Indra Group creates a new unique integrated European Space player

3th February 2025

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Agenda | 3 topics for today

1

Space domain strategic fit for Indra Group

2

Hispasat and Hisdesat

3

Transaction terms and Financials

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Leading the Future | In March '24 Indra Group Stated its Strategic lines and Space Vision

Business strategic lines

1. Focus on Defence & Aerospace

2. Create a Space NewCo

3. Increase Minsait's autonomy with partner(s)

Defence

Air Traffic Management

Space

Minsait

Cross-Group strategic lines

4. Strengthen presence in new 'home markets'

5. Activate portfolio rotation (M&A) and expand the ecosystem (partnerships and alliances)

6. Increase investment in technological R&D

7. 'Double down' on critical talent

Space entry rationale | The Space sector is key for Indra Group's Strategic Plan

01 **Secure communications and surveillance** are critical for national sovereignty and private data security

02 Space is emerging as a core Military domain with **civil-military duality** for multi-domain applications

03 Market benefits from tail-winds and increasing private investment, expecting **long-term market growth** (c.9%[1])

04 Space market evolving towards increasing **Space-based applications**, Digital Services and Programs like IRIS[2]

05 Disruption in the space market: Satellite miniaturization driving industrialization and expansion of **LEO constellations**

06 Large **complementarity with Indra Group's civil and military businesses** (e.g. Defence, Air Traffic Management, Mobility)

1. Global Space market growth according to World Economic Forum; Note: LEO= Low Earth Orbit

Space value chain | Space value chain split in 5 segments with downstream as the largest segment and highest EBITDA margins

	Upstream *(Design, Manufacturing and Space Technology)*			Downstream *(Operation & Services)*	
	Launch	Satellite	Ground	Civil	Military
	Non-core	Satellite platforms, payloads and flight control software	Ground stations, and vertical application mission & control software	Secure communications, precision navigation, Earth observation, space traffic management and scientific/exploration	Encrypted communications, geospatial intelligence and surveillance, and threat detection
'30 Market size, €B *Excluding government investment*	10	18	18	169	
Average EBITDA margin, %	<0-5%[1]	5-20%	5-20%	50%	

1. Excludes SpaceX

Industrialization | Standardized LEO satellites enable efficient, cost-effective and industrialized manufacturing at scale

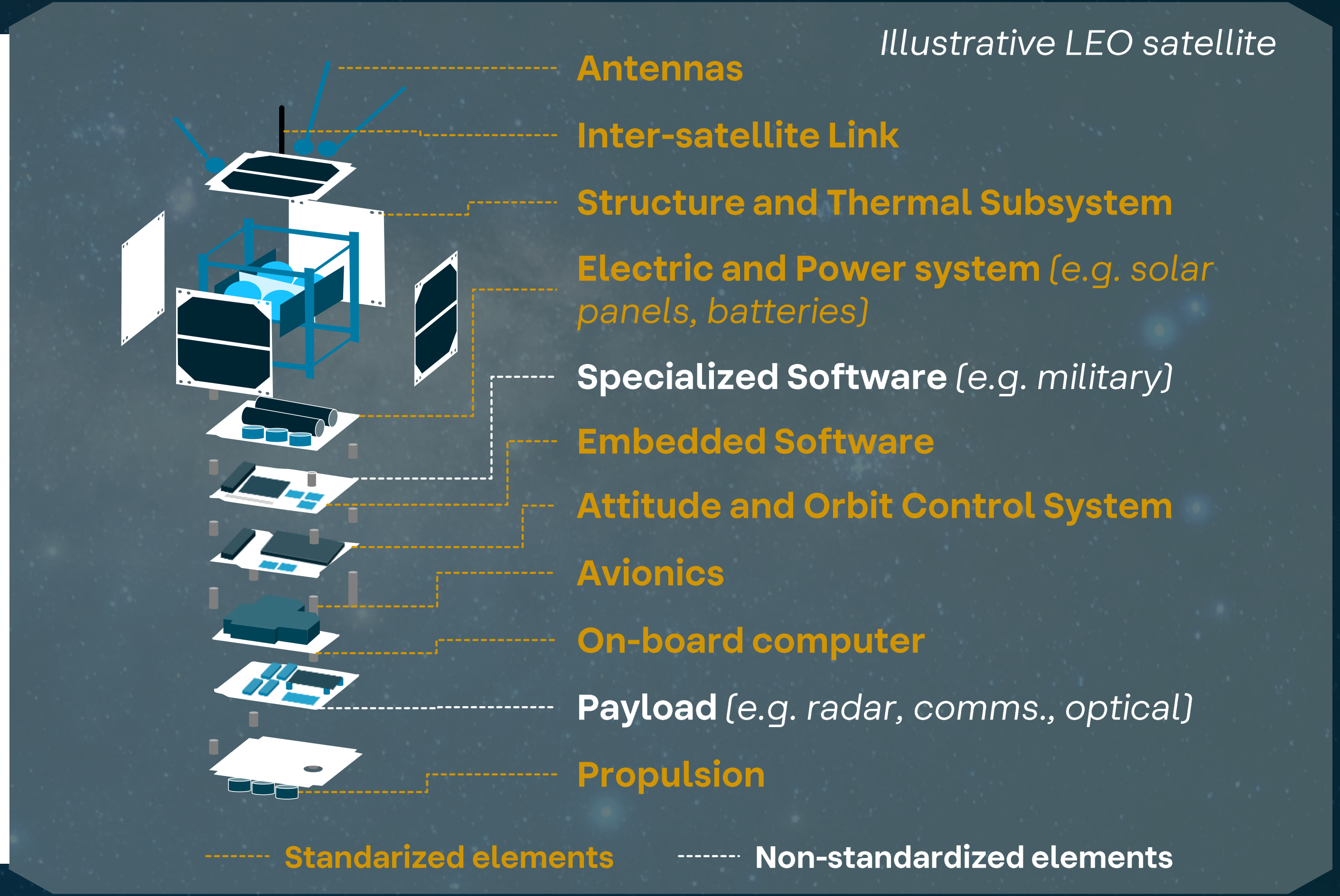
35,000 km — GEO

Mono-satellites, **tailor-made**, non-scalable and complex manufacturing, **5,000 kg**

c.2,000 km — MEO/LEO

Indra Space NewCo's satellite manufacturing focus

Large constellations, **standardized and industrialized** manufacturing, **150 kg**



Manufacturing cost of a LEO satellite is 200 times lower than GEO

Note: LEO: Low-Earth Orbit; MEO: Medium Earth Orbit; GEO: Geostationary Earth Orbit

Strategic Alignment | Space Sector applications with large complementarity across Indra Group's Business Portfolio

Secure **communications, surveillance, cyber defense, navigation & early warning** for Military uses

Next-gen satellite-based **communications, navigation & surveillance**

IoT, AI & Mobility use cases (vehicle tracking & connectivity, autonomous vehicles, infra surveillance, UAS[1], etc.)

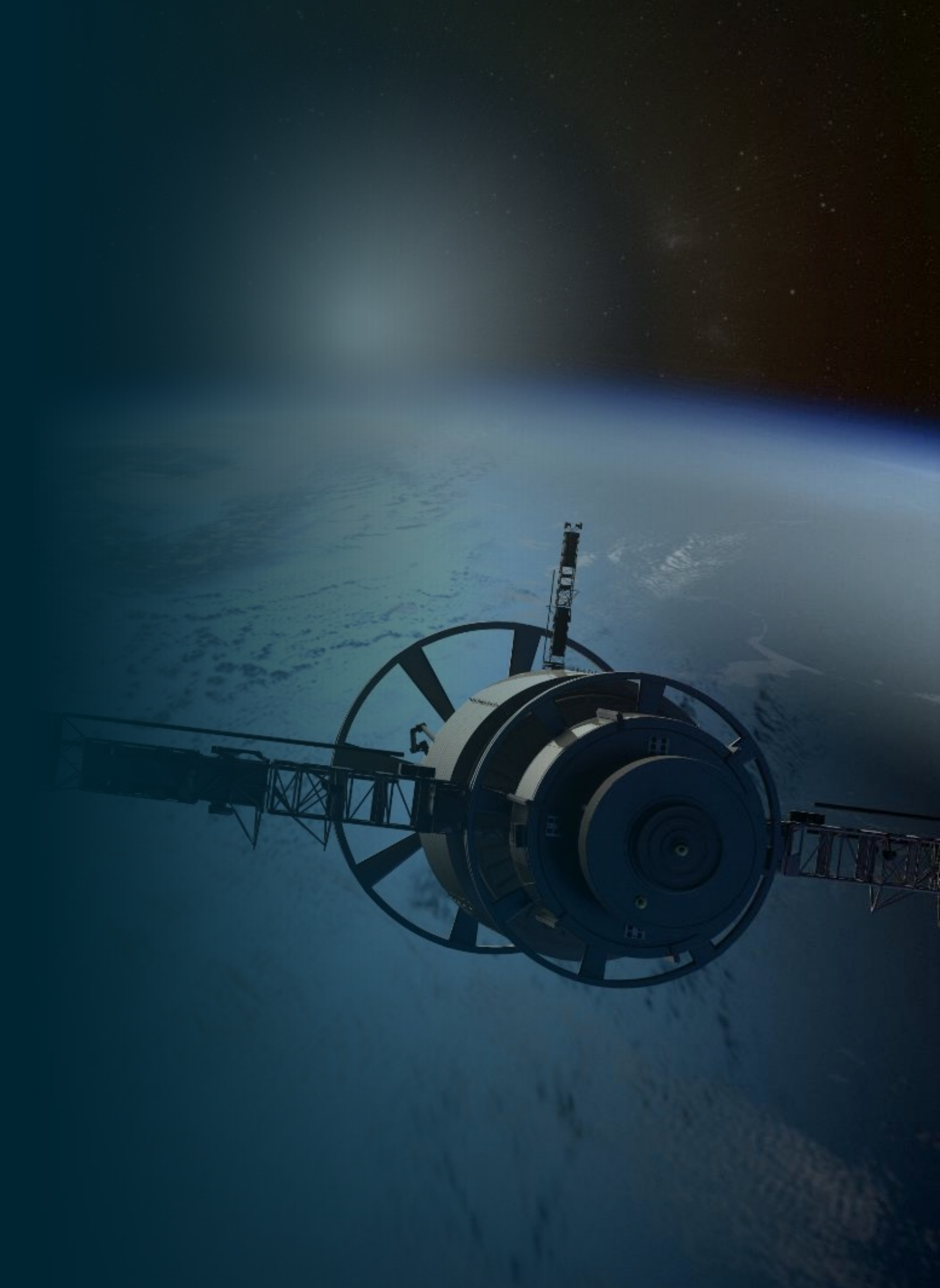
1. Unmanned Aerial Systems

Indra Group Space vision

Tier-1 European referent with global footprint and leadership in main European programs

End-to-end capabilities along the value chain, with increasing focus on MEO/LEO initiatives

Dual civil-military offering for satellite secure communications, observation and navigation



A decisive step in our path towards Leading the Future

Mar-2024
Leading the Future Capital Markets Day

2024

Today

2027-2030

01 Aggregation of existing capabilities

Space capabilities from Indra's businesses (Defence, ATM, Mobility and Minsait)

INDRA

02 Creation of **Indra Space NewCo**

INDRA

deimos

03 Hispasat and Hisdesat acquisition

hispasat

hisdeSAT

04 Tier-1 European referent with global footprint

Ambition 2030

€ 1+B
Revenue

With the acquisition of Hispasat and Hisdesat, Indra Space NewCo has all the necessary capabilities to achieve its ambition of € 1+B through organic growth

Hispasat & Hisdesat acquisition | Integrated positioning across the value chain to deliver end-to-end Space missions

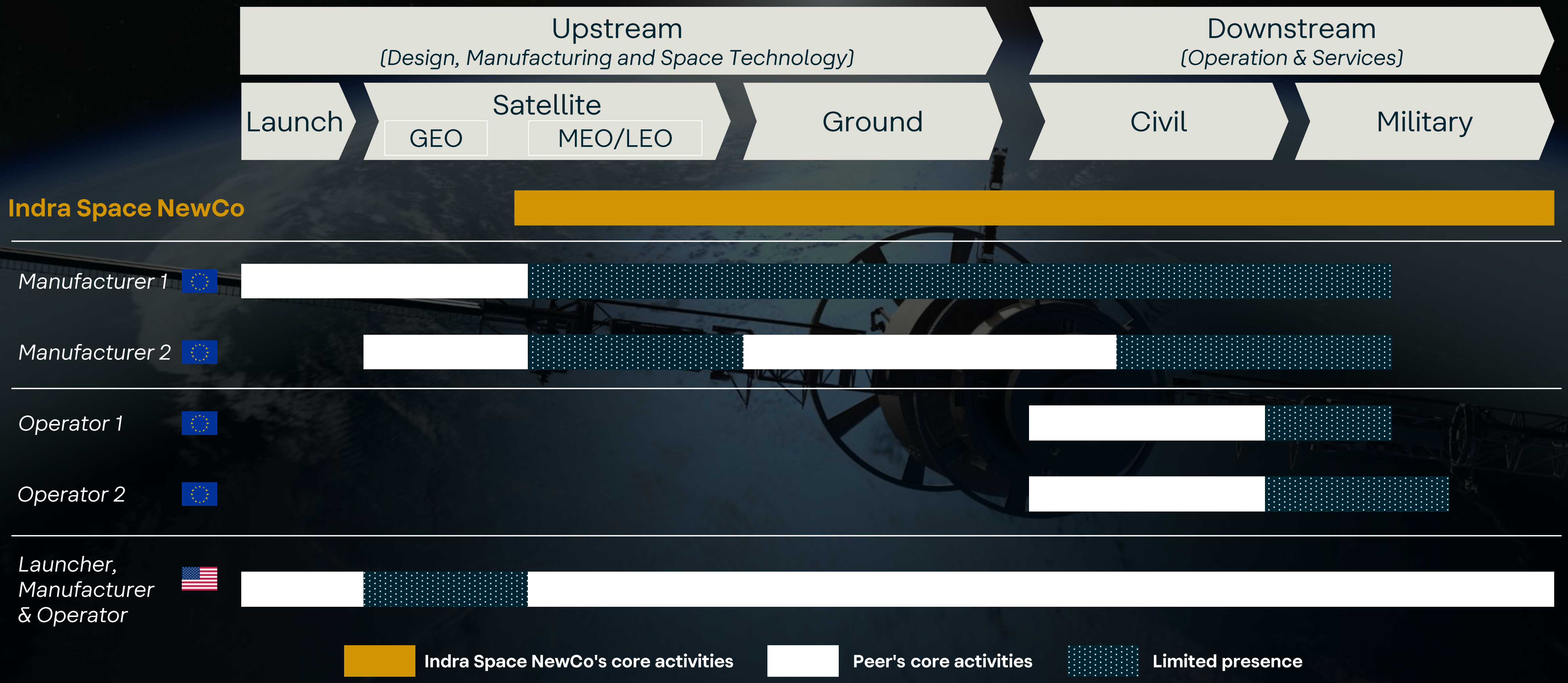
Upstream *(Design, Manufacturing and Space Technology)*				Downstream *(Operation & Services)*	
Launch	Satellite		Ground	Civil	Military
	GEO	MEO/LEO			

Non-core (Launch)

Indra Space NewCo: deimos, INDRA (Satellite, Ground); hispasat (Civil); hisdeSAT (Military)

Note: LEO: Low-Earth Orbit; MEO: Medium Earth Orbit; GEO: Geostationary Earth Orbit

Indra Space NewCo Competitive Positioning | One-of-a-kind player in the European Space sector



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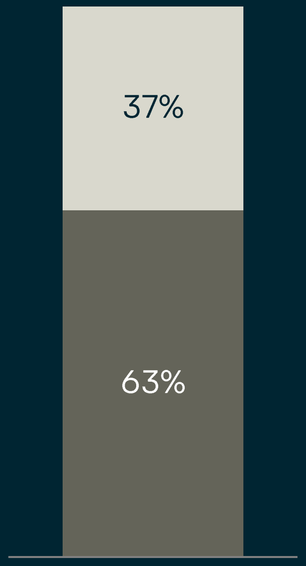
Note: LEO: Low-Earth Orbit; MEO: Medium Earth Orbit; GEO: Geostationary Earth Orbit

Space Ambition | Indra Group's ambition is to achieve a relevant market share of the Spanish and European Space Sector

Indra Space NewCo Revenues ambition by source (%)



Institutional

1 Increase presence in programs to become a European Tier-1

Programs with presence
- IRIS[2]
- Galileo
- EGNOS
- Copernicus

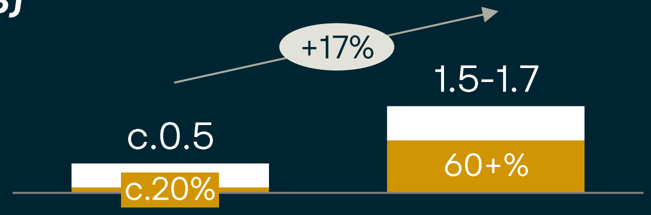
Upcoming programs
- Surveillance & Safety
- LEO PNT[2]
- Future EO[3]
- Exploration

2 Become Spanish Space national leader

Programs with presence
- Spain Sat NG
- PAZ
- Surveillance & Safety
- PRS[4]
- QKD[5]

Upcoming Programs
- SIGINT[6]
- SEOT[7]
- Atlantic Constellation
- Exploration

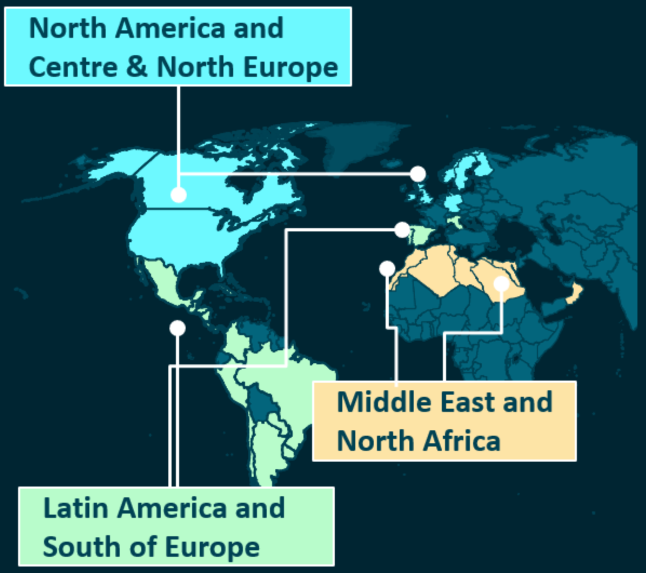
Spanish institutional investment in the National and European Space sectors[1] (€B)



Indra Space NewCo aims to capture 60+% of Spain's investments in alignment with the geo-return principle

Private

3 Leverage Indra's Home Markets to drive private sector growth



1. Includes institutional investment from European Space Agency, European Commission, Spanish Space Agency, Spanish Ministry of Defence; 2. Low Earth Orbit Positioning, Navigation, and Timing; 3. Earth Observation; 4. Public Regulated Safety; 5. Quantum Key Distribution; 6. Signal Intelligence; 7. Spanish System for Earth Observation
Source: European Space Agency, Spanish Space Agency, European Commission, Euroconsult, Public Reports, Press Releases, BCG analysis

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Agenda | 3 topics for today

1. Space domain strategic fit for Indra Group
2. Hispasat and Hisdesat
3. Transaction terms and Financials

Hispasat and Hisdesat in a nutshell

hispasat + hisdeSAT

Hispasat (Civil)		Hisdesat (Military)
10	**Space Infrastructure** Satellites in orbit	3
11	**Home markets** N° of countries with subsidiary or branch	1
3°/4°	**Market ranking** # ranking by revenue in their geographies	1°
500+	**High-tech employees** Highly qualified professionals	100+
Infrastructure Services IRIS²	**Business Lines**	Government & Military

Hispasat		Hisdesat	
c.250	**Revenues '23** €m	**Revenues '23** €m	c.50
c.125 (c.50%)	**EBITDA '23** €m; % of revenues	**EBITDA '23** €m; % of revenues	c.30 (c.60%)

€ 2+B of secured backlog by EoY 2023

Source: Annual Report 2023 Hispasat; Public reports; Annual Financial Statements

Hispasat and Hisdesat evolution | Hispasat and Hisdesat provide high-tech satellite services and participate in multi-orbit programs

2019

Operator focused on traditional satellite businesses

- Commercial GEO satellite infrastructure (FSS[1] satellites)
- Military and government operator

0% revenues from GEO HTS[2,3]

2024

Shift towards vertical integration (services) & high-tech infrastructure

- Commercial GEO satellite infrastructure (high-tech HTS[2] satellites)
- Military and government operator (high-tech HTS[2] satellites)

>35% revenues from GEO HTS[2,3]

- Value added Space services *(Axess acquisition in 2022)*

2030 Vision

Multi-orbit operator & program prime with a stable and diversified revenue base

- Commercial GEO satellite infrastructure (high-tech HTS[2] satellites)
- Military and government operator (high-tech HTS[2] satellites)

c.85% revenues from GEO HTS[2,3]

- Next-Gen Space services
- IRIS² European multi-orbit program (MEO/LEO)

hispasat: **Infrastructure** | **Services** | **IRIS²**

hisdeSAT: **Government & Military**

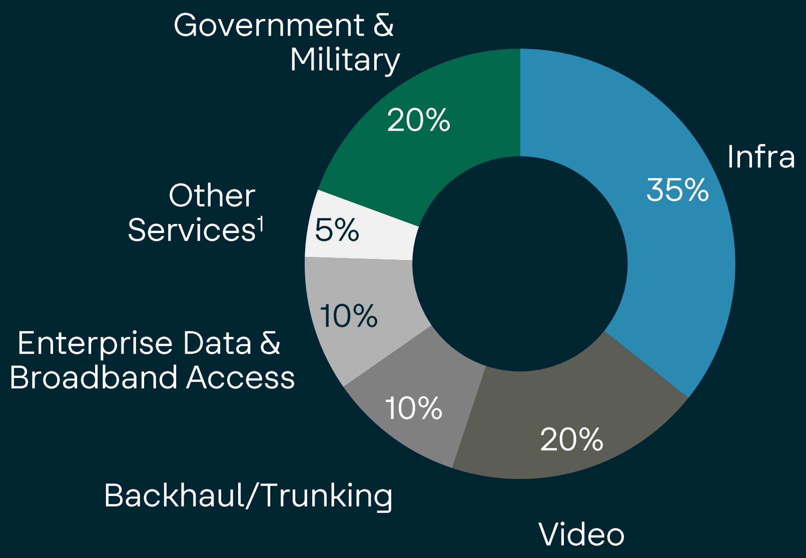
1. Fixed-Satellite Service; 2. High-Throughput Satellites; 3. Does not consider LEO/MEO from IRIS²

Hispasat and Hisdesat revenues | Hispasat and Hisdesat will continue accelerating growth through high-value satellite service segments

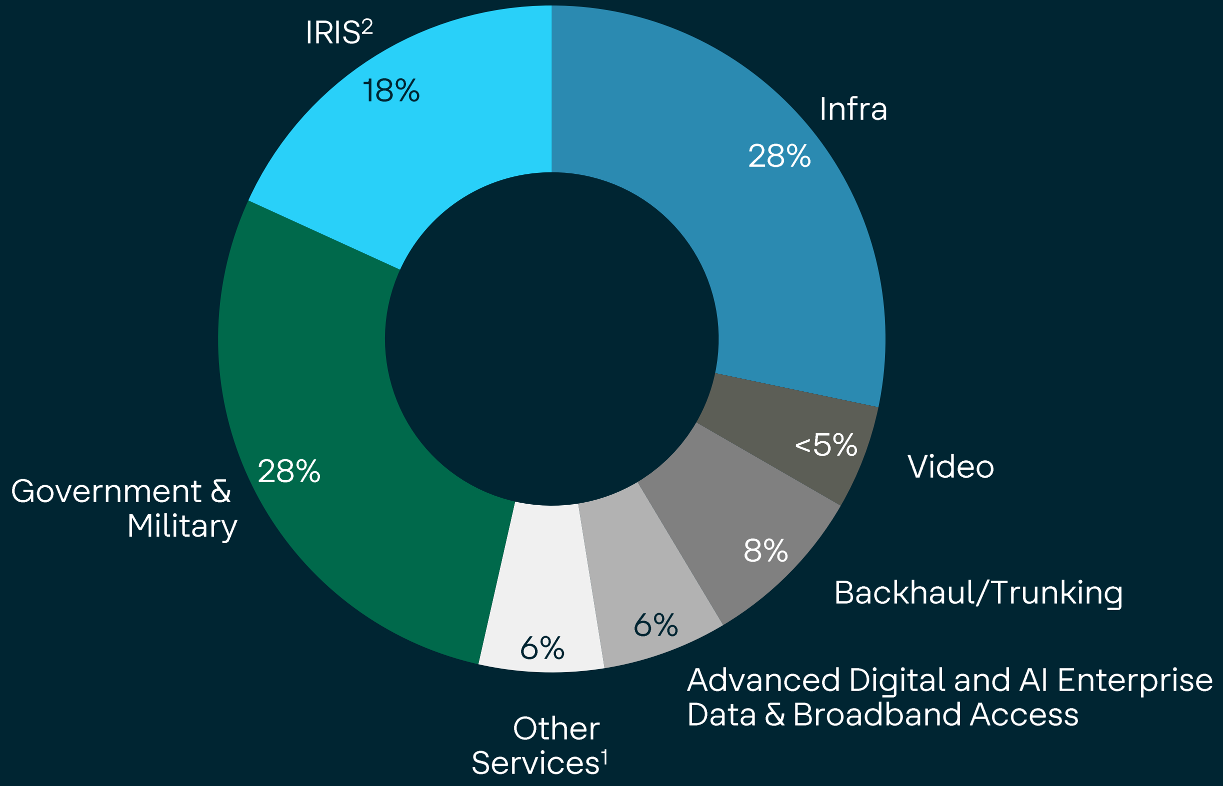
Hispasat and Hisdesat revenues evolution by application

(% of total revenues)

2024



2030 Vision



1. Includes Commercial Mobility, Unico Program, Wave and others

CapEx Plan | Hispasat and Hisdesat are committed to continue advancing their infrastructure and leading-edge capabilities

Full visibility for the 2025-2030 CapEx plan for new satellites deployment and IRIS²

hispasat

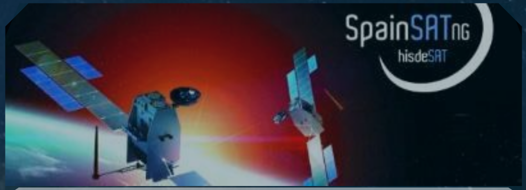
hisdeSAT

GEO

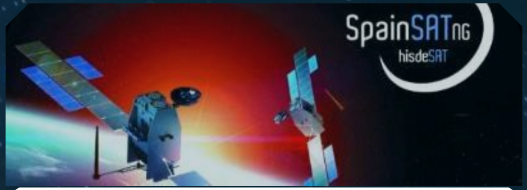
GEO HTS Operation
[Amazonas Nexus]
In orbit since 2023

GEO HTS Operation
[New 1]
Scheduled 2028

GEO HTS Operation
[New 2]
Scheduled 2029



GEO HTS Military
(Spain Sat NG I)
In orbit since Jan'-30th 2025



GEO HTS Military
(Spain Sat NG II)
Scheduled Q4 2025

MEO/ LEO

MEO/LEO Operation
(290 Satellites)
Scheduled 2026-2030

LEO - Observation
(PAZ 1)
In orbit since 2018

LEO - Observation
(PAZ 2)
PAZ 1 Replacement Scheduled

Legend: In orbit | Scheduled

IRIS² | Hispasat will have a leading role in IRIS², a critical EU program to ensure secure communications

IRIS² is one of the four major European Space programs

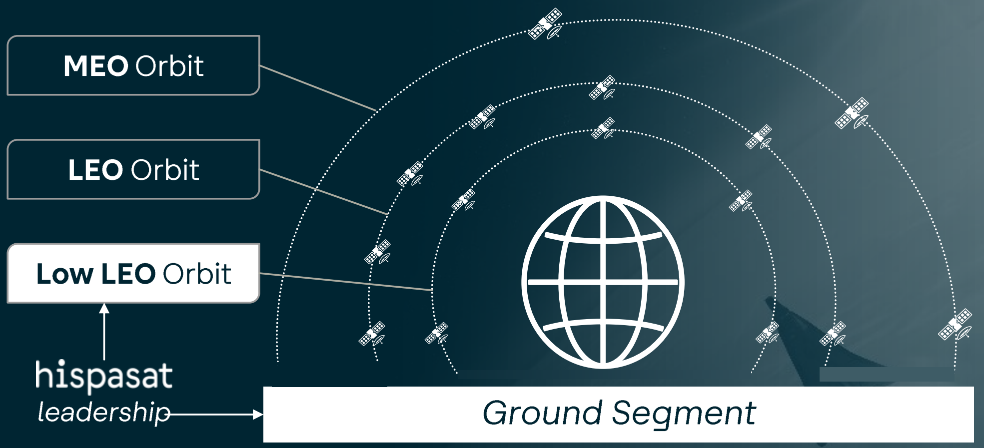
IRIS²
Secure Communications

Galileo / EGNOS
Navigation

Copernicus
Earth Observation

SSA²
Space Surveillance

Multi-orbit **LEO/MEO[1]** constellation for **secure communications** to ensure Europe's **strategic autonomy**



SpaceRISE consortium has been designated to lead the Program

Consortium leaders	*Consortium participants*
hispasat, eutelsat ONEWEB, SES	AIRBUS Defence & Space, ThalesAlenia Space, hisdeSAT, OHB, TELESPAZIO, orange, T··

Estimated Hispasat's CapEx c.€ 400M to be deployed in 5 years, while total program investment will be financed c.60% by the European Commission

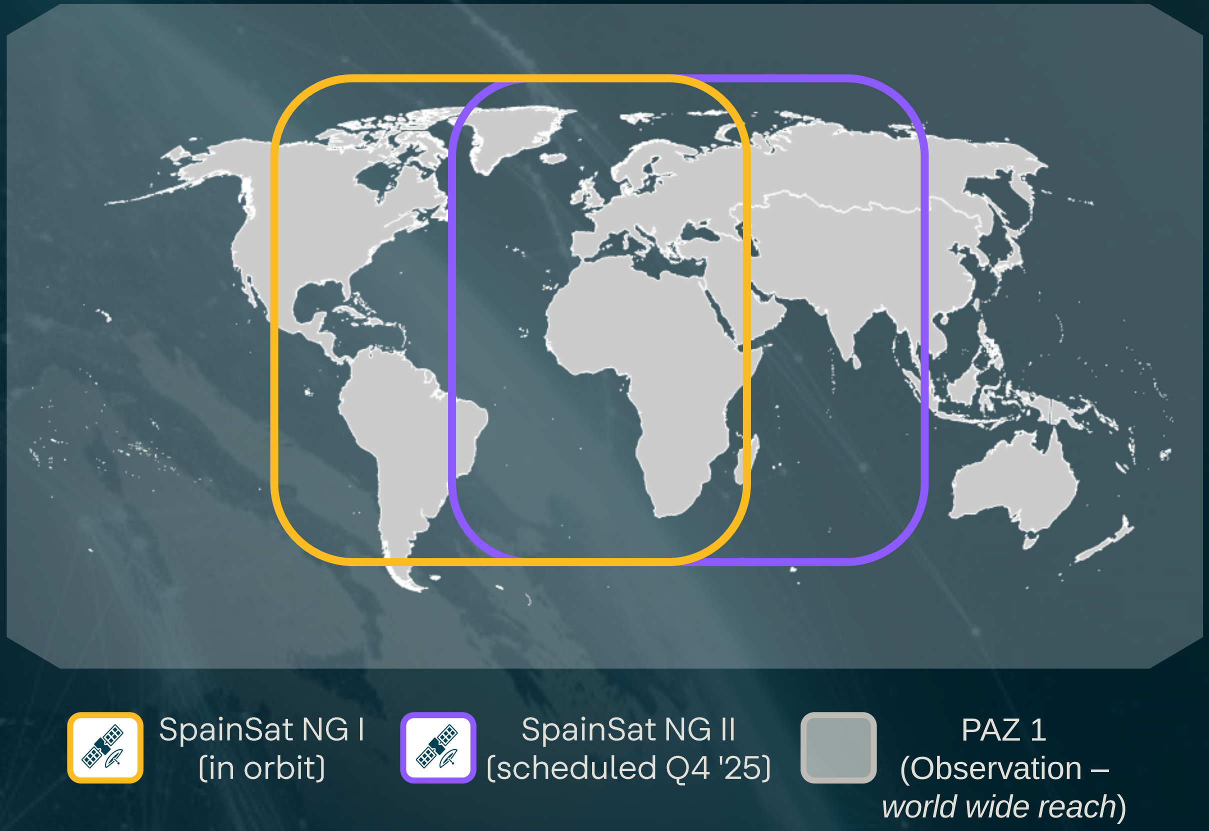
1. Low Earth Orbit / Medium Earth Orbit; 2. Space Situational Awareness

Hisdesat | Unique player with advanced capabilities in secure communications and surveillance and large geographic coverage

What makes Hisdesat unique...

- Only European **public-private military** player offering satellite communications and observation services
- Unique **capabilities in secure communications** and surveillance using most advanced GEO HTS and LEO radar observation satellites globally
- Available **capacity to support** other allied Defence Ministries and NATO

Geographic coverage of Hisdesat's satellites



Integration Roadmap | Significant operational and industrial synergies

Non-exhaustive

Operational Efficiencies

Leveraging Indra Space NewCo end-to-end capabilities and enabling structural efficiencies

- Reduction of commercialization costs for Hisdesat's spare capacity
- Operational efficiencies between Hispasat, Hisdesat, and Indra Space NewCo umbrella operations
- Internalization of upstream services in Indra - Deimos
- Internalization of Startical's operation

Revenue synergies

Expanding commercial reach and unlocking end-to-end opportunities

- New end-to-end initiatives as Spain's Space leader
- Contribution to IRIS^2 Low Leo and IRIS^2 ground segment
- Cross-selling across Indra Group's portfolio
- Geographic expansion leveraging Indra Group's footprint

Synergies in EBITDA 2026

€ 20-30M

Synergies in EBITDA 2030

€ 50-70M

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Key terms of the agreement

Acquisition of a **majority and consolidating stake of Hispasat and Hisdesat**, on an agreed transaction equity value amount of **€ 725m**

Implied transaction multiple of **6.9x EV/EBITDA '24 or 5.2x EV/EBITDA '24 including € 250m** NPV of synergies, and **3.9x EV/EBITDA '26** including EBITDA growth and synergies

The transaction considers the consolidation of **Hispasat's net debt of € 157m** that would be **compensated by Hisdesat's net cash position,** thus not brining net debt to Indra Group[1]

Value accretive transaction for Indra Group by Earnings per Share in 2026

Indra has **secured financing** for a total of € 700m, with the remaining amount to be covered from existing cash reserves

We reaffirm our **Leading the Future Guidance commitment** to all financial targets, including not surpassing 1.0x Net Debt/EBITDA '26 and 2.0x Net Debt/EBITDA in the period

Expected closing in Q4 2025, subject to the preceptive regulatory and anti-trust conditions and to a specific condition precedent of **Hisdesat consolidation** by Indra

1. Apart from the acquisition loan that will be used for the transaction
Note: Transaction multiples consider full consolidation of Hisdesat, and Hispasat and Hisdesat business plan 2024-26 significant growth including IRIS[2] program

Transaction multiples | Accretive transaction for Indra Group even excluding synergies

Transaction multiples consider:

- Full consolidation of Hisdesat
- Hispasat and Hisdesat significant EBITDA growth *(16+% CAGR '24-'26)*, including IRIS[2] program

Transaction multiples *(EV/EBITDA)*		Transaction multiples *(EV/EBITDA)*
6.9x	5.2x	3.9x
2024 *(exc. synergies)*	2024 *(inc. synergies)*	2026 *(inc. synergies)*

The transaction is accretive for Indra Group in terms of Earnings Per Share (EPS) in 2026 excluding synergies

Leading the Future Guidance | We reaffirm our commitment towards achieving 2026 Indra Group's Leading the Future Guidance

	Revenues	EBITDA	EBIT	FCF
Hispasat & Hisdesat 2026 excl. synergies	€ 400M *9+% CAGR '23-'26* Revenues	€ 190M 47+% EBITDA	€ 50M 12+% EBIT	*Positive FCF in '25 and '26*
Guidance 2026 *Leading the Future*	€ 6,000+M Revenues	€ 750+M 12+% EBITDA	€ 600M 10% EBIT	€ 900M FCF cumulative '24-'26

Commitment to <1.0x Net Debt/EBITDA '26 and <2.0x Net Debt/EBITDA in the period, not requiring any divestments

A Transformational Leap for Indra Group

1

Space domain strategic fit for Indra Group

- One-of-a-kind European actor with integrated positioning across the value chain
- Dual civil-military focus for secure communications, observation, and navigation

2

Hispasat and Hisdesat: Large potential for Value Creation

- Large synergies across Indra Space NewCo integrated business portfolio
- Value creation potential with Indra Group's businesses and footprint

3

Transaction terms and Financials

- EPS accretive in 2026
- Major contribution to achieving all targets in Leading the Future Guidance

Q&A

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