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MARCH 2024

AUDITED RESULTS 2023



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AUDITED RESULTS 2023

In line with the preview

Growth in operating income and recurring EBITDA **in line with budget and above market average**. Expressed in millions of euros

101.4 M€



TOTAL INCOME
+13% vs. 2022

+8% Organic growth

83.1 M€



OPERATING INCOME
+14% vs. 2022

+8% Organic growth

18.5 M€



RECURRING EBITDA
+15% vs. 2022

+6% Organic growth

Operating income: total income minus re-billings of customer services, in the DIIM corresponds to Gross Margin.

Recurring EBITDA: also known as gross operating income, is the concept of earnings before interest, taxes, depreciation and amortization. The Company calculates recurring EBITDA after excluding other extraordinary income/expenses.



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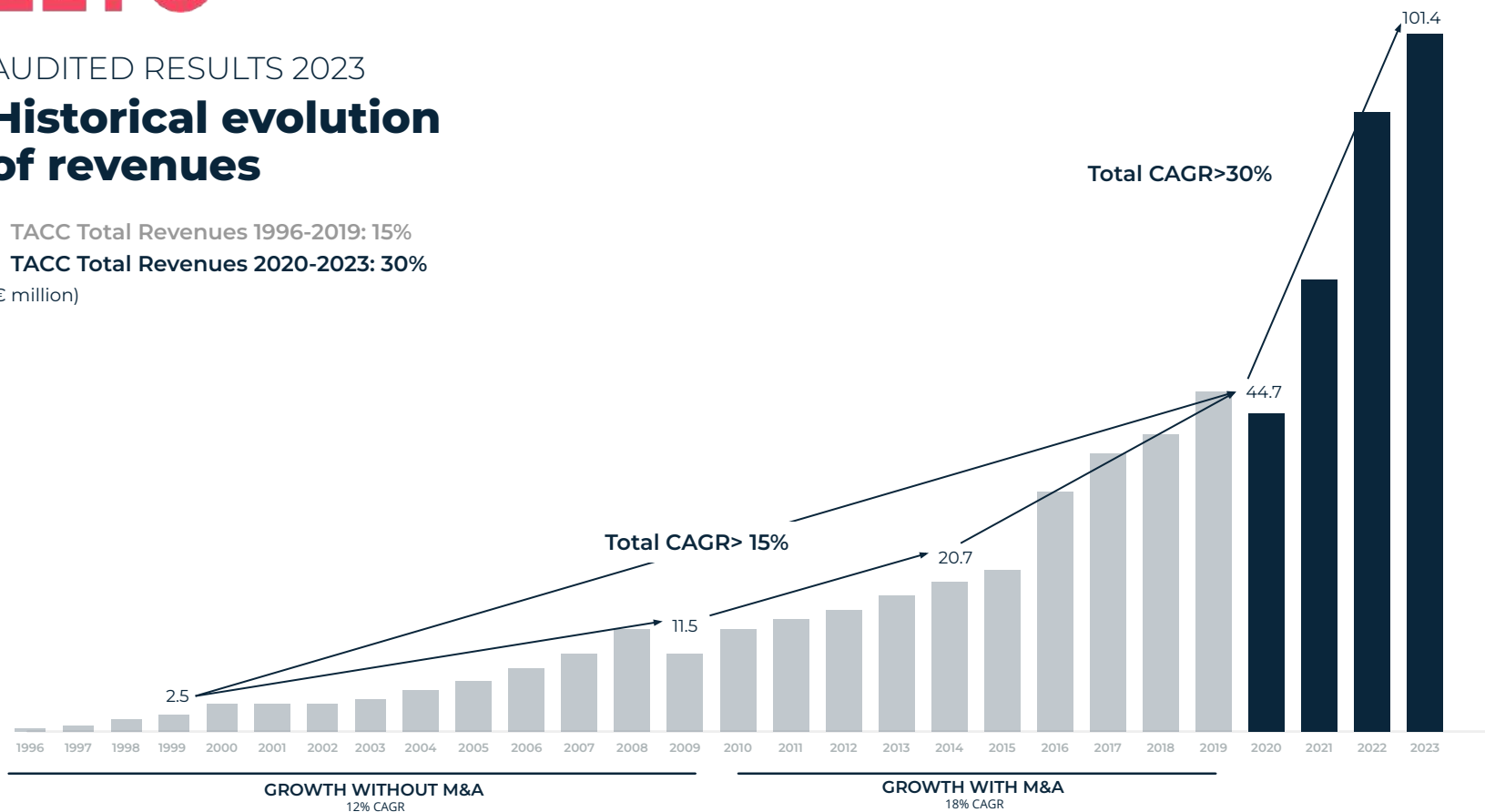
AUDITED RESULTS 2023

Historical evolution of revenues

TACC Total Revenues 1996-2019: 15%

TACC Total Revenues 2020-2023: 30%

(€ million)



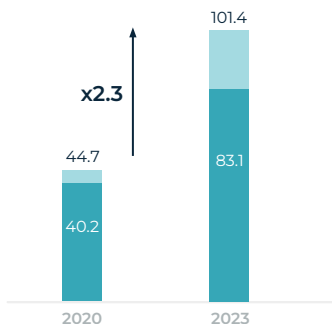


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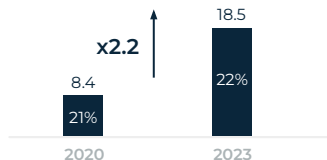
BUSINESS EVOLUTION

2020 - 2023

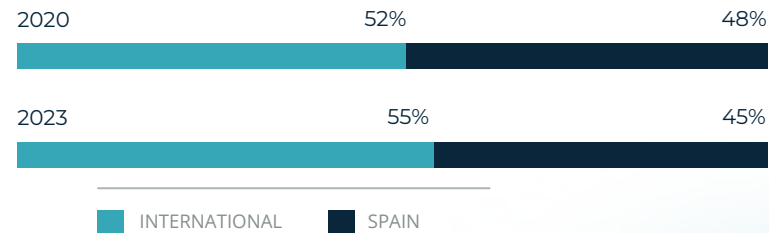
TOTAL REVENUE (€ million)
CAGR Revenues 2020-2023: 31.3%



RECURRING EBITDA (€ million)
CAGR Recurring EBITDA 2020-2023: 29.8%



INTERNATIONAL BUSINESS:



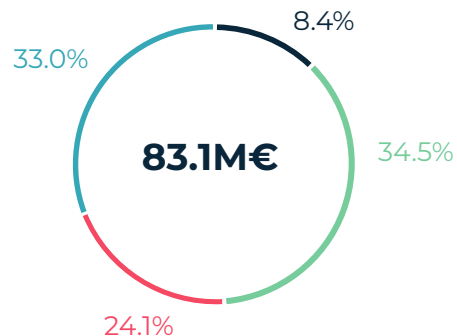
2023 → Degree of compliance > 100% vs. FY23

■ OPERATING INCOME
 ■ TOTAL INCOME

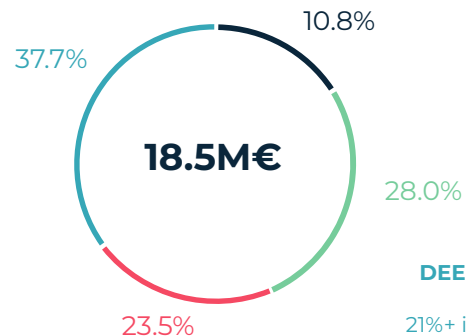
2023 → Degree of compliance > 100% vs. FY23

Distribution of operating income and recurring EBITDA by business unit

OPERATING INCOME



RECURRING EBITDA



DEEP DIGITAL CONTINUES TO STRENGTHEN;
21%+ in Operating Revenues and EBITDA vs. 2022





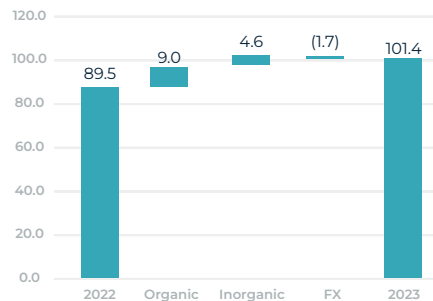
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Net profit

TOTAL REVENUE EVOLUTION

(in million euros)



Million euros	FY 2022	FY 2023	% variación
TOTAL REVENUE	89.5	101.4	13.3%+
OPERATING INCOME	72.7	83.1	14.3%+
RECURRING EBITDA	16.0	18.5	15.4%+
<i>Margin over operating income</i>	23.8%	22.2%	-
EBITDA	15.3	18.7	22.2%+
<i>Margin over operating income</i>	21.1%	22.5%	
EBIT	11.7	14.3	22.2%+
Financial result	(1.4)	(1.9)	
PROFIT BEFORE TAX	10.3	12.4	20.4%+
Tax	(2.9)	(3.2)	
Tax rate	28.1%	26.1%	
NET PROFIT	7.4	9.2	24.3%+
Minority interests	0.4	0.9	
CONSOLIDATED NET PROFIT	7.0	8.3	17.1%+



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AUDITED RESULTS 2023

Cash Flow

A good **cash conversion ratio** continues to help drive the **sustainable** growth of our business.

Figures in million euros

	FY 2022	FY 2023
EBITDA	15,318	18,670
Change in working capital	(3,323)	(4,457)
Tax on ordinary income	(3,172)	(3,019)
Interest receivable/ (payable)	(1,029)	(866)
OPERATING CASH FLOW	7,794	10,327
CASH CONVERSION RATIO	50,9%	55,3%
OPERATING CASH FLOW + CASH AT THE BEGINNING OF THE YEAR	24,214	22,523
Acquisition of fixed assets	(2,508)	(4,629)
Payments for acquisitions	(5,848)	(6,664)
Increase / (decrease) debts to other entities	(1,573)	2.474
Dividend payment	(1,999)	(1,810)
Exchange rates and other changes	179	(827)
Other	(270)	(392)
CASH AT THE END OF THE PERIOD	12,196	10,675
CASH AT THE BEGINNING OF THE PERIOD	16,420	12,196
TOTAL NET CASH FLOW	(4,225)	(1,520)
CASH AT THE END OF THE PERIOD	12,196	10,675



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Financial position



Our indebtedness is low compared to the market average and we have the resources to continue to carry out our business plan.



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INNOVATION AND CREATIVITY



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Innovation as a strategic pillar

At **2023**, revenues from innovation accounted for **11.4%** of the total of Deep Digital

Continuous focus on transforming our offering through innovation

34.5%

Revenues derived from Deep Digital
vs. 32% in 2022

>850M

Messages analyzed in news and social media

1.3M€

Investment in 2023 in R&D&I
+62% vs 2022

Algent

Launch of our generative AI solution specialized in holding conversations about a specific field of knowledge

IA'S OWN REPUTATION MEASUREMENT MODEL

Audited by the Universidad Complutense of Madrid. It exceeds the main market benchmarks by 20 points on *accuracy*



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AUDITED RESULTS 2023

Creative innovation: our hallmark in every communication project





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RESULTS 2023

Achieving excellence hand in hand with our clients

IN 2023, WE OBTAINED

78

national and international awards

MAIN AWARDS



CORPORATE AWARDS



"TOP 100 independent media agencies in Spain" being the 1st independent media agency in El Publicista's ranking.



"Global PR Agency" ranked 40th in PRovoke's global ranking.



"We achieved the No. 39 position" in the Agency Business Report ranking by PR Week.



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TALENT



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THE PEOPLE

We continue to empower our talent

LLYC TEAM

5%+ vs. 2022

1,181

64% Women

PROMOTIONS

14% STAFF

169

66% Women

CHALLENGERS PROGRAM

-3%

EMPLOYEE TURNOVER



BEST AGENCY TO WORK FOR 2023 according to SCOPEN
Great Place to Work at 12 of our operations





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COMMITMENT



COMMITMENT

Since 2017 improving society through communication

5,371
Beneficiaries

2,425
Volunteers

79
Projects

13,065
Dedicated
consulting hours

Flagship Project 2023

PROJECT

Doors of Hope



PUER
TAS
ESPERANZA

Initiative that seeks to make visible the resilience, courage and effort of people from the LGBTIQ+ community who had to flee their homes due to physical or psychological violence, leaving a door behind, to open new ones in search of authenticity.

Great reception in the media with more than 50 impacts, more than 3 million impressions in RRSS and an estimated reach of 500 thousand people.

COMMITMENT

Advancing our ESG commitment

Ratings that allow us to lead our category of comparable companies and to be above our *peers*.



Clarity Ai: score of 76/100

The analysis highlights the quality of the information provided by LLYC to the markets and its good sustainable performance, especially in the area of **corporate governance** where LLYC receives a score of **93/100**



Refinitiv: "B" score in the overall ESG Rating, with a score of 61/100

We stand out in: **environmental aspects** as the use of resources; **social** as labor policies, **human rights** or community relations; and of **corporate governance** in its relationship with its shareholders and investors with **A- ratings**.

In addition, LLYC obtains the highest **rating (A+)** from the perspective of **reputational risk** associated with ESG controversies.

LLYC ranks **38th out of 183** in the **world ranking** of companies evaluated with an ESG perspective by Refinitiv in the Media & Publishing category.



Measurement of the global carbon footprint through the GreeMko tool.

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MARCH 2024

CONCLUSIONS AND 2024 OUTLOOK



Conclusions and outlook for 2024

CONCLUSIONS

- Solid results with double-digit growth in the first half of the year.
- Historical revenue growth: CAGR>30% in the period 2020-2023
- Consolidation of Deep Digital, accounting for 34.5% of operating income
- Solid financial position
- Empowerment of our talent: 1,181 professionals (64% women)
- Advancing our ESG commitment with scorings above our peers in Refinitiv and Clarity Ai

OUTLOOK FOR 2024

- Implementation of the new, more flexible matrix model begins, allowing us to grow profitably while protecting our margins
- We are already a marketing services company (more than half of our revenues) and we will continue to strengthen this specialty
- Innovation as the backbone of growth
- Active M&A pipeline in key geographies and businesses of our strategic plan

Solid results that guarantee the growth and investments foreseen in the 23/25 Plan.



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