

LATECOERE

Incorporated as a "société anonyme" (joint-stock company) with a share capital of 132,745,925 euros
 Registered Office: 135 rue de Périole – 31500 TOULOUSE
 Toulouse trade and companies register No. 572 050 169
 (the « **Company** »)

**REPORT OF THE BOARD OF DIRECTORS
 ON THE RESOLUTIONS SUBMITTED TO THE COMBINED SHAREHOLDERS' MEETING
 OF MARCH 22, 2022**

The purpose of this report is to present the draft resolutions submitted to your Meeting by the Board of Directors of your Company. It is intended to present to you the important points of the draft resolutions, in accordance with the regulations in force and best governance practices. You are encouraged to read the text of the draft resolutions carefully before exercising your voting rights.

A. ON THE ORDINARY PART OF THE SHAREHOLDERS' MEETING

- **Approval of the compensation policy for the Chief Executive Officer - *Ex ante* vote (1st Resolution)**

The first resolution submits to the vote of the Shareholders' Meeting, pursuant to Article L.22-10-8 of the French Commercial Code, the compensation policy for the Chief Executive Officer for fiscal year 2022, the changes to which compared with the remuneration policy for the Chief Executive Officer for fiscal year 2021 are described in the Board of Directors' report on corporate governance.

The 2022 remuneration policy would thus allow for the free allocation of ordinary and/or preference shares to the Chief Executive Officer, subject to the approval by your Meeting of resolutions 3 and 4.

- **Approval of the compensation policy for the Deputy Chief Executive Officer and/or any other executive corporate officer - *Ex ante* vote (2nd Resolution)**

The second resolution submits to the vote of the Shareholders' Meeting, pursuant to Article L.22-10-8 of the French Commercial Code, the compensation policy for the Deputy Chief Executive Officer and/or any other executive corporate officer for the 2022 financial year, the changes to which compared with the remuneration policy for the Deputy Chief Executive Officer and/or any other executive corporate officer for the 2021 financial year are described in the Board of Directors' report on corporate governance.

The 2022 compensation policy would thus allow the free allocation of ordinary and/or preference shares to the Deputy Chief Executive Officer and/or any other executive corporate officer, subject to the approval by your Meeting of resolutions 3 and 4.

B. ON THE EXTRAORDINARY PART OF THE SHAREHOLDERS' MEETING

- **Delegation of authority to be granted to the Board of Directors to decide to increase the capital by issuing Company's ordinary shares, with cancellation of the shareholders' preferential subscription rights, to the benefit of a category of persons satisfying certain characteristics determined (3rd resolution)**

Corporate affairs

Information concerning the Company's business activity for fiscal year 2021 and since the beginning of fiscal year 2022 can be found in the 2021 half-year report, in the Company's press release of January 27, 2022 relating to 2021 revenues, available on the Company's website (www.latecoere.aero), as well as, more broadly, in the "Financial News" section of the Company's website (www.latecoere.aero/finance/actualites-financieres).

Reasons for possible use of the resolution

This resolution enables your Company to implement the incentive plan announced by the Company in its press release dated February 4, 2022. It would allow certain members of staff and/or corporate officers of the Company and/or the companies it controls within the meaning of Article L. 233-3 of the French Commercial Code, the list of which would be drawn up by the Board of Directors, to subscribe for ordinary shares in the Company.

Terms of implementation

This delegation would enable your Board of Directors to issue ordinary shares, on one or more occasions, **with cancellation of the pre-emptive right of subscription**, to the benefit of certain members of staff and/or corporate officers of the Company and/or of the companies it controls within the meaning of article L. 233-3 of the Commercial Code.

Your Board of Directors would have all necessary powers to implement this delegation of authority, with the option to sub-delegate to any authorized person, in accordance with the applicable legal and regulatory provisions.

Price

0.51 per share, or (ii) at least equal to the volume-weighted average of the Company's share price on the regulated market of Euronext Paris over the last three (3) trading days prior to the setting of the issue price, with the possibility of reducing this average by a maximum discount of 30%. Precision is made that 0.51 per share corresponds to the unit subscription price of the Latécoère capital increase carried out in August 2021 (see the Latécoère offering circular n°21-317 approved by the AMF on July 13, 2021, available on the Company's and AMF's websites).

Ceiling

The maximum nominal amount of the capital increases would be set at 2,500,000 euros, or the equivalent in euros of this amount on the date of the decision to issue.

Duration

This delegation would be granted for a period of **18 months** from the date of this Shareholders' Meeting, i.e. until **September 22, 2023**.

- **Creation of a class of preference shares and corresponding amendment to the Company's bylaws (4th resolution)**

The 4th resolution submits to the vote of the Shareholders' Meeting the introduction in the Company's bylaws of the option to create preference shares governed by the provisions of Articles L. 228-11 et seq. of the French Commercial Code. The terms and conditions of the preference shares that you are asked to approve are available on the Company's website.

In addition, it is proposed, in the 4th resolution, to approve a certain number of amendments to the Company's bylaws in order to ensure the proper functioning of the terms and conditions of the preference shares which are available on the Company's website under the heading "Regulated Information", "Documents relating to the General Meeting", "Combined Shareholders' Meeting of March 22, 2022".

These preference shares would be allocated free of charge to the employees and/or corporate officers of the Company and/or of related companies within the meaning of Article L. 225-197-2 of the French Commercial Code in the 5th resolution below.

The additional reports referred to in Article R. 228-20 of the French Commercial Code will be made available to shareholders at the registered office and published on the Company's website in accordance with applicable laws and regulations.

- **Association to the capital of the employees and corporate officers of your Company and/or its affiliates: free allocation of preference shares (5th Resolution)**

Reasons for the possible uses of the resolution

This resolution enables your Company to implement the incentive plan announced by the Company in its press release dated February 4, 2022. It would allow certain members employees and/or corporate officers of the Company and/or of the groups linked to it under the conditions provided for in article L.225-197-2 of the French Commercial Code, the list of which would be drawn up by your Board of Directors, to be allocated free of charge preference shares of the Company, subject to the approval by your Shareholders' Meeting of the 4th resolution.

Terms and conditions of implementation

This resolution would enable the Board of Directors to grant free preference shares, on one or more occasions, **with cancellation of the preferential subscription right**, to certain employees and/or corporate officers of the Company and/or of the groups linked to it under the conditions provided for in article L.225-197-2 of the French Commercial Code, the list of which would be drawn up by your Board of Directors. The provisions relating to the vesting and retention periods are set out in the text of the resolutions, which forms an integral part of this report and is available on the Company's website under the heading "Regulated Information", "Documents relating to the General Meeting", "Combined General Meeting of March 22, 2022".

Your Board of Directors would have all necessary powers to implement this authorization, with the option to sub-delegate to any duly empowered person, in accordance with the applicable legal and regulatory provisions.

Ceiling

The total number of preference shares granted free of charge under this authorization, as well as the total number of ordinary shares that may result from the conversion of these preference shares, may not exceed 10% of the total number of shares making up the Company's share capital on the date of the Board of Directors' decision to grant the shares.

Duration

The authorization would be given for a period of **38 months** from the date of this Shareholders' Meeting, i.e. until **May 22, 2025**.

- **Association to the capital of the employees of your Company and/or its affiliates: free allocation of ordinary shares of the Company (6th Resolution)**

Reasons for the possible uses of the resolution

This resolution enables your Company to implement the incentive plan announced by the Company in its press release dated February 4, 2022. It would enable certain members of the Company's staff and/or of groups of staff linked to it under the conditions set out in Article L.225-197-2 of the French Commercial Code, the list of which would be drawn up by your Board of Directors, to be allocated free ordinary shares in the Company.

Terms of implementation

This resolution would enable the Board of Directors to grant free ordinary shares, on one or more occasions, **with cancellation of the preferential subscription right**, to certain employees and/or to groups of staff linked to the Company under the conditions set out in article L.225-197-2 of the French Commercial Code, the list of which would be drawn up by your Board of Directors. The provisions relating to the vesting and retention periods are set out in the text of the resolutions, which forms an integral part of this report and is available on the Company's website under the heading "Regulated Information", "Documents relating to the General Meeting", "Combined General Meeting of March 22, 2022".

Your Board of Directors would have all necessary powers to implement this authorization, with the option to sub-delegate to any duly empowered person in accordance with the applicable legal and regulatory provisions.

Ceiling

The total number of ordinary shares granted free of charge under this authorization may not exceed 10% of the total number of shares comprising the Company's share capital on the date of the Board of Directors' decision to grant the shares.

Duration

The authorization would be given for a period of **38 months** from the date of this Shareholders' Meeting, i.e. until **May 22, 2025**.

- **Amendment to the bylaws to facilitate shareholders' participation in the Company's Shareholders' Meetings (7th Resolution)**

The 7th resolution submits to the vote of the Shareholders' Meeting the decision to introduce into the Company's bylaws the possibility for any shareholder to vote remotely by electronic means or remote transmission, on the decision of the Board of Directors.

Furthermore, shareholders who have decided to use such means of telecommunication for the calculation of the quorum and majority would be deemed to be present on the decision of the Board of Directors published in the notice of meeting or in the notice of convocation, shareholders who take part in the Shareholders' Meeting by videoconference or by means of telecommunication or teletransmission, including the Internet, allowing their identification under the conditions provided for in accordance with the legal and regulatory provisions.

C. ON THE **EXTRAORDINARY** PART OF THE SHAREHOLDERS' MEETING

- **Power to carry out formalities (8th Resolution)**

The sole purpose of this resolution is to allow the completion of the filings and formalities required by law.

The Board of Directors invites you to approve by your vote the text of the resolutions it proposes.
