

Alcobendas, 29 October 2024

Pursuant to the provisions of article 17 of Regulation (EU) No. 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse, and article 226 of Law 6/2023, of 17 March, on the Spanish Securities Markets and Investment Services, Indra Sistemas, S.A. ("**Indra**" or the "**Company**") hereby notifies the following

INSIDE INFORMATION

Indra has reached an agreement with the other shareholders of TESS DEFENCE, S.A. ('TESS'), a Spanish company specialising in the design and production of state-of-the-art military ground vehicles, to increase its stake in TESS, from the existing 24.67% to a 51.01% stake, in such a way that the remaining share capital will be distributed as follows: Santa Bárbara Sistemas, S.A.: 16.33%; Escribano Mechanical & Engineering, S.L.: 16.33% and SAPA Operaciones, S.L.: 16.33%.

The agreed price for the acquisition of a 26.34% of TESS' share capital amounts to EUR 106.7 million. The agreement also provides for an additional earn-out of up to a maximum of EUR 30 million, subject to TESS generating sales and EBITDA in excess of that estimated by business plan at the time of the acquisition.

Additionally, the contractual agreements entered into by the partners establish TESS as an entity with a balance sheet and programme management capacity and responsibility, as well as a new governance model and a Board of Directors comprised of seven members, four of whom will be proposed by Indra, while the remaining shareholders will appoint a director each.

This transaction, the execution of which is subject to the fulfilment of several conditions precedent which are essentially regulatory in nature, will allow Indra to consolidate TESS through a procedure of full integration. While TESS will consequently account only for the revenues from the production of tranche 1 of the 8x8 vehicle in its financial statements during the 2025-2026 period, TESS' own management margin as prime contractor will be considered for the remaining tranches of the 8x8 programme, as well as for the VAC programme and any future programmes.

This operation is part of the "Leading the Future" strategic Plan, announced by Indra last March, where the Company envisioned becoming the leading national coordinator for the Spanish defence ecosystem. TESS thus becomes the referral for the Spanish Ministry of Defence's armoured ground vehicle programmes, including the VCR 8x8 and VAC programmes.

Ana María Sala
Secretaria del Consejo de Administración