of profit or loss.

14. Operating income and expenses

a) Staff costs

The detail of "Staff Costs" in the accompanying interim condensed consolidated statement of profit or loss is as follows:

	Thousands of Euros	
	30/06/2022	30/06/2021
Wages, salaries and similar expenses	439,282	379,988
Severances	1,638	2,708
Employee benefit costs	61,263	54,308
Other staff costs	51,218	38,695
Total	**553,401**	**475,699**

The average number of employees at the Group, by professional category and gender, is as follows:

	Average number of employees		
	First half of 2022		
Professional category	Men	Women	Total
Top management	79	16	**95**
Middle management	295	95	**390**
Supervisors	944	287	**1,231**
Operational employees & others	18,602	4,645	**23,247**
Total	**19,920**	**5,043**	**24,963**

	Average number of employees		
	First half of 2021		
Professional category	Men	Women	Total
Top management	153	22	**175**
Middle management	517	116	**633**
Supervisors	1,201	305	**1,506**
Operational employees & others	17,188	4,133	**21,251**
Total	**18,989**	**4,576**	**23,565**

Also, the distribution of the workforce, by gender and category at the end of the first half of 2022 and 2021, is as follows:

Professional category	Number of employees First half of 2022		
	Men	Women	Total
Top management	77	18	**95**
Middle management	301	92	**393**
Supervisors	940	285	**1,225**
Operational employees & others	19,214	4,829	**24,043**
Total	**20,532**	**5,224**	**25,756**

Professional category	Number of employees First half of 2021		
	Men	Women	Total
Top management	157	21	**178**
Middle management	517	119	**636**
Supervisors	1,213	311	**1,524**
Operational employees & others	17,426	4,250	**21,676**
Total	**19,313**	**4,701**	**24,014**

At December 2021, the Group changed the professional categories making not comparable information provided for H1 2022 and the information for the same year of prior period by chapter.

b) Financial result

The breakdown of the financial result in the first half of 2022 and 2021 is as follows:

	Thousands of Euros	
	30/06/2022	30/06/2021
Finance income:		
Other finance income from third parties	440	1,293
Total finance income	**440**	**1,293**
Finance costs:		
Borrowing costs relating to syndicated loan and US Private Placement (Note 11)	(6,722)	(5,928)
Other finance costs paid to third parties	(1,982)	(2,656)
Finance costs on leasing liabilities (Note 13)	(3,709)	(3,847)
Exchange differences	(66)	55
Total finance costs	**(12,479)**	**(12,376)**
Gains or losses on the net monetary position (Hyperinflation)	(629)	(347)
Total Financial Result	**(12,668)**	**(11,430)**

15. Corporate income tax

a) Deferred tax assets

The detail of "Deferred Tax Assets" recognised in the accompanying interim condensed consolidated statement of financial position as at 30 June 2022 and the consolidated statement of financial position as at 31 December 2021 is as follows:

	Thousands of Euros	
	30/06/2022	31/12/2021
Tax credit for tax loss carryforwards	21,034	22,978
Withholding taxes and other tax credits	17,361	12,865
Temporary differences	23,510	25,181
Total deferred tax assets	**61,905**	**61,024**

The deferred tax assets recognised in the interim condensed consolidated statement of financial position relate mainly to Spanish Group companies and amounted to EUR 32,891 thousand at 30 June 2022 (31 December 2021: EUR 34,404 thousand). Based on the expected positive results of the Spanish companies, the Group reassessed the probable recoverability of the deferred tax assets recognised in the foreseeable future over a period of time less than ten years.

b) Deferred tax liabilities

"Deferred Tax Liabilities" in the accompanying interim condensed consolidated statement of financial position as at 30 June 2022 and the consolidated statement of financial position as at 31 December 2021 includes mainly the following items:

	Thousands of euros	
	30/06/2022	31/12/2021
Temporary differences associated with:		
Recognition at fair value of the identifiable in acquisitions of business combinations	81,225	86,862
Depreciation and amortisation and measurement of assets and goodwill	19,325	18,714
Amortisation of goodwill paid in the acquisition of foreign companies by Spanish companies	7,754	7,435
Other deferred tax liabilities	8,886	9,439
Total deferred tax liabilities	**117,190**	**122,450**

c) Years open for review and tax audits

At 30 June 2022 the Spanish companies which belong to Spanish tax group have 2018-2020 years open for review by the tax authorities for the Corporate income tax and 2018-2021 for the rest of applicable taxes.

The foreign companies have the last few years open for review in accordance with the legislation in force in each of their respective countries and all those ongoing tax audits. The Parent's Directors do not expect any additional significant liabilities to arise in the event of a tax audit.

Note 20.f to the consolidated financial statements for 2021 details the main audit and tax contingencies the Group faces. In this connection, there have been no significant developments in the first half of 2022 with respect to the main inspection procedures in progress and the Parent's Directors do not expect significant additional liabilities to arise.

16. Segmented information

a) Financial information by business segment

The Group operates through four operating divisions and a holding division, each of which is considered to be a segment for financial reporting purposes. The main Group operating segments are detailed in Note 25 to the consolidated financial statements for 2021.

The financial information, by segment, in the interim condensed consolidated statement of profit or loss in the first half of 2022 and of 2021 is as follows (in thousands of euros):

First half of 2022

	Applus + Energy & Industry	Applus + Laboratories	Applus + Automotive	Applus + IDIADA	Other	Total
Revenue	529,488	87,574	240,327	129,306	6	**986,701**
Operating expenses	(491,988)	(76,216)	(190,562)	(115,802)	(15,001)	**(889,569)**
Adjusted Operating Profit	**37,500**	**11,358**	**49,765**	**13,504**	**(14,995)**	**97,132**
Amortisation of non-current assets identified in business combinations (Note 5)	(7,699)	(4,012)	(13,890)	(2,158)	-	**(27,759)**
Other results						**(10,270)**
Operating profit						**59,103**

First half of 2021

	Applus+ Energy & Industry	Applus+ Laboratories	Applus+ Automotive	Applus+ IDIADA	Other	Total
Revenue	434,934	65,568	235,187	107,297	7	**842,993**
Operating expenses	(406,545)	(55,815)	(186,851)	(98,770)	(14,697)	**(762,678)**
Adjusted Operating Profit	**28,389**	**9,753**	**48,336**	**8,527**	**(14,690)**	**80,315**
Amortisation of non-current assets identified in business combinations (Note 5)	(5,248)	(3,313)	(14,673)	(2,158)	-	**(25,392)**
Other results						**(9,155)**
Operating profit						**45,768**

The Adjusted Operating Profit is the Operating Profit before the amortisation charge of the intangible assets allocated in the business combinations and other results.

The other results are included under “Impairment and gains or losses on disposal of non-current assets” and “Other results” in the interim condensed consolidated statement of profit or loss.

The "Other" segment includes the financial information corresponding to the Applus Group's holding activity.

The finance costs were allocated mainly to the "Other" segment as it is the Holding division who manages bank borrowings (see Note 11).

The current, non-current assets and liabilities, by business segment, at 30 June 2022 and 31 December 2021 are as follows (in thousands of euros):

30 June 2022

	Applus + Energy & Industry	Applus + Laboratories	Applus + Automotive	Applus + IDIADA	Other	Total
Goodwill	265,681	193,873	292,732	21,317	1,237	**774,840**
Other intangible assets	117,370	67,876	177,521	18,730	12,617	**394,114**
Rights of use	42,137	27,937	82,968	30,026	750	**183,818**
Property, plant and equipment	77,614	53,980	93,404	33,042	574	**258,614**
Investments accounted for using the equity method	3,409	-	-	-	-	**3,409**
Non-current financial assets	11,461	321	5,558	1,115	-	**18,455**
Deferred tax assets	26,992	2,376	6,759	4,068	21,710	**61,905**
Total non-current assets	**544,664**	**346,363**	**658,942**	**108,298**	**36,888**	**1,695,155**
Total current assets	**442,521**	**73,720**	**56,724**	**124,663**	**7,445**	**705,073**
Total liabilities	**336,340**	**114,997**	**270,229**	**136,522**	**898,362**	**1,756,450**

2021

	Applus + Energy & Industry	Applus + Laboratories	Applus + Automotive	Applus + IDIADA	Other	Total
Goodwill	258,566	155,554	287,041	23,385	1,243	**725,789**
Other intangible assets	122,354	70,384	193,445	20,838	12,946	**419,967**
Rights of use	41,442	29,573	76,993	31,819	893	**180,720**
Property, plant and equipment	77,819	51,608	88,717	35,024	606	**253,774**
Investments accounted for using the equity method	520	-	-	-	-	**520**
Non-current financial assets	10,790	844	4,970	1,089	-	**17,693**
Deferred tax assets	22,882	2,392	8,335	3,881	23,534	**61,024**
Total non-current assets	**534,373**	**310,355**	**659,501**	**116,036**	**39,222**	**1,659,487**
Total current assets	**404,200**	**75,174**	**41,731**	**103,662**	**22,231**	**646,998**
Total liabilities	**328,323**	**107,305**	**265,407**	**129,981**	**809,123**	**1,640,139**

The additions to intangible assets and also to property, plant and equipment, by business segment, in the first half of 2022 and 2021 are as follows (in thousands of euros):

	Applus + Energy & Industry	Applus + Laboratories	Applus + Automotive	Applus + IDIADA	Other	Total
Capex - first half of 2022	8,076	6,156	3,770	5,607	343	**23,952**
Capex - first half of 2021	7,629	4,262	3,825	4,595	481	**20,792**

b) Financial information by geographical segment

Since the Group has presence in several countries, the information has been grouped geographically.

The sales by geographical area, in the first half of 2022 and 2021, are as follows:

	Thousands of Euros	
	30/06/2022	30/06/2021
Spain	218,810	208,727
Rest of Europe	280,453	249,019
US and Canada	160,471	134,623
Asia and Pacific	116,923	97,778
Latin America	115,700	89,085
Middle East and Africa	94,344	63,761
Total	**986,701**	**842,993**

The non-current assets, by geographical area, at 30 June 2022 and 31 December 2021 are as follows (in thousands of euros):

Total non-current assets	Spain	Rest of Europe	US and Canada	Asia and Pacific	Latin America	Middle East and Africa	Total
30 June 2022	837,770	408,122	207,042	143,314	76,265	22,642	**1,695,155**
31 December 2021	806,432	417,291	199,300	142,373	73,086	21,005	**1,659,487**

17. Non-current provisions, obligations acquired and contingencies

a) Non-current provisions

Note 17 to the consolidated financial statements for 2021 details the various items included under this heading.

In the first half of 2022 there were no significant changes with respect to 31 December 2021.

The recognised provisions constitute a fair and reasonable estimate of the effect on the Group's equity that could arise from the resolution of the lawsuits, claims or potential obligations that they cover. They were quantified by the Group Executive Committee and Committee of the subsidiaries, with the assistance of their advisers, considering the specific circumstances to each case.

b) Guarantees and obligations acquired

Note 27.a to the consolidated financial statements for 2021 details the guarantees provided by the Group.

In the first half of 2022 there were no significant changes in the guarantees granted with respect to 31 December 2021.

The Parent's Directors do not expect any material liabilities additional to those recognised in the accompanying interim condensed consolidated statement of financial position as at 30 June 2022 to arise as a result of the transactions described in Note 27.a to the consolidated financial statements for 2021.

c) Contingencies

Note 27.b to the consolidated financial statements for 2021 details the main contingencies the Group faces.

There were no relevant changes in this connection in the first half of 2022.

At 30 June 2022, the Parent's Directors were not aware of any significant claims brought by third parties or of any ongoing legal proceedings against the Group that, in their opinion, could have a material impact on these interim condensed consolidated financial statements.

18. Transactions and balances with related parties

For the purposes of the information in this section, related parties are considered to be:

- The significant shareholders of Applus Services, S.A. understood to be shareholders holding directly or indirectly 3% or more of the shares, and shareholders which, without being significant, have exercised the power to propose the appointment of one member of the Board of Directors.

- The Directors and Senior Executive, as well as close members of those persons' family. "Director" means a member of the Board of Directors and "Senior Executive" means persons reporting directly to the Board of Directors or to the Chief Executive Officer (CEO) of the Group.

- Associates of the Group.

The transactions between the Parent and its subsidiaries were eliminated on consolidation and are not disclosed in this Note.

The transactions between the Group and its related companies disclosed below, are performed at arm's length and in line with market conditions.

Transactions with related companies

In the first half of 2022, the Parent and its subsidiaries performed the following transactions with related companies:

	Thousands of Euros					
	First half of 2022			First half of 2021		
	Operating revenue	Procurements	Other expenses	Operating revenue	Procurements	Other expenses
Velosi (B) Sdn Bhd	-	-	-	75	-	-
Total	-	-	-	**75**	-	-

Balances with related companies

a) Receivables from related companies:

	Thousands of Euros	
	Trade receivables from related companies	
	30/06/2022	31/12/2021
Velosi (B) Sdn Bhd	187	221
Total	**187**	**221**

b) Payables to related companies:

	Thousands of Euros	
	Trade and other payables to related companies	
	30/06/2022	31/12/2021
Velosi (B) Sdn Bhd	1	1
Total	**1**	**1**

The transactions and balances between the Applus Group and related parties (Directors and Senior Executives) are detailed in Note 19.

There were no transactions or significant amounts outstanding with the Group's significant shareholders in the first half of 2022 and 2021.

19. Disclosures on the Board of Directors and Senior Executives

Remuneration of and obligations to the Board of Directors

The detail of the remuneration earned by the Executive Directors and the rest of the Parent's Directors (including employee benefits) in the first half of 2022 and of 2021 is as follows:

a) Biannual remuneration:

	Thousands of Euros					
	30/06/2022			30/06/2021		
	Executive Directors	Members of the Board of Directors	Total	Executive Directors	Members of the Board of Directors	Total
Fixed remuneration	550	-	**550**	538	-	**538**
Variable remuneration	616	-	**616**	394	-	**394**
Other items	67	-	**67**	33	-	**33**
Non Executive Chairman and Independent Directors	-	358	**358**	-	335	**335**
Corporate Social Security Committee	-	35	**35**	-	25	**25**
Appointments & Compensation Committee	-	30	**30**	-	35	**35**
Audit Committee	-	45	**45**	-	45	**45**
Total	**1,233**	**468**	**1,701**	**965**	**440**	**1,405**

62.50% of the Executive Directors variable remuneration is given in cash, with the rest comprising RSUs convertible to shares three years after the date on which they are granted, 30% of which are granted in each of the first two years and the remaining 40% are granted in the third year. These RSUs amounted to EUR 148 thousand in the six-month period ended 30 June 2022.

The detail of the RSU plans in force is disclosed in Note 29 to the consolidated financial statements for 2021 and in the Remuneration Report.

In the first half of 2022 the Executive Directors and the members of the Board of Directors did not earn or receive any termination benefits.

From 28 June 2022 Group's Chief Financial Officer (CFO) becomes Group's Chief Executive Officer (CEO) succeeding the previous CEO due to retirement, the impacts have been included in this Note.

Additionally to the aforementioned concepts, the retirement plan benefits earned by the Executive Directors in the first half of 2022 amounted to EUR 30 thousand.

b) Long-Term Incentive (LTI):

Under the remuneration policy in force since 2022, the Executive Directors receive annually performance stock units (PSUs) that are convertible into shares of the Parent three years after the date on which they are granted. The expense recognised in this connection amounted to EUR 350 thousand in the first half of 2022.

The detail of the PSU plans in force is disclosed in Note 29 to the consolidated financial statements for 2021 and in the Remuneration Report.

At 30 June 2022, no loans or advances had been granted to the members of the Parent's Board of Directors.

Executive Directors have arranged life insurance detailed in the table above in "Other items". No material pension or life insurance obligations were incurred with the members of the Non-Executive Parent's Board of Directors.

The Parent's Board of Directors at 30 June 2022 is made up of 5 men and 4 women. At 30 June 2021 it was made up of 6 men and 3 women.

Remuneration of and obligations to Senior Executives

In 2021, the executives who formed part of the Group's Executive Committee were considered to be Senior Executives. In 2022, Senior Executives are the ones who report directly to the Group's Chief Executive Officer (CEO). In relation to remuneration information, the internal auditor was also included, as defined in current accounting legislation and in the Report of the Special Working Group on the Good Governance of Listed Companies published by the Spanish National Securities Market Commission (CNMV) on 16 May 2006.

The breakdown, by item, of the remuneration earned in the first half of 2022 and of 2021 by the Group's Senior Executives is as follows:

a) Remuneration for the half-year period:

	Thousands of Euros	
	30/06/2022	30/06/2021
Fixed remuneration	1,032	1,866
Variable remuneration	489	778
Other items	144	305
Termination benefits	-	804
Pension plans	5	52
Total	**1,670**	**3,805**

The fixed remuneration of certain Senior Executives includes a portion in RSUs amounting to EUR 105 thousand, which are convertible to shares three years after the date on which they are granted.

67.92% of the Senior Executives' variable remuneration is given in cash, with the rest comprising RSUs convertible to shares three years after the date on which they are granted, 30% of which are granted in each of the first two years and the remaining 40% are granted in the third year.

The detail of the plans in force is disclosed in Note 29 to the consolidated financial statements for 2021.

In 2021 termination benefits amounting EUR 804 thousand have been registered.

b) Multiannual remuneration and long-term incentive:

Under the remuneration policy in force since 2022, the Senior Executives receive annually performance stock units (PSUs) that are convertible into shares of the Parent three years after the date on which they are granted. The expense recognised in this connection amounted to EUR 143 thousand in the first half of 2022.

The detail of the PSU plans in force is disclosed in Note 29 to the consolidated financial statements for 2021.

Also, the Group has life insurance obligations to certain Senior Executives; the related expense is included under "Other items" in the tables above.

The Group's Senior Executives, Internal Auditor not considered, is made up of 5 men and 4 women at 30 June 2022. At 30 June 2021 it was made up of 14 men and 3 women.

20. Events after the reporting period

On 6 July 2022 Applus Group has acquired jtsec, a cybersecurity certification company, for an initial cost of EUR 7 million.

On 14 July 2022 Applus Group has announced the agreement to acquire the entire share capital of K2 Ingeniería, S.A.S. (K2), a provider of environmental consulting and monitoring services based in Bucaramanga in Colombia.

K2 was established in 1999 and currently employs 257 professionals. Its revenue in 2021 was EUR 13 million.

No significant events occurred from 30 June 2022 to the date of authorisation for issue of these interim condensed consolidated financial statements other than those already included in these explanatory notes that should be included in, or modify or significantly affect, these interim condensed consolidated financial statements for the six-month period ended 30 June 2022.

21. Explanation added for translation to English

These interim condensed consolidated financial statements are presented in accordance with the regulatory financial reporting framework applicable to the Group (see Note 2.a). Certain accounting practices applied by the Group that conform to that regulatory framework may not conform with other generally accepted accounting principles and rules.

Applus Services, S.A. and Subsidiaries

Management Report to the Interim Condensed Consolidated Financial Statements for the first half of 2022

Overview of performance

The financial performance of the Group is presented in an "adjusted" format alongside the statutory ("reported") results. The adjustments are made in order that the underlying financial performance of the business can be viewed and compared to prior periods by removing the financial effects of other results.

Where stated, organic revenue and profit is adjusted for acquisitions or disposals in the prior twelve-month period and is stated at constant exchange rates, taking the current year average rates used for the income statements and applying them to the results in the prior period.

In the table below the adjusted results are presented alongside the statutory results.

EUR Million	H1 2022			H1 2021			+/- % Adj. Results
	Adj. Results	Other results	Statutory results	Adj. Results	Other results	Statutory results	
Revenue	986.7	0.0	986.7	843.0	0.0	843.0	17.0%
Ebitda	156.4	0.0	156.4	134.3	0.0	134.3	16.5%
Operating Profit	**97.1**	**(38.0)**	**59.1**	**80.3**	**(34.5)**	**45.8**	**21.0%**
Net financial expenses	(12.8)	0.0	(12.8)	(11.4)	0.0	(11.4)	
Profit Before Taxes	**84.3**	**(38.0)**	**46.3**	**68.9**	**(34.5)**	**34.3**	22.5%
Current Income tax	(22.3)	6.5	(15.8)	(17.2)	5.9	(11.3)	
Non controlling interests	(8.7)	0.0	(8.7)	(8.3)	0.0	(8.3)	
Net Profit	**53.3**	**(31.5)**	**21.8**	**43.3**	**(28.6)**	**14.7**	
Number of Shares	138,689,284		138,689,284	143,018,430		143,018,430	
EPS, in Euros	0.38		0.16	0.30		0.10	
Income Tax/PBT	*(26.5)%*		*(34.2)%*	*(25.0)%*		*(32.9)%*	

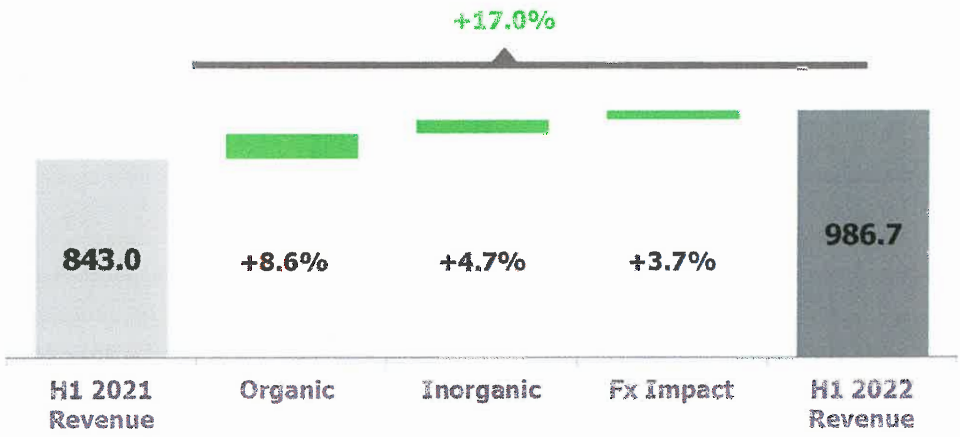
The figures shown in the table above are rounded to the nearest €0.1 million.

Other results of €38.0 million (H1 2021: €34.5m) in the Operating Profit represent amortisation of acquisition intangibles of €34.3 million (H1 2021: €31.1m) plus €3.8 million of transaction costs and other items (H1 2021: €3.4m). Tax of €6.5 million (H1 2021: €5.9m) relates to the tax impact on these Other results.

Revenue

Revenue increased by 17.0% to €986.7 million in the six-month period ended 30 June 2022 compared to the same period in the prior year.

The revenue bridge in € million for the half year is shown below and the change in revenue in percent for the second quarter of 2022 is shown below the waterfall chart.



Q2 2022	+ 9.9%	+ 4.3%	+ 4.7%	+ 18.9%

The total revenue increase of 17.0% for the period was made up of an increase in organic revenue of 8.6%, the benefit of acquisitions made in the last twelve months of 4.7% and a positive currency translation impact of 3.7%.

In the second quarter, the total revenue was up 18.9% with the organic component of 9.9% plus the contribution from acquisitions of 4.3% plus a favourable currency translation impact of 4.7%.

Every division had good revenue growth in the first half, with the strong performance of the first quarter continuing into the second quarter. Three out of the four divisions had double digit organic revenue growth. The strong performance was due to an increase in the demand and volume of services performed plus the benefit of some price inflation.

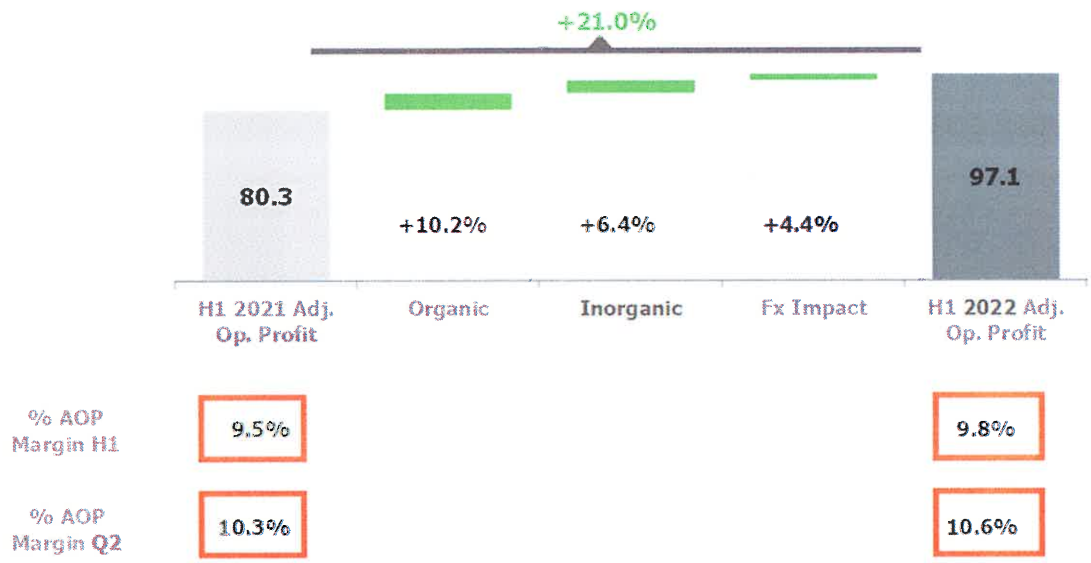
The 4.7% inorganic revenue growth relates to six acquisitions closed in 2021 as well as three that closed in the first half of 2022. These include Lightship Security Inc, that was closed in February, Alpe Metrología and IDV Madrid that both closed in April. The three largest contributions to the revenue growth in the first half were SAFCO in Saudi Arabia and Enertis in Spain, both from the Energy & Industry division and IMA Dresden in Laboratories, all of which closed in 2021. After the period end, two further acquisitions were made in July: K2 Ingeniería, an environmental consulting company in Colombia with €13 million revenue in 2021 and jtsec, a cybersecurity company based in Spain.

Of the revenue in the first half of 2022, 46% was generated in the reporting currency of the Group (euro) and 54% in other currencies of which the US dollar and other currencies linked to the US dollar are the largest at 18%. The exchange rates are materially different to that during the first half of last year with the US dollar rate used for the translation of the profit and loss being 10.2% stronger against the Euro following the trend that started in the second half of last year.

Adjusted Operating Profit

Adjusted operating profit increased by 21.0% to €97.1 million in the six-month period ended 30 June 2022 compared to the same period in the prior year.

The adjusted operating profit bridge for the half year in € million is shown below, including the amounts relating to organic revenue change, inorganic and the foreign exchange translation impact. The adjusted operating profit margins for the first half and for the second quarter of 2022 as well as for the comparative periods, are shown below the waterfall chart.



The total adjusted operating profit increased from €80.3 million to €97.1 million or an amount of €16.8 million being 21% higher for the half year. This was made up of an increase in organic adjusted operating profit at constant exchange rates of 10.2%, a contribution of 6.4% from the acquisitions made in the previous twelve months, plus a further 4.4% favourable foreign exchange translation benefit.

The margin in the first half of last year was 9.5% and this increased by 30 basis points to 9.8% in the first half of this year.

The margin for the second quarter of this year was 10.6% which was also 30 basis points higher than the second quarter of last year.

Three out of the four divisions of the Group had higher margins in this first half period compared to the first half of last year, with Energy & Industry division and IDIADA division producing significant increases in margin of 56 basis points and 252 basis points respectively. The Auto division margin was 15 basis points higher than the first half of last year but with the slowest revenue growth rate, reduced the positive mix effect of this highest margin division. The Labs division had a lower margin than the first half of last year but is still above the Group average margin and had strong revenue growth giving a positive mix effect.

Other Financial Indicators

The statutory or reported operating profit for the first half of the year was 29.0% higher at €59.1 million compared to the first half of 2021 when it was €45.8 million.

The net financial expense in the profit and loss was €12.8 million, higher than for the first half of last year when it was €11.4 million.

The profit before tax on an adjusted basis was €84.3 million compared to €68.9 million in H1 2021 and on a statutory basis was a profit of €46.3 million compared to €34.3 million in the prior year.

The effective tax charge for the first half at €22.3 million was higher than the prior year first half of €17.2 million. This gave an effective tax rate of 26.5% being higher than the rate in the prior period of 25.0%. The effective tax rate is expected to be slightly lower at the end of the year. On a statutory basis, the reported tax was a charge of €15.8 million versus €11.3 million in the first half of last year.

Non-controlling interests increased in the half year from €8.3 million in the first half of last year to €8.7 million in the first half of 2022. The increase of €0.4 million is due to the higher profit generated in the minority interests.

The adjusted net profit was €53.3 million, being 23.0% higher than the adjusted net profit in the comparable period. The adjusted earnings per share was 0.38 cents for the first half, being 26.9% higher than the adjusted earnings per share in the comparable period.

The statutory or reported net profit was €21.8 million, being 47.9% higher than the comparable period net profit and the statutory earnings per share of 0.16 cents was 52.5% higher than the comparable period statutory earnings per share.

The increase in earnings per share in each case was higher than the profit as it was enhanced in the period from the partial effect of the share buyback programme that took place in the first half of the year. The enhancement on the adjusted earnings per share was 3.9 percentage points, being the difference between the adjusted earnings per share increase of 26.9% and the adjusted net profit increase of 23.0% and in the same manner, the enhancement on the statutory earnings per share was 4.6 percentage points.

Share buyback

The share buyback programme, that targeted a 5% purchase of the issued share capital of the Group, was announced at the time of the Strategic Plan on the 30th of November 2021. It commenced on the 1st of February and ended on the 13th of May with the purchase of 7,150,922 shares in total, with share purchases taking place every day through a mandate with an agent, at the daily maximum limit. The purchases took place on three different exchanges with the majority on the main exchange, Bolsas y Mercados Españoles. The price paid for the share buyback ranged, with €6.60 being the lowest average price paid in a day to €8.78 the highest average daily price paid. The total cost to purchase the shares came to €53.6 million being at an average price of €7.50.

In calculating the earnings per share accretion, the average number of shares used in the calculation is reduced by the shares on the day they were bought and no longer available for resale. The net impact of this is a reduction of share count used for the calculation of earnings per share of 4.3 million shares, reducing the share count from 143.0 million to 138.7 million shares.

At the Annual General Meeting of shareholders, that took place on the 28th of June 2022, the Board resolution to cancel the entire 5.0% of share capital purchased was approved by the shareholders and this process is in progress and is expected to be completed soon.

Cash Flow and Debt

Cash flow generation remains very solid at Applus+ and alongside a comfortable level of leverage and high liquidity, supports the investment required to fulfil the Strategic Plan.

	H1			
	2022	2021	Change	
Adjusted Ebitda	156.4	134.3	22.2	16.5%
Change in Working Capital	(35.3)	(52.3)		
Capex	(24.0)	(18.0)		
Adjusted Operating Cash Flow	97.2	64.0	33.2	52.0%
Taxes paid	(18.4)	(16.4)		
Interest paid	(7.2)	(5.8)		
Adjusted Free Cash Flow	71.5	41.7	29.8	71.5%
Extraordinaries & Others	(4.5)	(1.1)		
Dividends to Minorities	(1.9)	(8.1)		
Operating Cash Generated	65.1	32.6	32.5	99.8%
Acquisitions	(42.8)	(60.5)		
Cash b/Changes in Financing & FX	22.3	(27.9)		
Payments of lease liabilities (IFRS 16)	(31.8)	(29.6)		
Other changes in financing	46.9	15.2		
5% Share buyback	(53.6)	0.0		
Treasury Shares for LTIP	(1.4)	0.0		
Currency translations	6.1	1.9		
Cash Increase/(decrease)	(11.5)	(40.4)		

The figures shown in the table above are rounded to the nearest €0.1 million.

The increase in working capital of €35.3 million is a lower amount than the working capital increase in the comparable period and alongside the higher adjusted earnings before interest, tax, depreciation and amortisation (Adjusted Ebitda) drove a significant increase in cash flow generation this first half compared to the first half period last year.

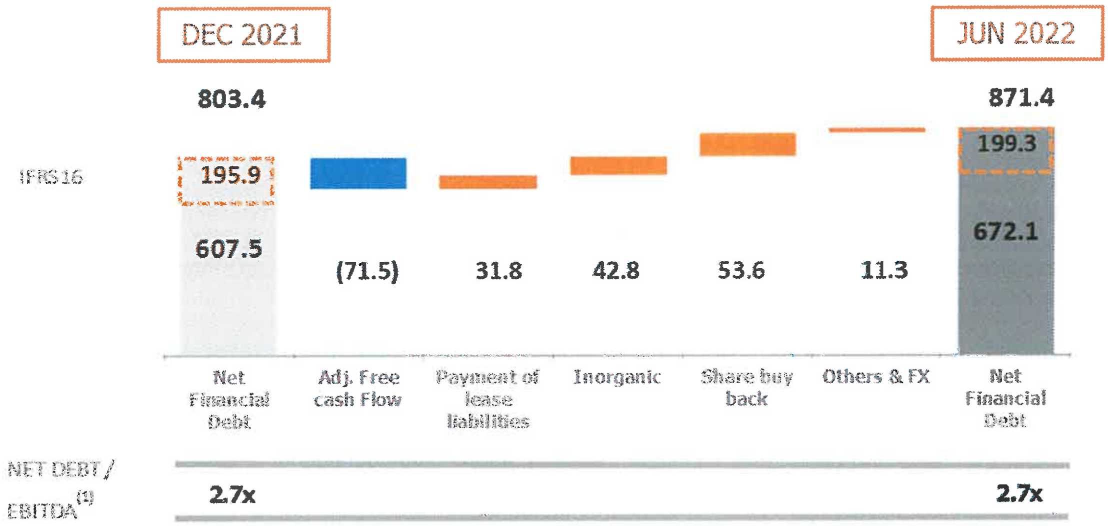
Net capital expenditure on expansion of existing and into new facilities was €24.0 million (H1 2021: €18.0m) which represented 2.4% (H1 2021: 2.1%) of Group revenue.

Adjusted operating cash flow (after capital expenditure) of €97.2 million was 52.0% higher than for the same period last year when it was €64.0 million. After tax and interest paid, the adjusted free cash flow was €71.5 million, which was 71.5% higher than the first half last year when it was €41.7 million.

The cash outflow of €42.8 million for Acquisitions in the first half relates to the payments made to acquire Lightship Security Inc, Alpe Metrología and IDV Madrid.

The final net cash decrease in the period was €11.5 million. This is after the payment or lease liabilities of €31.8 million (from the accounting standard of IFRS16), the cash outflow relating to the share buyback of 5.0% of the equity of the company for €53.6 million, plus a net increase in the drawdown of borrowings of €46.9 million and a currency translation difference of €6.1 million.

The financial leverage of the Group has been maintained at the same level as for the previous key period end dates reflecting the strong increase in the last twelve months EBITDA offsetting the increased investments made to fulfil the inorganic strategy and share buyback programme. At the period end, measured as Net Debt to last twelve months Adjusted EBITDA, was 2.7x (as defined by the bank covenant for the syndicated debt facilities), at the same level as the position at 30 June 2021 and at 31 December 2021 and slightly lower than the position at the end of the first quarter of this year. This is considerably lower than the leverage covenant of 4.0x which is tested twice per year.



(1) Stated at annual average rates and excluding IFRS 16 as defined by bank covenant. Including IFRS 16, leverage calculation is 2.8x

At the end of the first half, the amount of cash in the Group was €165.0 million and the undrawn committed facilities at the end of June was €329.2 million giving a total liquidity position of €494.2 million.

The main borrowings of the Group consist of a bank facility (Term Loan and a revolving credit facility or RCF) that were placed in June 2018 of €600 million and US private placement (USPP) facilities amounting to €330 million in total placed in 2018 and 2021. The bank facility is from a syndicate of twelve banks and had an original maturity date of five years to June 2023 that has been extended by one year on two occasions as permitted under the loan agreement and so now has a maturity date of June 2025. The USPP is from two lenders and are for original terms of seven, ten and fifteen years, maturing in July 2025, July 2028, June 2031 and June 2036.

Environmental, Social and Governance

The Group continues making strong progress in the ambit of environmental, social and governance (ESG). The revenue and profit generated from providing services that reduce the impact on the environment is increasing. The acquisition of K2 Ingeniería in Colombia is exclusively focused on these services and the Energy & Industry division also invested in and signed a co-operation agreement with Indoorclima, which is a provider of energy efficiency and energy management services using digital tools and artificial intelligence. The Laboratories and IDIADA division are increasing the amount of work they are performing for more energy efficient products and vehicles and the Auto division commenced a new vehicle emissions inspection programme in Mexico.

2022 is the first year to have specific targets to be achieved relating to environmental, social and governance that are linked to the executive directors and senior management team´s variable remuneration accounting for 15% of the annual bonus plus 10% of the long-term incentive plan. These targets relate to the reduction of emissions, safety and diversity of the workforce and ethics.

The Group has furthermore committed to be neutral in 2023 for scope 1 and 2 carbon emissions and has joined the Science Based Targets Initiative (SBTi) to be net zero by 2050.

The external ESG ratings´ agencies that perform their independent analysis on the Group, taking different perspectives and approaches, have all recognised and confirmed the Group´s resilience and commitment to sustainability validating the progress made and alignment to the strategic objectives. During the first half period, a new unsolicited rating was received from Standard & Poor`s Global Corporate Sustainability Assessment with a high score of 54 for ESG management, compared to a global average of 24 and ranks Applus+ in the top 19% of all companies analysed. This recognition is in addition to those from Sustainalytics with a "low risk" rating of 15.6 and renewed strong ratings from MSCI ESG Ratings (AA), Gaïa (71/100), the CDP (B) and being included in the FTSE4GoodIBEX. Furthermore, the Financial Times and Statista included Applus+ amongst 400 companies within its list of Europe Climate Leaders 2022 that have achieved the greatest reduction in the intensity of their Scope 1 and 2 greenhouse gas emissions over a 5-year period (2015-2020).

Change in Management

On the 10th of May of this year, Fernando Basabe, the previous Chief Executive Officer of Applus+, announced his intention to retire after eleven years in the role and this became effective at the Annual General Meeting of shareholders on the 28th of June. Mr Basabe played a critical role in the development and success of the organisation before its listing in May 2014 and to the date of his retirement. The Company thanks him for the years of dedicated service, which involved many significant accomplishments and a fruitful contribution to Applus' history. Mr. Basabe set the path to continuous growth and to new successes under the recently announced 2022-2024 Strategic Plan.

On the 15th of June, Joan Amigó was announced as the successor to Fernando Basabe and assumed the role of Chief Executive Officer on the 28th of June. Mr. Amigó has been the Group Chief Financial Officer of Applus+ since 2007, through to the listing of the Group in 2014 and until his appointment as CEO. He has been a member of the Board of Directors since 2019. With Mr Amigó´s thorough financial background, his proven leadership abilities and deep knowledge of the testing industry and Applus+, he is the perfect choice to take Applus+ successfully onto the next stage of its journey. Mr. Amigó was a key architect of the Strategic Plan presented to the market in November 2021, has been instrumental in ensuring its execution since then and is committed to delivering it.

The Board, under the Chairmanship of Chris Cole, conducted the selection process supported by an external Search Consultant.

A selection process has commenced to recruit a new Chief Financial Officer.

Outlook

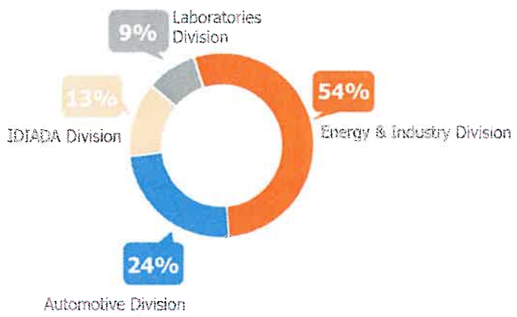
The outlook for the full year remains unchanged. Whilst the current level of global political and economic uncertainties is weighing on sentiment, it is expected that the defensive nature of the business and its continued good performance will continue. We expect to compensate for the ending of the Auto vehicle concession in Costa Rica with continued strong growth in businesses across the Group, the implementation of new efficiency plans and the continuation of the successful inorganic strategy as outlined in the Strategic Plan. The focus will be to continue improving the quality of the portfolio through selected divestments of some non-strategic operations and make further acquisitions of high growth and margin businesses. Organic revenue is expected to increase mid to high-single digits and the adjusted operating profit margin is expected to improve year on year, with this margin improvement expected to be between 30 and 40 basis points[1].

1. Margin improvement includes the impact of the IDIADA Accelerated Depreciation and is before taking account of the benefit of any disposals

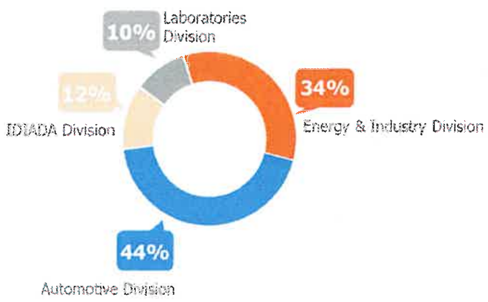
Operating review by division

The Group operates through four global business divisions: Energy & Industry Division, Automotive Division, IDIADA Division and Laboratories Division, and the respective shares of the revenue and adjusted operating profit for the first half of 2022 are shown below.

H1 2022 revenue split



H1 2022 adjusted operating profit split



Energy & Industry Division

The Energy & Industry Division is a world leader in non-destructive testing, industrial and environmental inspection, quality assurance and quality control, engineering and consultancy, vendor surveillance, certification and asset-integrity services.

The Division designs and deploys proprietary technology and industry know-how across diverse sectors, helping clients to develop and control industry processes, protect assets and increase operational and environmental safety. The services are provided for a wide range of industries including oil and gas, power, construction, mining, aerospace and telecommunications.

The revenue in the division was €529.5 million and the adjusted operating profit was €37.5 million in the six-month period giving an adjusted operating profit margin of 7.1%.

	H1					
	2022	2021	Change	Organic	Inorganic	FX
Revenue	529.5	434.9	21.7%	*10.1%*	*6.0%*	*5.6%*
Adj. Op. Profit	37.5	28.4	32.1%	*7.5%*	*14.9%*	*9.7%*
% AOP Margin	*7.1%*	*6.5%*	*+ 56 bps*			

The figures shown in the table above are rounded to the nearest €0.1 million.
Revenue for the six-month period ended 30 June 2022 increased by 21.7% in total being made up of an increase of 10.1% in organic revenue at constant exchange rates, 6.0% from acquisitions and 5.6% from favourable exchange rates.

The revenue in the second quarter of €283.8 million was significantly higher than the first quarter revenue of €245.7 million due to seasonality and acquisitions with the percentage increase in revenue in the second quarter of the year similar to the first quarter at 22.0% in the second quarter compared to 21.4% in the first. The organic revenue growth in the first and second quarters were the same at 10.1%.

Inorganic revenue of 6.0% from acquisitions relates to three previously made acquisitions. Six months of revenue was included in inorganic from Enertis, that provides services to the solar energy market as well as for energy storage that closed in July last year, five months revenue from SAFCO, the construction services company in Saudi Arabia, that closed in June last year, and two months revenue from Inecosa and Adícora that were purchased from Iberdrola, purchased in March last year that provide services to the power industry including for renewable power and green hydrogen manufacture and distribution.

After the period end K2 Ingeniería in Colombia was purchased that had revenue of €13 million in 2021 and this revenue will be included from July onwards. K2 provides environmental consulting & monitoring services for the infrastructure industry.

Positive currency translation of 5.6% in the period was mainly due to the stronger US dollar against the Euro.

The adjusted operating profit margin increased 56 basis points from 6.5% in the first half of last year, to 7.1% in the first half of this year. The margin increase combined with the increase in revenue, resulted in an increase in adjusted operating profit of 32.1%. The margin increase came mostly from the acquisitions which are at a higher margin than the division overall margin. There was very strong growth in services to the Oil & Gas industry in the period which was at a lower incremental margin and diluted the overall margin of the division.

The strong organic revenue growth in the period was driven by all end-markets including double digit growth in Renewables, Oil & Gas and Infrastructure & Construction. These have benefited from the energy transition global megatrend, with also a resurgence in the Oil & Gas market from companies investing to ramp up production following an acute global supply shortage and a ramp up in infrastructure investment programmes, many supported by local, regional and European Governments following the global pandemic.

The revenue generated by services to the Oil & Gas end market continue to be at around half of the total division revenue due to the recent strong growth in this end market, nevertheless, this is expected to decrease with the inorganic strategy. Oil & Gas Opex services was 38% of the division revenue at the first half and Oil & Gas Capex services was 10%. Both end market exposures had very strong growth in the first quarter of the year, with this continuing in the second.

By region, Southern Europe, Middle East and Latin America are strongest due to attractive end market exposures and local market strength in these regions. These regions account for almost half of the total division sales.

The priority of this division is to continue to accelerate the evolution of the portfolio of markets and services to be more resilient, fast growing and higher margin.

Automotive Division

The Automotive Division delivers statutory-vehicle-inspection services for safety and emissions, globally. The Division's programmes inspect vehicles in jurisdictions where transport and systems must comply with statutory technical-safety and environmental regulations.

Applus+ is one of the global leaders in statutory vehicle inspection. It operates 30 programmes in 14 countries, in the full year of 2021 carrying out directly over 17 million inspections plus a further 10 million were delivered by third parties across Spain, Ireland, Sweden, Denmark, Finland, Andorra, the United States, Argentina, Georgia, Chile, Costa Rica, Ecuador, Mexico and Uruguay. The market for statutory vehicle inspection for safety and emissions is expected to continue growing well in existing and new markets.

The revenue in the division was €240.3 million and the adjusted operating profit was €49.8 million in the six-month period giving an adjusted operating profit margin of 20.7%.

	H1					
	2022	2021	Change	Organic	Inorganic	FX
Revenue	240.3	235.2	2.2%	*1.4%*	*0.4%*	*0.4%*
Adj. Op. Profit	49.8	48.3	2.9%	*2.6%*	*0.5%*	*(0.2)%*
% AOP Margin	*20.7%*	*20.6%*	*+ 15 bps*			

The figures shown in the table above are rounded to the nearest €0.1 million.

Revenue for the six-month period ended 30 June 2022 increased by 2.2% in total being made up of an increase of 1.4% in organic revenue at constant exchange rates, 0.4% from acquisitions and 0.4% from favourable exchange rates.

The revenue in the second quarter was €124.4 million, higher than the first quarter revenue of €116.0 million due to seasonality, the benefit of an acquisition made in April and an acceleration in the underlying organic revenue growth with the increase in revenue in the second quarter of the year of 4.1% being considerably stronger than the decrease in organic revenue in the first quarter of 1.3%. The decrease in revenue in the first quarter was a good result considering the prior year benefited from some post lockdown recovery from the previous year.

Inorganic revenue of 0.4% from the acquisition made in April, relates to two months of revenue from the acquisition of IDV Madrid that has over €5 million of annual revenue. IDV Madrid is a company that has three statutory vehicle inspection stations in Madrid that now make nine stations in total that Applus+ operates there making Applus+ the largest operator in the city.

The adjusted operating profit margin increased by 15 basis points from 20.6% to 20.7%, which, with the revenue growth resulted in an increase in adjusted operating profit of 2.9%.

The contracts continue to perform well overall with only two of them with lower revenue in the first half of 2022 lower than the first half of 2021.

The statutory vehicle inspection concession in Costa Rica finished in the middle of July. In the first half of 2022 it had revenue of €19 million and in 2021, it had revenue of €34 million in 2021 including €16 million in H2 2021, all at above division margin. The concession was unexpectedly terminated.

The concessions in the autonomous region of Galicia in Spain, in the state of Massachusetts and in Buenos Aires province were all successfully renewed for further periods with the largest of these, the Galicia concession with €53 million of revenue in 2021, now ending in December 2027.

New operations started in Ecuador and Mexico and it is expected the revenue generated from these, once they are ramped up, will compensate for the loss of Connecticut which had €6 million of revenue in 2021.

There is a good pipeline of opportunities in several developing markets.

IDIADA Division

IDIADA A.T. (80% owned by Applus+ and 20% by the Government of Catalonia) has been operating under an exclusive contract from the 351-hectare technology centre near Barcelona (owned by the Government of Catalonia) since 1999. The contract to operate the business runs until September 2024 and it has been decided to tender for a new 20 or 25 year concession.

IDIADA A.T. provides services to the world's leading vehicle manufacturers for new product development activities in design, engineering, testing and homologation.
The revenue in the division was €129.3 million and the adjusted operating profit was €13.5 million in the six-month period giving an adjusted operating profit margin of 10.4%.

	H1				
	2022	2021	Change	Organic	FX
Revenue	129.3	107.3	20.5%	*17.7%*	*2.8%*
Adj. Op. Profit	13.5	8.5	58.8%	*53.5%*	*5.3%*
% AOP Margin	*10.4%*	*7.9%*	*+ 252 bps*		
Adj. Op. Profit excl. AD [1]	16.1	10.5			
% AOP Margin	*12.4%*	*9.8%*	*+ 265 bps*		

The figures shown in the table above are rounded to the nearest €0.1 million.

(1) AD is IDIADA Accelerated Depreciation to adapt assets useful life to contract/concession duration

Revenue for the six-month period ended 30 June 2022 increased by 20.5% in total being made up of an increase of 17.7% in organic revenue at constant exchange rates plus 2.8% from favourable exchange rates.

The revenue in the second quarter was €69.6 million, higher than the first quarter revenue of €59.7 million due to some seasonality and an acceleration in the organic revenue growth. The organic revenue increase in the second quarter of the year was 19.8%, stronger than the increase in organic revenue in the first quarter which was 15.4%.

The adjusted operating profit margin increased by 252 basis points from 7.9% in the first half of last year to 10.4%.

The IDIADA concession is due to end in September 2024 and there will be a tender for a new 20 or 25 year contract which is expected to be won by Applus+. In the meantime, the assets of the business must undergo accelerated depreciation to nil value by the end of the concession. Excluding the IDIADA Accelerated Depreciation the margin would be 200 basis points higher at 12.4% in the first half of 2022 and the increase in margin from H1 2021 to H1 2022 would be 265 basis points.

The division has delivered strong high-teens organic revenue growth, with the contribution to this coming from across all its business lines and countries, with limited impact from the lockdowns in China which accounts for 13% of the division´s total revenue, due to the spread of operations in the country and the strong underlying demand for IDIADA services there.

The Proving Ground in Catalonia which accounts for a significant portion of the IDIADA revenue and more so of profit, had a strong increase in activity and revenue, with customers now almost fully returned following the impact from covid, and this was the main reason for the margin increase.

The division is continuing to see strong growth in demand for testing and homologation of electric vehicles and hybrid vehicles and the components necessary to manufacture these. Testing for the traditional internal combustion engine vehicles now make up just under half of the division revenue and is expected to decrease in revenue at the expense of the growth in alternative fueled vehicles.

The tender for a new 20 or 25 year concession is expected at the beginning of 2023.

Laboratories Division

The Laboratories Division provides testing, certification and engineering services to improve product competitiveness and promote innovation. The Division operates a network of multidisciplinary laboratories in Europe, Asia and North America.

In 2021, the Laboratories Division acquired two companies which are discussed below, to add to the three purchased in 2020 and seven purchased in the previous three years.

Since 2017, the Laboratories Division has acquired fifteen companies and expanded its testing facilities to reinforce its position in the electrical & electronics, automotive components, fire protection, aerospace parts and calibration sectors.

The revenue in the division was €87.6 million and the adjusted operating profit was €11.4 million in the six-month period giving an adjusted operating profit margin of 13.0%.

	H1					
	2022	2021	Change	Organic	Inorganic	FX
Revenue	87.6	65.6	33.6%	9.1%	19.3%	5.2%
Adj. Op. Profit	11.4	9.8	16.5%	(0.6)%	11.2%	5.9%
% AOP Margin	13.0%	14.9%	-191 bps			

The figures shown in the table above are rounded to the nearest €0.1 million.

Revenue for the six-month period ended 30 June 2022 increased by 33.6% in total being made up of an increase of 9.1% in organic revenue at constant exchange rates, 19.3% from acquisitions and 5.2% from favourable exchange rates.

The revenue in the second quarter of €46.6 million was significantly higher than the first quarter revenue of €41.0 million due to seasonality and acquisitions with also a higher organic revenue growth rate of 11.6% compared to 6.3% in the first quarter and this is notwithstanding the impact of lockdowns in China that impacted the division in the second quarter.

Inorganic revenue of 19.3% from acquisitions relates to two acquisitions closed last year and two in the first half of this year. In May last year, the division purchased IMA Dresden, a material testing laboratory in central Europe with annual revenue of approximately €25 million and Mipel SA which was purchased in October last year, which is a metrology laboratory in Spain and has under €2 million of annual revenue. The inorganic revenue growth from acquisitions closed this year were Lightship Security Inc, a cybersecurity company in North America and is expected to have revenue of over €6 million in 2022 and Alpe Metrología, a small metrology laboratory in Spain that further consolidates the strong position Applus+ has in this market in the country.

After the period end, a second cybersecurity company was purchased this year in Spain called jtsec that further reinforces the division´s capabilities and market presence in this fast-growing area. There is a strong pipeline of further acquisitions.

Positive currency translation of 5.2% in the period was mainly due to the stronger US dollar against the Euro.

The adjusted operating profit margin decreased 191 basis points from 14.9% in the first half of last year, to 13.0% in the first half of this year. The adjusted operating profit increased by 16.5% from €9.8 million to €11.4 million in the six months due to the benefit of the acquisitions.

The division had strong organic revenue growth across all its key segments driven by an increasing volume of electrical and electronic products requiring testing and certification, consistent with the electrification and connectivity global mega-drivers that was presented at the Strategic Plan in November last year.

The reduction in the margin in the six-month period was due to the impact in China with the lockdowns significantly reducing the revenue in the country while costs remained the same as well as the material increase in energy costs required to run the laboratories and the testing. Some recovery is expected in the second half of the year.

The division comprises six key business units: Electrical & Electronic (includes electrical and electromagnetic compatibility testing and product certification for the electronics and automotive sector); Mechanical (includes aerospace and materials testing); Cybersecurity (includes electronic payment system protocol testing and approval); Construction (includes fire and structural testing of building materials); Metrology (includes calibration and measuring instruments) and Systems Certification. In the first half of 2022, Electrical & Electronic and Mechanical were the two largest business units with approximately one third of the revenue each.

ALTERNATIVE PERFORMANCE METRICS

Applus' financial disclosures contain magnitudes and metrics drafted in accordance with International Financial Reporting Standards (IFRS) and others based on the Group's disclosure model referred to as Alternative Performance Metrics

- **AD - IDIADA accelerated depreciation,** to adapt assets useful life to contract/concession duration
- **Adjusted measures** are stated before other results
- **AOP,** Adjusted Operating Profit
- **CAGR,** Compounded Annual Growth Rate
- **Capex,** realized investments in property, plant & equipment or intangible assets
- **Cash conversion,** calculated as the ratio of EBITDA minus capex & change in working capital over EBITDA
- **EBITDA,** measure of earnings before interest, taxes, depreciation and amortisation
- **EPS,** Earnings per share
- **EV,** Electrical Vehicle
- **FX,** Foreign exchange
- **Free Cash Flow,** operating cash generated after capex investment, working capital variation and tax & interest payments and before leases
- **Leverage,** calculated as Net Debt/LTM Ebitda as per bank covenant definition
- **LTM,** Last twelve months
- **Net Debt,** current and non current financial debt, other institutional debt less cash. As per bank covenant definition, calculated at annual average exchange rates and pre-IFRS16
- **Net Profit,** measure of earnings operating profit after interest, taxes and minorities
- **Operating Profit,** measure of earnings before interest and taxes
- **Other results** are those impacts corrected from the relevant measures to provide a better understanding of the underlying results of the Group, for example: amortisation of acquisition intangibles, restructuring, impairment and transaction & integration costs
- **P.A.,** per annum
- **PPA** Amortisation corresponds to the amortisation of the Purchase Price Allocation related to acquisitions, allocated to intangible assets and Goodwill reduction for finite life concessions
- **ROCE,** Net Adjusted Operating Profit After Tax/Capital Employed
- **WC,** Working Capital

Applus Services, S.A. and Subsidiaries

Authorisation for issue of the interim condensed consolidated financial statements and consolidated directors' report for the six-month period ended 30 June 2022

At their meeting of 22 July 2022, and in compliance with the requirements of Article 253 of the Spanish Companies Act and Article 42 of the Spanish Commercial Code, the directors of Applus Services, S.A. authorised for issue the Interim Condensed Consolidated Financial Statements (consisting of the interim condensed consolidated statement of financial position, interim condensed consolidated statement of profit or loss, interim condensed consolidated statement of change in equity, interim condensed consolidated statement of comprehensive income, interim condensed consolidated statement of cash flows and the explanatory notes to the interim condensed consolidated financial statements) and the consolidated directors´ report for the first half of 2022, constituted by the documents annexed which precede this sheet and which are correlatively ordered. All the Directors have signed to certify the above mentioned.

Barcelona, 22 July 2022

Mr. Christopher Cole
Chairman

Mr. Ernesto Gerardo Mata López
Director

Mr. Joan Amigó i Casas
Director

Mr. Nicolás Villén Jiménez
Director

Ms. Maria Cristina Henríquez de Luna Basagoiti
Director

Ms. Maria José Esteruelas Aguirre
Director

Ms. Essimari Kairisto
Director

Ms. Marie Françoise Madeleine Damesín
Director

Mr. Brendan Wynne Derek Connolly
Director

The members of the Board of Directors of Applus Services, S.A. declare that, to the best of their knowledge, the Interim Condensed Consolidated Financial Statements and the explanatory notes to the Interim Condensed Consolidated Financial Statements for the six-month period ended 30 June 2022 authorised for issue by the Board of Directors at its meeting of 22 July 2022 and prepared in accordance with the applicable accounting principles provide a fair presentation of Applus Services, S.A. and of the subsidiaries included in the scope of consolidation, taken as a whole, and that the consolidated directors´ report for the first half of 2022 includes a fair analysis of the business performance and results and position of Applus Services, S.A. and of the subsidiaries included in the scope of consolidation, taken as a whole, and a description of the main risks and uncertainties they face. All the Directors have signed to certify the above mentioned.

Barcelona, 22 July 2022

Mr. Christopher Cole
Chairman

Mr. Ernesto Gerardo Mata López
Director

Mr. Joan Amigó i Casas
Director

Mr. Nicolás Villén Jiménez
Director

Ms. Maria Cristina Henríquez de Luna Basagoiti
Director

Ms. Maria José Esteruelas Aguirre
Director

Ms. Essimari Kairisto
Director

Ms. Marie-Françoise Madeleine Damesin
Director

Mr. Brendan Wynne Derek Connolly
Director