

PRESS RELEASE

LEONARDO'S SHAREHOLDERS' MEETING APPROVES 2023 FINANCIAL STATEMENTS, THE NEW LONG-TERM INCENTIVE PLAN AND THE REMUNERATION REPORT. APPOINTED THE BOARD OF STATUTORY AUDITORS.

**COMPANY FINANCIAL STATEMENTS FOR 2023 APPROVED
PROPOSAL TO DISTRIBUTE 2023 DIVIDEND APPROVED
STATUTORY CHANGES APPROVED
APPOINTED THE BOARD OF STATUTORY AUDITORS FOR THE THREE-YEAR PERIOD 2024-2026
APPOINTED THE CHAIRMAN OF THE BOARD OF STATUTORY AUDITORS
NEW LONG-TERM INCENTIVE PLAN FOR THE MANAGEMENT OF THE LEONARDO GROUP APPROVED
REMUNERATION REPORT APPROVED
RELEVANT ATTENDANCE BY INSTITUTIONAL SHAREHOLDERS, MOSTLY INTERNATIONAL, REPRESENTING APPROX 55.676% OF THE SHARE CAPITAL REPRESENTED AT THE SHAREHOLDERS' MEETING**

Roma, 24/05/2024 – The Ordinary and Extraordinary Shareholders' Meeting of Leonardo S.p.a. met today in Rome.

It should be noted that, in line with the provisions of Art. 106 of Law Decree No. 18 of 17 March 2020, as converted, with amendments, into Law No. 27 of 24 April 2020 (as most recently extended by Law No. 21 of 5 March 2024), the attendance at the Shareholders' Meeting by the entitled parties took place exclusively through the Shareholders' Representative designated by the Company pursuant to art. 135-undecies of the Consolidated Law on Finance.

Financial Statements at 31 December 2023

The Ordinary Shareholders' Meeting approved the Company's Financial Statements for financial year 2023 and examined the Consolidated Financial Statements.

Key economic and financial data at 31 December 2023

The financial results for 2023 confirm the performance of the Group, with a particularly positive trend in cash-flow generation in the period.

As described in more detail below, pro-forma KPIs are provided in addition to the ordinary KPIs to reflect the upcoming consolidation of the Telespazio group.

New orders showed steady, structural growth, nearing the threshold of €bil. 18 (€bil. 18.7 of the pro-forma figure), with a particularly positive performance in the European component of the Defence Electronics & Security business. The sustainability of commercial growth is even more pronounced considering that New orders in 2022 included the order from the Polish Ministry of Defence for the AW149 helicopters.

Revenues showed an increase of 3.9% (4.1% compared to the pro-forma figure), thanks also to the remarkable recovery of the Aerostructures (+34%) and the performance of Defence Electronics & Security and of Helicopters. The growth of revenues is accompanied by an increase in EBITA of 5.8% (6.1% compared to the pro-forma figure).

The EBITA continued to be driven by Defence Electronics & Security, with a particular contribution from the European component, and by the recovery of Aerostructures, bringing ROS to 8.4 %.

Remarkable financial performance, with the free operating cash flows (FOCF) showing an increase of 18% compared with the figure recorded in 2022, which demonstrates the Group's ability to keep on the path to strengthen cash generation it has embarked on.

The Group net debt continued to decrease, with an improvement of 23% from 2022, standing at €bil. 2.3; the significant cash-flow generation and the proceeds from the sale of the minority stake in DRS allowed the Group to continue the process of reducing its indebtedness.

- **New Orders**, amounted to **EUR 17,926 million** (€bil. 18.7 of the pro-forma figure), showing a growth from 2022 (+3.8%, +3.5% compared to pro-forma data), thanks to the major contribution given by Defence Electronics & Security, in all business areas of its European component. The increase in the year represents an important sign of consolidation for the Group considering that the comparative figure included the important acquisition of the order for AW149 helicopters from the Polish Ministry of Defense (€bil. 1.4).

The trend in New orders clearly highlights the effectiveness of the Leonardo Group's commercial offer thanks to a diversified offering, widespread geographic distribution of its sales organization and the competitiveness of the Group. Quality of products and integrated solutions that meet the complex operational requirements imposed by the customers, and innovation are the Group's sound distinguishing features that have made it possible to strengthen and expand the Group's market presence, which, despite the lack of major individual orders, allow for the growth of the portfolio of future businesses.

The aforesaid level of new orders corresponds to a book-to-bill (ratio of New Orders to Revenues for the period) equal to about 1.2

- **Backlog**, amounted to **EUR 39,529 million** ensures a coverage in terms of equivalent production equal to 2.6 years (2.5 years in 2022), nearing the threshold of €bil. 40 thanks to the success of the commercial campaigns begun in the last years
- **Revenues**, amounted to **EUR 15,291 million** (€bil. 16 of the pro-forma figure), were increasing compared to 2022 (+3.9%, +4.1% against pro-forma data) in almost all business areas, including Aerostructures, which benefitted from the resumption of deliveries of B-787. Particularly significant is the contribution from the European component of Defence Electronics & Security.
- **EBITA**, amounted to **EUR 1,289 million**, (€mil. 1,326 of the pro-forma figure) reflects the solid performance of the Group businesses and showed a growth on 2022 (+5.8%, +6.1% compared to pro-forma data) thanks to the major contribution from the European component of Defence Electronics & Security and the lower loss in Aerostructures, in line with the plan to revive the business and thereby confirming the gradual recovery in civil aeronautics.
- **EBIT**, amounted to **EUR 1,085 million** benefitted, compared to 2022 (€mil. 961), from the improvement of EBITA, as well as from the lower incidence of the restructuring costs due to the ongoing early retirement plans.
- **The Net result before extraordinary transactions**, amounted to **EUR 742 million** (€mil. 697 in 2022), reflects the performance of EBIT, and the taxation that in 2022 mainly benefitted from a lower tax burden on foreign companies.
- **The Net Result**, amounted to **EUR 695 million** (€mil. 932 in 2022) included, in addition to the Net result before extraordinary transactions, the recognition for €mil. 57 of costs for the evaluation of the

road transport business in view of future disposal, net of a capital gain of €mil. 10 relating to the disposal of the ATM business unit by Selex ES Llc set out in the “Industrial Transactions” section. The 2022 figure, on the contrary, reflected the capital gain obtained from the sales of Leonardo DRS Global Enterprise Solutions and Advanced Acoustic Concepts businesses.

- **Free Operating Cash Flow (FOCF)**, positive for **EUR 635 million** (€mil. 652 of the pro-forma figure), showed an increase of 17.8% compared to the 2022 FOCF of €mil. 539 (+16.6% on the pro-forma figure €mil. 559), confirming the positive trend that had already been highlighted in recent years. The targets achieved are due to the actions aimed at strengthening the performance of operations, a careful investment policy in a period of business growth, to the streamlining and making working capital more efficient and to an effective financial strategy.
- **Group Net Debt**, of **EUR 2,323 million** showed an improvement compared to 31 December 2022 (€mil. 3,016); the figure benefitted from the aforesaid trend in the FOCF while also including the financial effects of the transactions that are described below
 - the sale completed in November of Leonardo DRS ordinary shares (a transaction widely described in section “Industrial and financial transactions”), which resulted in a cash-in – after transaction costs – of about €mil. 327 (USDmil. 352);
 - the sale, completed in May by the US subsidiary Selex ES Llc, of the business unit of Air Traffic Management (“ATM”) to Indra Air Traffic, Inc., fully owned by the Spanish company Indra Sistemas S.A., for a total amount of about USDmil. 37;
 - the dividend that was paid in July for €mil. 83;
 - the execution of new lease agreements for €mil. 92;
 - translation of foreign currency positions and other items

2023 Dividend

The Ordinary Shareholders' Meeting approved the proposal of distribution of a dividend of 0.28 euro per share, from the profit of the year 2023, gross of any withholding taxes. This dividend will be paid as of June 26, 2024, with ex-dividend date (coupon no. 14) on June 24, 2024 and record date (i.e. the date of entitlement to the dividend payment pursuant to art. 83-terdecies of TUF) June 25, 2024. The above with reference to each share of common stock that will be outstanding on the ex-dividend date, excluding the own shares held on that date, without prejudice to the regime of those that will be effectively assigned, pursuant to the current incentive plans, during the current year.

Amendments to the Articles of Association

Today's Meeting approved, in extraordinary session, the proposal for amendments to the Leonardo's Articles of Association (for the detailed contents of which reference is made to the Explanatory Report of the Board of Directors on the item on the agenda, drawn up pursuant to art. 125-ter of the Consolidated Law on Finance and already made available to the public), aimed at updating and simplifying some statutory clauses, including in particular: (i) the elimination of the express nominal value of the Company's ordinary shares and the consequent amendment to Article 5.1 of the Articles of Association; (ii) the increase from two to four (two for each gender) in the number of Alternate Auditors and the consequent amendment to Articles 28.1 and 28.3 of the Articles of Association, to make it easier to comply with the rules on gender balance.

Appointment of the Board of Statutory Auditors

The Ordinary Shareholders' Meeting appointed the new Board of Statutory Auditors, which will remain in office for the period 2024-2026 and, therefore, until the approval of the financial statements for financial year 2026. The new Board of Statutory Auditors, whose composition incorporates the described statutory amendment, is thus constituted:

Regular Auditors: Marco Fazzini, Giulia Pusterla, Luca Rossi, Paola Simonelli and Alessandro Zavaglia; Alternate Auditors: Giuseppe Cerati, Fabrizio Pezzani, Serenella Rossano and Monica Scipione.

Marco Fazzini, Paola Simonelli, Alessandro Zavaglia, Fabrizio Pezzani and Monica Scipione were presented in the list submitted by the Ministry of Economy and Finance, holding around 30.204% of the Leonardo's share capital, which, at the vote, has obtained the voting majority (about 90.769% of the share capital represented at the Shareholders' Meeting).

Luca Rossi, Giulia Pusterla, Giuseppe Cerati and Serenella Rossano were presented in the list submitted by a group of asset management and other institutional investors¹, together holding around 1.02217% of the Leonardo's share capital, which, at the vote, has obtained the voting minority (about 5.918% of the share capital represented at the Shareholders' Meeting).

The Shareholders' Meeting also appointed, from the Regular Auditors taken from the minority list (as required by art. 148, par. 2-bis of the Consolidated Law on Finance and by the Company's By Laws), Luca Rossi Chairman of the Board of Statutory Auditors, also proceeding to determine the remuneration due to the control body (euro 80.000 gross per annum for the Chairman; euro 70.000 gross per annum for each Regular Auditor).

The curricula of the new Auditors are available on the Company's website (www.leonardo.com).

The new Board of Statutory Auditors will proceed, at the first possible meeting, to the assessment of the existence of independence requirements for its members, in accordance with the law and with the Corporate Governance Code.

Remuneration Report and Long Term Incentive Plan

The Ordinary Shareholders' Meeting resolved to approve the new Long Term Incentive Plan for the management of the Leonardo Group, for the contents of which reference is made to the Information Document drawn up pursuant to art. 114-bis of the Consolidated Law on Finance and already made available to the public.

With reference to the Report on remuneration policy and fees paid, in compliance with the reference legislation, the same Shareholders' Meeting approved with binding resolution the first section of the Report (with 97.403% of the share capital represented at the Meeting) and voted in favor of the second section of the Report (with 99.595% of the share capital represented at the Meeting).

¹ Such investors are: Arca Fondi Sgr S.p.A. fund manager of: Fondo Arca Azioni Italia; BNP Paribas Asset Management; Eurizon Capital S.A. fund manager of Eurizon Fund compartments: Equity Europe ESG LTE, Italian Equity Opportunities, Equity Small Mid Cap Europe, Equity Italy Smart Volatility, Equity Euro LTE, Equity Europe LTE, of Eurizon AM SICAV compartment Global Equity; Eurizon Capital SGR S.p.A fund manager of: Eurizon Step 70 Pir Italia Giugno 2027, Eurizon Pir Italia Azioni, Eurizon Azioni Italia, Eurizon Azionario Internazionale Etico, Eurizon Progetto Italia 70, Eurizon Progetto Italia 40; Fideuram Asset Management Ireland fund manager of Fonditalia Equity Italy; Fideuram Intesa Sanpaolo Private Banking Asset Management Sgr S.p.A. fund manager of: Fideuram Italia, Piano Azioni Italia, Piano Bilanciato Italia 30, Piano Bilanciato Italia 50; Interfund Sicav - Interfund Equity Italy; Greenwood Builders Fund II, LP; Generali Asset Management S.p.A. Società di Gestione del Risparmio, as delegate manager in the name and on behalf of: Generali Smart Funds PIR Valore Italia, Generali Smart Fund PIR Evoluzione Italia; Kairos Partners Sgr S.p.A. as Management Company of Kairos International Sicav – Compartments Italia and Made in Italy; Legal & General Assurance (Pensions Management) Limited; Mediolanum International Funds Limited – Challenge Funds – Challenge Italian Equity; Mediolanum Gestione Fondi Sgr S.p.A. fund manager of Mediolanum Flessibile Futuro Italia.

Attendance at the Shareholders' Meeting

Today's Meeting recorded a considerable attendance by institutional shareholders – mostly foreign – who were present with the 55.676% of the share capital represented at the Meeting.

A summary report of the voting will be made available on the Company's Website (www.leonardo.com), in compliance with and within the terms referred to in art. 125-quater of the Consolidated Law on Finance.

The officer in charge of the company's financial reporting, Alessandra Genco, hereby declares, in accordance with the provisions of art. 154-bis, par. 2, of the Consolidated Law on Finance, that the accounting information included in this press release corresponds to the accounting records, books and supporting documentation.

Leonardo is an international industrial group, among the main global companies in Aerospace, Defence, and Security (AD&S). With 53,000 employees worldwide, the company approaches global security through the Helicopters, Electronics, Aircraft, Cyber & Security and Space sectors, and is a partner on the most important international programmes, within these sectors, such as Eurofighter, NH-90, FREMM, GCAP, and Eurodrone. Leonardo has significant production capabilities in Italy, the UK, Poland, and the USA. Leonardo utilises its subsidiaries, joint ventures, and shareholdings, which include Leonardo DRS (72.3%), MBDA (25%), ATR (50%), Hensoldt (22.8%), Telespazio (67%), Thales Alenia Space (33%), and Avio (29.6%). Listed on the Milan Stock Exchange (LDO), in 2023 Leonardo recorded new orders for €17.9 billion, with an order book of €39.5 billion and consolidated revenues of €15.3 billion. Also included in the MIB ESG index, the company has also been part of the Dow Jones Sustainability Indices (DJSI) since 2010.

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