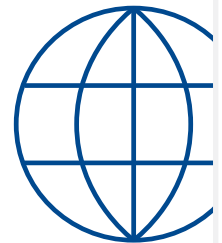


WHO ARE WE?

Ricardo plc is a global strategic, environmental and engineering consulting company, listed on the London Stock Exchange

With over 100 years of engineering excellence and close to 3,000 employees in more than 20 countries, we provide exceptional levels of expertise in delivering innovative cross-sector sustainable outcomes to support energy transition and scarce resources, environmental services, and safe and smart mobility. Our global team of consultants, environmental specialists, engineers and scientists support our customers in solving the most complex and dynamic challenges to help achieve a safe and sustainable world.



OUR STRATEGY

We are focused on delivering sustainable growth by working together, executing at pace and doing even more to empower our teams to be thought leaders in all that they do

Our strategy is driven by our purpose and underpinned by the global megatrends – clean energy and resources, environmental services and safe and sustainable transportation – that help inform how we maximise our impact. Our greatest differentiation comes from bringing all our expertise together and harnessing it to adapt to and mitigate the impact of climate change.

Ricardo's three growth levers of portfolio prioritisation, market expansion, and M&A acceleration.



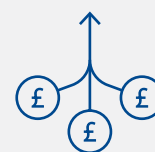
PORTFOLIO PRIORITISATION

We are prioritising our portfolio to closely support the megatrends and shifting from services to solutions, optimising our service mix by creating repeatable solutions with increased digitalisation.



MARKET EXPANSION

We drive competitive advantage by expanding our global scale and reach in our chosen markets while leveraging the relationship with our customers and creating a deeper intimacy with them to provide solutions that truly meet their needs.



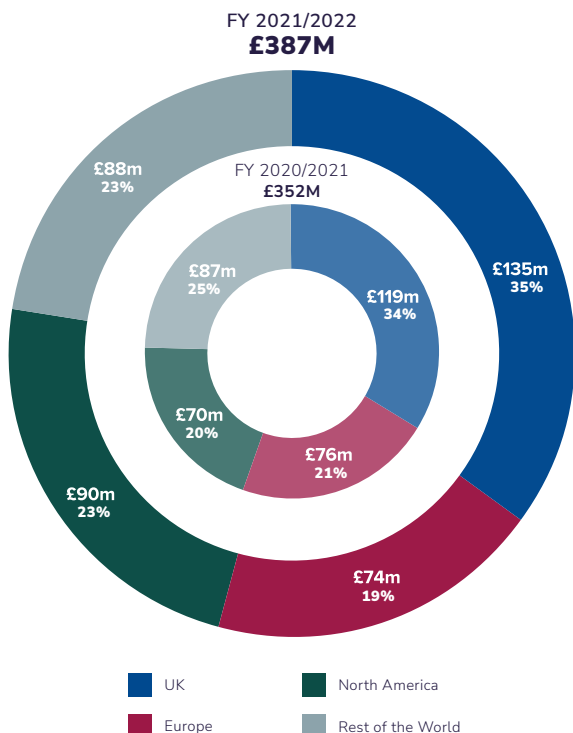
M&A ACCELERATION

We create value through complementary M&A, in which we are increasingly focusing our investments in highly attractive environmentally and digitally led areas, where we can build leading positions in the markets in which we operate.

KEY GROUP FINANCIALS

Strong growth driven by accelerating environmental trends and key programmes

REVENUE BY GEOGRAPHIES



ORDER INTAKE

£432m
+23%

2021/22: £352M

REVENUE

£387m
+10%

2021/22: £352M

UNDERLYING OPERATING PROFIT MARGIN

7.8%
+130BPS

2021/22: 6.5%

UNDERLYING CASH CONVERSION

112%
+25PTS

2021/22: 87%

UNDERLYING PBT

£26.3m
+46%

2021/22: £18.0M

RETURN ON CAPITAL EMPLOYED

24%
+6PTS

2021/22: 18%

DISCIPLINED CAPITAL ALLOCATION

Maintaining a disciplined approach to the way we allocate our capital

CAPITAL EXPENDITURE

3-4%
of revenue

DIVIDEND

2.5-3.0 times cover
re: underlying EPS

M&A TO ACCELERATE GROWTH

Strengthen position in key sectors

Expand into priority geographies

Add new expertise and digital capabilities

Strong margins and growth potential

Alignment to megatrends

ROCE % EXCL. GOODWILL IN FY27

> 40%

OPERATING CASH CONVERSION % (average over 5 years)

> 90%

LEVERAGE⁽¹⁾

Up to 1.25x net debt/EBITDA

(1) Leverage calculated on a pre-IFRS 16 basis

HOW WE OPERATE

We operate through our five operating segments

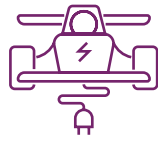


**AUTOMOTIVE
& INDUSTRIAL**

32%

NET REVENUES

Trusted specialists in clean, efficient, integrated propulsion and energy solutions



**PERFORMANCE
PRODUCTS**

19%

NET REVENUES

Engineering specialists in niche-volume manufacturing and software development



**ENERGY &
ENVIRONMENT**

18%

NET REVENUES

A leader in sustainability consultancy, solving complex environmental challenges



RAIL

19%

NET REVENUES

Expert in solving complex rail systems through the delivery of independent assurance and consultancy services



DEFENSE

12%

NET REVENUES

Trusted expertise in delivering wide-ranging engineering programmes to drive efficiencies while optimising safety

OUR OPERATING MODEL

Our shared operating model supports us in applying standard ways of work across the business

We drive operational efficiencies and consistent performance through our nine workstreams to create continuous improvement and value in the way we execute our activities within each of the business units.



**DEVELOP
PEOPLE**



**PROACTIVE
SALES**



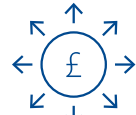
**MARGIN
MANAGEMENT**



**CLEAR
COMMUNICATIONS**



**DIGITAL
CAPABILITY**



**CAPITAL
ALLOCATION**



ESG



**DELIVERY
EXCELLENCE**



**CASH
OPTIMISATION**

INVESTING IN SUSTAINABILITY

Sustainability is firmly built into our DNA

From the solutions we deliver to the actions we take, Ricardo is committed to reaching net zero by 2030 through decarbonising our operations and focusing on greenhouse gas emissions (GHG), sustainability in our procurement process, resources and materials



ENVIRONMENTAL

Our key focus is on reducing GHG emissions and on group activities that will support us on our energy transition



SOCIAL

We focus on our people and on the social value we contribute to our communities, customers and wider supply chain



GOVERNANCE

More aligned levels of governance to ensure that all aspects of the business contribute to our net-zero journey

WHY INVEST IN RICARDO?

1

We are a solid business

- Listed on the London Stock Exchange with good customer and sector diversification
- A deep heritage and strong DNA
- Experts in solving complex problems rooted in science and innovation
- Strong market drivers for long-term profitable growth on our energy transition

2

Focused strategy towards sustainable growth

- Portfolio focus on environmental and energy transition
- Leading expertise in growing markets
- Services to solutions across value chain
- Digital development to enhance differentiation

3

Good momentum in our execution

- New CEO executing sharpened strategy
- Focus on excellence in execution through shared operating model
- Improvements in all key metrics for FY21/22 with continued growth in environmental and energy services

4

Robust financial framework

- On track for short-term delivery
- Clear phased plan for profitable growth
- Improved efficiency in indirect costs to below 20% of revenue
- Prudent leverage of less than 1.25 times EBITDA