H1 2024 Results

September 3rd , 2024

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EXOSENS
REVEAL THE INVISIBLE

Today's presenters

Jérôme Cerisier
Chief Executive Officer

Quynh-Boi Demey
Chief Financial Officer

PHOTONIS Xenics elmul TELOPS

I. Exosens introduction

Our purpose

EXOSENS
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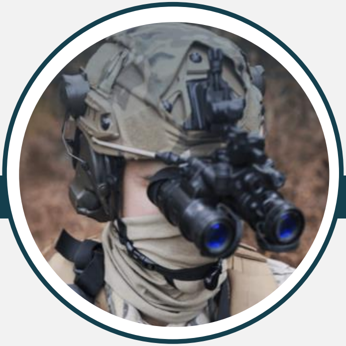
We provide **innovative** amplification, detection and imaging technology components for a **safer world**



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We are a global leader in Amplification and Detection & Imaging

LEADER IN NICHE GROWING MARKETS[1]	**Top 1-2 player** *in most of addressed markets (~71% market share in Light Amplification, ~24% in core addressed detection market)*	**€3.2bn TAM** *(~8% CAGR 2023-27)*	**Highly attractive markets:** Defense, Industrial Control, Lifescience and Nuclear
GLOBAL COMMERCIAL REACH	**300+ customers** *(with industry key leaders)*	**50+ countries** *(92%[2] of revenue outside of France)*	**~21-year relationship** *on average with top 10 customers*
TECHNOLOGY AND R&D POWERHOUSE	**~7.5% of revenue** *invested in gross R&D[6] (2023A)*	**130+** *proven technology patents[3]*	**80 PhDs** *(and ~290 engineers)*
STRONG FINANCIALS	**€319m** *2023 PF revenue 14% organic CAGR 2017-2023 38% total CAGR 2021-2023 PF*	**~29%** *2023 PF adjusted EBITDA margin[4] 39% CAGR 2021-2023 PF*	**~70%** *cash conversion ratio[5]*

Note: [1] Figures calculated by Management based on Renaissance (for Light Amplification), Verified Market Research (for Electronic Amplification), and Roland Berger (for Detection & Imaging) reports, TAM – Total Addressable Market; [2] As of December 31, 2023; [3] Including 68 patents in the active public domain; [4] Adj. EBITDA defined as operating income, less (i) depreciation and amortisation of fixed assets, and their recovery; (ii) non-current income and expenses as presented in the consolidated income statement on the lines "Other income" and "Other expenses" and (iii) the impacts of items which do not reflect the basic operational performance of the Group such as costs related to operations relating to the reorganisation and adaptation of activities and costs related to share-based payments; [5] As of December 31, 2023. Cash conversion ratio defined as (Adjusted EBITDA – capitalised R&D – Capex) / (Adjusted EBITDA – capitalised R&D); [6] Includes subsidies and tax credits.

Exosens is focused on critical components driving the performance of products for end-users

End-markets	Business unit		Key products
Defense	Light Amplification	+ Electronic Amplification	Intensifier tubes
Lifescience	Detection	+ Imaging	Digital cameras
Industrial control	Detection	+ Imaging	Digital cameras
Nuclear	Nuclear		Gamma ionization chambers




LR TECH

CENTRONIC



Focused on structurally growing end-markets

High value-added products

Focused on mission and performance critical applications

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What we want to achieve

Be a leading technology platform across the particle and light spectrum…

…cross-fertilising fast-growing markets and high value technologies…

…through innovation, global commercial reach and selective acquisitions…

…with balanced revenue between Amplification and Detection & Imaging

Operational excellence

Entrepreneurial mindset

Selective on markets

Focused on value creation

Empower our people

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Key highlights of H1 2024

Strong financial growth

Revenues of **€186.9m**, **+50%** vs. H1 2023, and **+35% organic growth**

Increasing margin

Adjusted EBITDA of **€56.1m** (vs. €34.0m for H1 2023)
EBITDA margin of **30.0%** (+278bps vs. H1 2023)

Decreasing leverage

1.3x total net debt / adjusted EBITDA as at June 30th, 2024

2 synergistic bolt-on closed

Acquisition of UK-based **Centronic**, a specialist in radiation detectors and devices (closed on July 31st) and Canada-based **LR Tech,** a specialist in infrared spectroscopy (closed on September 1st)

II. Update on Exosens' key markets

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Key drivers of our markets

Amplification

- Return of high-intensity conflict
- Resurgence of international threats: increasing need to protect platforms, areas and people
- Undisputed key tactical advantages at night
- Short acquisition cycles, fast ramp-up, massive effects (dismounted troops)

Detection & Imaging

- Industrial control:
  - Increasing devices performance
  - Better product quality control
  - Faster factory automation and robotics
- Lifescience:
  - More effective treatments
  - Diagnose pathologies earlier
  - Fast and more reliable devices
- Nuclear:
  - Decarbonisation and low carbon materials
  - Safer fuel cycle

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Focus on Night Vision

NV market remains robust with sustainable growth	Significant spending increase in Europe supported by resurgence of international threats Key tactical advantage of night operation ability for high density combat Acquisition rates across segments on the rise CAGR 2023-2027 I2 tubes: 8%
Strong underlying tailwinds drive NV market	Infantry growth Resurgence of terrestrial conflicts Infantry shifting from monocular to binocular Technology improvement (performances increase, fusion between I2 tubes and IR)
Exosens is an undisputed leader of light amplification market	71% of market share High end products with technological edge market leading 16mm I2 tubes Primary European player with ITAR-free tubes Long lasting customer relationships
Night vision tubes will remain the adequate technology for soldiers' equipment in the next 10 years	Higher sensitivity at night in I2 tube technology than in digital products I2 tube technology features best-in-class SWaP (Size, Weight and Power) I2 tube, Digital and IR are complementary technologies which fulfil different operational needs

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Countries prioritize large scale night fighting capabilities following Ukraine war and high intensity conflict comeback

- Ukraine war main lessons are that territorial claims tend to be **resolved by man to man combat** highlighting criticality of night fighting capabilities
- Hence, doctrine change towards **high intensity conflict** with key stake for infantry night combat capabilities
- A significant part of NATO and Tier 1 countries aim to **equip their forces on 1:1 basis** (night vision goggles per soldier[1])

	NATO Tier 1	NATO Tier 2	Non-NATO Tier 1	Non-NATO Tier 2
Description	Most sophisticated countries with higher budgets and higher threat profile, looking to equip deployable infantry / marine / spec. ops units on a 1:1 basis	NATO & European allies with higher budgets, looking to equip infantry / marine / spec. ops units, with some of them on a 1:1 basis	Non-NATO sophisticated customers looking to increase inventories of night vision equipment, on a 1:1 basis	Countries for whom investment in night vision is becoming a priority yet with budget or administrative hurdle
Example Countries				
Potential for Exosens	High (excl. US)	High	High	High

Note: [1] Transition from monocular to binoculars.
Source: Renaissance Strategic Advisors.

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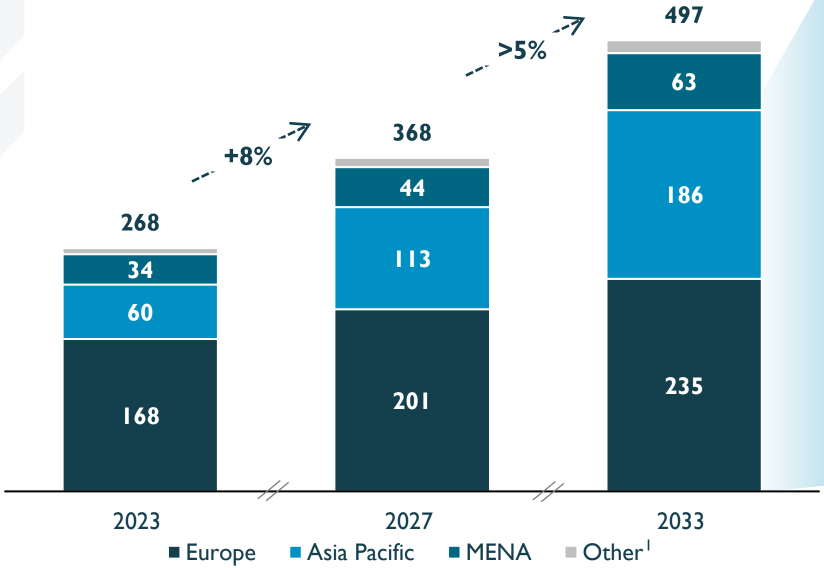
NATO & Tier 1 users still need to procure ~50% of needed NV devices above our market view after 5 years, ensuring long-term growth of Exosens addressed market

Core addressed market - USA excluded (€m)



- **Growth relies on forecasted investment and increase of equipment rate rhythm as perceived today with most of the countries being still far from their equipment rate target**
- Strong growth of global NV market over the next 10 years driven **by change in doctrine following resurgence of high intensity conflict** as well as **need to replace equipment** (10 years nominal lifespan, much less if heavy usage)
- **2024-2027 period** :
  - Main contributors are in **Europe** (Germany, UK, Poland and Sweden) and in **APAC** (South Korea, Japan and Australia)

Our mid-term outlook has been built with what we see as of today: 76% is already secured

Note: [1] Including North America (excl. USA), Latin America and Other Africa.
Sources: Exosens, Renaissance Strategic Advisors.

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Our D&I components serve markets benefitting from strong secular growth

	Semiconductor inspection	Machine vision	Electrical Power	Gas detection	Lifescience	Nuclear	Defense	Science
								
Drivers	• Driven by IoT, 5G and AI development	• Driven by factory automation	• Battery inspection • HV: Driven by regulation, emerging in China	• Climate change issue • Influence of regulations on Oil & Gas industries	• Genomic and molecules analysis development	• Green energy development	• Geopolitical situation	• New materials • Space
	✓ ✓	✓	✓ ✓	✓	✓ ✓	✓	✓	✓ ✓
New M&A Focus				✓		✓		✓

TAM Size & Growth

Detection
2023 TAM: **€0.4bn**
CAGR 23-27: **+7%**

Imaging
2023 TAM: **€1.5bn**
CAGR 23-27: **+9%**

Nuclear
2023 TAM: **<€0.1bn**
CAGR 23-27: **+9%**

Source: Roland Berger.

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✓ Detection ✓ Imaging ✓ Nuclear

III. H1 results

Excellent H1 performance, driven by organic growth and margin expansion

	H1 2023		H1 2024		
	In €m	*% of sales*	In €m	*% of sales*	*Change*
Revenue	**125.0**		**186.9**		***49.5%***
Gross margin[1]	**56.6**	***45.3%***	**91.1**	***48.8%***	***61.0%***
Indirect costs	(22.6)	*(18.0%)*	(35.0)	*(18.7%)*	*55.1%*
Adjusted EBITDA	**34.0**	***27.2%***	**56.1**	***30.0%***	***64.9%***
Depreciation, amortisation and impairment exc. PPA amortisation	(6.9)	*(5.5%)*	(10.0)	*(5.4%)*	*46.2%*
Adjusted EBIT	**27.2**	***21.7%***	**46.1**	***24.7%***	***69.6%***

Note: [1] The gross margin (adjusted), presented above, is equal to the difference between the selling price and the cost price of products and services (including notably employee benefits expense).

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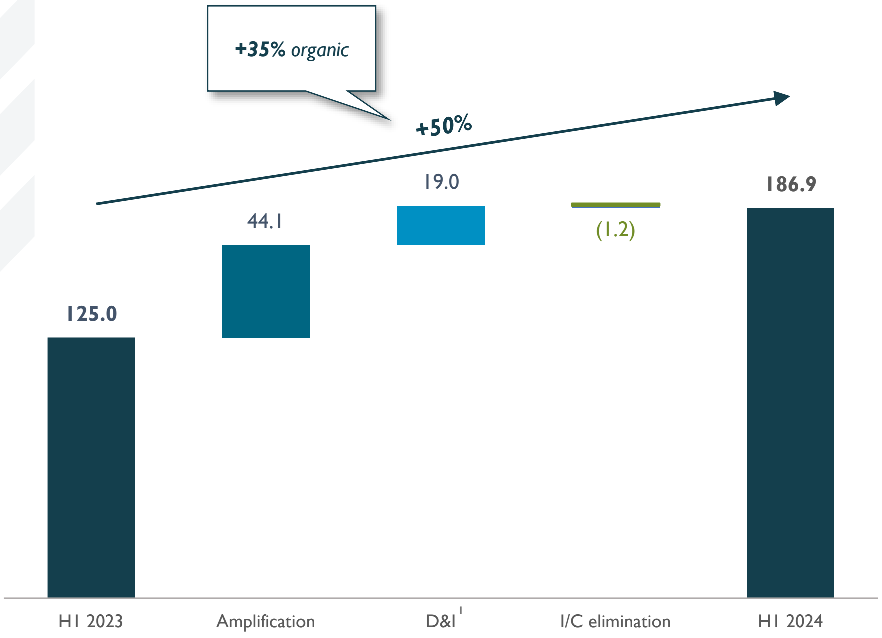
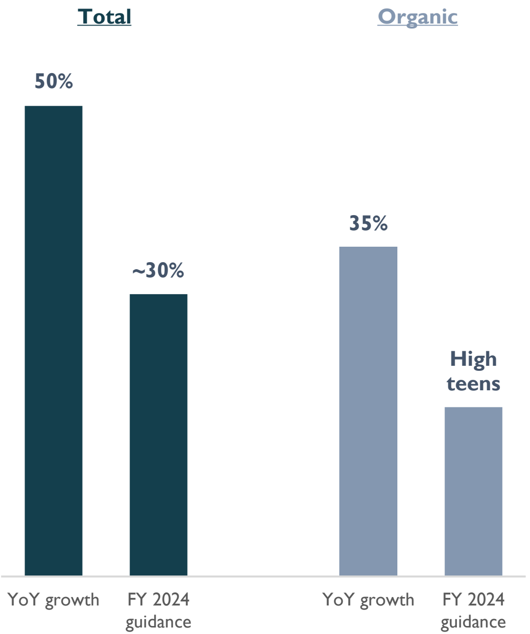
Continued growth momentum, revenues up 50%

Revenue (in €m)



Growth vs. FY guidance



Note: [1] Including acquisitions.

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Amplification | Detection & Imaging | I/C elimination

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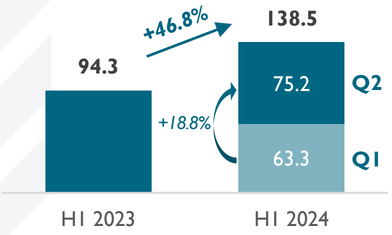
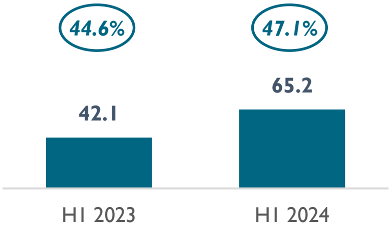
Focus on segments

Amplification

Revenue:



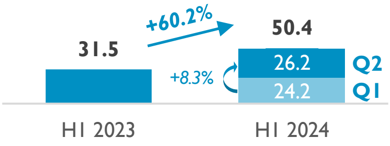
Gross margin (% margin):



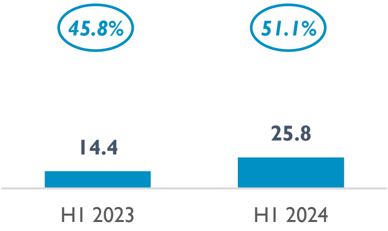
- Strong performance with volume and flawless execution
  - Good yield performance
  - Continued capacity increases
- Favourable product mix

Detection & Imaging

Revenue:



Gross margin (% margin):



- Positive effect of price evolution and controlled costs
- Improved yields and synergies extraction
- El-Mul and Telops integrations are in line with expectations
- Higher traction expected in H2 with strong commercial performance in Q2

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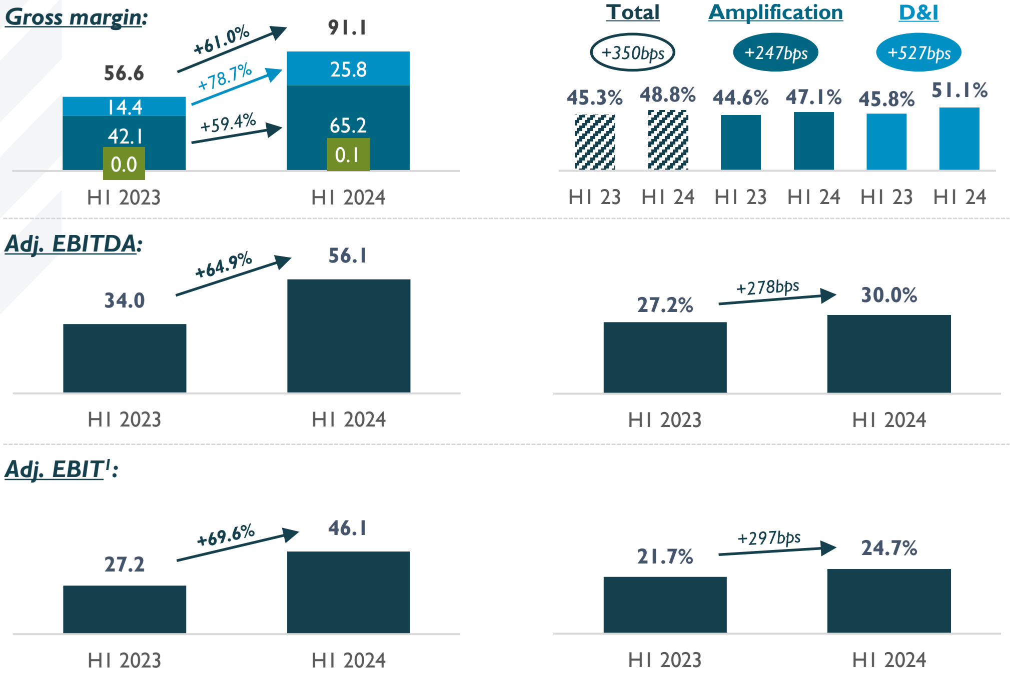
Profitability increases significantly at group level and across both segments



Note: [1] Adjusted for PPA.

Margin expansion drivers

- Volume / scale
- Price evolution and favourable product mix
- Operational excellence

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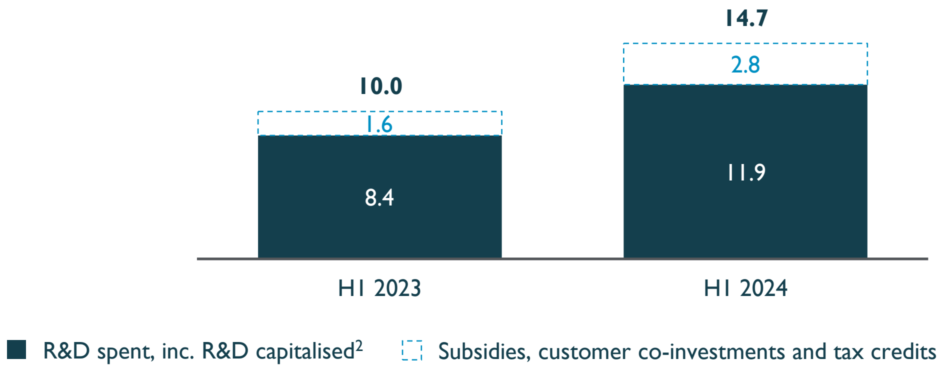
Amplification | Detection & Imaging | I/C elimination

Continued investment in R&D to remain at the edge of technology

R&D (€m)

	H1 2023	H1 2024
Gross R&D as% of sales	***8.0%***	***7.9%***
Net R&D[1] as % of sales	*6.7%*	*6.3%*

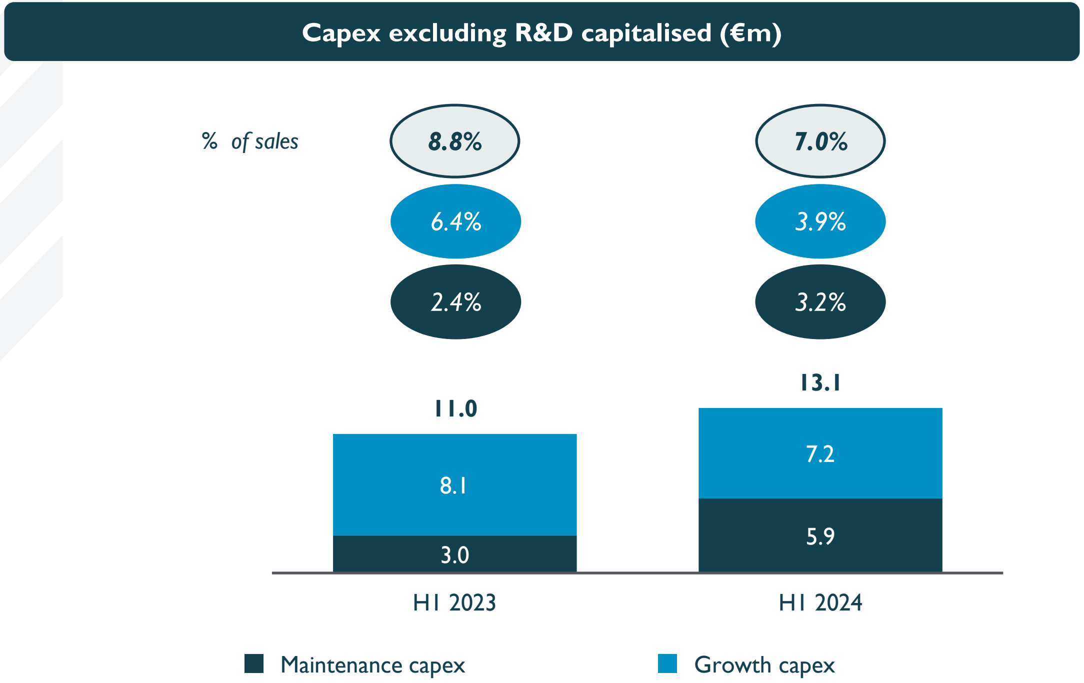


Comments

- Increase of R&D spent by €3.5m of which +€1.6m from innovation projects (prior to proof of concept) and +€1.9m scope
- Increase of customer co-investments & tax credits by €1.2m
- IPs have always been owned by Exosens, even in the case of customer or public funding
- Gross R&D as % of sales in line with full year expectation of 7-8%

Notes: [1] Net R&D costs include R&D capitalised costs and are after deduction of customer or public funding. [2] R&D capitalised of €4.3m and €4.6m during H1 2023 and H1 2024 respectively.

Capex optimization plan under way, now at 7% of sales



Comments

- Start of normalisation of capex after investment for capacity done in 2022 and 2023
- Higher investment in Maintenance to optimise existing assets and support future margin expansion
- Maintenance capex focused on projects to:
  - Improve productivity
  - Improve IT infrastructure
- Growth capex focused on:
  - Facilities modifications to host new equipment
  - Investment on selected tools to secure capacity plan and to support new products

Solid cash flow generation during H1 2024

In €m	H1 2023	H1 2024
Adjusted EBITDA	34.0	56.1
Capitalised R&D	(4.3)	(4.6)
Adjusted EBITDA post Cap. R&D	**29.7**	**51.5**
Change in WC	(13.2)	(7.7)
Tax paid	(3.0)	(1.6)
Other income and expenses	(0.6)	(5.5)
Maintenance capex	(3.0)	(5.9)
FCF before growth	**9.9**	**30.8**
Growth capex	(8.1)	(7.2)
FCF after growth	**1.8**	**23.6**
Cash conversion[1]	***63%***	***75%***

Note: [1] Cash conversion ratio defined as (adjusted EBITDA – capitalised R&D – capex) / (adjusted EBITDA – capitalised R&D).

Comments

- €23.6m FCF in the period, of which €22m organic and €1.6m from scope effect
- Other income and expenses mainly include IPO consulting fees booked in P&L
- +€2.9m maintenance capex, of which +€2.0m from productivity & capex projects to support future yield improvement and +€0.9m from scope
- Cash conversion at 75%, in line with full year expectation of 75-80%

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Our capital structure fully supports our growth strategy

In €m	30-Jun-24
Term loan	250.0
Other bank debt	3.6
IFRS 16 lease liabilities	9.9
Total gross debt	**263.5**
Cash & cash equivalents	(123.2)
Total net debt	**140.3**
Leverage ratio[1]	**1.3x**

3.3x as of 31-Dec-23

Comments

- Borrowings details:
  - Debt fully refinanced at IPO in June, with the current structure comprising of:
    - **€250m** term loan, maturing in June 2029
    - **€3.6m** of other bank debt
    - Undrawn **€100m** revolving credit facility, maturing in June 2029
- We have significantly delevered the company, reaching a net debt of **€140.3m** at 30-Jun-24 (vs. **€302.3m** as of 31-Dec-23) and a leverage ratio of 1.3x (vs. **3.3x** as of 31-Dec-23)

Note: [1] Leverage ratio calculated as net debt / adjusted EBITDA as defined in our New Senior Credit Facilities Agreement entered into as part of the refinancing executed in connection with the IPO.

IV. Conclusion & outlook

Significant growth, profitability and cash conversion improvement: fully on track to deliver our guidance

Acceleration of revenue growth

- Strong start of the year with a growth of 49.5% growth (+€61.9m), driven by:
  - Strong organic growth of 35.0% with significant traction in group sales volume coupled with planned price increases
  - The successful integration of Telops, El-Mul and ProxiVision, acquired in 2023

Margin expansion and cash conversion

- Significant increase of the profitability, with an adjusted EBITDA margin of 30.0% (+278bps vs. H1 2023) thanks to:
  - The sustainable selling price evolution, aimed at passing on increases incurred
  - The volume increases yielding better absorption of fixed costs
  - The continued implementation of operational excellence measures
- Cash conversion increasing to 75% (up from 63%) in light of disciplined capex policy

Strong balance sheet to support investment in growth

- Significantly delevered the company, following the successful IPO, reaching a total net debt / adjusted EBITDA of 1.3x at June 30th, 2024
- Closing of acquisitions of:
  - Centronic, a specialist developer and manufacturer of radiation detectors & devices, on July 31st
  - LR Tech, a specialist in infrared spectroscopy, on September 1st
- Including the planned acquisitions we maintain our expectation to reach a total net debt / adjusted EBITDA ratio of ~1.6x by year end

Fully on track to deliver our guidance

		FY 24E	Mid-term (2027 target)
Revenue		• **High teens organic growth** • Around **30% total growth** including acquisitions	• We expect to grow organically at **high-single digit** in 2023-27E, with **above mid-single digit** yearly growth in 2025-27E • We expect a **near doubling of our revenue** between 2023 and 2027, equivalent to a **c.18% CAGR over the period**, including acquisitions
Organic	EBITDA growth and margin	• EBITDA margin slightly above 2023 level of 28.9%[1] • **Aiming for at least €115m** (exc. 2024 acquisitions)	• Mild improvement in margin compared to 2024 • **High single-digit yearly growth in 2025-27E**
Organic	EBIT margin adj. for PPA	• **24-25%**	• Mild improvement over time within the 2024 guidance range (up to 25%)
Organic	Cash conversion[2]	• **75-80%**	• Above **80%**
Gross R&D costs[3] as % of sales		• **7-8%**	• In line with 2024
Effective tax rate[4]		• **17-18%** effective tax rate in 2024 and over the mid term period	
Dividend policy		• **20-25% payout ratio**, with a half-year stub dividend paid in 2025	
M&A		• We intend to pursue our bolt-on M&A activity, in the same pace as historically, and in line with our strategic objectives. We aim to have a **balanced business mix between Amplification/D&I by 2027** • From 2024 to 2027, we will be in position to deploy **~€300-400m**	
Capital structure / net leverage		• Around **1.6x** by year end including the planned acquisitions	• **~2.0x**

Notes: [1] Pro forma margin of 28.9% and reported margin of 29.5%. [2] Defined as (organic EBITDA – capitalised R&D – capex) / (organic EBITDA – capitalised R&D). [3] Capex and opex. Gross R&D includes subsidies and clients co-investments and tax credits. [4] Effective tax rate assumes usage of our deferred tax assets and a stable tax environment.

Key developments post H1 2024

2 synergistic acquisitions completed in August

CENTRONIC

- Closing: July 31st, 2024
- Country: UK
- 2023 sales[1]: GBP 11.0m
- CAGR last 3 years[4]: +13% p.a.
- Markets served: neutron detectors for nuclear power plants, Geiger Muller detectors, and specialised photodiodes
- Strategic rationale:
  - Increase market share from 19% to 38% in Neutron detectors
  - Strengthen position towards SMR market, in Europe and in US with a global commercial approach
  - Increase TAM[3]

LR TECH

- Closing: September 1st, 2024
- Country: Canada
- 2023 sales[2]: CAD 6.6m
- CAGR last 3 years[4]: +30% p.a.
- Markets served: Fourier transform infrared spectroscopy applied to research, gas detection, and environment
- Strategic rationale:
  - Complement product portfolio in cooled infrared within Telops
  - Increase TAM[3]

Ecovadis Silver Medal

SILVER | Top 15%
ecovadis
Sustainability Rating
AUG 2024

- Silver Medal awarded on August 5th, 2024
- Placed Exosens in the top 15% worldwide
- Recognized our dedication and efforts in sustainability and corporate social responsibility (CSR)
- Total alignment with our strategic commitment to CSR guided by our strategic pillars:
  - Human Responsibility
  - Environmental Sustainability
  - Governance with a purpose
  - Partnerships with CSR commitments

Notes: [1] Non audited, UK GAAP, fiscal year ending January 4th, 2024. [2] Non audited, local GAAP, fiscal year ending August 31st, 2023. [3] Total Addressable Market. [4] Non audited.

Next period's key priorities / milestones

Amplification

- Execute increased capacity plan
- Continue development of Next Gen product towards official commercial launch

D&I

- Detection: Increase design-in penetration of Tier I customers in electron microscopy and semiconductors
- Nuclear: Reinforce Exosens position with larger offer scope targeting SMRs
- Imaging: Focus on design-in new applications e.g. Opt. Tomography, Gas detection with product launches in Q4

M&A

- Start integration of Centronic and LR Tech
- Continue focus on delivering the strong pipeline and enlarging M&A sourcing

Q&A

Appendix

Income statement

In €m	H1 2023	H1 2024
Revenue	125.0	186.9
Purchases consumed	(30.5)	(45.6)
Other purchases and external expenses	(24.1)	(33.9)
Taxes	(0.9)	(1.2)
Personnel expenses	(38.9)	(55.5)
Other operating income / (expenses)	1.5	(0.6)
Depreciation and amortisation	(11.5)	(15.5)
o/w PPA amortisation	*(4.2)*	*(5.9)*
Operating profit / (loss) from continuing operations	**20.5**	**34.5**
Operating profit / (loss) from continuing operations excluding PPA amortisation	***24.8***	***40.4***
Other income / (expenses)	(1.4)	(3.9)
Operating profit / (loss) from operations	**19.2**	**30.7**
Operating profit / (loss) from operations excluding PPA amortisation	***23.4***	***36.5***
Net financial result	(9.5)	(25.7)
Profit / (loss) before taxes	**9.7**	**5.0**
Profit / (loss) before taxes excluding PPA amortisation	***14.0***	***10.8***
Corporate income taxes	*(1.4)*	*(2.1)*
Profit / (loss)	**8.3**	**2.9**
Profit / (loss) excluding PPA amortisation	***12.5***	***8.7***

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Cash flow statement

In €m	H1 2023	H1 2024
Profit / (loss)	8.3	2.9
Net financial result	9.5	25.7
Corporate income taxes	1.4	2.1
Depreciation and amortisation	11.5	15.5
Other income and expenses	1.3	2.9
Taxes paid	(3.0)	(1.6)
Change in net working capital	(13.2)	(7.7)
Cash flow from operating activities	**15.9**	**39.8**
Net investments in assets	(15.1)	(18.3)
Acquisition of equity stakes	(7.8)	(0.9)
Subsidies received and other flows	0.1	(0.0)
Cash flow from investment	**(22.8)**	**(19.2)**
Capital increase	-	180.0
Change in financial liabilities and IFRS 16 leases	2.9	(62.5)
Interest payments (including IFRS 16 leases)	(8.3)	(14.8)
Other	-	(15.6)
Cash flow from financing	**(5.4)**	**87.0**
FX impact	(0.1)	0.1
Change in cash and cash equivalents	**(12.4)**	**107.7**
Cash and cash equivalents at beginning of the period	**29.0**	**15.5**
Cash and cash equivalents at end of the period	**16.5**	**123.2**

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Balance sheet – assets

In €m	31-Dec-2023	H1 2024
Goodwill	174.3	174.3
Intangible assets	202.4	198.8
Tangible assets	72.1	79.4
Right-of-use of leases	10.8	9.9
Investment in associates	3.4	3.4
Financial assets and other long-term investments	0.7	1.2
Deferred tax assets	0.0	1.5
Long-term assets	**463.7**	**468.5**
Inventory	78.5	94.9
Accounts receivable	69.2	60.3
Derivative financial instruments	0.2	0.6
Financial assets and other short-term investments	29.4	36.9
Cash and cash equivalents	15.5	123.2
Short-term assets	**192.7**	**315.9**
Total assets	**656.4**	**784.3**

Balance sheet – equity and liabilities

In €m	31-Dec-2023	H1 2024
Share capital	1.9	21.6
Additional paid-in capital	188.1	340.6
Retained earnings	14.1	19.8
Total equity	**204.1**	**382.0**
Long-term financial debt	300.8	249.0
Long-term lease liabilities	7.7	7.6
Pension liabilities	7.6	7.7
Provisions and other long-term liabilities	8.6	9.3
Deferred tax liabilities	17.6	17.0
Long-term liabilities	**342.3**	**290.6**
Short-term financial debt	7.0	1.7
Short-term lease liabilities	2.4	2.3
Derivative financial instruments	-	-
Accounts payable	32.3	35.2
Provisions and other short-term liabilities	68.4	72.5
Short-term liabilities	**110.1**	**111.7**
Total equity and liabilities	**656.4**	**784.3**

Operating profit bridge

In €m	H1 2023	H1 2024
Operating Profit	19.2	30.7
Depreciation, amortisation and impairment - net	11.1	15.9
Other income and expenses	1 1.4	2 3.9
EBITDA	**31.6**	**50.4**
Share-based payments	0.8	2.9
One-off costs	3 1.6	4 2.8
Adjusted EBITDA	**34.0**	**56.1**
Depreciation, amortisation and impairment exc. PPA amortisation	(6.9)	(10.0)
Adjusted EBIT	**27.2**	**46.1**

Comments

1. Costs mainly attributable to consultancy & advisory expenses for M&A
2. Costs incurred in the context of the IPO
3. Adjustments mainly relate to scraps of aged inventory
4. Adjustments mainly attributable to consultancy and advisory expenses for M&A. In 2023, these costs were booked in "Other income & expenses"

FINANCIAL GLOSSARY

Organic growth is the growth in revenue achieved by the Group on a like-for-like basis, which corresponds to revenue achieved during period "n" by all the companies included in the Group's scope of consolidation at the end of period "n1" (excluding any contribution from companies acquired after the end of period "n-1"), compared with revenue achieved during period "n-1" by the same companies, regardless of when they entered the Group's scope of consolidation. Organic growth for the half-year ended 30 June 2024 therefore excludes the contribution of ProxiVision, El-Mul and Telops, acquired by the Group in June 2023, July 2023 and October 2023 respectively.

Gross margin is equal to the difference between the selling price and the cost price of products and services (including notably employee benefits).

Adjusted EBITDA means operating profit, less (i) additions net of reversals to depreciation, amortization and impairment of non-current assets; (ii) non-recurring income and expenses as presented in the Group's consolidated income statement within "Other income" and "Other expenses", and (iii) the impact of items that do not reflect ordinary operating performance (especially business reorganization, acquisition and external growth-related costs, as well as IFRS 2 share-based payment expense).

Adjusted EBIT corresponds to operating profit, after deducting (i) non-recurring income and expenses as presented in the consolidated income statement under "Other income" and "Other expenses"; and (ii) the impact of items that do not reflect the Group's core operating performance, such as costs relating to business reorganisation and adaptation operations and expenses associated with share-based payments (IFRS 2). Depreciation, amortisation and reversal of impairment losses on non-current assets, included in adjusted EBIT, exclude the amortisation of the part of non-current assets corresponding to purchase price allocation.

Cash conversion is calculated using the following formula: (Adjusted EBITDA – capitalised Research and Development costs – capital expenditure)/(Adjusted EBITDA – capitalised Research and Development costs).