

THE *LEADING THE FUTURE* STRATEGIC PLAN CELEBRATES ITS FIRST ANNIVERSARY, WITH INDRA GROUP CONSOLIDATING ITS POSITION AS THE FLAGSHIP SPANISH MULTINATIONAL IN THE AEROSPACE AND DEFENCE INDUSTRIES

- Indra Group has made a name for itself as a unique European player in space and secure communications and strengthened its leadership of domestic and European defence programs, at the forefront of advanced digital technologies with Minsait
- Most of the capital for mergers and acquisitions (M&A) has already been deployed, fulfilling its commitment to consolidating its presence in the aerospace and defence businesses, with key acquisitions such as TESS, Hispasat, Hisdesat and Deimos
- The group has accelerated its global operations, in particular in key markets such as the United States, Germany, the United Kingdom, Poland and the Middle East, where it has entered into a joint venture with EDGE to design and manufacture state-of-the-art radars
- In addition to accelerating the transformation of its operations, industrial footprint and engineering, it's continuing to invest in innovation and technological development and it's already working on the Indra Technology Hub, which will embody its commitment to global and sustainable technological leadership
- The creation of Indra Group as a corporate brand has played a key role in its evolution towards a more flexible holding model and the renewed images of Indra and Minsait have helped consolidate its positioning, with a new symbol as a common link for all of the companies and professionals within the group
- Indra Group has recruited over 2,500 professionals over the past year, with 14% growth in the defence and aerospace businesses and a fall in unwanted turnover totaling three percentage points
- Having met its updated targets, Indra ended 2024 with excellent results, with solid financial projections to fulfill its 2026 goals, while moving towards its 2030 vision of becoming a global player in the aerospace and defence industries

Madrid, February 26, 2025. – Indra Group's *Leading the Future* Strategic Plan is celebrating its first year and it's progressing even faster than expected, with major advances bringing it ever-closer to fulfilling its goals. In just twelve months, Indra Group has managed to consolidate its position as the flagship Spanish Aerospace and Defence (A&D) multinational and boosted its leadership of Advanced Digital Technologies to fulfill its updated 2024 goals.

Indra Group's executive chairman, Ángel Escribano, declared during the presentation of the 2024 Results to analysts and investors that he wants to take Indra "to the next level, driving its industrial evolution, product development capabilities and advanced technology systems. In Spain, we still have a long way to go if we're to continue developing our strategic autonomy and cutting-edge military industry and strengthening our position on the international stage. Indra has the capabilities, talent and technology to lead. Today marks the beginning of a new Indra".

As for José Vicente de los Mozos, Indra Group's CEO, he highlighted that "2024 was a very good year for Indra. The highly positive results achieved, with revenues amounting to over €4.8 billion, an 11.3% EBITDA margin and a 9% EBIT margin, have laid the foundations to enable us to fulfill our ambition by 2026. Besides, we've made great progress with our *Leading the Future* Strategic Plan, an ambitious project based around seven key strategic lines to bring us closer to our Guidance goals".

The Indra Group CEO added that, in this regard, "if all of the acquisitions we've made had been completed by January 1, 2025, we'd have been able to declare that we'd have already achieved the objectives of our Strategic Plan for 2026 this year. This provides irrefutable proof that we're on the right track, accelerating the company's transformation, improving our international presence and boosting our inorganic growth".

Mr Escribano explained that Indra Group wishes to and can provide an industrial and technological response to the major challenge facing the EU and NATO, positioning itself as a leading company in the civil and military fields with a multi-domain approach:

- In space, it aspires to be a domestic leader and a European tier-1 player to ensure sovereignty over secure communications and satellite observation, with capabilities in the entire space value chain except for launching. The recent acquisition of Spain's leading company in the space domain is a step in this direction.
- In the terrestrial domain, the aim is to become the national prime-contractor for major programs for military land vehicles such as the VCR and VAC, in addition to fostering military mobility with advanced infrastructures and logistics.
- In the air domain, it wishes to strengthen its role as a national leader and European flagship with electronic warfare and cloud combat solutions, while continuing to play its key role as the domestic coordinator and supplier for major European defence programs such as the FCAS.
- In the naval domain, it will seek to consolidate its role as a key systems integrator, developing advanced technological solutions for national and European naval defence in partnership with major platforms from Europe and other geographical areas, as reflected in its recent alliances with industrial leaders in the Middle East.
- In cyber, it aspires to be the national and European leader, with a particular focus on cybersecurity and cyberdefence. It also wishes to further consolidate its leadership in advanced digital technologies such as artificial intelligence and quantum computing so as to consolidate its position as its customers' technological partner in their core businesses.

To bring this vision to life, Indra Group is strengthening its industrial and production capabilities, with initiatives such as developing the new Indra Technology Hub and optimizing the sales and operations planning (S&OP) process, providing an integrated perspective of sales, industrial capacity and the supply chain.

Key milestones in 2024

Indra Group CEO José Vicente de los Mozos listed the key milestones achieved this year in the seven strategic lines set out in the *Leading the Future* plan.

In 2024, Indra Group strengthened its **leadership and strategic growth in the aerospace and defence industries**, in keeping with a process of consolidation across the five defence domains and the consolidation of its leadership role in large-scale national and European programs.

In the terrestrial domain, the strategic purchase of TESS Defence has strengthened Indra as a prime contractor for key national programs featuring military ground vehicles such as the VCR and the VAC. Indra has also enhanced its position in major European air defence programs, taking on a key role as the national coordinator of the NGWS/FCAS program and a major presence in the Eurofighter program, thereby consolidating its role in the modernization and autonomy of air combat in Europe. In the naval domain it plays a key role as a key systems supplier and a manufacturer of radars for the F-110 frigate program. It has also driven its international growth through its joint venture with EDGE to design and manufacture state-of-the-art radars, striving to expand its presence in the Middle East and other geographical areas outside the EU and NATO.

In the space domain, the **creation of Indra Space, a space NewCo**, has made the company a unique European space player with a global presence that's capable of offering end-to-end space missions with a dual civil-military focus. The integration of Deimos and the purchases of Hispasat and Hisdesat have contributed to the foregoing, strengthening the company's position in secure communications and satellite solutions with critical applications in defence and national security while positioning it as a leader of programs such as IRIS², key to secure communications in Europe, SpainSat NG and PAZ.

It has therefore become a unique tier-1 player in Europe, drawing closer to its ambition of earning €1 billion in revenues by 2030. Indra Group will achieve this ambition without the need for additional acquisitions, thanks to its organic growth and the consolidation of its existing capabilities. The main sources of revenues will include:

- Leadership of end-to-end initiatives, harnessing our scale and integrated positioning
- Providing secure communications, with key programs such as IRIS² and SpainSat NG
- Development of earth observation solutions, leading programs such as PAZ
- A range of navigation missions, with military solutions such as PRS antennae
- Provision of space surveillance solutions, leveraging optical and radar technologies for applications such as in-orbit traffic management

- Manufacture of LEO satellites and development of ground infrastructures such as control and mission centers

As well as strengthening its position in the main programs, Indra Group has taken key steps towards consolidating its position and **transforming its business model**, allocating over 95% of the 2024 capital to the aerospace and defence businesses to accelerate the change of company profile, with a reinforced defence offer comprising around 11 priority systems to facilitate standardization and focus on commercial strength, a new industrial plan to optimize the provisioning strategy while leveraging the growth of strategic suppliers, developing the country's industrial fabric, redefining the industrial and engineering footprint and accelerating the improvement in operational efficiency with a product development plan.

“As a result of this approach, we're transforming our business model. In 2023, the aerospace and defence businesses accounted for less than half of our EBITDA, while in 2026 they're expected to account for over 60% of our EBITDA forecast, estimated at more than €750M”, explained Mr de los Mozos.

Minsait is continuing to make progress in its growth and efficiency plan, consolidating its leadership of digitization and high-value technologies. The digital offer already accounts for 50% and it's achieved growth amounting to over 50% in the development of artificial intelligence use cases for customers, while making progress in the application of AI in the group's processes and securing 10% efficiencies in its software development processes.

International growth and strategic acquisitions

With a new international organizational and governance structure, Indra Group has accelerated its **global presence** with a focus on key markets (the United States, Germany, the United Kingdom, Poland and the Middle East), consolidating its access to major international defence programs and capitalizing on opportunities in high-potential markets.

The group has significantly boosted its ecosystem of strategic alliances, new industrial collaboration schemes and its **mergers and acquisitions** (M&A) activity, with key acquisitions that include TESS, Hispasat, Hisdesat, Deimos and Quadrant Group's Micronav and Global ATC companies, as well as MQA, in Minsait's SAP solutions business and the joint venture entered into with EDGE Group. Most of the capital has already been deployed, with a focus on the defence and aerospace businesses, thereby fulfilling its strategic commitment to consolidating its operations in these sectors.

Solid financial performance and achievement of 2024 targets

Indra Group ended 2024 with excellent results, thus complying with its updated Guidance:

- Revenues: €4.843 billion (+11.5% vs. 2023)
- EBITDA margin: 11.3% (+1.0pp vs. 2023)
- EBIT margin: 9.0% (+1.0pp vs. 2023)
- Free Cash Flow: €328 million (€68 million vs. 2024 Guidance), reducing the net debt to -0.2x EBITDA.

With the purchases that have already been signed, Indra Group has visibility and solid financial projections to comply with the 2026 Guidance.

Investment in innovation and talent

As well as accelerating the transformation of its operations, industrial footprint and engineering, Indra remains committed to increasing its **investment in technological R&D&I**. The company is working on expanding its digital capabilities in artificial intelligence, cyber, quantum and advanced electronics, with a vision focused on developing next-generation defence systems and advanced products.

Indra Group is working on its technological road map to accelerate the development of new products, with breakthroughs in microelectronics, AESA radars, gallium nitride, quantum technologies and advanced optonics.

In addition to creating a technological observatory and reinforcing Indraventures to accelerate high-potential technological startups, the Indra Technology Hub advanced technological center will promote innovation, talent recruitment and industrial development in keeping with its Net Zero objective. All of the foregoing will consolidate Indra as a global technology and innovation benchmark.

In terms of talent, Indra Group has strengthened its **commitment to attracting and retaining critical talent**. It has recruited over 2,500 professionals over the past year, with 14% growth in defence and aerospace and

a fall in unwanted turnover totaling three percentage points, leaving double digits behind. The goal is to reach 5,000 new positions by 2026, 2,500 more than the current figure.

The creation of Indra Group as a corporate brand has contributed to the evolution towards a more flexible holding model, while the renewed images of Indra and Minsait have helped strengthen its positioning, with a new symbol as a common link for all of the companies and professionals within the group. These new strengthened brands will play their part in ensuring that Indra Group remains the employer of choice for high-value technological talent in its priority geographical areas.

2030 vision: Indra as a global A&D group

As for the future, Indra Group is moving forward with determination towards its vision for 2030 while consolidating its position as a global player in the aerospace and defence industry, with a strategic focus on:

- Leadership in advanced defence solutions, reinforcing its portfolio of armaments, advanced ammunition, UAVs, C-UAS, missiles and ground combat systems to guarantee competitiveness in future defence programs.
- Growth in electronic defence and advanced surveillance, consolidating its portfolio of radars, sensors, electronic warfare and command and control systems such as C4i to enhance its operational capabilities in combat environments.
- Expansion in the space sector: positioning as a prime-contractor for domestic and European programs with an end-to-end dual civil-military approach, as well as leadership in secure communications and satellite observation and surveillance.
- An M&A strategy focused on armaments and ammunition, reinforcement of its current offer and a potential increase in participation in ITP Aero.
- Strengthening of Minsait, moving forward in the exploration of a strategic partner to enhance its autonomy and accelerate the increase in its digital solutions.
- Promotion of advanced technologies (e.g. AI, cyber, quantum, cloud, optronics) and development of products and industrial defence capabilities.

About Indra Group

Indra Group (www.indracompany.com) is a holding company that fosters technological progress. It is made up of Indra, one of the leading global defence, air traffic and space companies, and Minsait, a leader of the digital transformation and information technologies in Spain and Latin America. Indra Group paves the way to a safer and better-connected future through innovative solutions, trusted relationships and the very best talent. Sustainability is an integral part of its strategy and culture in order to overcome current and future social and environmental challenges. In the 2024 financial year Indra Group posted revenues totaling 4,343 million euros, with a local presence in 49 countries and business operations in over 140 countries.

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