

Applus+ Group FY 2023 Results Presentation

Applus+ Together
beyond
standards

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Julián de Unamuno | Chief Financial Officer

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STRONG 2023 RESULTS AND POSITIONED FOR FUTURE PROFITABLE GROWTH



FY 2023: Highlights

1 Strong 2023 results: 10% organic revenue growth, margin improvement, higher cash flow and lower leverage

2 70 bps margin¹ improvement mainly due to active portfolio strategy and operational enhancements

3 Increase in revenues derived from Sustainability Services and progress on Social and Environmental objectives

4 Second 5% share buyback completed

5 Good progress towards meeting the 2024 Strategic Plan targets

6 Bidding process ongoing

Well positioned for future profitable growth

¹ Adjusted for Other Results, IDIADA Accelerated Depreciation and amortisation of acquisition intangibles

FY 2023: Financial Highlights

Revenue

€2,058 million up 8.4% (+9.7% organic¹)

Operating profit²

€222 million up 5.6% (+4.7% organic¹)

Operating profit² margin

10.8% margin
(FY 22 10.1% reported; 11.1% Prof.)

Free cash flow³

€212 million, up 17.1%

Earnings per share³

€0.88 up 8.4%

Net debt/EBITDA ratio⁴

2.4x and liquidity of €477 million



¹ Organic is at constant exchange rates and on a 2022 Proforma excluding Auto US & Finland and US O&G

² Adjusted for Other Results, IDIADA Accelerated Depreciation and amortisation of acquisition intangibles

³ Adjusted for other results

⁴ Excluding IFRS 16

Active Portfolio Evolution: a proven track record



Accelerate portfolio evolution to improve growth and margins

M&A Recurrent growth accelerator (companies acquired in 2022 & 2023)

> €80M annual revenues

51%
Labs

42%
E&I

7%
Auto

11

Companies
acquired

145 M€

Total upfront
Investment

>20%

Average AOP
Margin

Divestments Continuous portfolio assessment

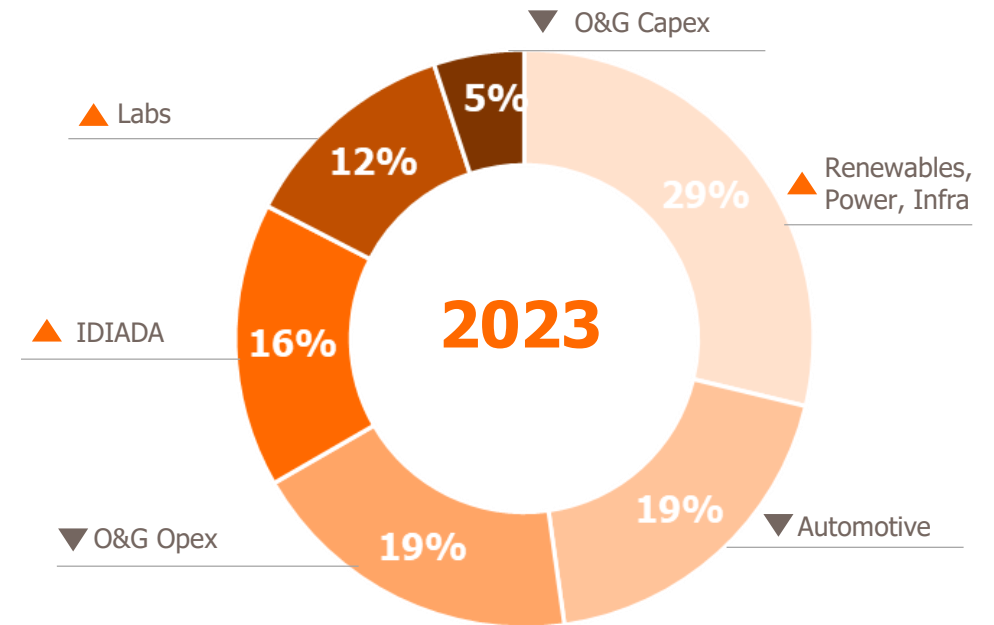
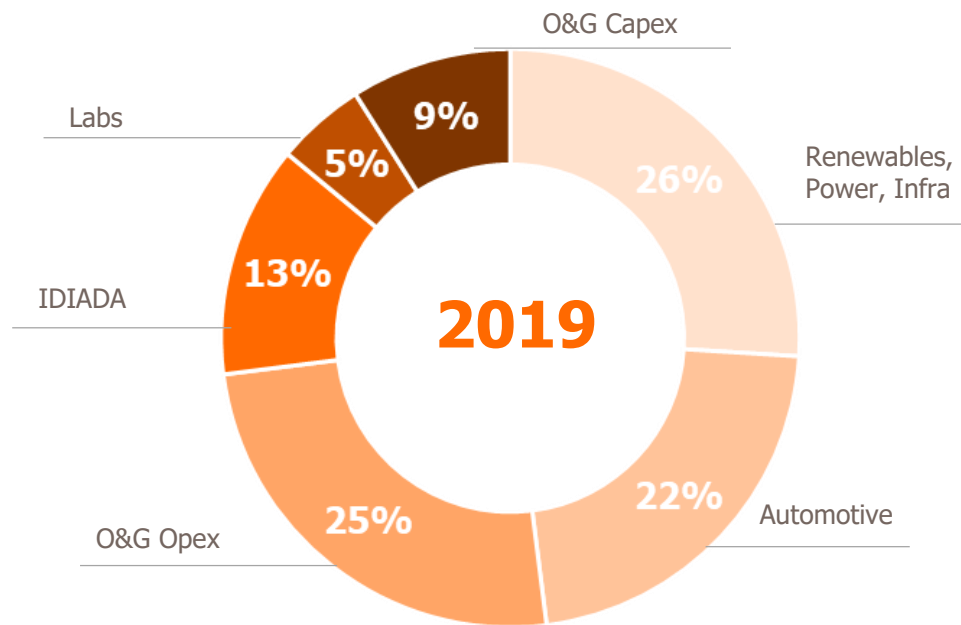
€34M proceeds

Business Unit	Auto Finland	Auto US	US Oil & Gas
2022 Revenues	€13M	€37M	€102M
2022 AOP margin	Breakeven	Mid single digit	Negative
Closed	DEC 2022	FEB 2023	JUN 2023

2023 financials are on the basis of Continuing Operations. The divestments are shown as Discontinued Operations
2022 Proforma is shown excluding the Divestments

Portfolio Evolution | Towards higher growth and more resilient markets

% Total Revenues



Active Portfolio Management Objectives:



Increase Laboratories Contribution



Promote Renewables, Power and Infrastructure growth



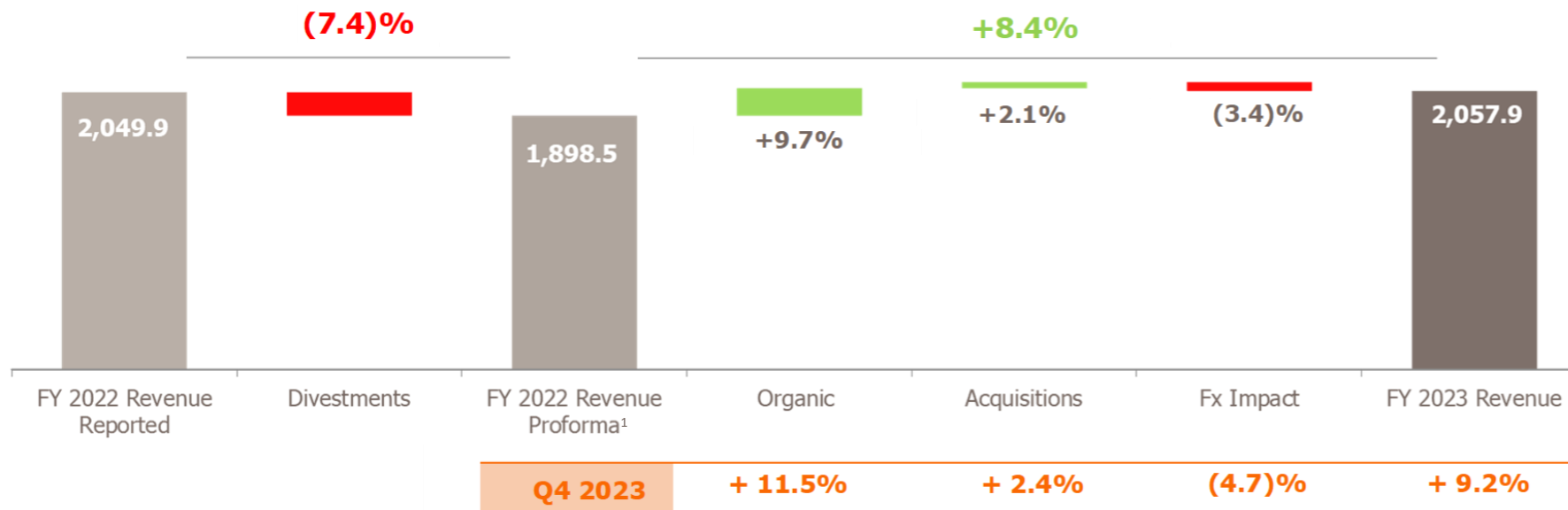
Focus on higher value added and resilient O&G activities



STRONG REVENUE AND PROFIT GROWTH

FY 2023: Revenue Growth Bridge

EUR Million

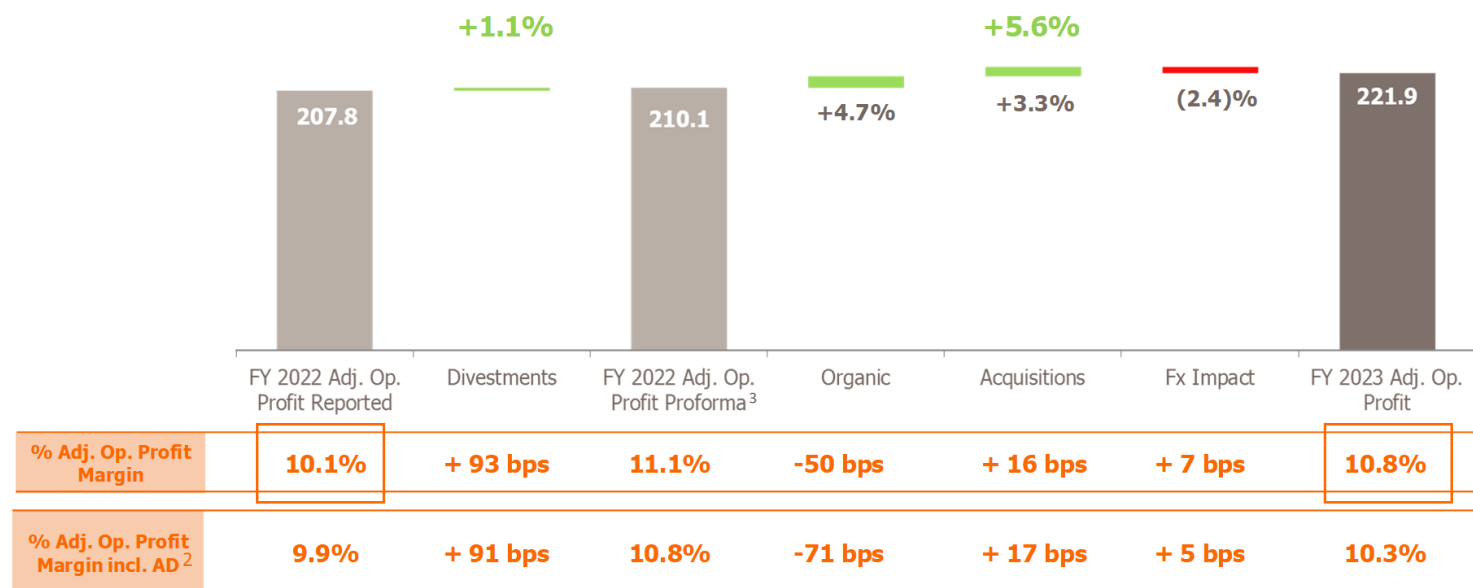


Highest ever total revenue and highest annual organic revenue growth in 10 years

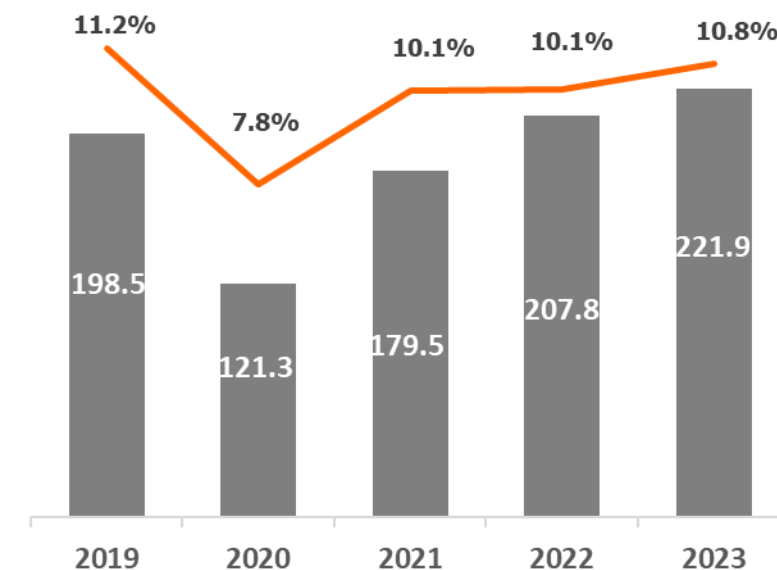
¹ Proforma figures for divestments. FY 2022 revenues excluded for Auto USA (€36.6M), Auto Finland (€13.0M) and US Oil & Gas (€101.8M)

FY 2023: Adjusted Operating Profit¹ Growth Bridge

EUR Million



AOP Evolution¹



- **70 bps margin improvement mainly due to active portfolio strategy and operational enhancements**
- **Good underlying margin performance offset by Auto contract ends in Costa Rica and Alicante and inflationary pressures**
- **Margin towards peak of 11.2%**

¹ All AOP is excluding Idiada accelerated depreciation except if indicated

² AD is IDIADA accelerated depreciation to adapt assets useful life to contract/concession duration

³ Proforma figures for divestments

FY 2023: Income Statement

EUR Million

	FY				
	2023	2022 Proforma ⁵	Change vs Proforma ⁵	2022 Reported	Change vs Reported
Revenue	2,057.9	1,898.5	8.4%	2,049.9	0.4%
Adj. Op. Profit ¹	221.9	210.1	5.6%	207.8	6.8%
Adj. Op. Profit margin	10.8%	11.1%		10.1%	
Accelerated depreciation	(10.4)	(5.8)		(5.8)	
Adj. Operating Profit incl. AD²	211.5	204.4	3.5%	202.0	4.7%
Adj. Op. Profit margin incl. AD²	10.3%	10.8%		9.9%	
PPA Amortisation	(67.0)	(63.3)		(67.2)	
Impairment	(25.0)	-		-	
Other results	(9.4)	(5.8)		(9.6)	
Operating Profit	110.1	135.3	(18.6)%	125.2	(12.1)%
Finance Results ³	(41.9)	(33.2)		(33.7)	
Profit before tax	68.2	102.0	(33.2)%	91.5	(25.5)%
Income taxes	(28.7)	(29.1)		(29.5)	
Net Profit	39.5	72.9	(45.9)%	61.9	(36.3)%
Minorities	(13.3)	(13.3)		(13.3)	
Net Profit Group	26.1	59.6	(56.2)%	48.6	(46.3)%
Discontinued Operations	(5.9)	(11.0)		-	
Net Profit after Disc. Op.	20.2	48.6	(58.5)%	48.6	(58.5)%
Adjusted Net Profit Group incl. AD²	114.1	115.2	(1.0)%	111.0	2.8%
EPS in €⁴	0.20	0.44	(53.8)%	0.36	(43.4)%
Adjusted EPS in €	0.88	0.84	4.4%	0.81	8.4%

- **Non-cash impairment of Canadian E&I business reduced the reported profit**
- **Increase in finance charges due to higher interest rates**
- **Strong adjusted earnings per share growth supported by share buybacks**

Shares (M)

129.8

136.9

136.9

¹ All AOP is excluding Idiada accelerated depreciation except if indicated

² AD is IDIADA accelerated depreciation to adapt assets useful life to contract/concession duration

³ Finance Results in 2022 includes Put option impact related to the final Price of the acquisition of Galicia minority stake

⁴ EPS calculation based on Net Profit from Continuing Operations

⁵ Proforma figures for divestments

FY 2023: Cash Flow

EUR Million

- **Strong cash flow generation driven by strong last quarter working capital improvement**
- **Interest paid increase due to higher interest rates**
- **Extraordinaries includes restructuring and transaction costs**
- **Dividends to Minorities includes final payment to Inversiones Finisterre**
- **Six acquisitions made including Barlovento, Riportico and Rescoll plus the acquisition of the 20% minority of Inversiones Finisterre (Auto Galicia)**
- **Divestments includes Auto USA and Finland and USA Oil & Gas**

	FY		
	2023	2022	Change vs LY
Adjusted Ebitda	335.0	326.5	2.6%
Change in Working Capital ¹	26.2	(22.3)	
Capex	(79.3)	(66.1)	
Adjusted Operating Cash Flow	281.9	238.1	18.4%
<i>Cash Conversion rate</i>	<i>84%</i>	<i>73%</i>	
Taxes paid	(38.7)	(40.1)	
Interest paid	(31.2)	(17.0)	
Adjusted Free Cash Flow	212.0	181.0	17.1%
Extraordinaries & Others	(8.2)	(11.3)	
Applus+ Dividend	(20.6)	(20.3)	
Dividends to Minorities	(17.4)	(9.2)	
Operating Cash Generated	165.8	140.2	18.2%
Acquisitions	(96.6)	(68.1)	
Divestments	32.4	2.0	
Cash b/Changes in Financing & FX	101.6	74.0	
Payments of lease liabilities (IFRS 16)	(65.5)	(66.9)	
Other changes in financing	25.9	61.6	
Share buybacks	(36.1)	(64.8)	
Treasury Shares for LTIP	-	(1.4)	
Currency translations	(5.9)	4.5	
Cash Increase/ (Decrease)	20.0	7.0	

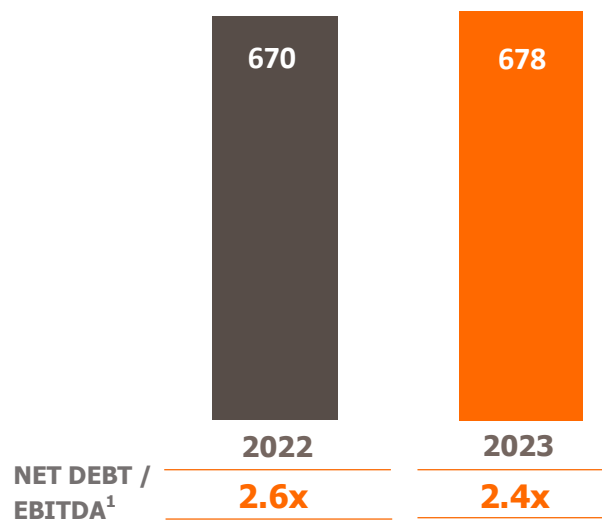
¹ Working Capital adjusted for divestments impact

Leverage and Liquidity at 31st December

EUR Million

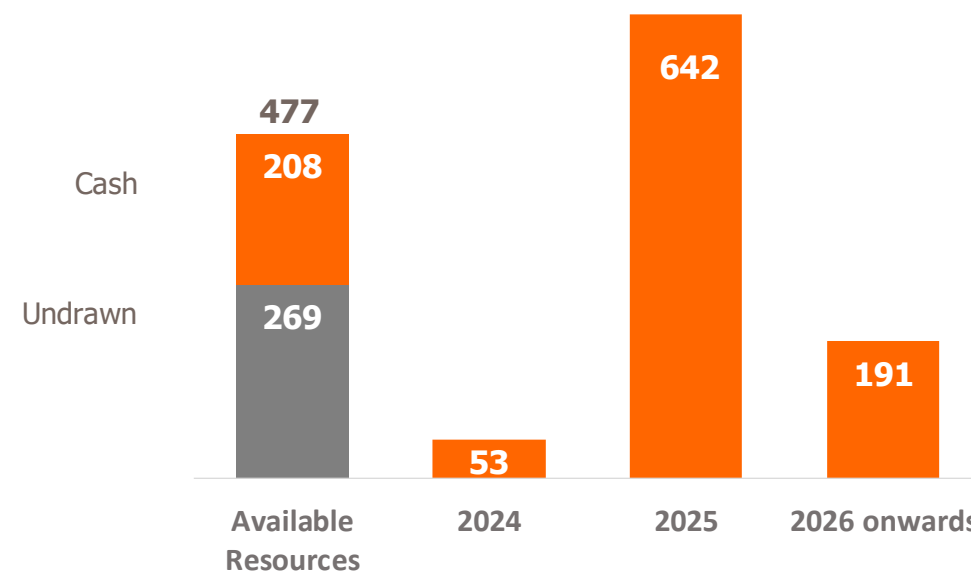
- Leverage ratio reduced to 2.4x
- Total available liquidity of €477M

Net Financial Debt & Leverage



	FY 2022	FY 2023
Gross Debt	856	886
Cash	(186)	(208)
Net Debt	670	678

Liquidity²



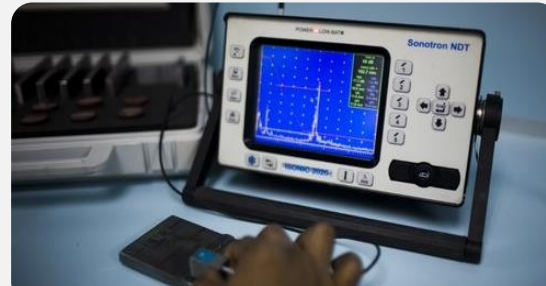
¹ Stated at annual average rates and excluding IFRS 16 as defined by bank covenant. Net debt including IFRS 16 is €871M

² Figures stated at annual average rates as defined by bank covenant

Operational Excellence: Driving efficiency through digitalisation



Opening new sales channels through remote testing, faster delivery of results and differentiation using proprietary solutions



Accelerating integration of acquired companies



Digitalising and automating processes



Optimising IT costs, Procurement, Travel, Leases and General expenses

50 – 70 bps margin improvement by 2024 on track, of which 25 bps achieved in 2023

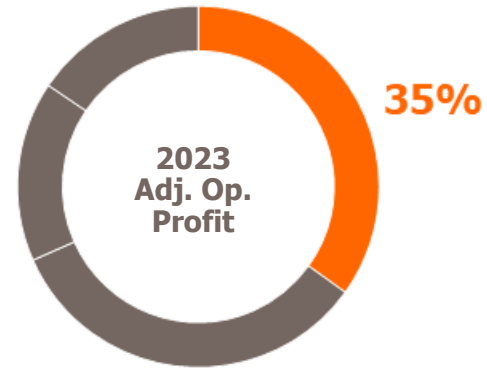
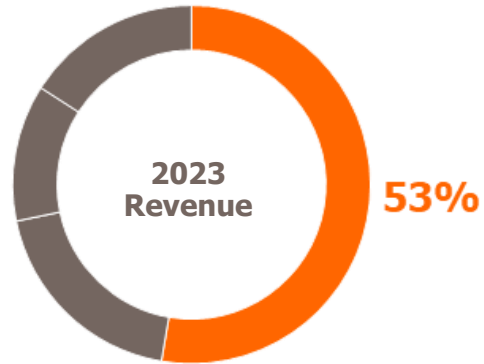


SUSTAINABLE GROWTH ACROSS ALL FOUR DIVISIONS



Energy & Industry

Leading global provider in infrastructure testing and inspection in multiple end markets with long term stable growth and increasing margins



~16K
Employees



+60
Countries





Energy & Industry

Financial Highlights

EUR Million

	FY			Organic	Inorganic	FX	2022 Reported	Change
	2023	2022 Proforma ¹	Change					
Revenue	1,084.4	993.4	9.2%	10.7%	1.7%	(3.2)%	1,095.2	(1.0)%
Adj. Op. Profit	85.4	80.8	5.8%	5.3%	4.3%	(3.8)%	76.9	11.0%
% AOP Margin	7.9%	8.1%	-25 bps				7.0%	+ 85 bps

- Strong double digit organic revenue growth for most of the regions and segments from higher demand for services and pricing
- Full year organic revenue growth of 10.7% with Q4 at 11.6%
- Higher margin driven by acquisitions and disposals with organic margin decrease, despite improvement in many regions, due to faster growth of lower margin Oil & Gas business and impact of inflation
- Renewables, Power, Infrastructure and Diversified Industries now represents 55% of the division with organic revenue growing high single digit with Latin America, Iberia and Middle East leading the growth. Margin increasing and around 9%
- O&G double digit growth from strong demand in OPEX across all main regions, low single digit growth in CAPEX, decrease in Canada. Margin is around 7%. Oil & Gas now represents 45% of the division revenue
- Recent acquisitions performing well

¹ 2022 is restated for the transfer of the Aerospace business to Labs and 2022 Proforma also excludes US O&G business sold



Energy & Industry Strengths and Progress on Key Targets



Strategic positioning to benefit from energy transition and other megatrends



Resilient to economic cycles through significant Opex exposure and geographic diversification



Culture of innovation and strong reputation amongst long-standing blue-chip clients



32% of Sustainability Services growing strongly



Key Targets 22-24

Organic Revenue Growth Average 22-24



Mid to high single digit



AOP Margin 2024



RPI > 10%
O&G > 7%



M&A



Renewables, Power and Infrastructure

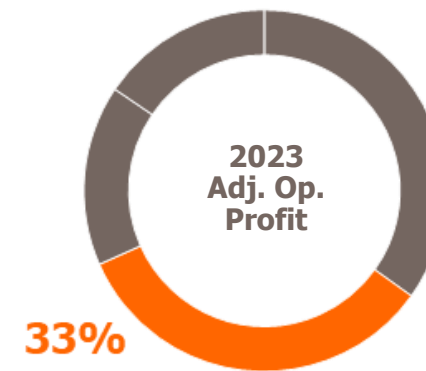
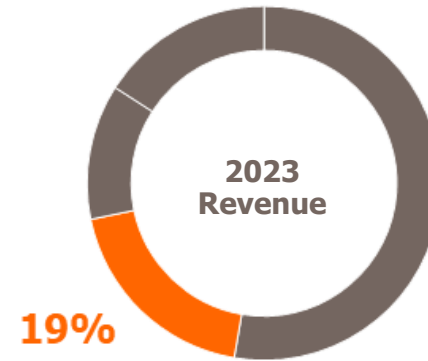


Progress to date



Automotive

Leader in a highly regulated and stable industry for vehicle safety with emerging market growth opportunities



~4K
Employees



14
Countries





Automotive

Financial Highlights

EUR Million

	FY			Organic	Inorganic	FX	2022 Reported	Change
	2023	2022 Proforma ¹	Change					
Revenue	391.8	411.3	(4.7)%	0.2%	0.4%	(5.3)%	460.9	(15.0)%
Adj. Op. Profit	81.7	92.4	(11.5)%	(11.3)%	0.6%	(0.8)%	93.9	(12.9)%
% AOP Margin	20.9%	22.5%	-160 bps				20.4%	+ 50 bps

- Strong underlying organic revenue growth from increased inspections and price increases offset by the ending of the contracts in Costa Rica and Alicante
- Reported margin increased by 50 bps to close to 21% with contracts ending more than offset by the disposals of the low margin businesses in the USA and Finland
- Reported margin includes cost of build-out into new contracts in Saudi Arabia, India and China.
- All concessions and programmes are performing well with those in Spain and Ireland contributing the highest profit growth
- Argentina and Basque Country contracts renewed and no material contract ends until December 2027

¹ Figures for 2022 are proforma for Auto US & Finland divestments



Automotive Strengths and Progress on Key Targets



High defensible margins and resilient cash flow



Good visibility through strong renewal track record in a regulated market



Good platform to benefit from emerging market opportunities



98% of Sustainability Services



Key Targets 22-24

Organic Revenue Growth Average 22-24



Low single digit

Progress to date



AOP Margin 2024



>20%



M&A



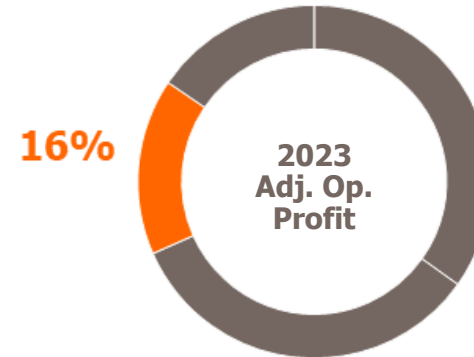
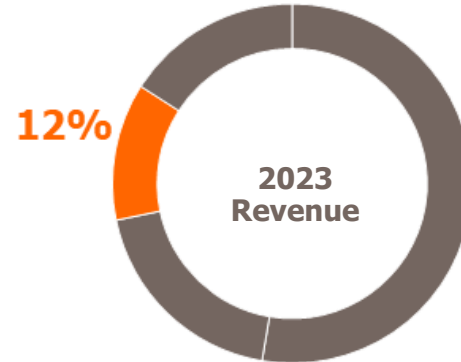
Strategic opportunities with high IRR





Laboratories

Highly technological and routine regulatory testing services focused on product development and global market access



~3K
Employees



13
Countries





Laboratories

Financial Highlights

EUR Million

	FY			Organic	Inorganic	FX
	2023	2022 Proforma ¹	Change			
Revenue	254.3	215.8	17.8%	10.5%	10.1%	(2.8)%
Adj. Op. Profit	39.4	31.0	27.2%	20.3%	11.8%	(4.9)%
% AOP Margin	15.5%	14.4%	+ 115 bps			

- Strong results in revenue and profit with China and North America driving the growth
- All business lines growing well driven by the electrification and connectivity global megatrends
- Significant margin improvement with China back to normal levels after lockdowns last year and with good operational gearing, better mix and higher margins from acquisitions
- Four acquisitions made in 2023 and three in 2022 are performing well
- Division is c.3x bigger than in 2019 with higher margins and stronger portfolio mix

¹ Figures for 2022 are proforma including Aerospace figures



Laboratories Strengths and Progress on Key Targets



Value added services with high barriers to entry



Growth platform with track-record of company integration



Opportunities to expand digital services



52% of Sustainability Services



Key Targets 22-24

Organic Revenue Growth Average 22-24



High single digit

Progress to date



AOP Margin 2024



>16%



M&A



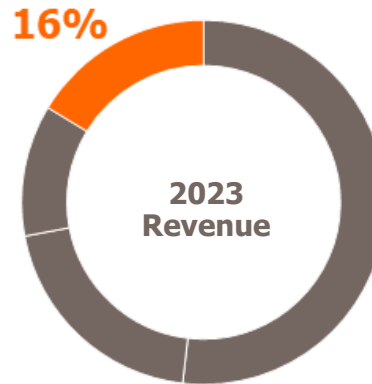
Focus on accretive acquisitions





IDIADA

Road, track and laboratory based testing, certification and full vehicle development support on a global basis



~3K
Employees



22
Countries





IDIADA

Financial Highlights

EUR Million

	FY			Organic	FX
	2023	2022	Change		
Revenue	327.5	278.0	17.8%	19.1%	(1.3)%
Adj. Op. Profit	48.4	35.7	35.7%	36.9%	(1.2)%
% AOP Margin	14.8%	12.8%	+ 195 bps		
Adj. Op. Profit incl. AD ¹	38.0	29.9	27.0%		
% AOP Margin	11.6%	10.8%	+ 84 bps		

- Second year of exceptionally high organic revenue growth supported by the large project from an Asian manufacturer
- Strong demand across business lines especially for EV/hybrid vehicles (now c.70%), batteries and components, autonomous driving and advanced driver assistance systems
- Significant margin improvement even after the increase in the accelerated depreciation with all business lines and geographies increasing and the Proving Ground in Catalonia back to full capacity
- Awaiting the tender for the contract that ends in September 2024

¹ AD is IDIADA accelerated depreciation to adapt assets' useful life to contract/concession duration



IDIADA Strengths and Progress on Key Targets



Value added services with high barriers to entry



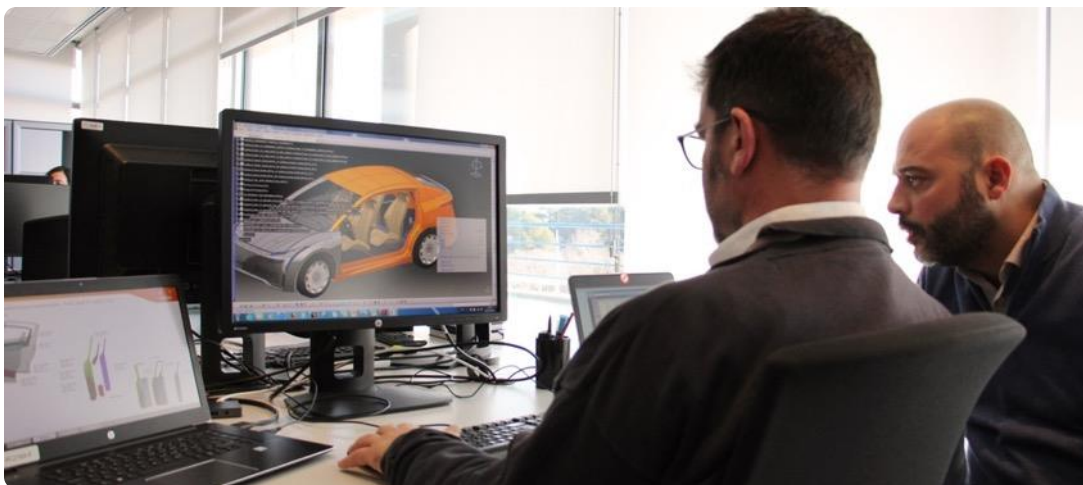
State-of-the-art facilities with strong R&D



Global recognition and international presence with capacity to grow



84% of Sustainability Services



Key Targets 22-24

Organic Revenue Growth Average 22-24



High single digit

Progress to date



AOP Margin 2024



>12%¹



M&A



Investment is mostly organic













¹ Before accelerated depreciation













**GOOD PROGRESS WITH 2022-2024
STRATEGIC PLAN TARGETS**

Unlocking value | Good Progress to meet our ESG Objectives

	Metric	Target 2024	Progress to date
 Environment	Reduction of Scope 1 & 2 emissions vs 2019	30% →	38% by 2023 
	Be Scope 1 & 2 carbon neutral by 2023	→	Done 
	Plan for net zero by 2050 under SBTi	Validated by SBTi →	Done 
 Social	Management and Corporate Services vacancies covered by women	>40% →	79% in 2023 
	Reduction in Lost Time Injury Frequency (LTIF)	10% →	31% by 2023 
 Governance	Compliance with applicable CNMV (Spanish regulator) recommendations	>90% →	98% in 2023 
	Professionals complete the training and sign up to the Code of Ethics	>98% →	99% in 2023 

Unlocking value | Good Progress towards meeting our Strategic Plan Objectives

	Metric	Target 2024		FY 2022 & 2023	Progress to date
 Higher Revenue Growth	Organic Revenue Growth	Mid to high	→	Average 8.9%	
 Significant Margin Improvement	AOP Margin ^{1,2}	12%	→	2023: 10.8% up 70bps	
 Strong cash-flow generation	Average cash conversion rate	>70%	→	Average: 79%	
 Accretive Investments for the company	ROCE	>12%	→	11.8% up 160bps	
 Enhance Shareholders' value	EPS Growth (CAGR 2021-2024) ^{1,3}	>13%	→	CAGR (2021-2023): 16.1%	

¹ Adjusted for Other Results and amortisation of acquisition intangibles

² Excluding IDIADA Accelerated Depreciation (AD)

³ CAGR target of >13% is excluding share buybacks. Including share buybacks was >15%

Summary of 2023

- Strong results
- Higher margin driven by the active portfolio management with good underlying margin performance
- Strong cash flow generation and comfortable leverage and liquidity
- Strengthened portfolio, new Auto contracts and well positioned for future growth

Outlook for 2024

- Mid to high single digit organic revenue growth
- AOP Margin¹ to increase to around 11.5%
- Continued focus on portfolio mix quality improvement

Strong 2023 results and well positioned for future profitable growth

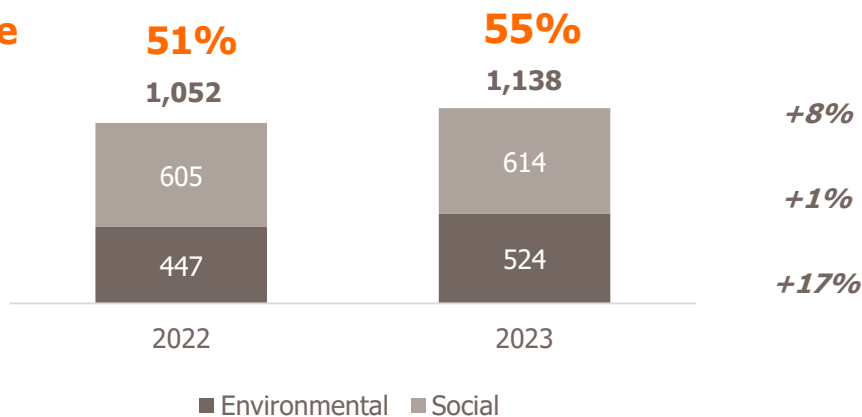
Applus⁺ Together beyond standards

www.applus.com

ESG | Sustainability Services fueling our growth

Applus+ Group Sustainability Services in 2023 €m

% Group Revenue



- Growth in sustainability services of 8%
- Global megatrends of Energy Transition, Electrification and Connectivity are aligned with our Sustainability Services ambitions



Energy & Industry

- Renewables, Soil testing
- Energy efficiency
- Environmental monitoring
- Water infrastructure
- Safety audits, H&S training, Road management, Telecom networks

FY2023: **32%**



Auto

- Emissions inspection
- Vehicle safety inspection

FY2023: **98%**



IDIADA

- Transition to EV and Hybrid vehicles
- Passive and Active Safety tests
- Homologation (regulatory tests)
- Road safety

FY2023: **84%**



Labs

- EVs and battery testing
- Fire, building product certifications
- Electrical safety, Rolling stock
- Medical devices
- Cybersecurity and IoT
- Systems certification, metrology

FY2023: **52%**

Adjustments to Statutory Results¹

EUR Million

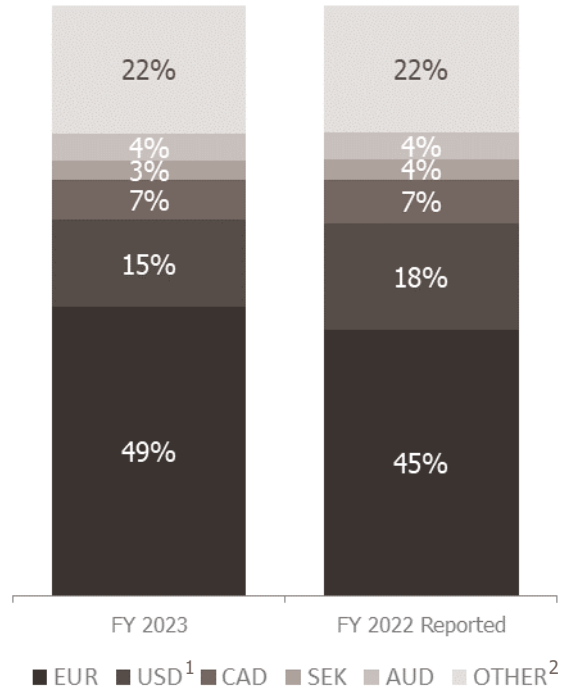
EUR Million	FY 2023			FY 2022 Proforma			+/- %
	Adj. Results	Other results	Statutory results	Adj. Results	Other results	Statutory results	Adj. Results
Revenue	2,057.9	0.0	2,057.9	1,898.5	0.0	1,898.5	8.4%
Ebitda	336.1	0.0	336.1	317.3	0.0	317.3	5.9%
Operating Profit	211.5	(101.4)	110.1	204.4	(69.1)	135.3	3.5%
Net Financial expenses	(41.9)	0.0	(41.9)	(33.2)	0.0	(33.2)	
Other Financial Results	0.0	0.0	0.0	0.0	0.0	0.0	
Profit Before Taxes	169.6	(101.4)	68.2	171.1	(69.1)	102.0	(0.9)%
Current Income tax	(42.1)	13.4	(28.7)	(42.6)	13.5	(29.1)	
Non controlling interests	(13.3)	0.0	(13.3)	(13.3)	0.0	(13.3)	
Net Profit	114.1	(88.0)	26.1	115.2	(55.6)	59.6	(1.0)%
Discontinued Operations	0.0	(5.9)	(5.9)	0.0	(11.0)	(11.0)	
Net Profit after Disc. Op.	114.1	(93.9)	20.2	115.2	(66.6)	48.6	
Number of Shares	129,836,606		129,836,606	136,888,259		136,888,259	
EPS, in Euros ²	0.88		0.20	0.84		0.44	4.4%
<i>Income tax/PBT</i>	<i>(24.8)%</i>		<i>(42.1)%</i>	<i>(24.9)%</i>		<i>(28.6)%</i>	

¹ Proforma figures for divestments

² EPS calculation based on Net Profit from Continuing Operations

Currency Exposure

% Revenue by Actual Currency



¹ Includes currencies pegged to USD

² None above 4%

Average FX Exchange rates vs Euro

	JAN - DEC 2023	JAN - DEC 2022	Change
USD	1.081	1.053	(2.6)%
CAD	1.459	1.368	(6.2)%
SEK	11.472	10.616	(7.5)%
AUD	1.629	1.515	(7.0)%

FY 2023. Revenue and Adj. Op. Profit¹ by Division

EUR Million

Revenue	Actual 2023	Growths				Actual 2022 Proforma ²
		Organic	Inorganic	FX	Total	
Energy & Industry	1,084.4	10.7%	1.7%	(3.2)%	9.2%	993.4
Laboratories	254.3	10.5%	10.1%	(2.8)%	17.8%	215.8
Auto	391.8	0.2%	0.4%	(5.3)%	(4.7)%	411.3
Idiada	327.5	19.1%	0.0%	(1.3)%	17.8%	278.0
Total Revenue	2,057.9	9.7%	2.1%	(3.4)%	8.4%	1,898.5

Adj. Op. Profit	Actual 2023	Growths				Actual 2022 Proforma ²	% AOP Margin 2023	% AOP Margin 2022
		Organic	Inorganic	FX	Total			
Energy & Industry	85.4	5.3%	4.3%	(3.8)%	5.8%	80.8	7.9%	8.1%
Laboratories	39.4	20.3%	11.8%	(4.9)%	27.2%	31.0	15.5%	14.4%
Auto	81.7	(11.3)%	0.6%	(0.8)%	(11.5)%	92.4	20.9%	22.5%
Idiada	48.4	36.9%	0.0%	(1.2)%	35.7%	35.7	14.8%	12.8%
Holding	(33.1)					(29.7)		
Adj. Op. Profit	221.9	4.7%	3.3%	(2.4)%	5.6%	210.1	10.8%	11.1%

¹ All AOP is excluding Idiada accelerated depreciation except if indicated

² Proforma figures for divestments and excluding IDIADA accelerated depreciation

Q4 2023. Revenue and Adj. Op. Profit¹ by Division

EUR Million

Q4

Revenue	Actual 2023	Growths				Actual 2022 Proforma ²
		Organic	Inorganic	FX	Total	
Energy & Industry	287.3	11.6%	1.1%	(3.3)%	9.4%	262.6
Laboratories	73.3	7.4%	14.5%	(3.3)%	18.6%	61.8
Auto	87.7	6.3%	0.0%	(11.9)%	(5.6)%	92.9
Idiada	91.1	20.3%	0.0%	(1.4)%	18.9%	76.6
Total Revenue	539.3	11.5%	2.4%	(4.7)%	9.2%	493.8
Adj. Op. Profit	56.0	(5.3)%	3.6%	(4.2)%	(5.9)%	59.5
% AOP Margin	10.4%					12.1%

¹ All AOP is excluding Idiada accelerated depreciation except if indicated

² Proforma figures for divestments

Q4 & FY 2023. Summary Income Statement

EUR Million

	Q4			FY		
	2023	2022 Proforma ²	Change	2023	2022 Proforma ²	Change
Revenue	539.3	493.9	9.2%	2,057.9	1,898.5	8.4%
Adj. Op. Profit	56.0	59.5	(5.9)%	221.9	210.1	5.6%
Adj. Op. Profit margin	10.4%	12.1%		10.8%	11.1%	
Accelerated depreciation	(3.2)	(1.7)		(10.4)	(5.8)	
Adj. Operating Profit incl. AD¹	52.8	57.8	(8.8)%	211.5	204.4	3.5%
Adj. Op. Profit margin incl. AD¹	9.8%	11.7%		10.3%	10.8%	
PPA Amortisation	(20.0)	(11.6)		(67.0)	(63.3)	
Impairment	(25.0)	-		(25.0)	-	
Other results	(2.5)	(2.9)		(9.4)	(5.8)	
Operating Profit	5.3	43.4	(87.8)%	110.1	135.3	(18.6)%
Finance Results ³	(10.9)	(12.0)		(41.9)	(33.2)	
Profit before tax	(5.7)	31.4	(118.0)%	68.2	102.0	(33.2)%
Income taxes				(28.7)	(29.1)	
Net Profit				39.5	72.9	(45.9)%
Minorities				(13.3)	(13.3)	
Net Profit Group				26.1	59.6	(56.2)%
Discontinued Operations				(5.9)	(11.0)	
Net Profit after Disc. Op.				20.2	48.6	(58.5)%
Adjusted Net Profit Group incl. AD¹				114.1	115.2	(1.0)%
EPS in €				0.20	0.44	(53.8)%
Adjusted EPS in €				0.88	0.84	4.4%
# Shares (M)				129.8	136.9	

¹ AD is IDIADA accelerated depreciation to adapt assets useful life to contract/concession duration

² Proforma figures for divestments

³ Finance Results in 2022 includes Put option impact related to the final Price of the acquisition of Galicia minority stake

FY 2023. Statutory Cash Flow

EUR Million

	FY	
	2023	2022
Profit Before taxes	64.3	91.5
Non cash items	255.7	207.1
Change in working capital	42.5	(9.5)
Taxes Paid	(38.7)	(40.0)
Operating Cash Flow	323.8	249.0
Capex	(79.3)	(66.1)
Business combination	(12.2)	3.4
Acquisitions of subsidiaries	(96.6)	(66.2)
Sales of subsidiaries	32.4	-
Cash Flow from Investing activities	(155.6)	(128.9)
Dividends to Minorities	(17.4)	(9.2)
Arplus+ Dividend	(20.6)	(20.3)
Interest paid	(31.2)	(17.0)
Changes in financing	(36.4)	(6.7)
Share buy back	(36.1)	(64.8)
Cash Flow from Financing activities	(141.7)	(118.1)
Currency translations	(5.9)	4.4
Cash Increase / (Decrease)	20.5	6.5

FY 2023. Balance Sheet

EUR Million

	FY 2023	FY 2022		FY 2023	FY 2022
Goodwill	802.7	792.9	Equity	589.1	642.9
Other intangible assets	342.2	374.1	Long Term Provisions	35.9	37.0
PPA	278.5	310.0	Bank borrowings	831.1	808.6
Other intangible assets	63.7	64.1	Leasing Liabilities	134.0	136.1
Rights of use	179.8	177.4	Other financial liabilities	23.0	22.2
Tangible assets	268.8	253.1	Deferred Tax Liabilities	97.1	109.1
Investments accounted for using the equity method	3.2	3.4	Deferred Tax Liabilities PPA	70.3	77.5
Non current Financial Assets	25.8	17.1	Deferred Tax Liabilities Others	26.8	31.6
Deferred Tax Assets	52.6	58.1	Other non current liabilities	74.3	90.8
Total Non-Current Assets	1,675.1	1,676.1	Total Non-Current Liabilities	1,195.4	1,203.8
Assets classified as held for sale	-	37.5	Liabilities classified as held for sale	-	16.5
Inventories	12.6	9.8	Short term provisions	5.5	8.0
Trade & Other receivables	525.7	498.5	Bank borrowings	50.0	27.3
Corporate Income Tax assets	20.1	20.3	Leasing Liabilities	58.7	55.2
Current financial assets	3.6	7.4	Trade & Other payables	495.5	425.8
Cash & Cash equivalents	203.6	183.0	Income Tax Liabilities	15.1	19.4
Total Current Assets	765.6	756.5	Other current liabilities	31.4	33.7
Total Assets	2,440.7	2,432.6	Total Current Liabilities	656.2	585.9
			Total Equity & Liabilities	2,440.7	2,432.6

Reported to Proforma figures 2022

EUR Million

	2022					
	Q1	Q2	H1	Q3	Q4	FY
Revenue Reported	462.4	524.3	986.7	532.2	531.0	2,049.9
Auto USA	(7.5)	(8.8)	(16.3)	(11.3)	(9.1)	(36.6)
Auto Finland	(3.0)	(3.7)	(6.7)	(3.6)	(2.7)	(13.0)
US Oil & Gas	(19.5)	(25.8)	(45.3)	(31.1)	(25.4)	(101.8)
Revenue Proforma	432.5	485.9	918.4	486.3	493.9	1,898.5

Organic Revenue Growth by quarter and division

EUR Million

	Q1	Q2	Q3	Q4	FY
Revenue	vs LY Proforma				
Energy & Industry	11.2%	10.6%	9.3%	11.6%	10.7%
Laboratories	15.0%	14.2%	6.4%	7.4%	10.5%
AUTO	(5.3)%	(5.3)%	6.9%	6.3%	0.2%
IDIADA	19.8%	20.6%	15.7%	20.3%	19.1%
Total Applus Organic @ constant rates	8.8%	8.8%	9.4%	11.5%	9.7%
Inorganic	1.6%	1.9%	2.6%	2.4%	2.1%
Total Applus @ constant rates	10.4%	10.6%	12.0%	13.9%	11.8%
FX	(0.2)%	(2.8)%	(5.6)%	(4.7)%	(3.4)%
Total Applus	10.2%	7.8%	6.5%	9.2%	8.4%

Aerospace business transferred from Energy & Industry to Labs Division

EUR Million

Aerospace	2022					
	Q1	Q2	H1	Q3	Q4	FY
Revenue	5.4	6.2	11.6	6.9	7.0	25.5
<i>Adj. Op. Profit</i>			1.7			4.3
% Adj. Op. Profit Margin			14.3%			16.8%

Alternative Performance Metrics

Arplus' 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
- **FX impact**, the impact on the prior period revenue and adjusted operating profit from the restatement to current foreign exchange rates
- **Free Cash Flow**, operating cash generated after capex investment, working capital variation and tax & interest payments and before leases

Alternative Performance Metrics

- **Inorganic**, the revenue or adjusted operating profit relating to acquisitions and disposals made in the previous twelve months
- **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
- **Proforma**, removing the impact of discontinued operations. For the avoidance of doubt, in these full year results this relates to the Automotive division business in Finland and the USA and the Energy & Industry division Oil & Gas business in the USA
- **ROCE**, Net Adjusted Operating Profit After Tax/Capital Employed excluding IFRS 16 lease adjustment. Net adjusted operating profit is proforma acquisitions and disposals, excluding IDIADA Accelerated Depreciation and at 25% tax rate
- **Statutory results**, consolidated results of the Group under IFRS regulation, as shown in the Consolidated Financial Statements
- **WC**, Working Capital

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