MADRID, JUNE 10TH 2025

Avio presentation

Italian Stock Market Opportunities

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Agenda

AVIO

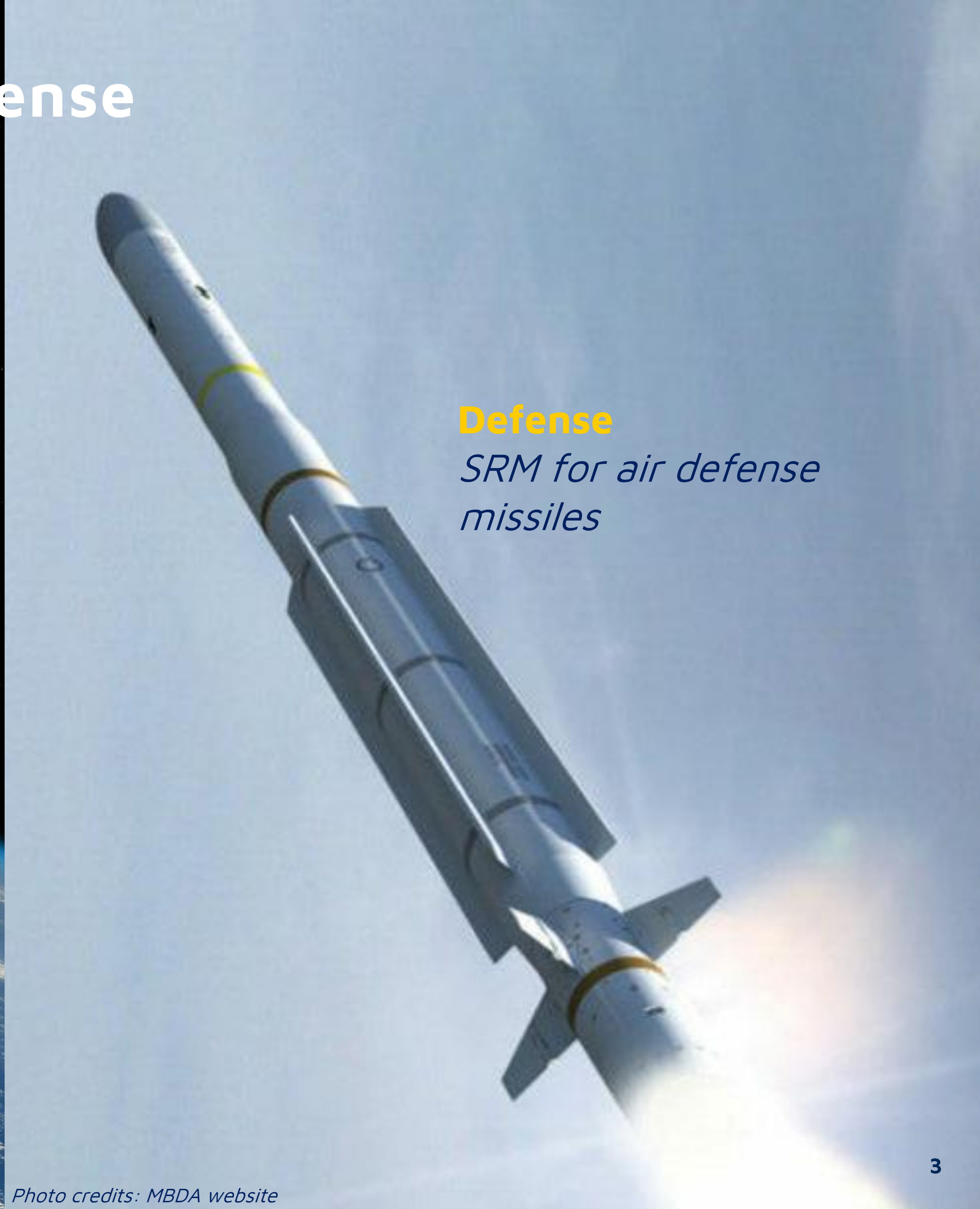
Avio: propulsion for Space and Defense

Ariane

Strap-on boosters and LOX turbopumps

Vega Launcher System

Launcher system integration
SRM manufacturing
Ground operations



Defense

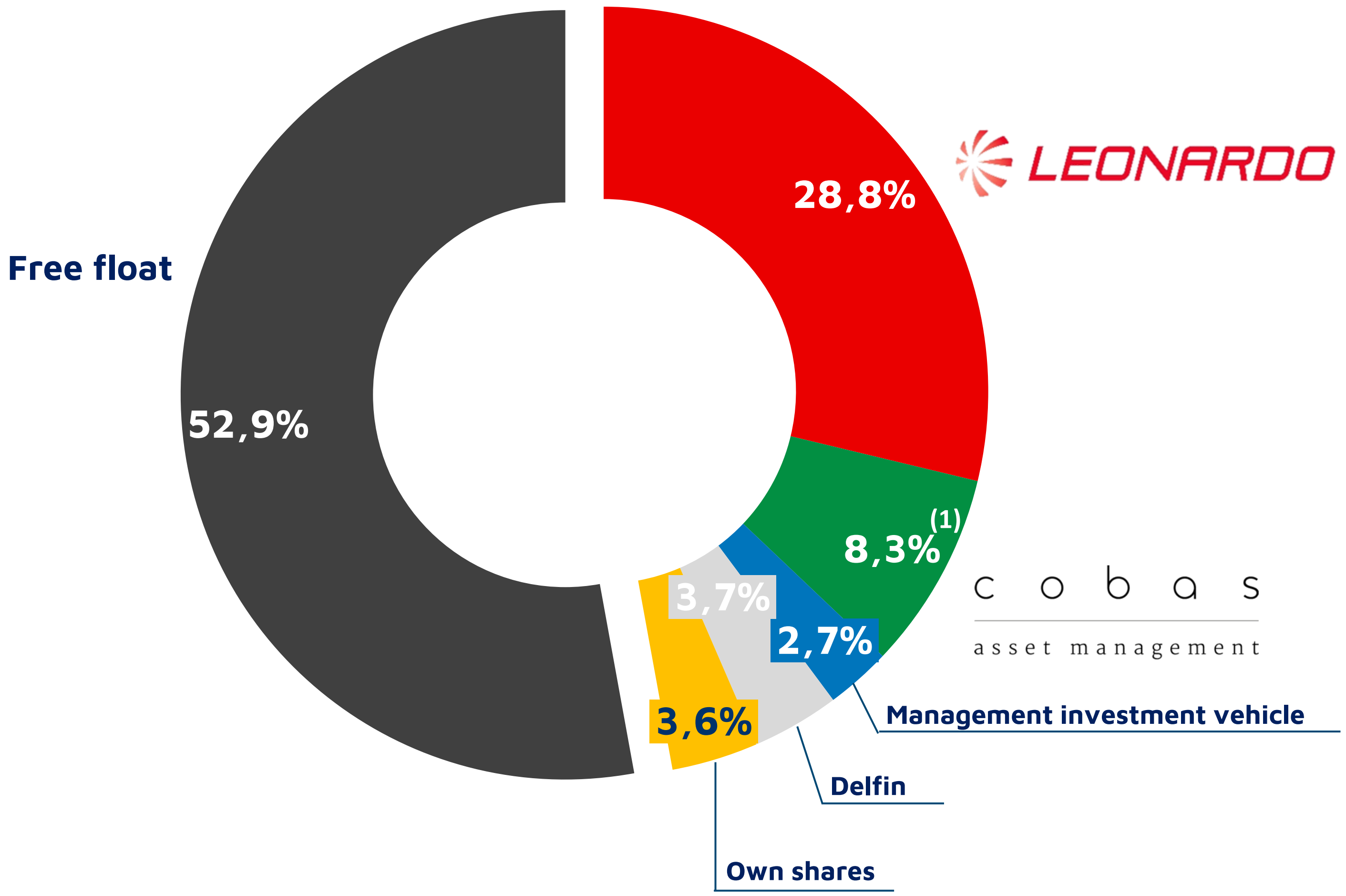
SRM for air defense missiles

AVIO

SRM: Solid Rocket Motors

Photo credits: MBDA website

A public company managed by a team of investors



- **Public Company** listed on Euronext STAR Milan
- Approx. ~**€500m market capitalization**
- ~**3%** Management share
- ~**50%** Free Float
- No Controlling Shareholder
- **Key 2024 figures:**
  - **Employees: ~1,400**
  - **Order backlog: €1.7bn**
  - **Revenues: €442m**
  - **EBITDA Adj.: €31m**
  - **Positive cash position**

(1) Through different funds
Data as of June, 2025

Avio's 60 years track record in space and defense

SPACE

~250 Ariane launches

26 Vega Launches

Ariane 1-3
Separation motors

Ariane 4
210 tons boosters

Ariane 5
240 tons boosters

Vega Launch system

Vega C improved performance

Ariane 6
280/560 tons boosters

DEFENSE

≈150k Defense SRM produced in 60 years

Zero failures during operations throughout Avio's entire history

HAWK

MLRS
100,000+ SRMs

MILAN
23,000+ SRMs

ASPIDE
4,000+ SRMs

ASTER 30
2,200+ Boosters

MARTE
300 SRMs

CAMM-ER
Series Production in 2024

1960's | 1980's | 1990's | 2000's | 2010's | 2024

AVIO

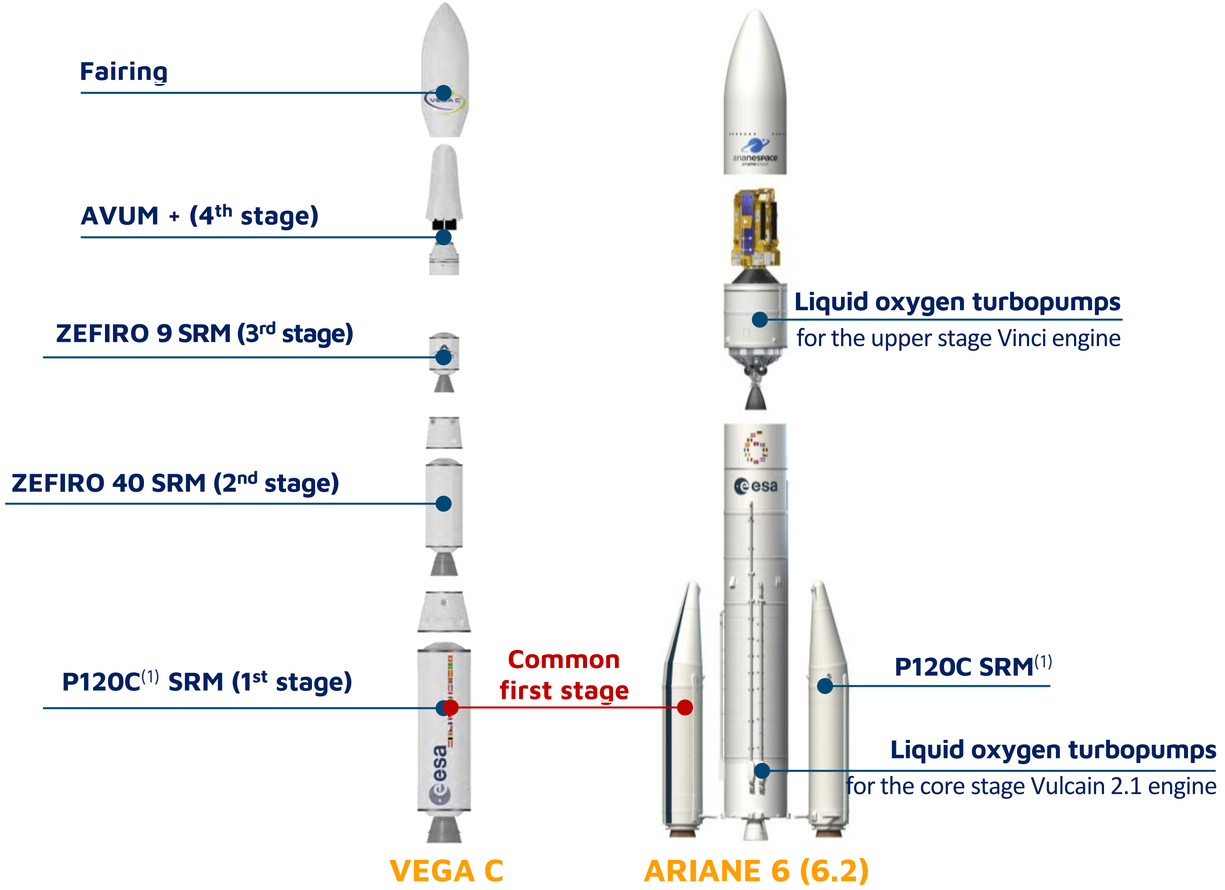
SRM: Solid Rocket Motor

Photo credits: ESA, MBDA, publicly available info

Legacy *Current*

Overview of Avio main products

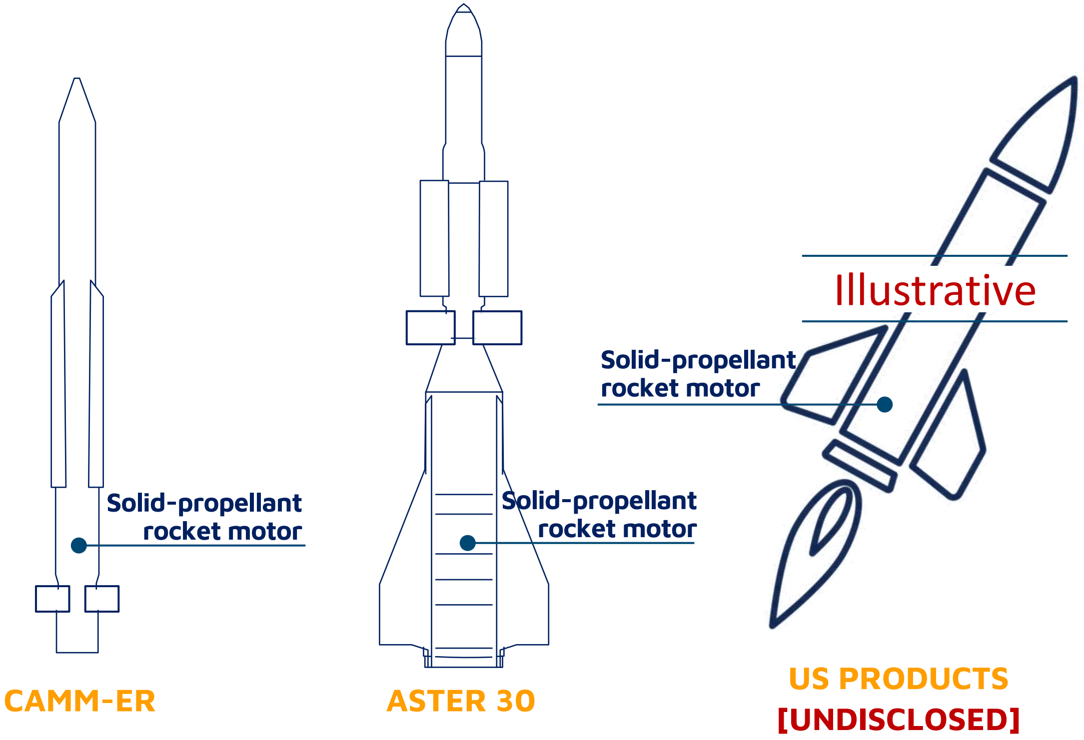
Space



Vega flight cadence/year (#)	
2024	2
2028	5/6

# boosters produced (Vega and Ariane)	
2024	8
2028	Ca. 35

Defense



# SRM for defense application	
2024	Ca. 200
2028	>500

Photo credits: ESA. CAMM-ER and ASTER 30 are products of MBDA Group
SRM: Solid Rocket Motor (1) provided through the subsidiary Europropulsion

Current industrial footprint

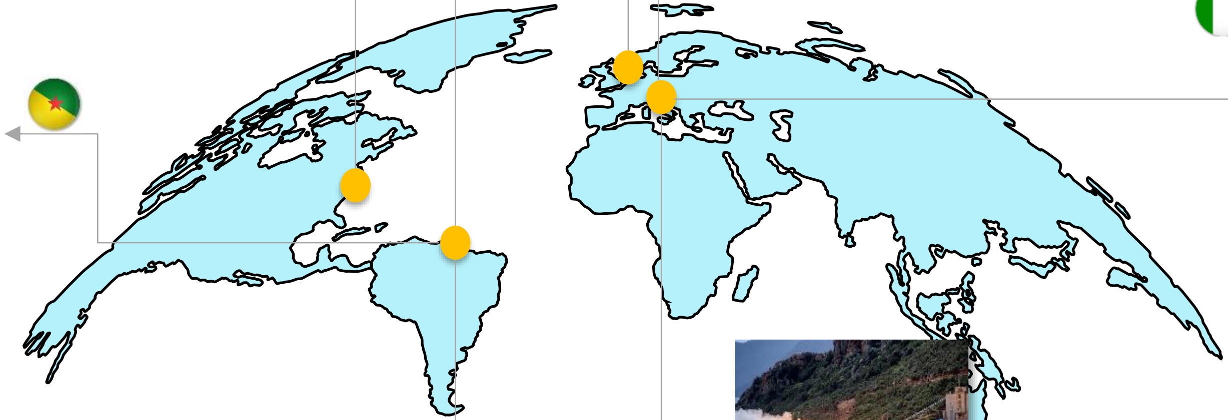
Avio France – Paris
(100% Avio)

Europropulsion
(50% Avio and 50% AG)
AVIO arianeGROUP
Solid propulsion stage integration

Avio USA - Arlington, VA

Regulus
Kourou, French Guiana
(60% Avio and 40% AG)
AVIO arianeGROUP
Solid propellant

Avio Guyane
Kourou, French Guiana
(100% Avio)
Launch Complex



Avio S.p.A. - Colleferro, Rome
The company's headquarters and production plants of solid and liquid propellant motors for LVs

Temis S.r.l. - Corbetta, Milan
Avionics and telemetry systems

Spacelab - Colleferro, Rome
(70% Avio and 30% ASI)
Vega Launcher

Sardinia
SPTF Test Facilities for Liquid Engines

Airola
CFRP Facility

Agenda

The launch segment: the gateway to the Space economy worth almost 400 $ Bn

Global space value chain




Launch (1,2)
$ 7.2bn

Satellites mfg.
$ 17.2bn

Ground(3)
$ 150.4bn

Services(2,4)
$ 110.2bn

End users

Government *$ 114bn*

Source: Satellite Industry Association (2024)

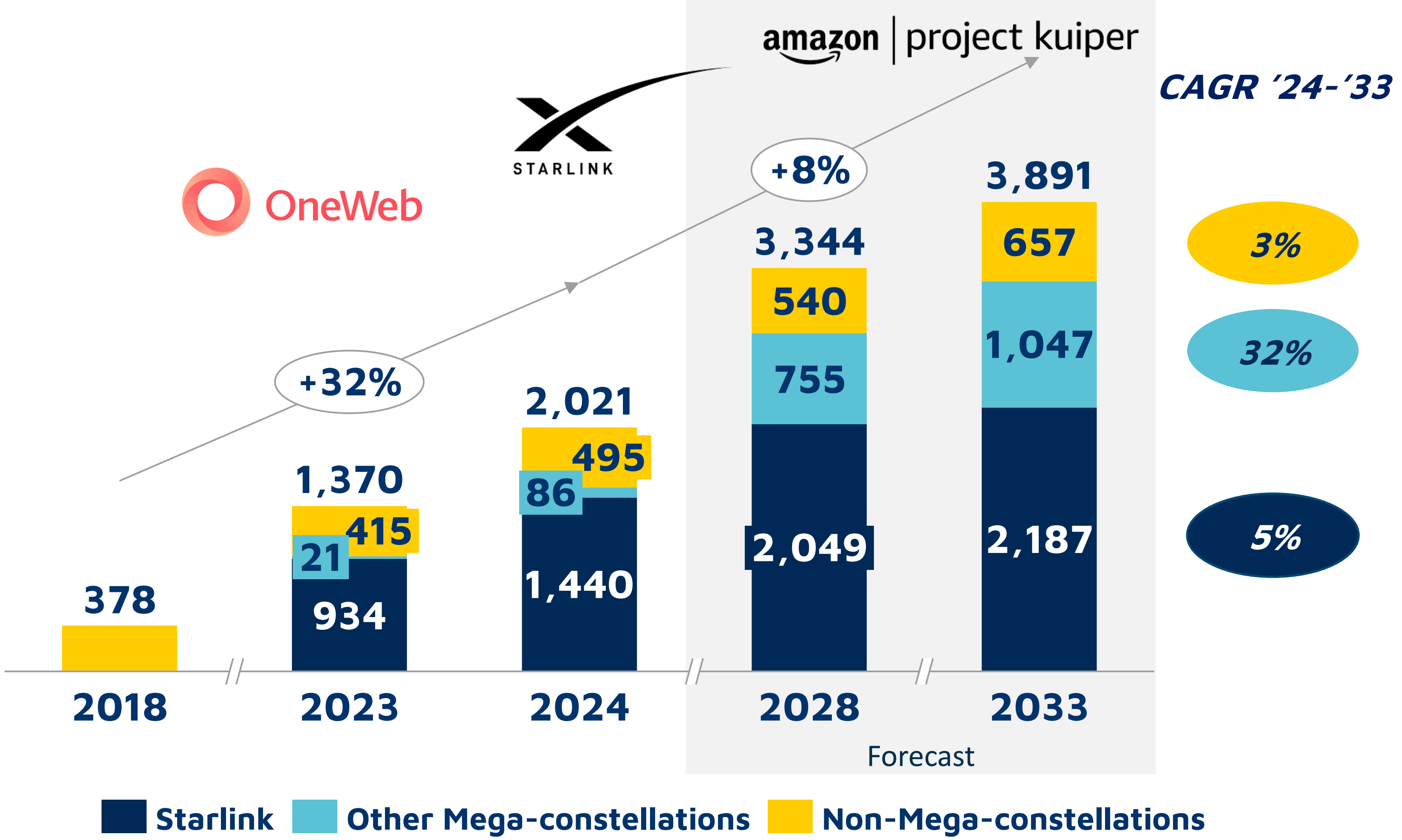
(1): Includes launcher manufacturing and launch service activities
(2): Commercial services revenues only

(3): Includes GNSS chipsets and Related
(4): Includes commercial human flight

Future player

Global launched mass to grow almost double-digit until 2033

Global launch market mass (tons)



Key players in launch segment

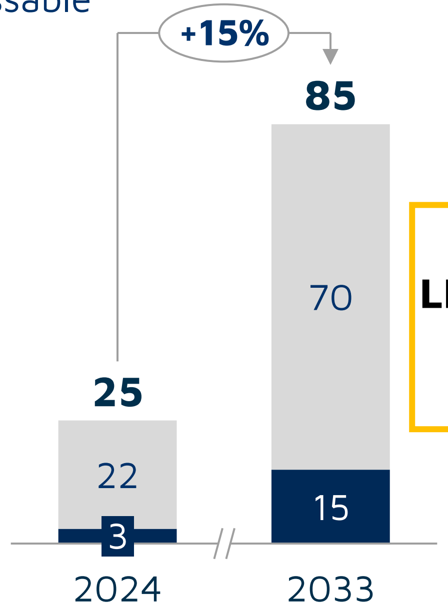
Not exhaustive

Source: Avio Analysis on Gunter's Space Page data; Novaspace

Steady growth in Vega and Ariane addressable market

Vega C addressable market mass and reasonable capture (tons)

Vega flights
Other addressable

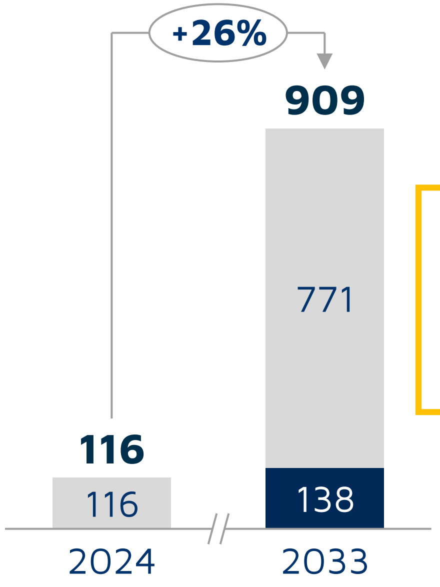


Vega C key focus: LEO Earth Observation and Science sats. below 3 tons

	2024	2033
# Vega launches	**2**	**6**
Market share on addr. mkt.	**14%**	**18%**

Ariane 6 addressable market mass and reasonable capture (tons)

Ariane flights
Other addressable



Ariane 6 key focus: Constellations and large payloads

	2024	2033
# Ariane launches	**1(1)**	**>10**
Market share on addr. mkt.	**<1%**	**15%**

Vega addressable market: only payloads targeting LEO orbits, with a mass ≤ 3 tons and excluding Mega-constellations. No payloads from captive countries (China, Russia, India, Japan, North Korea and Iran) and Institutional payloads from North America;
Ariane addressable market: only payloads to LEO with mass ≤ 21.65 tons or to GEO with mass ≤ 11.5 tons, excluding Starlink and GuoWang Mega-constellations. No payloads from captive countries (China, Russia, India, Japan, North Korea and Iran) and Institutional payloads from North America; Source: Avio Analysis on Gunter's Space Page data; Novaspace
(1) Maiden flight with limited payload

Substantial opportunities from defense propulsion business

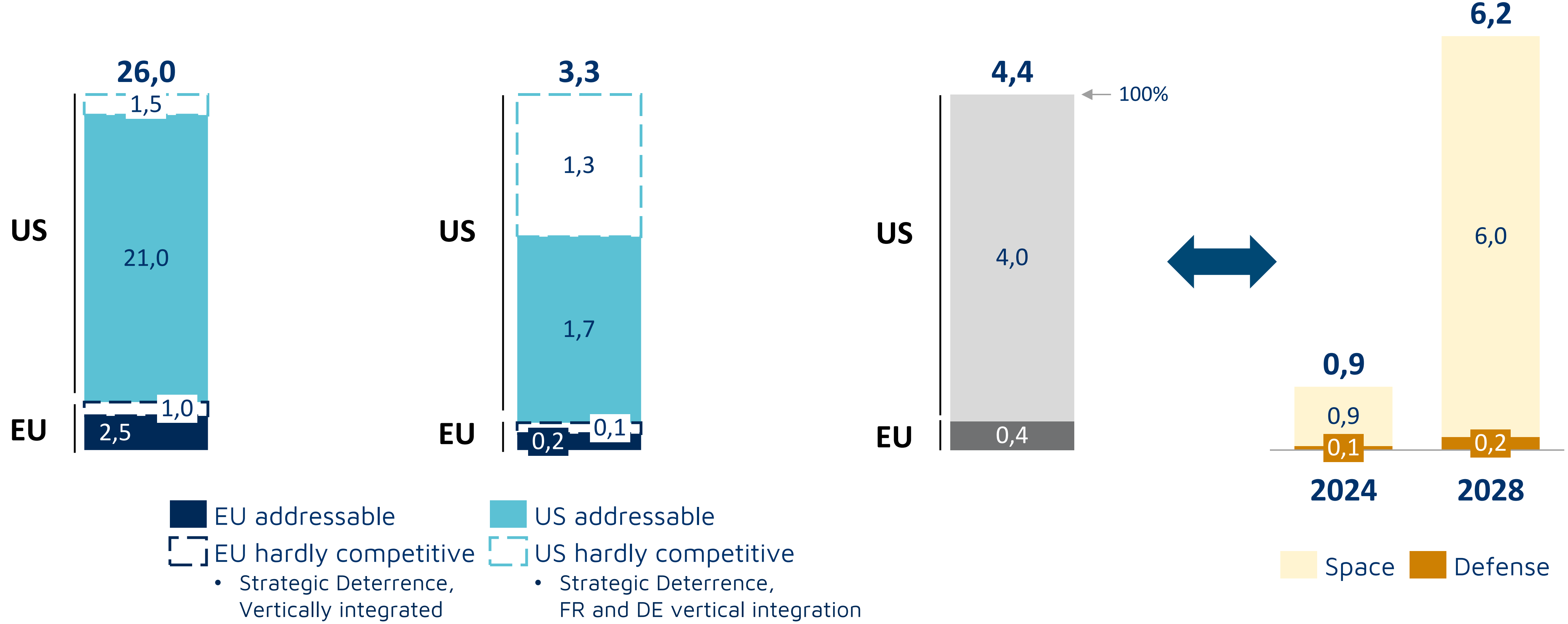
Market size

 # missiles produced 2024, *k units*

Missile propulsion value 2024, *$B*

SRM propellant mass 2024, *k tons*

Avio prop. casting mass, *k tons*



Source: Avio analysis on Janes Database, DoD budget FY2025 Weapons, public information

Agenda

Avio's 2024 in brief

Vega and Ariane

Ariane 6 Maiden Flight
July 9th

Last Vega Flight
September 5th

Vega C Flight
December 6th

P120C/turbopumps provided by AVIO

22 launches
120+ satellites

2 Z40 firing tests
2.3 tons in SSO(1)

New agreements

Avio to conduct Vega commercial operations

~€350m contracts with ESA

1st contract signed as LSP(2)

Defense business

2 contracts in USA with RTX and US Army

~€150m contract with MBDA

Source: ESA, Arianespace, MBDA website
(1) SSO:Sun-synchronous orbit
(2) Launch Service Provider

Recent 2025 achievements

P160C firing test successfully completed

P160C test fire
April 24th

P160C firing test successfully completed

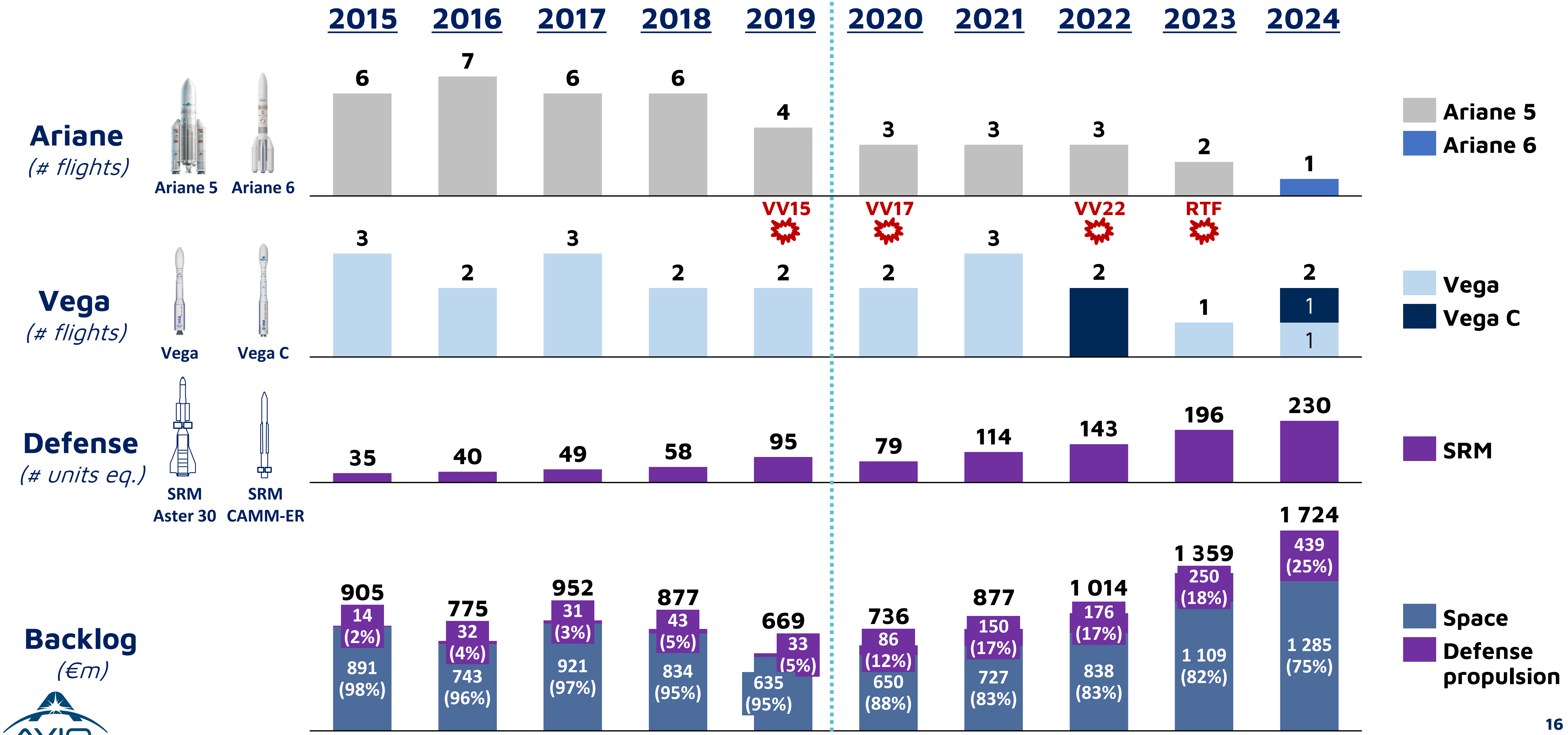
Success for Vega C VV26 mission

Vega C Flight
April 29th

VV26 mission successfully launched the Biomass satellite for the European Space Agency

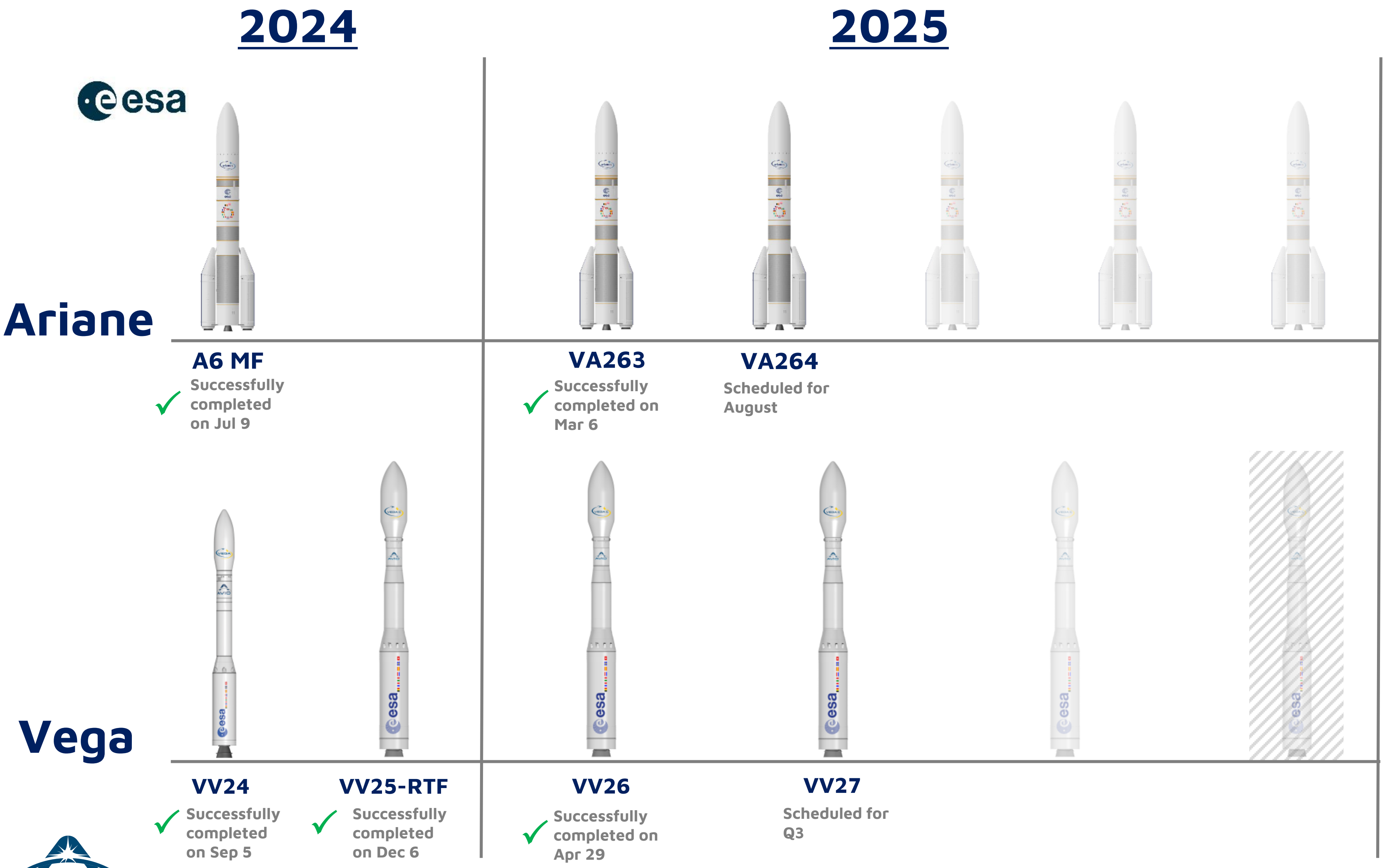
Source: ESA, CNES, Arianespace

2015-2024 review: flights, SRM deliveries and backlog evolution



SRM: Solid Rocket Motors

Ariane and Vega current view of flight manifest



~30 flights currently in backlog

Future launches:

- Satcom mega-constellations
- Galileo (EU)
- Military sats

IRIS^2 major upside

15 flights currently in backlog

Future launches:

- Copernicus (EU)
- IRIDE (EU)
- PLATiNO

Increased responsibilities from Launch service activities

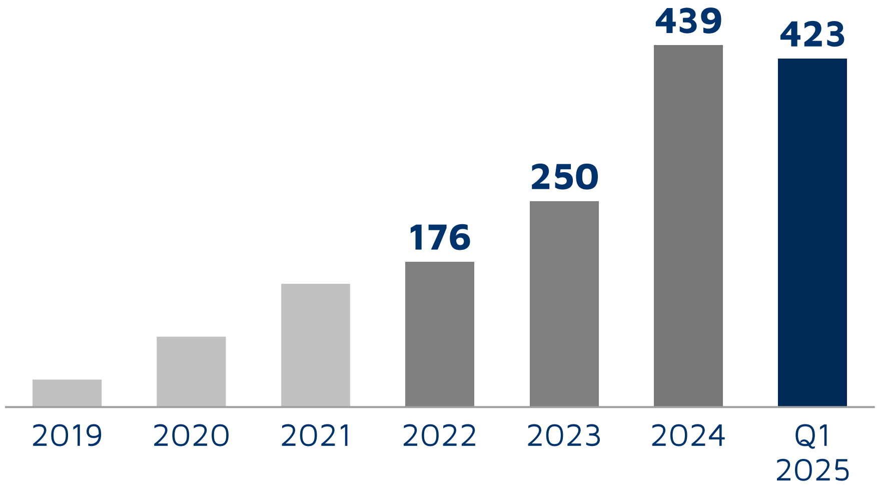
Improving launch cadence up to 6 flights per year

Avio current assumption of contracted flight backlog roll-out

Vega increased responsibilities for cadence improvement and Launch service activities

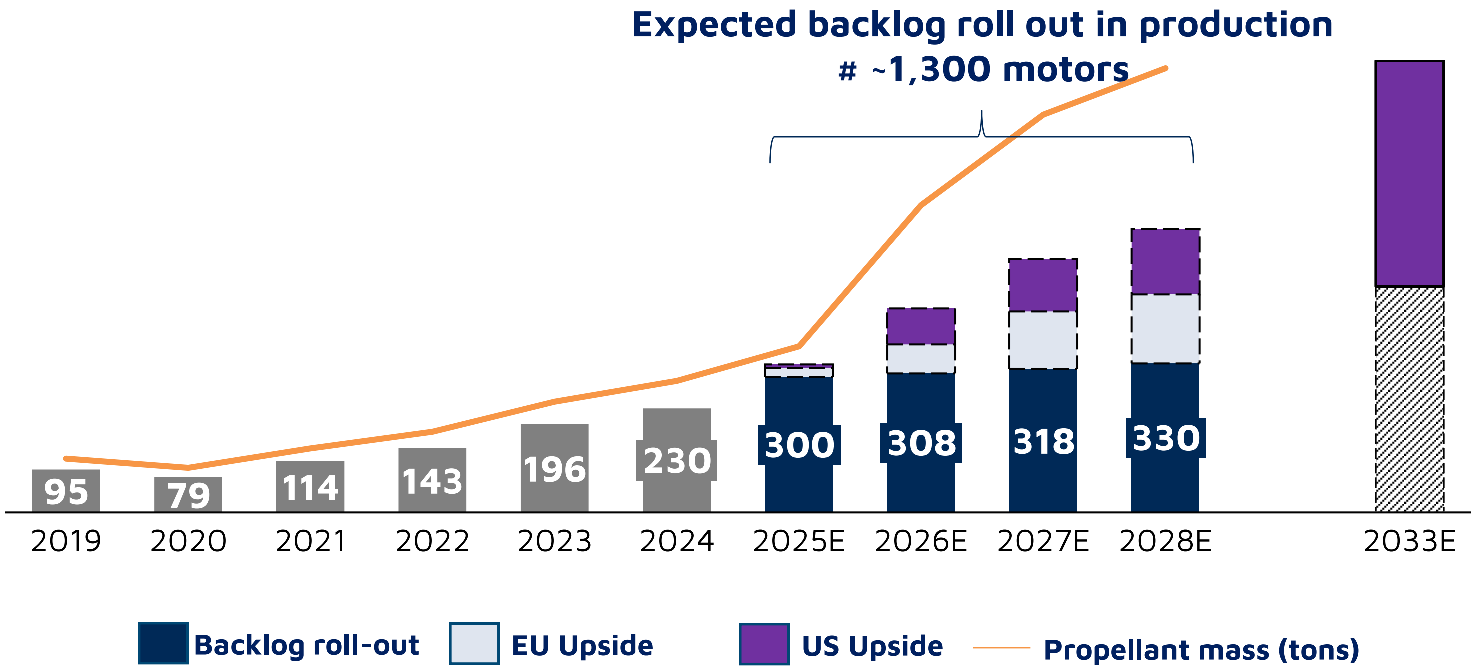
Defense backlog almost doubled: high visibility of future production with significant prospects ahead

Defense propulsion backlog (€m)



- **2024 defense propulsion orders more than doubled vs. 2023 (~€260m in 2024 vs. ~€120m in 2023)**

Defense propulsion production (volumes eq.)



We stand ready to capture upside from ReArm EU Plan / Readiness 2030

According to announced **ReArm EU / Readiness 2030 Plan**, EU is targeting **€800bn**[1] Total Defense Expenditure

EU to propose new common fundraising to fuel defence splurge

Financial Times, March 4th

EU chief unveils €800bn plan to 'rearm' Europe

The Guardian, March 4th

European Commission - Statement

Press statement by President von der Leyen on the defence package

Brussels, 4 March 2025

[...]

This is why today I have written a letter to Leaders ahead of Thursday's European Council. This is why we are here together today. And I have outlined in this letter to the leaders the ReArm Europe Plan. This set of proposals focuses on how to use all of the financial levers at our disposal – in order to help Member States to quickly and significantly increase expenditures in defence capabilities. Urgently now but also over a longer time over this decade. There are five parts to this.

The first part of this ReArm Europe plan is to unleash the use of public funding in defence at national level. Member States are ready to invest more in their own security if they have the fiscal space. And we must enable them to do so. This is why we will shortly propose to activate the national escape clause of the Stability and Growth Pact. It will allow Member States to increase significantly their defence expenditures without triggering the Excessive Deficit Procedure. For example: If Member States would increase their defence spending by 1,5% of GDP on average this could create fiscal space of close to EUR 650 billion over a period of four years.

The second proposal will be a new instrument. It will provide EUR 150 billion of loans to Member States for defence investment. This is basically about spending better – and spending together. We are talking about pan-European capability domains. For example: air and missile defence, artillery systems, missiles and ammunition drones and anti-drone systems; but also to address other needs

Avio is ready to **rapidly double the Defense production capacity in Italy in case of demand surge**:

- Leveraging our existing asset base on core solid propulsion technologies
- Expanding our equipment thanks to three investment sources:
  - ✓ **Grants** through government funds already applied for
  - ✓ **Support from customers** to **rapidly boost** capacity on existing platforms
  - ✓ **Self-funded** investment for infrastructure future optimization

These actions untap opportunities to reach up to >4x current production levels

(1) €650bn through each Member State increase Defense spending of 1.5 p.p. of GDP + €150bn in loans to sustain joint purchasing

Beyond 2025

- Guaranteeing long term visibility of the business, with net order backlog to remain high and stable
- Increasing responsibilities from Launch service activities

- Consolidating Vega C flight cadence, keeping strategic position in Europe
- Boost of P120/P160 production to sustain both Ariane 6/Vega C launch schedule
- Development of liquid propulsion-based solutions to expand future product range

- Margins improvement thanks to economies of scale and growth of defense business contribution
- Enhancement of financial profile, driving remuneration for shareholders

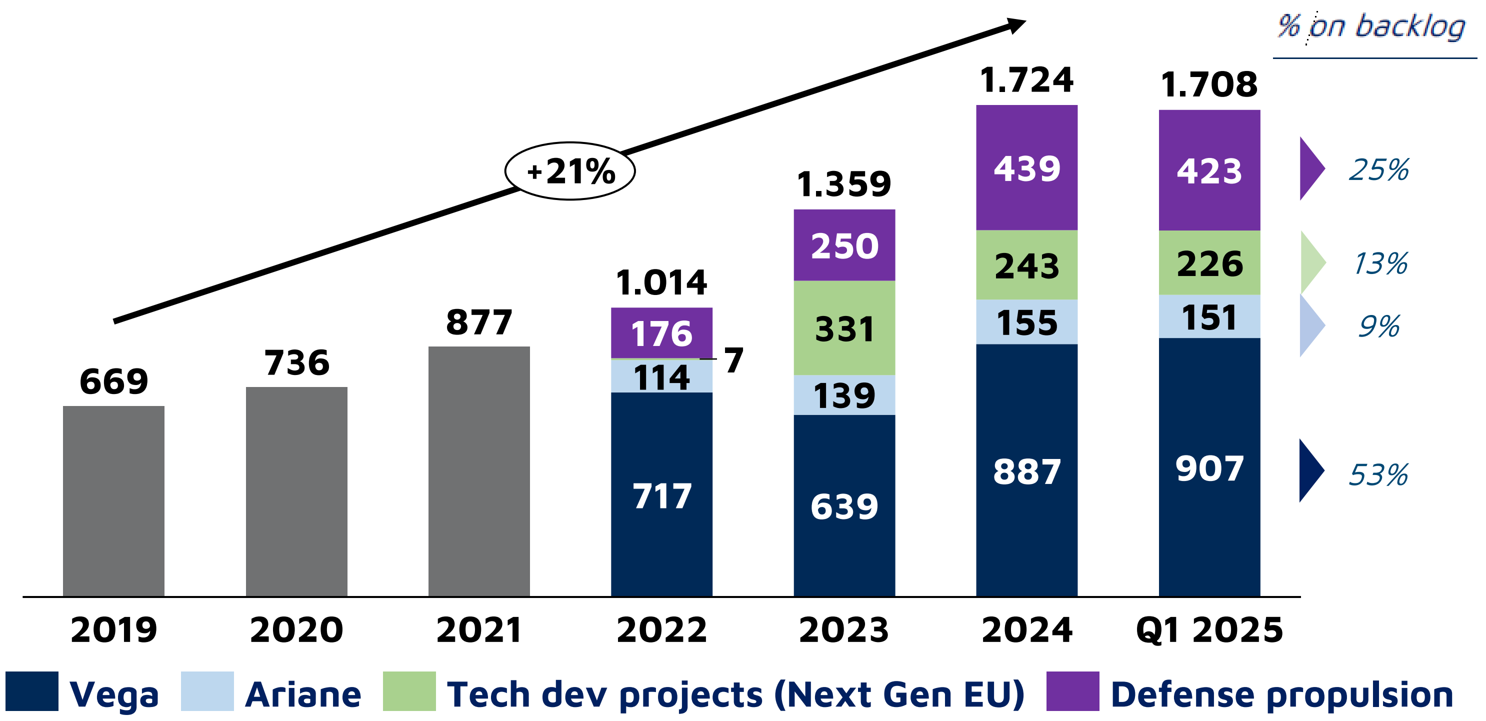
- Capitalize on SRM market opportunities in a globally changing environment
- Further expansion opportunity in US:
  - Potential investment in a new SRM facility
  - New customers for additional production activities

Agenda

Backlog in Q1 2025 in line with FY2024

Figures in €m

Net order backlog evolution 2019 – Q1 2025



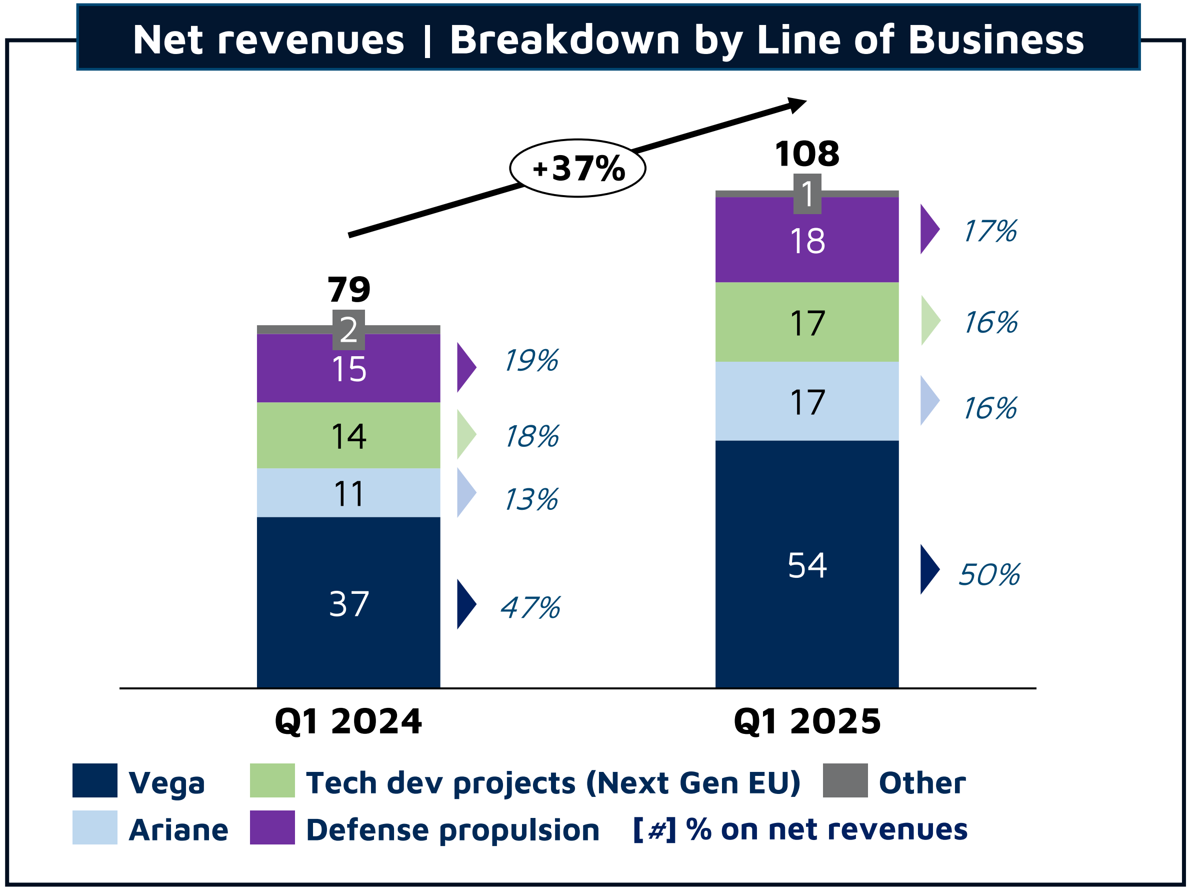
Vega accounts for ~**50%** of backlog and **Defense** propulsion ~**25%**.
Production accounts for ~**60%** of 2024 backlog, **Development** ~**40%**

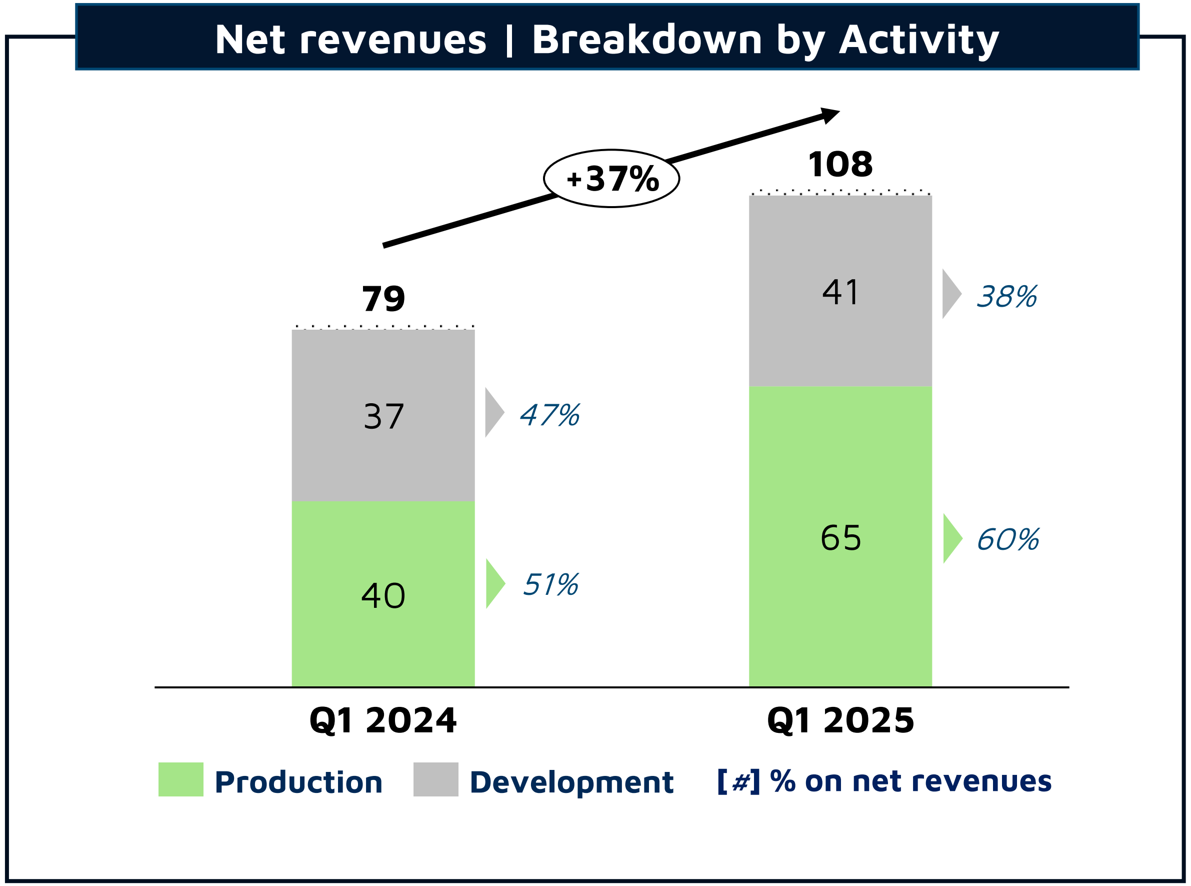
Main comments

- **Backlog standing at €1.7bn**
- **Order intakes** in Q1 2025 **for ~€90m** including:
  - **Vega for ~€76m,** mainly related to the Launch Service Provider activity for contracts transferred by Arianespace to Avio
  - **Ariane for ~€14m,** mainly for ESA contribution for ramp-up in production of P120 motors

Revenues increased by ~35% compared to Q1 2024

Figures in €m





Significant increase in revenues mainly driven by **Vega production** and **Ariane 6 production**

Q1 2025 Key Performance Indicators

Main economics and financials

	Q1 2024 Actual (€m)	Q1 2025 Actual (€m)		Delta (€m)	Delta (%)
NET ORDER BACKLOG	1.724 (1)	1.708	1.	(16,6)	-1,0%
NET REVENUES	78,8	108,0	2.	29,2	37,0%
EBITDA REPORTED	1,6	4,0		2,4	154,3%
% on net revenues	2,0%	3,7%			
	N/R 1,8	*N/R 0,8*			
EBITDA ADJUSTED	3,4	4,8	3.	1,4	40,3%
% on net revenues	4,3%	4. 4,4%			
EBIT REPORTED	(2,8)	(0,9)		1,9	n.m.
% on net revenues	-3,6%	-0,8%			
EBIT ADJUSTED	(1,0)	(0,1)		0,9	n.m.
% on net revenues	-1,2%	-0,1%			

	31 DEC 2024 Actual (€m)	31 MAR 2025 Actual (€m)		Delta (€m)	Delta (%)
NET CASH POSITION	90,1	59,0	5.	(31,1)	-34,5%

Main comments

1. Backlog in line with 2024 Year-end
2. **Significant increase in revenues** mainly related to Vega Production following its return to flight in 2024, P120 motor production for Ariane 6 following its maiden flight in 2024 and first commercial mission in Q1 2025
3. **EBITDA and EBIT increase** driven by higher revenues
4. **Lower Non recurring costs** for costs of exploration of new potential business in the US reported as recurring from Q1 2025
5. **Net cash position**, **as expected, lower than 2024 year-end** for flow-down to sub-contractors and suppliers of cash advances received in 2024, as part of typical business cycle

(1) Data as of December 2024

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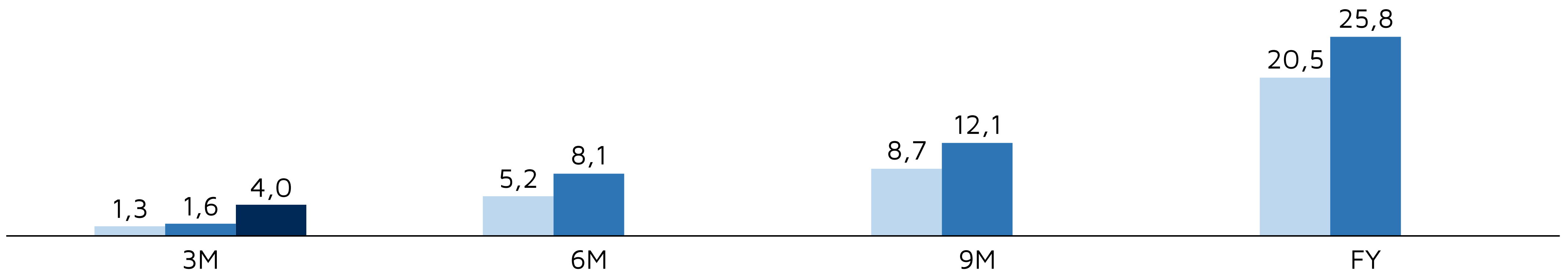
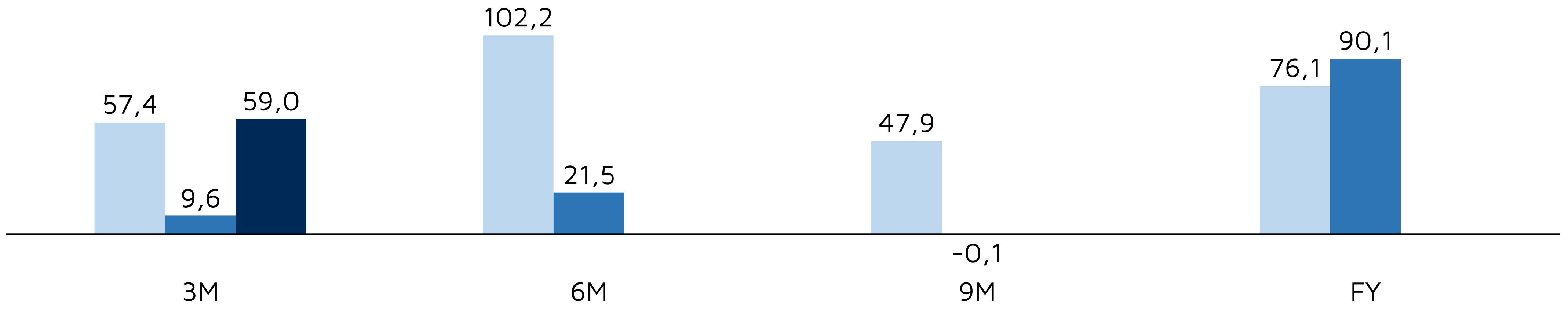
Quarterly evolution of EBITDA and Net Cash Position

Figures in €m

EBITDA Reported | Quarterly evolution



Net cash position | Quarterly evolution

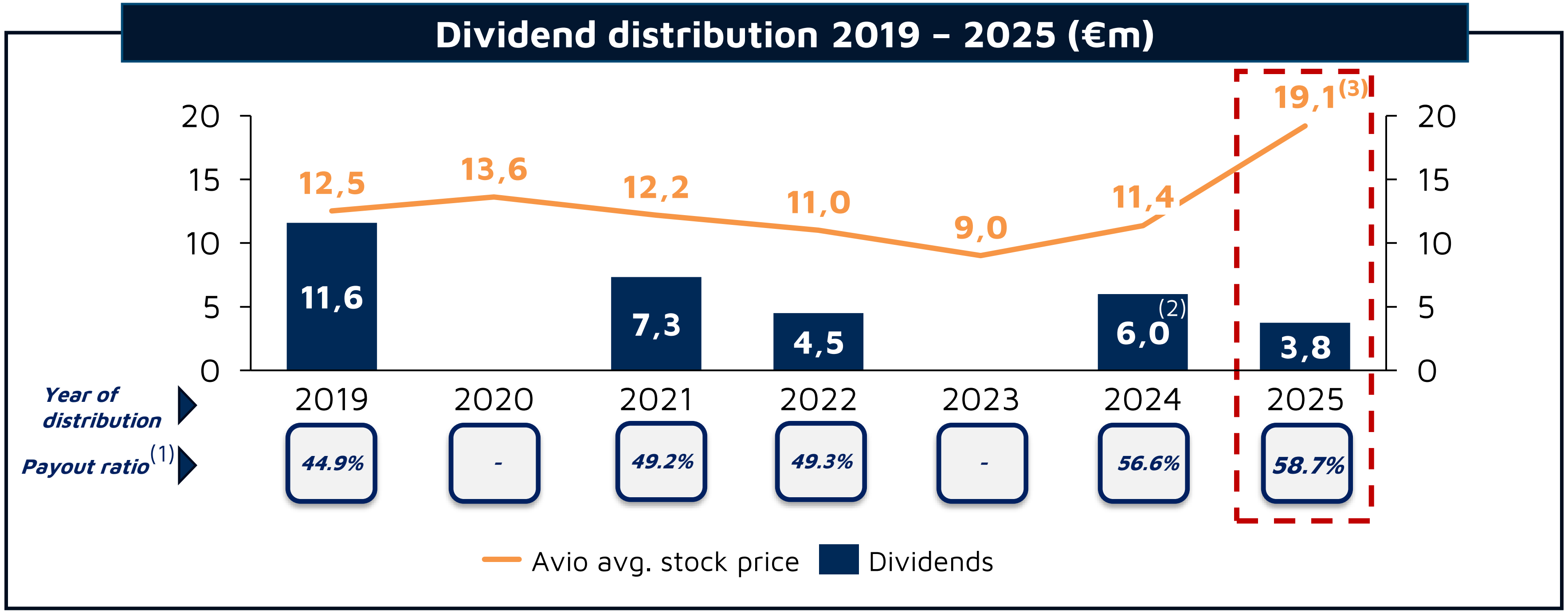


2023 2024 2025

AVIO

Dividends distribution

- On April 30, 2025, **the Shareholders' meeting unanimously approved the Board of Directors' proposal to allocate €3.75m of 2024 Avio S.p.A. net profit as dividend** (unitary dividend equivalent to €0.15 per share)
- The dividends have been paid on May 7th



(1) Calculated as ordinary dividends out of consolidated net income
(2) Incorporates €2,25m of extraordinary dividend from distributable reserves
(3) Avio share price as of April 30, 2025

FY 2025 Guidance

BACKLOG	€m 1.700	€m 1.800	*New orders from defense propulsion business*
REVENUES	€m 450	€m 480	*Growth in defense propulsion and Vega activities*
EBITDA REPORTED (1)	€m 27	€m 33	*AVIO USA accounted in general expenses*
NET INCOME	€m 7	€m 10	*Higher taxation vs. previous year*

(1) Implying an EBITDA Adjusted ranging from €30m to €36m assuming €3m as non recurring costs

Agenda

Avio fields unparalleled capabilities in product design and manufacturing …

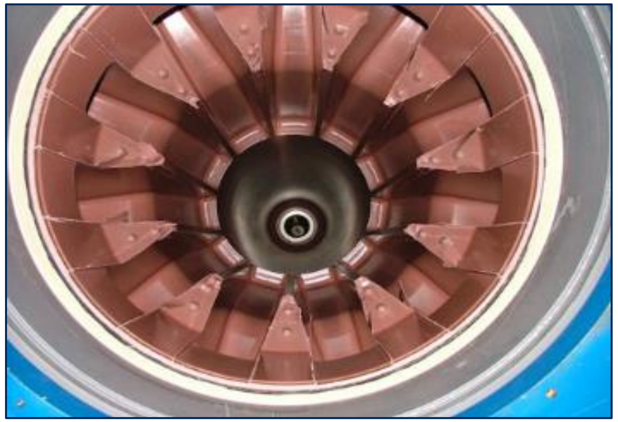
Booster cases

Structures

Thermal protection

Nozzle manufacturing

SRM testing



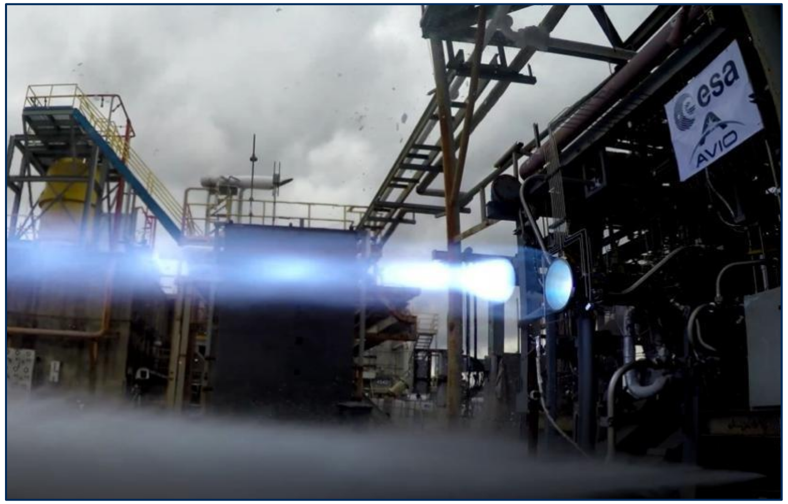
SRM casting

Composite materials

Automation

… as well as in testing and launch operations in Europe

SRM testing (P120 and Z40)



Liquid engines testing (MR10)

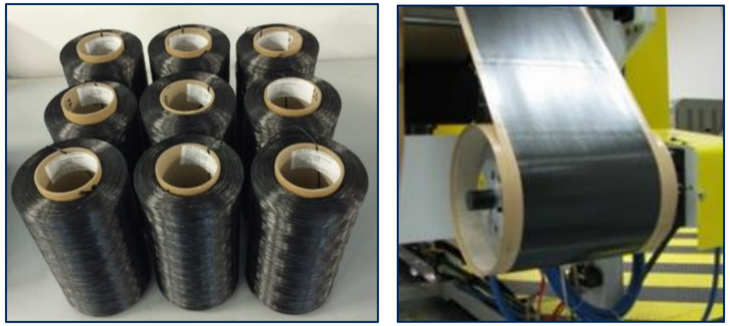
Vega integration

Avio's leadership in Aerospace & Defense core technologies

New solid propellants

Filament winding

Avionics



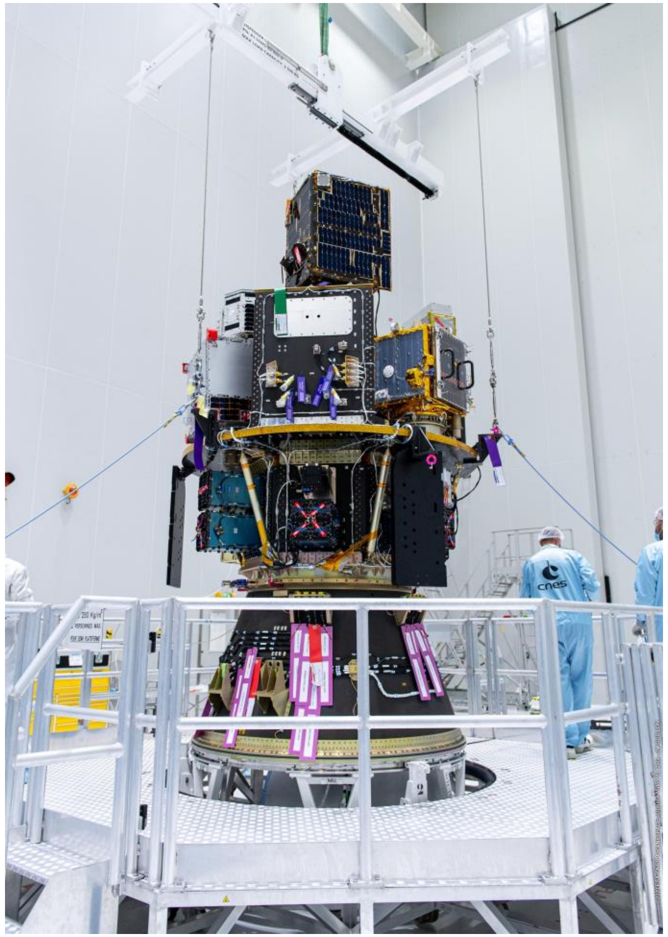
Prepreg

Thermal protection

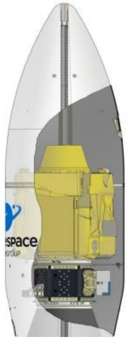
Additive mfg. for LOx-CH engines

Space launch capabilities today

Vega C
2,3ton Payload in LEO

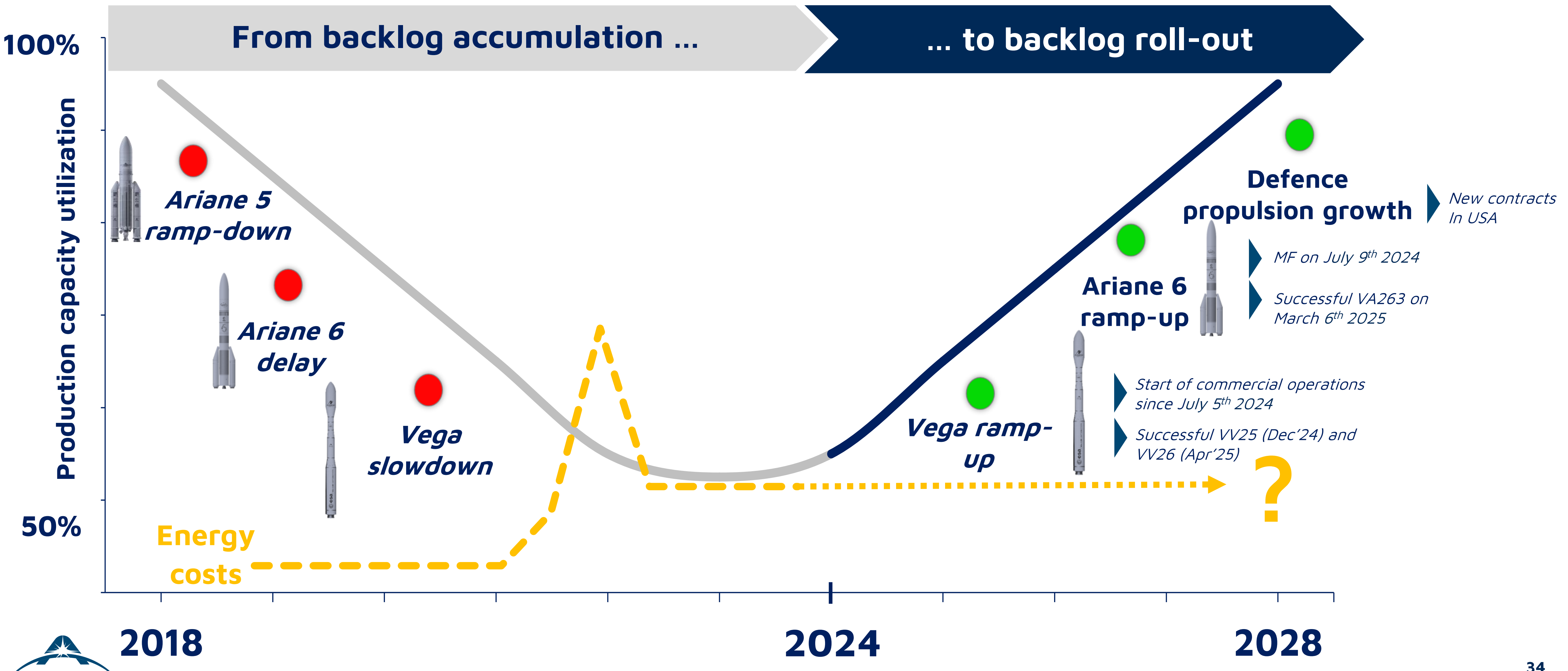


Vega C - SSMS
Piggyback/Rideshare



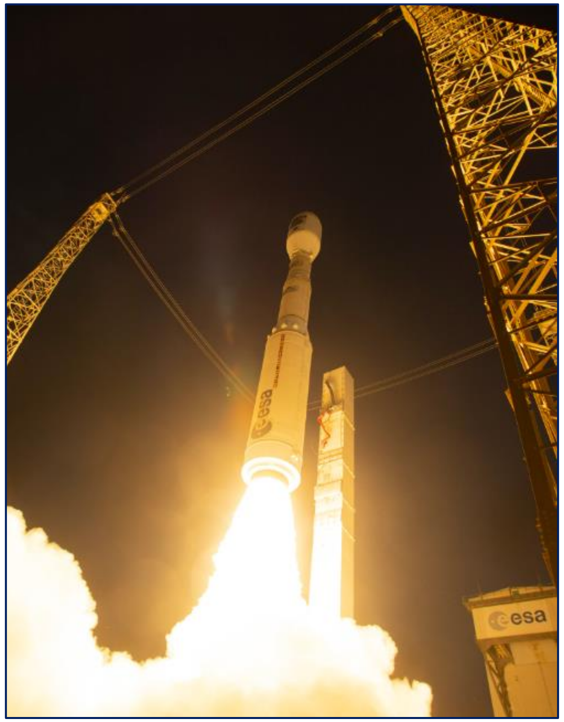
Ariane 6
20ton LEO, 11ton GEO

Where is 2024 along the cycle



Success for Vega C VV25 mission

- **On December 6th, 2024 Vega C successfully launched and deployed into a sun-synchronous orbit ("SSO") the Sentinel-1C Earth Observation Satellite**, a dedicated mission for the European Commission Copernicus Program
- Vega C is capable to deliver **up to 2,350 kilograms in SSO.** The launcher **can deliver its payloads on three different orbits on the same mission thanks to the AVUM+ engine, which allows for seven re-ignitions**



VV25 liftoff #1

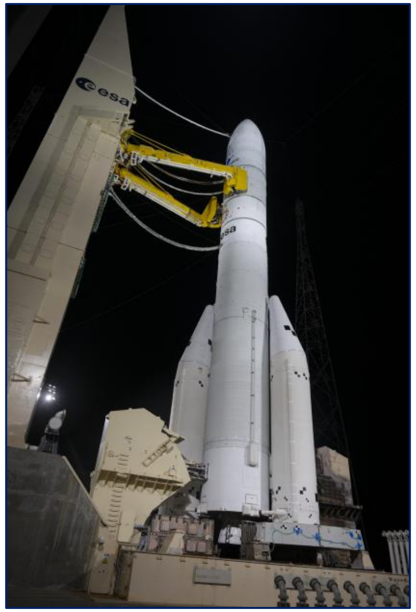
VV25 liftoff #2

Encapsulating Sentinel-1C

Source: ESA, CNES, Arianespace

Ariane 6 first commercial flight successfully completed

- On March 6th, 2024 Ariane 6 launcher successfully put in orbit the CSO-3 satellite for DGA[1] and CNES on behalf of the French Air and Space Force’s Space Command. **This was the 1st commercial launch following the maiden flight completed on July 9th , 2024**
- Avio is partner of the Ariane 6 program **providing the solid rocket boosters P120C and the liquid oxygen turbopumps for the core stage Vulcain 2.1 engine and the upper stage Vinci engine**
- In the future, both Ariane 6 and Vega C will be equipped with a more powerful version of the booster (P160), which will increase the thrust of the launchers and their payload capacity



Ariane 6 on launch pad

Ariane 6 VA263 lift-off

P120 booster separation

Source: ESA, CNES, Arianespace
(1) French Procurement Agency

New contracts with ESA pave the way for improving Vega future operations and development …

- On December 18th, 2024 ESA signed two contracts with Avio **amounting to approximately €350m** and covering a three-year time horizon
- In particular, the contracts relate to:
  - **Development of the new Vega E launch system:** the contract covers all aspects of the launch system such as rocket assembly, launch pad building, fuelling, launch pad systems and logistics followed by integrated and combined tests of the complete Vega E launch system
  - **Vega C cadence upgrade at the space port:** the contract will enhance ground operations to increase the number of flights per year up to six launches per year

Photo credits: ESA

… also marking the role of Avio as a new European Launch Service provider

- On December 18th , 2024 ESA signed with Avio a launch service contract for the upcoming **FORUM earth observation mission**. **The agreement marks the first implementation under the new Frame Contract for Procurement of Launch Services between ESA and Avio**

- FORUM – short for *Far-infrared Outgoing Radiation Understanding and Monitoring* – is a 900kg satellite which will be launched to a Sun-Synchronous Orbit around 830 km, and it will fly in tandem with the MetOp-SG A1 satellite developed by ESA for EUMETSAT, the European Meteorological Satellites Organization

- ESA's FORUM mission **will be launched by Avio as launch service provider on board of a Vega C rocket in 2027**

Photo credits: ESA

Success for Vega C VV26 mission

- **On April 29th, 2025 Vega C successfully launched the Biomass satellite for the European Space Agency**
- The satellite was deployed into a sun-synchronous orbit at an altitude of approximately 666 km
- Biomass is the first satellite equipped with a P-band synthetic aperture radar, capable of penetrating the forest canopy to measure biomass and monitoring carbon cycle

VV26 liftoff #1

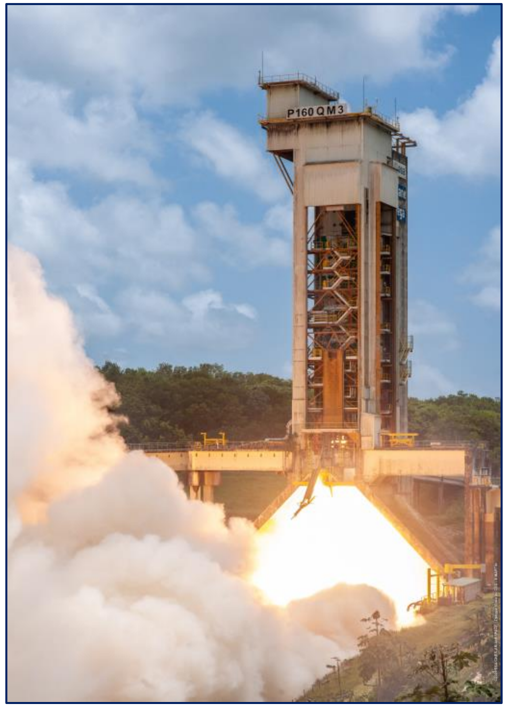
VV26 liftoff #2

ESA's Biomass satellite

P160C firing test successfully completed

- **On April 24th, 2025 the P160C qualification motor was successfully tested at the European Spaceport in French Guiana**
- The P160C is an upgrade of the P120C motor, **containing 157 tons of propellant thus configuring as one of the world's largest carbon-fiber one-piece solid fuel booster**
- The new P160C motor is a shared building block to the two European launchers and will be installed as Ariane 6 boosters, as well as Vega C and Vega E first stages

P160C roll-out



P160C test fire #1

P160C test fire #2

Source: ESA, CNES

Defense activities growing with European and US customers

MBDA

Avio signed a contract with **MBDA Italia** for the supply by Avio of rocket motors for CAMM-ER missiles manufactured by MBDA.
This contract, **amounting close to EUR 150 million**, together with the supply of the motors, also provides for some technological transfer activities related to part of manufacturing and integration processes of such motors

Raytheon

Avio signed a contract with **Raytheon**, an RTX (NYSE: RTX) business, leaders in defense solutions for the U.S. Government and Allied Demand, to initiate and progress the development of **critical solid rocket motors** for defense applications. The contract furthers the systems engineering work required to mature these solid rocket motors into a production-ready state

US Army

AVIO S.p.A. and **U.S. Army Combat Capabilities Development Command Aviation & Missile Center** partner for the development and fast-prototyping of a **solid rocket motor for surface-to-air applications**. The project leverages on both Parties' expertise to qualify the propulsion system in a design-to-manufacturing approach, offering possibility for a future rapid transition to Production

Photo credits: MBDA website

Summary of 2024 results

Figures in €m

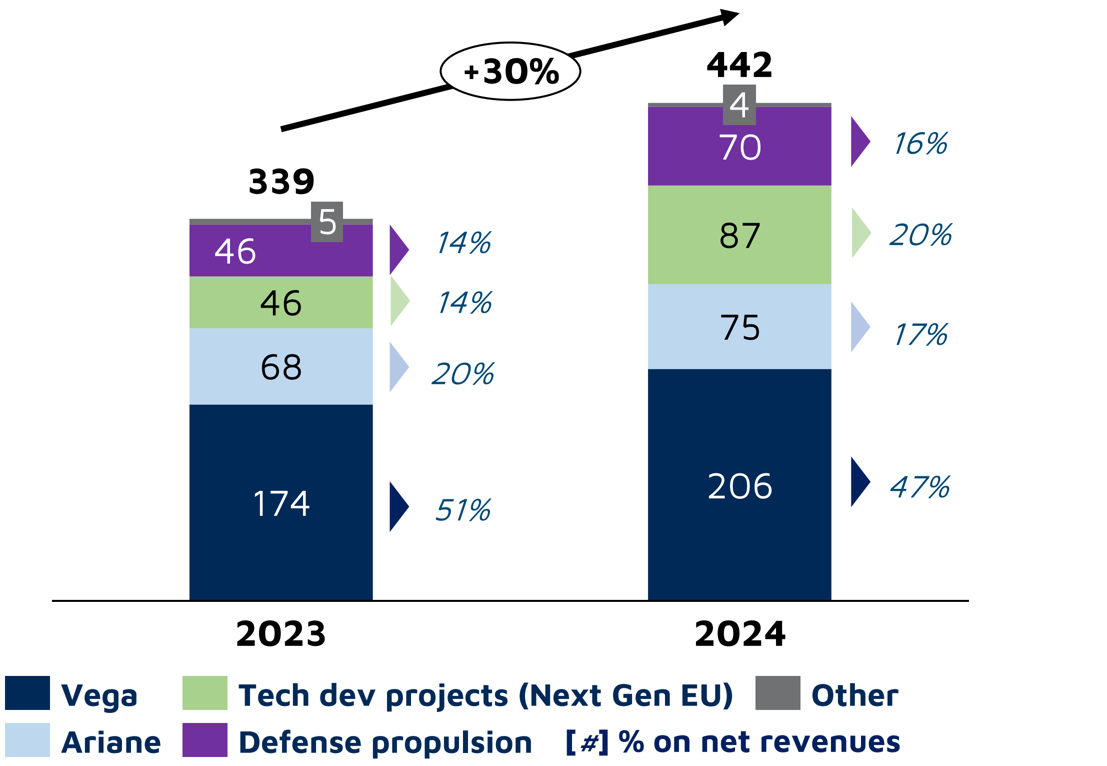
	2023 Actual	2024 Actual	2024 Guidance
Backlog	1.359	1.724	1.500 - 1.600
Revenues	338,7	441,6	370 - 390
EBITDA Reported	20,5	25,8	21 - 26
EBITDA Adjusted	28,0	31,3	28 - 33 (1)
Net Income	6,6	6,4	6 - 10
Net Financial Position	76,1	90,1	25 - 34 (2)

(1) EBITDA Reported Guidance plus the indication of €7m of Non-recurring costs given in March 2024
(2) Min & Max values of consensus

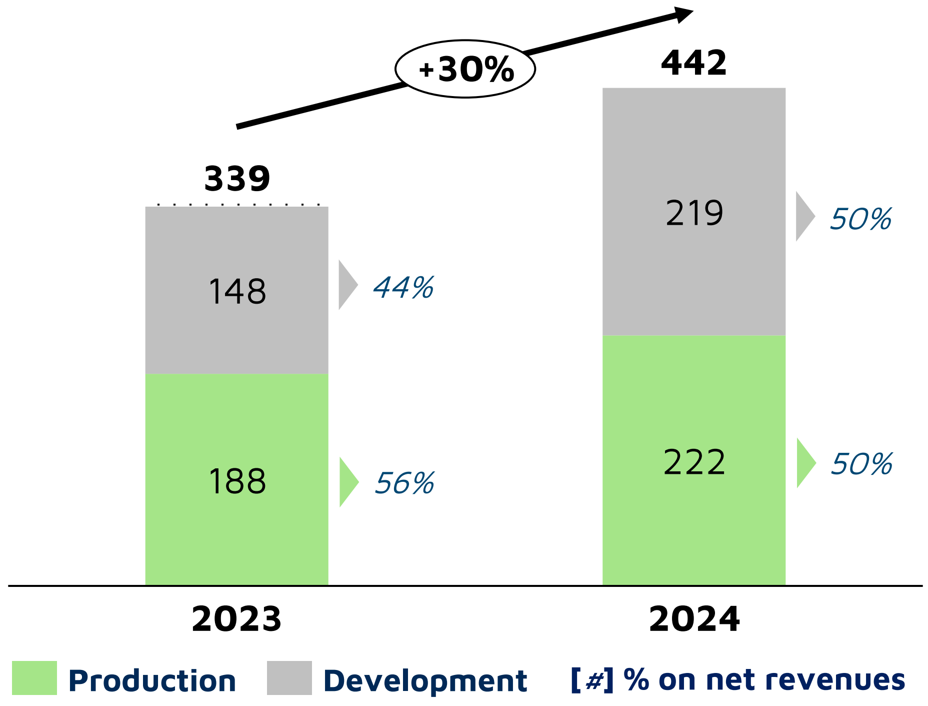
Revenues increased by 30% compared to previous year

Figures in €m

Net revenues | Breakdown by Line of Business



Net revenues | Breakdown by Activity



Significant increase in revenues mainly driven by **Defense propulsion**, **Technology Development Projects** as well as Vega production and development

FY 2024 results vs 2023

AVIO Group | Main financials

	FY2023 Actual (€m)	FY2024 Actual (€m)		Delta (€m)
NET REVENUES	338,7	441,6	1.	102,9
EBITDA REPORTED	20,5	25,8		5,3
% on net revenues	6,1%	5,8%		
N/R	7,5	5,5		
EBITDA ADJUSTED	28,0	31,3	2.	3,3
% on net revenues	8,3%	7,1%		
EBIT REPORTED	5,2	8,4		3,2
% on net revenues	1,5%	1,9%		
EBIT ADJUSTED	12,7	13,8	4.	1,1
% on net revenues	3,8%	3,1%		
PROFIT BEFORE TAX	6,6	6,8	5.	0,2
% on net revenues	1,9%	1,5%		
NET INCOME	6,6	6,4		(0,2)
% on net revenues	2,0%	1,4%		

3.

Main comments

1. **Significant increase in revenues (+30%)** mainly for defense propulsion production, Vega and technology development projects (NextGen EU)
2. **EBITDA adjusted increase (+12%)** driven by higher revenues and lower energy costs
3. Reduction of non-recurring costs (mainly related to the return to flight of the Vega C) contributed to a **significantly higher EBITDA Reported vs. 2023 (+26%)**
4. **EBIT** increase despite higher depreciations mainly for Vega Cadence increase and IT improvement projects
5. Lower interest income for lower cash available during the year invested in short-term deposits, as well as higher financial expenses and negative foreign exchange rates

Cash from new contracts contributes to a structurally negative working capital

Figures in €m

AVIO Group | Sources and uses

	31 DEC 2023 Actual (€m)	31 DEC 2024 Actual (€m)	
WORKING CAPITAL	(171)	(213)	1.
DEFERRED TAX ASSETS	81,2	87,5	
PROVISIONS	(52,8)	(51,8)	
GOODWILL AND OTHER INTANGIBLE	89,2	86,1	
FIXED ASSETS	285,6	311,8	2.
FINANCIAL RECEIVABLES	2,0	2,0	
NET INVESTED CAPITAL	234,2	222,8	
NET CASH POSITION	76,1	90,1	3.
EQUITY	(310,4)	(312,9)	
TOTAL SOURCES	(234,2)	(222,8)	

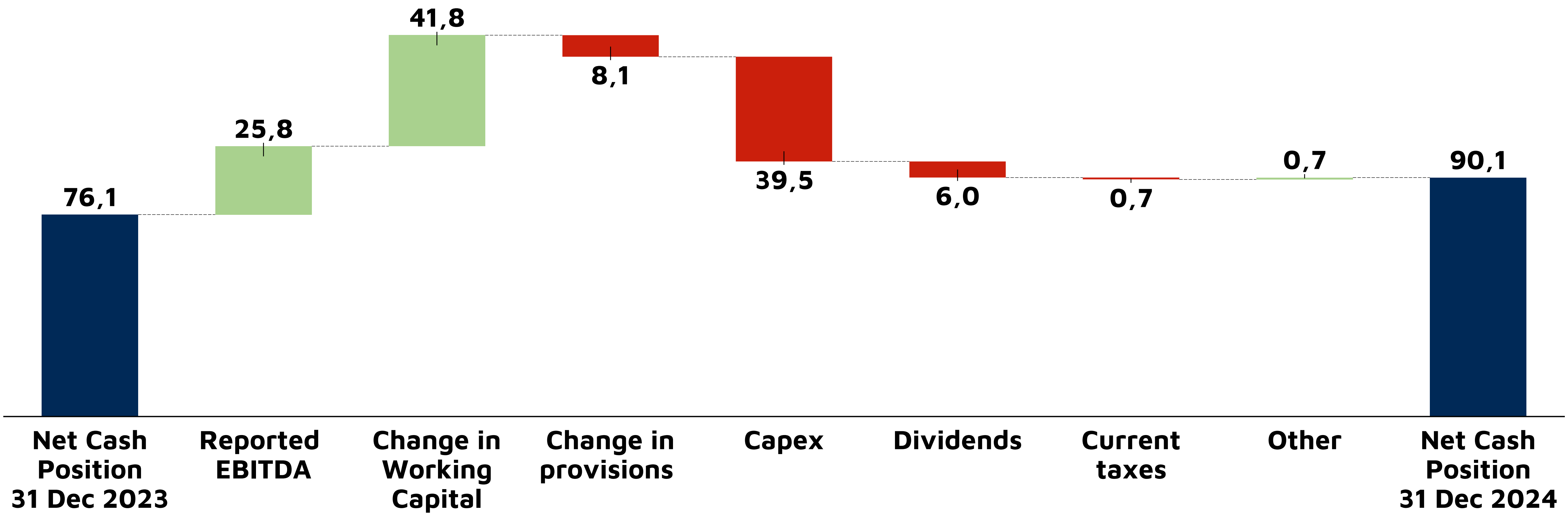
Main comments

1. Working capital structurally negative thanks to cash advances from order intakes
2. Mainly for capex for Vega cadence increase, IT improvement projects/A.I., net of depreciation
3. Net cash position improved vs previous year 2023 for collection of cash advances mainly from order intakes of Vega E and defense propulsion

AVIO

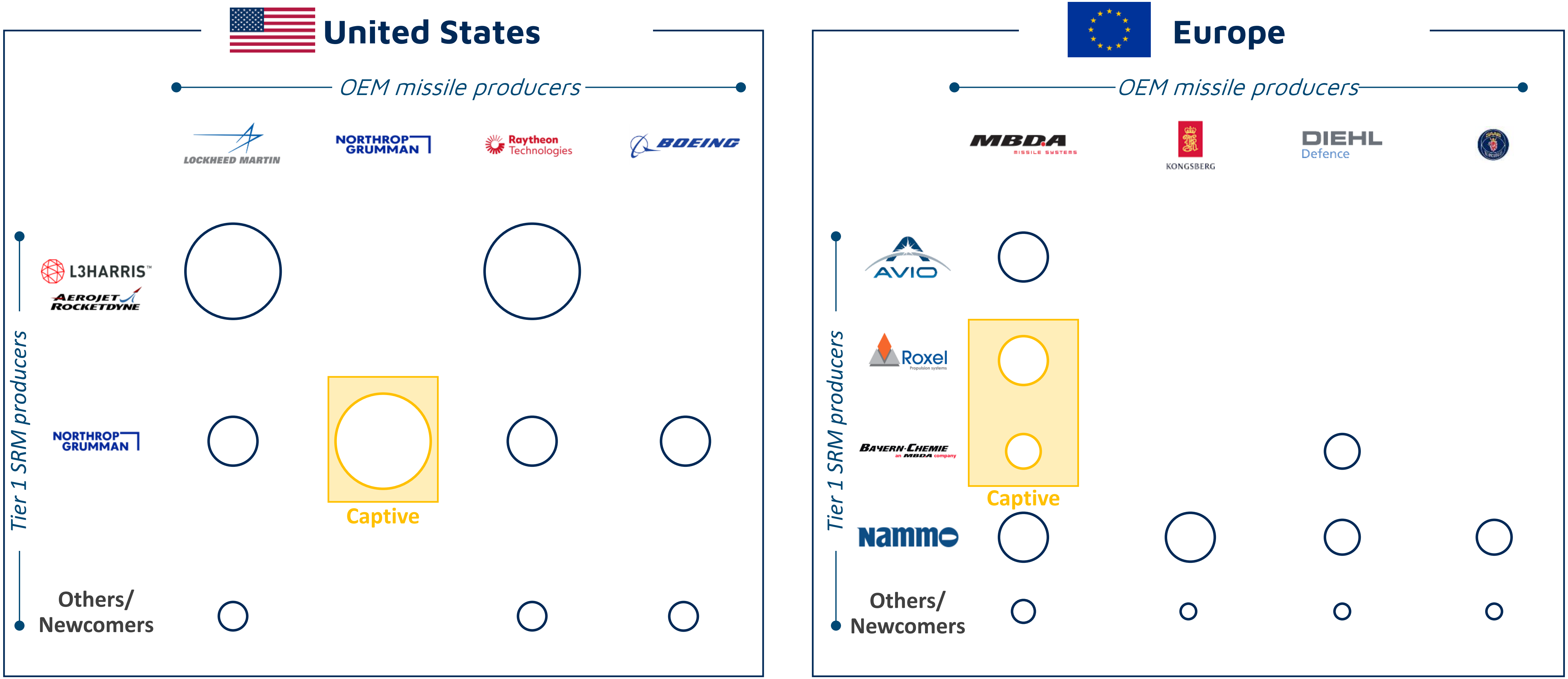
2023 – 2024 Net Cash Position bridge

Figures in €m



There are only few merchant suppliers of SRMs

Illustrative



SRM propellant mass - *illustrative, not in scale*

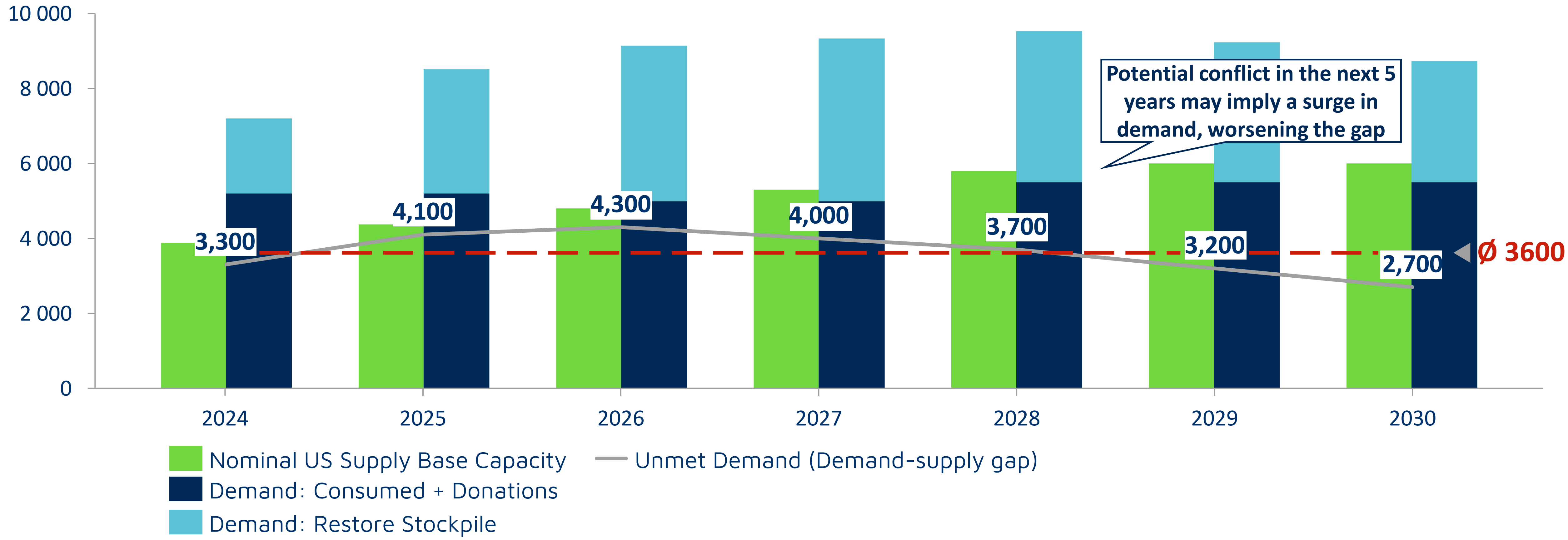
Source: Avio analysis on Janes Database, public information

The US missile propulsion supply / demand gap is substantial

US missiles SRM propellant demand and production 2024-2030, *tons*

Estimate

>25k tons cumulated gap demand vs supply of US missiles SRM propellant 2024-2030



Source: Avio analysis on Janes Database, DoD budget FY2025 Weapons, public information

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