

**SPECIAL REPORT ON THE EXCLUSION
OF PRE-EMPTIVE SUBSCRIPTION
RIGHTS UNDER ARTICLES 308, 414,
417, 506, 508, AND 510 OF THE
CONSOLIDATED TEXT OF THE
SPANISH CORPORATE ENTERPRISES
ACT**

TALGO, S.A.



The better the question.
The better the answer.
The better the world works.



Shape the future
with confidence

SPECIAL REPORT ON THE EXCLUSION OF PRE-EMPTIVE SUBSCRIPTION RIGHTS UNDER ARTICLES 308, 414, 417, 506, 508, AND 510 OF THE CONSOLIDATED TEXT OF THE SPANISH CORPORATE ENTERPRISES ACT

Translation of a report originally issued in Spanish. In the event of discrepancy, the Spanish - language version prevails.

To the Shareholders of Talgo S.A.:

For the purposes set forth in Articles 308, 414, 417, 506, 508, and 510 of the Consolidated Text of the Spanish Corporate Enterprises Act, and in accordance with the assignment received from Talgo S.A. (the "Company") by appointment of the Madrid Mercantile Registry dated September 17, 2025, we issue this special report on:

- (i) the capital increase through monetary contributions for a total effective amount of approximately forty-five million euros (€45,000,000), by issuing new ordinary shares of the same class and series as those currently outstanding and with exclusion of pre-emptive subscription rights (the "Increase" or "Capital Increase");
- (ii) the issuance of 300 convertible bonds into ordinary shares of the Company for a maximum nominal amount of thirty million euros (€30,000,000), with exclusion of pre-emptive subscription rights ("Bond Issue 1"); and
- (iii) the issuance of 750 convertible bonds into ordinary shares of the Company for a maximum nominal amount of seventy-five million euros (€75,000,000), with exclusion of pre-emptive subscription rights ("Bond Issue 2" and, together with the Capital Increase and Bond Issue 1, the "Corporate Transactions").

1. Introduction

The Company's Directors have prepared the attached report in Annex I (the "Directors' Report") which, regarding the Capital Increase, provides a detailed justification of the proposal and the consideration to be paid for the new shares, indicating the persons to whom these shares will be allocated. In a share valuation, only approximations or estimative judgments about fair value can be made, which may depend greatly on subjective assessments of various business aspects.

Regarding Bond Issue 1 and Bond Issue 2, the Directors' Report (Annex I) explains the bases and modalities of conversion, as well as the reasonableness of the financial conditions of the issue and the suitability of the conversion ratio, including adjustment formulas to avoid dilution of the shareholders' economic participation. Legislation requires that both the share issue and Bond Issues 1 and 2 be carried out at their fair value.



2. Characteristics and Conditions of the Corporate Transactions

As described in the Directors' Report (Annex I), the proposals for the Capital Increase, Bond Issue 1, and Bond Issue 2 are part of a global and indivisible transaction that jointly comprises:

- (i) the acquisition by a Basque industrial consortium of a shareholding representing approximately 29.76327% of the Company's share capital (prior to the Capital Increase) as of the date of this Report, i.e., before the registration and full effectiveness of the Capital Increase;
- (ii) the Capital Increase for a total effective amount of approximately €45 million, to be subscribed and paid by Sociedad Estatal de Participaciones Industriales ("SEPI");
- (iii) Bond Issue 1 for a maximum nominal amount of up to €30 million, to be subscribed and paid by SEPI;
- (iv) Bond Issue 2 for a maximum nominal amount of up to €75 million, to be subscribed and paid by a new investor group: the Basque industrial consortium, different from SEPI; and
- (v) the subscription by the Talgo Group (the Group or Talgo S.A. and its subsidiaries) of a new debt structure consisting of two tranches: €650 million financing with a six-year maturity and a €120 million revolving credit line with a three-year maturity, automatically extendable for two more years. Additionally, a new guarantee line of €500 million will be granted by financial institutions.

According to the Directors' Report (Annex I), the above operations have been conceived as parts of a global strategy promoted by the Board of Directors to ensure the Company's viability. Therefore, their effectiveness is designed so that each operation complements the others, forming a coherent and comprehensive solution for refinancing, recapitalization, and shareholding reorganization (the "Global Transaction"). Thus, as stated in the Directors' Report, the operations comprising the Global Transaction (including, therefore, the prior purchase of 29.76327% of the share capital by a new investor, the refinancing of the Talgo Group, the Capital Increase, Bond Issues 1 and 2) are mutually conditioned.

a) Most significant assumptions for the Capital Increase and Bond Issues 1 and 2

(i) Capital Increase

According to the Directors' Report (Annex I), the Capital Increase to be proposed to the General Shareholders' Meeting amounts to three million one hundred eighty-seven thousand fifty-eight euros and seventy-four cents (€3,187,058.73), charged to cash contributions, through the issuance of ten million five hundred eighty-eight thousand two hundred thirty-five (10,588,235) shares with a par value of €0.301 each, of the same class and series as those currently in circulation and represented by book entries.



The new shares will be issued with an issue premium of €3.949 per share, resulting in a total issue premium of €41,812,940.015. Therefore, the issue price has been set at €4.25 per share (€0.301 par value and €3.949 premium), resulting in a total effective capital increase of €44,999,998.75.

The Directors state in their report (Annex I) that the issue price has been independently valued by KPMG, which issued a fairness opinion concluding that it is reasonable from a financial point of view for the Company's Shareholders. Specifically, according to the Directors' Report, "the price of €4.25 per share is within the estimated valuation range for Talgo (€3.8 - €4.4 per share) and represents a significant premium over the volume-weighted average price (VWAP) of Talgo shares during the month immediately prior to the issuance of this Report, which amounts to €2.6153 per share (the VWAP).

The Capital Increase will be fully subscribed by Sociedad Estatal de Participaciones Industriales (SEPI), under the terms agreed within the framework of the Global Operation. In this regard, section 4.2 of the Directors' Report (Annex I) sets out the reasons that, in the interests of the Company, justify the exclusion of preemptive subscription rights.

(ii) Bond issue 1

In accordance with section 5.1 of the Directors' Report and its elaboration in section 5.5. A (Annex I), Bond Issue 1 will be fully subscribed by SEPI for a nominal amount of €30,000,000, accruing annual compound interest of 10.21%, calculated daily on principal and accrued interest, payable in full upon maturity, extension, or conversion. In the event of default, the applicable interest rate will be 15%, capitalizable every 30 days in accordance with Article 317 of the Royal Decree of August 22, 1885, publishing the Commercial Code (the "Commercial Code").

The Bonds 1 will mature eight years after the disbursement date, extendable to ten years at the Issuer's discretion by means of irrevocable notification at least 45 business days in advance. No early redemption, whether voluntary or mandatory, is contemplated, except in cases of early redemption due to default agreed between the Issuer and the subscribers of the Convertible Bond Issues.

The conversion price of the Bonds 1 is determined using objective and verifiable parameters, ensuring in all cases that the conversion price is not lower than the nominal value of the Company's shares. Specifically, on this date, the eighth annual payment has been set at €3.975308 in accordance with a "fix to fix" mechanism (the "Conversion Price"), with the maximum number of shares to be issued at the time of conversion being determined at the time of the Bond 1 Issue. In the tenth year, the conversion price will be equivalent to 70% of the volume-weighted average price (VWAP) of Talgo shares during the 30 days prior to the General Meeting resolution authorizing the issue of shares, and in no case may it be less than the nominal value (the "Extended Conversion Price").



According to the Directors' Report, the conversion ratio for Bonds 1 has been determined *"using objective and verifiable parameters, with mechanisms that guarantee that, under no circumstances, the conversion price is lower than the nominal value, in accordance with Articles 414 and 415 of the LSC, which prevents capital erosion and limits economic dilution for existing shareholders."*

(iii) Bond issue 2

Section 5.3 of the Directors' Report and its elaboration in section 5.5.B (Annex I) detail the characteristics of Bond Issue 2. This issue will be made for a nominal amount of €75,000,000 and will be subscribed by a group of renowned Basque institutional and industrial investors with a long-term commitment. Among them are entities that, in the same Global Operation, will acquire through the corresponding purchase agreement 29.76327% of the Company's share capital in force on the date of this Report, that is, prior to the registration and full effectiveness of the Capital Increase itself.

According to the Director's report (Annex I), the conversion price of Bonds 2 (as well as Bonds 1) has been determined using objective and verifiable parameters, in line with the provisions of Articles 414 and 415 of the Consolidated Text of the Capital Companies Act, ensuring in all cases that it is not lower than the nominal value of the share. In particular, the Conversion Price applicable in the eighth year has also been determined on this date at €3.975308 in accordance with a "fix to fix" mechanism, as set out in section 5.2 of the Directors' report (Annex I). The Extended Conversion Price applicable in the tenth year will be calculated based on 70% of the volume-weighted average price (VWAP) of Talgo shares during the 30 days prior to the General Meeting's approval of the share issue, and in no case below the par value

According to the Directors' Report, *"This scheme ensures that the conversion ratio is established on the basis of objective and predefined financial criteria, preserving the balance between the Company and investors and avoiding any unjustified economic dilution for existing Shareholders."*

(iv) Exclusion of preemptive rights in Bond Issues 1 and 2

The Directors justify in their report (Annex I) that the exclusion of preemptive subscription rights, both in Bond Issue 1 and Bond Issue 2, is based on reasons of corporate interest, as it is a targeted issue, guaranteeing full subscription and disbursement under stable conditions. Therefore, the Directors consider this measure to be proportionate and balanced, as it maintains a conversion price not lower than the nominal value of the share and avoids unjustified dilution for the Shareholders.



3. Scope of our work and procedures

Our responsibility is to issue a professional opinion, as independent experts, on the fair value of the Company's shares, on the theoretical value of the preemptive rights whose exercise is proposed to be eliminated, and on the reasonableness of the data contained in the Directors' report. Our work has been carried out in accordance with the legal and technical requirements for the preparation of the special report on the exclusion of preemptive rights in the case of Articles 308, 414, 417, 506, 508, and 510 of the Consolidated Text of the Capital Companies Act (TRLSC).

The accounting information used in this report has been obtained from the Company's audited individual and consolidated financial statements for the year ended December 31, 2024, on which the Company's auditor (Deloitte) expressed a favorable opinion on February 28, 2025. Similarly, we have used the accounting information contained in the Consolidated Interim Summary Financial Statements for the six-month period ended June 30, 2025, on which the aforementioned auditor issued its limited review report dated September 30, 2025, in which it expressed an unqualified conclusion.

The aforementioned limited review report includes the following emphasis of matter paragraph:

"We draw attention to note 2.8 of the accompanying explanatory notes, which indicates, among other things, that the Talgo Group is currently in the process of strengthening its equity and financial position, which would involve a change in the current shareholding structure, the entry into its share capital of the public entity Sociedad Española de Participaciones Industriales (SEPI) and the formalization of loans convertible into shares with the aforementioned entity and with other investors, as well as the formalization of new syndicated financing in order to, among other aspects, adapt its financial and productive capacity to the projects currently underway and those in its portfolio. At present, the aforementioned process is pending formalization, and the directors of the parent company estimate that it will be completed before the end of the year. Failure to formalize the aforementioned transactions currently in progress would require the Group to evaluate and implement other alternative measures to meet the objectives described above. Consequently, the possible failure to complete the planned transactions indicates the existence of material uncertainty that could cast significant doubt on the application of the going concern principle. This issue does not alter our conclusion."

Both the audited annual accounts and the condensed consolidated interim financial statements referred to above are available on the website of the Spanish National Securities Market Commission (CNMV).

For the purposes of preparing this Special Report, our work has consisted of applying the following procedures:

- a) Obtaining the aforementioned audit reports on the annual accounts of the Company and the Group for the financial year ended December 31, 2024, as well as the Limited Review Report on the Group's Consolidated Interim Financial Statements as of June 30, 2025.



- b) Formulating questions to the Company's management regarding significant events that could materially affect the value of the Company and, where appropriate, verifying such events.
- c) Obtaining and analyzing the minutes of the Shareholders' Meetings and the Company's management bodies following the preparation of the annual accounts for the 2024 financial year.
- d) Obtaining and analyzing significant subsequent events that occurred after the preparation of the Group's consolidated financial statements for the 2024 financial year, including Relevant Events, Inside Information, and other relevant information submitted by the Company to the Spanish National Securities Market Commission (CNMV) up to the date of this report.
- e) Study of the evolution of the market value of the Company's shares and determination of the average market value of said shares during the last representative trading period prior to the date of the special report (the last quarter) and of the last available price prior to said date, as indicative values of the fair value of the Company. This determination has been made on the basis of a certification obtained from the Governing Body of the Valencia Stock Exchange, S.A.U., which includes, in addition to the aforementioned market values and those of the immediately preceding period, the frequency and volume of trading for the periods under analysis.
- f) Verification of whether the minimum issue price per share proposed by the Directors is higher than the net asset value resulting from the Company's latest audited consolidated annual accounts for the financial year ended December 31, 2024, and from the Consolidated Interim Summary Financial Statements for the six-month period ended June 30, 2025.
- g) Estimation of the fair value of the Company's shares and verification of whether the minimum issue price per share proposed by the Directors corresponds to the fair value of the shares as derived from the information obtained in the previous points.
- h) Assessment of the reasonableness of the data contained in the Directors' Report justifying the proposal and the type of issue of the new shares, including review of the documentation justifying the valuation methodology and calculation bases.
- i) Assessment of the reasonableness of the data contained in the Directors' report and of the appropriateness of the conversion ratio of Bond Issues 1 and 2 and, where applicable, their adjustment formulas, to compensate for any dilution of the Shareholders' economic interest.
- j) Determination of the theoretical value of the preemptive subscription rights whose exercise is proposed to be eliminated, calculated with reference to both the closing market price on that day and the theoretical book value of the Group.



- k) Obtaining a letter of representation from the Group's Board of Directors with sufficient power of representation, in which they inform us that they have brought to our attention all relevant hypotheses, data, and information, as well as any subsequent significant events.

4. Conclusion

Taking into account all of the above, in our professional judgment as independent experts:

- The information contained in the Company's Management Report (Annex I) to justify its proposal is reasonable, as it is adequately documented and presented.
- In relation to the capital increase described in the Directors' Report, based on the procedures carried out, the issue price of €4.25 per share, proposed by the Company's Directors for approval by the General Shareholders' Meeting, is within a reasonable range of values for the shares, as set out in the Directors' Report (Annex I). Furthermore, this issue price is higher than the consolidated net asset value as of December 31, 2024, as shown in the latest audited annual accounts.
- In relation to the Bond Issues described in the Directors' Report, the information contained in that report (Annex I) on the appropriateness of the conversion ratio for Bond Issues 1 and 2, and their adjustment formulas to compensate for any dilution of the Shareholders' economic interest, are adequate provided that the considerations made by us in section 5 below are taken into account.

5. Relevant aspects to consider when interpreting the conclusions reached based on our professional judgment

- (i) Aspects to consider regarding the issue price in the capital increase (€4.25 per share) with respect to the listed values and the theoretical net asset value

The closing price per share on November 4, 2025 (the date on which certification was obtained from the Governing Body of the Valencia Stock Exchange, S.A.U.), as well as the simple average of the daily weighted average price of said shares during the period between August 4, 2025, and November 4, 2025, inclusive, according to the aforementioned stock exchange body, was as follows:

<u>Contribution period</u>	<u>Quoted price (€/ Share)</u>
At the close of market on November 4, 2025	2.9700
Average for the period between August 4, 2025, and November 4, 2025	2.7891

Likewise, below we present the theoretical value of the preemptive subscription rights whose exercise is proposed to be eliminated, derived, respectively, from the Company's share price during the three-month period beginning on August 4, 2025, the closing share price of Talgo on November 4, 2025, and the theoretical equity value of the Company (or Group) according to the audited annual accounts for the year ended December 31, 2024:

The dilution per outstanding share, expressed in euros per share, is as follows:

Contribution period	Quoted price (€/Share)	Type of emission (€/Share)	Effect (overprice)/dilution (€/Share)
November 4, 2025	2.9700	4.25	(0.646)
Average for the period between August 4, 2025, and November 4, 2025	2.7891	4.25	(0.827)

The proposed type of issue does not produce a theoretical dilution effect, either on the closing share price on November 4, 2025, or on the average share price for the three-month period ending November 4, 2025.

In accordance with the minimum issue price proposed by the Board of Directors, the dilution or premium per outstanding share with respect to the closing share price on the business day immediately prior to the date of this report, in euros per share, would be determined by applying the following formula:

$$D = \left(\frac{P_o - P_e}{\left(\frac{N_o}{N_e} \right) + 1} \right)$$

In the above formula, D represents the theoretical value of the preemptive subscription right, P_o is the closing price of the Company's shares on the business day immediately prior to the date of this report, P_e is the minimum issue price, N_o is the number of old shares outstanding of the Company (excluding treasury shares) on the business day immediately prior to the date of this report, and N_e is the number of new shares to be issued.

Likewise, the dilution or premium per outstanding share with respect to the simple average of the daily weighted average price of the share during the last quarter prior to the date of the business day immediately preceding the date of this report, in euros per share, would be determined by applying the following formula:

$$D = \left(\frac{P_{mo} - P_e}{\left(\frac{N_o}{N_e} \right) + 1} \right)$$



In the above formula, D represents the theoretical value of the preemptive subscription right, Pmo represents the simple average of the weighted daily average trading prices of the Company's shares during the quarter preceding the business day immediately prior to the date of this report, Pe represents the minimum issue price, No is the number of old shares outstanding of the Company (excluding treasury shares) on the trading day immediately preceding the date of this report, and Ne is the number of new shares to be issued.

Likewise, below we present the theoretical value of the preemptive subscription rights whose exercise is proposed to be eliminated, expressed in euros per share, with respect to the theoretical equity value of Talgo S.A. and Subsidiaries according to the consolidated annual accounts for the financial year ended December 31, 2024, audited by Deloitte, S.L., this being the latest audited financial information available to the National Securities Market Commission:

Date to which the calculation refers	Price of Theoretical Net Asset Value (€/Share)	Type of emission (€/Share)	Effect (overprize) /dilution (€/Share)
December 31, 2024	1.389	4.25	(2.228)

The proposed type of issue does not have a theoretical dilutive effect on the theoretical book value resulting from the audited annual accounts as of December 31, 2024.

The dilution or premium per outstanding share with respect to the theoretical equity value derived from the Group's latest consolidated accounts as of the date of this report, in euros per share, would be determined by applying the following formula:

$$D = \left(\frac{VTC_{pa} - P_e}{\left(\frac{N_o}{N_e} \right) + 1} \right)$$

In the above formula, D represents the theoretical value of the preemptive subscription right, VTCpa is the amount resulting from dividing the net asset value of the group by the number of outstanding shares (excluding treasury shares) on the calculation date, Pe is the minimum issue price, No is the number of old shares outstanding of the Company (excluding treasury shares) on the calculation date, and Ne is the number of new shares to be issued.



(ii) Considerations regarding potential dilution in Bond Issues 1 and 2

The dilution per share resulting from the characteristics of the Bond Issue 1 and 2 agreement will depend on the performance of the Company's share price. In this regard, the Company's Shareholders should bear in mind that their final dilution will be determined by the Company's share price, and it is expected that the Company will exercise the conversion option after eight years when the share price is below the Exercise Price of the Convertible Bonds.

(iii) Other considerations

Our professional judgment must always be considered in the context of a going concern and, therefore, given the reciprocal conditioning of the transactions that make up the Global Transaction, in a successful scenario of formalization of the same. Consequently, any failure to complete the transactions planned by the Directors could give rise to material uncertainty that could raise significant doubts about the application of the going concern principle to the Company and the Group to which it belongs, which in turn could affect the market value of the Company's shares. In this regard, it should be noted that the Company's auditor has included in its limited review report issued on September 30, 2025, on the Consolidated Interim Financial Statements for the six-month period ended June 30, 2025, an emphasis of matter paragraph relating to this matter, which we have reproduced in section 3 above of our report.

The information necessary to carry out our work has been provided to us by Talgo's management and its advisors, or has been obtained from public sources. In relation to this information, it has not been part of our work to verify this information against external evidence, although, to the extent possible, we have verified that the information presented is consistent with other data obtained in the course of our work.

We are not obligated to update our Special Report due to events that may occur after the date of its issuance. The content of this report should be understood to refer to all information received about events that occurred prior to the date of the report.

We have assumed that all authorizations and registrations that may be relevant or necessary for the effectiveness of the proposed transaction and that significantly affect our analysis will be obtained without any adverse effect on the objective of the transaction under analysis on our part.

Finally, it is important to note that our work is independent in nature and therefore does not constitute any recommendation to Talgo's directors, the company's shareholders, or third parties regarding the position they should take in relation to the corporate transactions.



Shape the future
with confidence

This special report prepared by us, together with its corresponding annexes, will be made available to shareholders and communicated to Talgo's General Shareholders' Meeting held for the purpose of adopting the resolution to increase share capital and issue Bonds 1 and 2. This Special Report complies with the provisions of Articles 308, 414, 417, 506, 508, and 510 of the Consolidated Text of the Capital Companies Act with regard to our work as Independent Expert. This report should not be used for any other purpose.

ERNST & YOUNG, S.L.

(Signed on the original version in Spanish)

Alfonso Manuel Crespo

November 6th, 2025

APPENDIX I

Report prepared and approved by the Board of Directors of TALGO, S.A. regarding the proposal to increase share capital and issue convertible bonds with the exclusion of preemptive subscription rights.

REPORT OF THE BOARD OF DIRECTORS OF TALGO, S.A. IN RELATION TO THE PROPOSED SHARE CAPITAL INCREASE BY CASH CONTRIBUTION AND THE ISSUANCE OF TWO SERIES OF BONDS CONVERTIBLE INTO ORDINARY SHARES WITH THE EXCLUSION OF PRE-EMPTIVE SUBSCRIPTION RIGHTS

1. BACKGROUND

Talgo, S.A. (“**Talgo**”, the “**Company**” or the “**Issuer**”, and together with its subsidiaries, the “**Talgo Group**”) has been involved for over two years in a complex corporate process arising from its reference shareholder’s decision to dispose of its stake in the Company. During this time, the ordinary activity of the Company and of the Talgo Group has been affected and, to a large extent, shaped by several significant events, among which it is worth highlighting the submission of a public tender offer for all of its share capital — ultimately not authorised by the Government — as well as several subsequent attempts at public takeover bids that never materialised.

This prolonged period of uncertainty has had a very negative impact on the ordinary activity of the Company. The absence of a stable shareholding structure and the tensions arising from disputes with one of its main clients have caused setbacks in management and have significantly deteriorated the competitive, economic and financial position of the Company. To all this must be added other circumstances that have further increased the complexity of the situation: throughout this period, members of the Board of Directors of Talgo have resigned, and one of its members sadly passed away, requiring continuous adjustments to the composition and functioning of this governing body. These contingencies have added an additional difficulty to the already delicate crisis management, reinforcing the need for the Board of Directors to act with determination and a sense of responsibility.

In February 2025, the principle of agreement reached between the current reference shareholder and an industrial Basque consortium (the “**Consortium**”) for the transfer of the former’s share package was made public. This agreement, which is strategic for the continuity of the business project, is currently in the execution phase and is part of the context of the Corporate Transactions (as this term is defined below) described in this Report, opening a new phase in Talgo’s corporate life.

However, irrespective of the potential entry of the Consortium into the Company’s share capital, the Board of Directors, aware of the seriousness of the situation and of the progressive deterioration of the Company’s and the Talgo Group’s equity, has been simultaneously working on various initiatives aimed at restoring financial viability and providing stability to the Company’s balance sheet. These initiatives include negotiations with potential institutional investors and advanced discussions with the syndicate of creditor financial institutions with a view to a comprehensive refinancing of the Company’s debt.

This report prepared by the Board of Directors of the Company (the “**Report**”) fits precisely within this context and responds to the need to implement a global and coherent solution bringing together three essential components in a coordinated manner to support the recovery of the Company:

1. **The potential acquisition by the Consortium of a share package in Talgo**, which would strengthen shareholding stability.
2. **A global refinancing agreement with the syndicate of financial institutions**, aimed at ensuring medium- and long-term financial sustainability.
3. **A share capital increase with exclusion of pre-emptive subscription rights and two issuances of convertible bonds**, also with exclusion of pre-emptive subscription rights, as essential instruments to strengthen equity and improve the capital structure.

The Board of Directors has acted independently and exercised sound judgment, thoroughly assessing the various alternatives presented throughout this period. After such analysis, and having verified the absence of other partial solutions capable of offering a sufficient and sustainable response to the Company’s situation, the Board considers that the set of transactions now proposed, regarded as a single global transaction and as an indivisible whole, constitutes the most complete, balanced and viable option to safeguard the corporate interest and ensure the continuity of the business project.

Ultimately, the Board of Directors understands that the approval and implementation of the contemplated transactions is not only essential to preserve the future of the Company and of the Talgo Group, but also represents a clear expression of the Board’s commitment to protecting, in a balanced manner, the interests of all affected stakeholders: (i) the shareholders, who require a stable and transparent framework; (ii) the employees, who need security and continuity in their employment; (iii) the clients, who demand confidence in the Company’s ability to meet its commitments; and (iv) the creditors, who require assurances of financial sustainability.

2. PURPOSE OF THE REPORT

This Report is prepared by the Board of Directors of Talgo in relation to the following proposed resolutions that will be submitted to the upcoming Extraordinary General Shareholders’ Meeting of the Company, scheduled to be held in December 2025 (the “**General Meeting**”):

- (i) A share capital increase by means of cash contributions for an effective total amount of approximately forty-five million euros (€45,000,000), through the issuance of new ordinary shares of the same class and series as those currently in circulation and with exclusion of pre-emptive subscription rights (the “**Increase**” or the “**Capital Increase**”);

- (ii) The issuance of 300 bonds convertible into ordinary shares of the Company, for a nominal amount of thirty million euros (€30,000,000), with exclusion of pre-emptive subscription rights (“**Convertible Bond Issue 1**”); and
- (iii) The issuance of 750 bonds convertible into ordinary shares of the Company, for a nominal amount of seventy-five million euros (€75,000,000), with exclusion of pre-emptive subscription rights (“**Convertible Bond Issue 2**” and, together with the Capital Increase and Convertible Bond Issue 1, the “**Corporate Transactions**”).

This Report jointly encompasses—although with separate sections—the reports and legal requirements established by the Spanish Companies Act, the consolidated text of which was approved by Royal Legislative Decree 1/2010 of 2 July (the “**Spanish Companies Act**” or the “**SCA**”), in particular those set out in Articles 286, 296, 308, 414.2, 417, 504, 505 and 510 and related provisions of Royal Decree 1784/1996 of 19 July, approving the Commercial Registry Regulations, in relation to the Capital Increase, Convertible Bond Issue 1 and Convertible Bond Issue 2, the proposed amendments to the bylaws, the exclusion of pre-emptive subscription rights in the Corporate Transactions and the explanation of their bases and terms.

For the preparation of this Report, the conclusions of the report issued by KPMG Asesores, S.L.U. (“**KPMG**”), as the financial expert appointed by the Board of Directors—distinct from the Company’s statutory auditor—have also been taken into account. Such report supports and substantiates the reasonableness of the financial data and the terms of the Capital Increase.

In accordance with (i) Articles 308.2(a) and 504 of the SCA with respect to the Capital Increase, and (ii) Articles 414.2 and 510 of the same statute with respect to Convertible Bond Issue 1 and Convertible Bond Issue 2, Ernst & Young, S.L., as the independent expert appointed for these purposes by the Madrid Commercial Registry, will issue the corresponding independent expert report, which will be made available to the shareholders in connection with the notice of call of the General Meeting.

The presence of both reports—that prepared by the Board of Directors’ adviser (KPMG) and that to be issued by the independent expert appointed by the Commercial Registry— provides a double guarantee not only of the objectivity, soundness and legality of the Corporate Transactions, but also ensures that the General Meeting may deliberate and resolve upon them with full knowledge and subject to all safeguards required under the applicable regulations.

3. STRATEGIC CONTEXT OF THE CORPORATE TRANSACTIONS

The proposals for the Capital Increase, Convertible Bond Issue 1 and Convertible Bond Issue 2 on which this Report is based form part of a global and indivisible transaction that jointly comprises:

- (i) the acquisition by the Consortium from the current reference shareholder of a share package representing approximately 29.76327% of the Company's share capital as of the date of this Report, that is, prior to the implementation of the Capital Increase;
- (ii) the Capital Increase for an effective total amount of approximately €45 million, which will be subscribed and paid up by the Sociedad Estatal de Participaciones Industriales ("SEPI");
- (iii) Convertible Bond Issue 1 for a nominal amount of €30 million, which will be subscribed and paid up by SEPI, as described in section 5.5.A of this Report;
- (iv) Convertible Bond Issue 2 for a nominal amount of €75 million, which will be subscribed and paid up by the group of investors described in section 5.5.B; and
- (v) the subscription by the Talgo Group of a new debt structure consisting of two tranches: financing in the amount of €650 million with a six-year maturity and a revolving credit facility of €120 million with a three-year maturity and an automatic two-year extension. In addition, the financial institutions will grant a new guarantee line in the amount of €500 million.

As set out in the background section of this Report, the aforementioned transactions have not been conceived as isolated and independent measures, but rather as components of a global strategy promoted by the Board of Directors to ensure the Company's viability. Their effectiveness is designed so that each transaction complements the others, so that taken together they constitute a coherent and comprehensive solution for refinancing, recapitalisation and shareholding reorganisation (the "**Global Transaction**").

4. REPORT OF THE BOARD OF DIRECTORS IN RELATION TO THE PROPOSED SHARE CAPITAL INCREASE BY CASH CONTRIBUTION WITH THE EXCLUSION OF PRE-EMPTIVE SUBSCRIPTION RIGHTS

This section 4 of the Report is intended to comply with the legal requirement that the Board of Directors set out, in a reasoned and detailed manner, the legal, economic and corporate grounds that support the Capital Increase and the exclusion of pre-emptive subscription rights, in the terms required by (i) Article 286, in relation to Article 296 of the SCA, with respect to the Capital Increase and the resulting amendment of the bylaws; and (ii) Articles 308, in relation to Article 504 of the SCA, with respect to the exclusion of pre-emptive subscription rights for the Capital Increase.

In particular, justification will be provided for the issue price of the new shares — including their nominal value and share premium — relying on the reports issued by KPMG and the independent expert appointed by the Commercial Registry; the potential dilution in terms of ownership and voting rights that the Capital Increase may entail for current shareholders will be analysed; and the corporate interest grounds supporting the exclusion of pre-emptive subscription rights will be explained.

The Board also records that the transaction is structured in strict compliance with the SCA and the safeguards it provides in relation to share capital increases with the exclusion of pre-

emptive subscription rights, for the protection of shareholders' rights and all stakeholders of the Company.

4.1. Description and terms of the Capital Increase

4.1.1. Capital Increase and issue price of the shares

The Capital Increase proposed to the General Meeting amounts to three million one hundred eighty-seven thousand fifty-eight euros and seventy-three cents (€3,187,058.73), by means of cash contributions, through the issuance of ten million five hundred eighty-eight thousand two hundred thirty-five (10,588,235) shares with a nominal value of €0.301 each, of the same class and series as those currently in circulation and represented by book entries. The nominal amount of the Capital Increase (€3,187,058.73) results from applying €0.301 to 10,588,235 shares (€3,187,058.735), rounded down to the nearest cent and disregarding the difference.

The new shares will be issued with a share premium of €3.949 per share, resulting in a total share premium of €41,812,940.015. Consequently, the issue price has been set at €4.25 per share (€0.301 nominal value plus €3.949 share premium), thereby ensuring a contribution to equity that is significantly higher than the mere nominal value, and resulting in an effective total amount of €44,999,998.75 for the Capital Increase.

This price has been independently assessed by KPMG, which issued a fairness opinion concluding that it is reasonable from a financial standpoint for the Company's shareholders. Specifically, the price of €4.25 per share falls within the valuation range estimated for Talgo (€3.80 – €4.40 per share) and represents a significant premium over the volume-weighted average price (VWAP) of Talgo's shares during the month immediately preceding the issuance of this Report, which amounts to €2.6153 per share (the "**Volume-Weighted Average Trading Price (VWAP)**").

Fecha	Cierre	Referencia	Volumen	Importe Efectivo	Último	Máximo	Mínimo	Medio
03/10/2025	2,6300	2,6350	217.906	577.446,60	2,6300	2,6850	2,6300	2,6500
06/10/2025	2,6050	2,6300	208.486	546.170,54	2,6050	2,6550	2,6050	2,6197
07/10/2025	2,6250	2,6050	133.549	352.458,01	2,6250	2,6550	2,6150	2,6392
08/10/2025	2,6650	2,6250	139.038	369.395,73	2,6650	2,6900	2,6200	2,6568
09/10/2025	2,6450	2,6650	121.037	322.871,38	2,6450	2,6900	2,6450	2,6675
10/10/2025	2,6300	2,6450	216.666	572.431,97	2,6300	2,6700	2,6200	2,6420
13/10/2025	2,6100	2,6300	124.129	325.913,39	2,6100	2,6900	2,6050	2,6256
14/10/2025	2,6000	2,6100	201.482	525.716,47	2,6000	2,6400	2,5800	2,6092
15/10/2025	2,6000	2,6000	72.618	189.537,88	2,6000	2,6350	2,6000	2,6101
16/10/2025	2,6300	2,6000	203.025	530.290,77	2,6300	2,6350	2,5800	2,6119
17/10/2025	2,5950	2,6300	149.829	388.464,43	2,5950	2,6150	2,5800	2,5927
20/10/2025	2,6000	2,5950	133.333	347.869,78	2,6000	2,6300	2,5950	2,6090
21/10/2025	2,5500	2,6000	364.753	935.681,98	2,5500	2,6000	2,5300	2,5652
22/10/2025	2,5650	2,5500	174.018	442.245,86	2,5650	2,5700	2,5200	2,5414
23/10/2025	2,5450	2,5650	90.702	231.282,56	2,5450	2,5750	2,5350	2,5499
24/10/2025	2,5500	2,5450	143.234	365.702,38	2,5500	2,5700	2,5350	2,5532
27/10/2025	2,5900	2,5500	289.947	760.455,87	2,5900	2,6700	2,5750	2,6227
28/10/2025	2,5700	2,5900	133.692	345.638,35	2,5700	2,6450	2,5500	2,5853
29/10/2025	2,6500	2,5700	130.249	340.838,59	2,6500	2,6600	2,5700	2,6168
30/10/2025	2,6350	2,6500	73.641	194.477,22	2,6350	2,6600	2,6200	2,6409
31/10/2025	2,6700	2,6350	154.136	412.700,04	2,6700	2,7000	2,6400	2,6775
03/11/2025	2,7050	2,6700	111.874	300.883,63	2,7050	2,7150	2,6500	2,6895
04/11/2025	2,6650	2,7050	76.905	204.547,03	2,6650	2,6900	2,6300	2,6597

* Source: Bolsas y Mercados Españoles (BME)

Accordingly, the issue price adequately reflects the economic value of the Company, contributes to strengthening its equity and ensures that the transaction not only complies with legal requirements but also meets criteria of fairness and financial reasonableness as supported by an independent expert.

4.1.2. Subscription, consideration and payment of the Capital Increase

The Capital Increase will be fully subscribed by the Sociedad Estatal de Participaciones Industriales (“SEPI”), a public-law entity with registered office at Calle Velázquez 134, 28006, Madrid, Spain, and Tax Identification Number (N.I.F.) Q-28 20015-B, under the terms agreed within the framework of the Global Transaction.

The subscription of the new shares and the full cash payment of their nominal value and corresponding share premium will take place simultaneously — both the resolution approving the Capital Increase and its execution will be recorded in the same notarial deed — for an effective total amount of **FORTY-FOUR MILLION NINE HUNDRED NINETY-NINE THOUSAND NINE HUNDRED NINETY-EIGHT EUROS AND SEVENTY-FIVE CENTS (€44,999,998.75)**.

Accordingly, as previously noted, the transaction will produce immediate effects both legally — through the full incorporation of the new shares into the share capital — and economically,

with the direct and effective inflow of liquid funds into the Company, strengthening its equity and the soundness of its balance sheet.

4.1.3. Pre-emptive subscription rights

The pre-emptive subscription rights of Talgo's existing shareholders will be excluded in favour of SEPI, pursuant to Articles 308 and 504 of the Spanish Companies Act.

The exclusion is justified on grounds of corporate interest, as further developed in section 4.2 of this Report, and has been the subject of the required report of the directors and will also be subject to the independent expert's report appointed by the Madrid Commercial Registry, which will be made available to shareholders upon the convening of the General Meeting.

The exclusion constitutes an essential element of the Global Transaction, as it ensures the entry of SEPI as a new shareholder under conditions that reinforce the Company's stability and solvency.

4.1.4. Rights of the new shares and admission to trading

The newly issued shares will be ordinary shares, of the same class and series as those currently outstanding, and will be represented by book entries, whose accounting record will be assigned to the Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U. ("**Iberclear**") and its participating entities.

The new shares will confer upon their holder, from the date on which the Capital Increase is subscribed and paid up and the shares are registered in the corresponding accounting records in the holder's name, the same political and economic rights as the shares currently in circulation. In particular, SEPI, as holder of the new shares, will be entitled to receive interim and complementary dividends that may be approved from such date.

Furthermore, the Board of Directors will request the admission to trading of the new shares on the Madrid, Bilbao, Barcelona and Valencia Stock Exchanges, through the Spanish Automated Quotation System (S.I.B.E. or Mercado Continuo), and will promote before the competent authorities the inclusion of such shares in Iberclear's accounting records so that they may be traded on equal terms with those currently outstanding.

4.1.5. Delegation of powers

It is proposed to empower each and every member of the Board of Directors so that any of them, acting individually and jointly and severally, in the name and on behalf of the Company, may formalise any public or private document and carry out any action or procedure deemed convenient or necessary for the full execution of the Capital Increase, including, without limitation, raising the corresponding resolutions to public deed, appearing before a notary and granting the notarial deed of capital increase and amendment of Article 5 of the Company's bylaws, and, where appropriate, correcting or clarifying the resolutions to the extent necessary for their full registration with the Commercial Registry, as well as

completing any actions or steps required for the new shares resulting from the Capital Increase to be recorded in Iberclear's accounting records and admitted to trading on the Stock Exchanges on which the Company's shares are currently listed, as well as on the Automated Quotation System (Mercado Continuo); and, in general, to carry out all acts, file all applications, sign all documents and undertake all actions necessary for the full effectiveness and performance of the resolutions to be submitted to the General Meeting in connection with the Capital Increase.

4.2. Exclusion of pre-emptive subscription rights on the grounds of the promotion of the corporate interest

The exclusion of pre-emptive subscription rights in capital increases, in accordance with the law, requires that such exclusion be demanded by the corporate interest. In this respect, the Board of Directors considers that the exclusion of pre-emptive subscription rights contemplated in the Capital Increase fully complies with the substantive requirements established by law and, in particular, is fully justified on grounds of corporate interest, necessity, proportionality and safeguards.

4.2.1. Appropriateness and suitability of the Capital Increase

The proposed resolution for the Capital Increase is justified, from the standpoint of the corporate interest, by the rationale of the legal transaction forming part of the Global Transaction, insofar as the cash contribution allows the Company to (a) reinforce its equity; (b) balance its capital structure in light of the new bank financing and guarantee facilities; (c) strengthen its capital to enhance the Talgo Group's capacity for growth, improving its position with respect to new investment opportunities and market challenges; and (d) incorporate a reference institutional shareholder (SEPI), providing shareholding stability and long-term institutional support.

From a strategic perspective, the Board of Directors views the incorporation of SEPI as a strategic partner. SEPI holds equity stakes in strategic sectors and maintains a diversified investment portfolio, a circumstance that evidences its commitment and alignment of interests with the Company and its long-term approach to its shareholdings, which the Company considers will contribute positively to the corporate interest.

Secondly, the exclusion is revealed as a necessary measure. The Capital Increase is structured in a coordinated manner with Convertible Bond Issue 1 and Convertible Bond Issue 2, as well as with the acquisition of 29.76327% of the share capital (prior to the implementation of the Capital Increase) by a new investor — all of these transactions being mutually conditional. Opening a pre-emptive subscription period would introduce uncertainty and delays incompatible with the orderly closing of the Global Transaction, jeopardising its viability.

In this context, the main advantages of the exclusion of pre-emptive subscription rights in the Capital Increase may be summarised as follows:

- Flexibility and speed of execution. An alternative transaction to the Capital Increase described in this Report would significantly delay the capital-raising process. By suppressing pre-emptive subscription rights, the Company avoids the minimum statutory period for exercising such rights, enabling a more flexible mechanism that allows the Company to take advantage of an optimal market window for both organic and inorganic growth and to implement the transaction under the best possible conditions, thereby deploying the obtained funds in the execution of its business plan and existing business prospects. Moreover, a capital increase with pre-emptive subscription rights would require the preparation of a prospectus, which could represent a further material delay in execution timelines.
- Certainty of investment and lower exposure to market volatility. Under the proposed structure, there is full certainty regarding the subscription and full payment of the Capital Increase by SEPI, which is essential within the framework of the Global Transaction, as well as regarding the disbursement of funds. The exclusion of pre-emptive subscription rights enables the execution of the Capital Increase without exposing the Company to fluctuations in the securities markets during the subscription period.
- Strengthening of the shareholder base. The Capital Increase will enable the entry of SEPI into the share capital of Talgo, with the benefits previously described.
- No discount to market price. The issue price of the new shares (€4.25 per share) represents a 62.51% premium over the Volume-Weighted Average Trading Price (VWAP), amounting to €2.6153. This price also falls within the valuation range (€3.80 – €4.40 per share) determined in KPMG's fairness opinion, which concludes on the reasonableness of the economic terms of the Global Transaction, thereby reinforcing the proportionality of the exclusion of pre-emptive subscription rights.
- Cost savings. In general, the costs for the Company derived from the subscription of the Capital Increase by a single investor are significantly lower than those associated with a capital increase with pre-emptive subscription rights or a public offering directed to the market, as most of the placing fees and advertising and marketing costs typically associated with such transactions are avoided. Furthermore, the speed of the proposed Capital Increase also reduces management and administrative expenses linked to its execution. All of this contributes to reinforcing the efficiency of the transaction and, consequently, to the promotion of the corporate interest.

In addition, the exclusion is proportionate, given that the dilution effect for existing shareholders is estimated at around 8.55% of the share capital prior to the Capital Increase and 7.88% of the share capital following the Capital Increase — percentages that are reasonable and balanced in light of the size of the transaction and the share premium

incorporated into the price, which protects shareholders from excessive dilution and is expressly supported by KPMG's fairness opinion, which concludes on the reasonableness of the proposed issue price.

Finally, the Capital Increase and the Corporate Transactions as a whole are surrounded by the highest legal and corporate safeguards: they will be subject to verification by an independent expert appointed by the Commercial Registry, who must confirm the reasonableness of the issue price and the justification for the exclusion; the enhanced publicity obligations provided for in the Spanish Companies Act will be respected; and all relevant documentation will be made available to shareholders from the date of convening the General Meeting.

Overall, the measure is not only lawful but also appropriate and proportionate to its intended objectives, serving the stability and financial strengthening of the Company and the Talgo Group.

4.2.2. Suitability of the issue price of the new shares

In accordance with financial practice and as required by Article 504.3 of the Spanish Companies Act, the fair value of the shares of a listed company is understood to be the market value of the shares, determined by reference to their stock market price, provided that such price is not more than ten percent lower than the market quotation.

The issue price per share in the Capital Increase is set at €4.25, which incorporates a substantial premium over both the nominal value and the market price. This price has been determined based on objective and verifiable criteria, including (i) the trading performance of the Company's shares on the Mercado Continuo, (ii) its equity and financial position, (iii) the medium- and long-term business prospects reflected in the Company's strategic plan, and (iv) the outcome of negotiations with the institutional investor subscribing the Capital Increase.

These same criteria have been applied and verified by KPMG in its fairness opinion, which concludes that the issue price of €4.25 per share is reasonable from a financial standpoint for Talgo's shareholders, falling within the valuation range of €3.80 to €4.40 per share. Furthermore, this price represents a significant premium over the Volume-Weighted Average Trading Price (VWAP).

Additionally, the Board has considered other relevant factors, such as the Company's book value, comparable transactions in the sector and market conditions.

4.2.3. Proportionality of the exclusion of pre-emptive subscription rights and dilutive effect

In the opinion of the Board of Directors, the proposed exclusion of pre-emptive subscription rights meets the required proportionality that must exist between the advantages obtained for the Company and the potential disadvantages that may arise for those shareholders whose shareholding may be reduced as a result of the consequent reduction of political and economic

rights inherent in dilution and which necessarily accompanies any issuance of shares without pre-emptive subscription rights.

This conclusion is justified by (i) the unitary nature of the Global Transaction as a comprehensive solution for the recapitalisation and financial stability of the Company; (ii) the advantages that subscription by a single institutional investor provides compared with other alternatives for raising capital; and (iii) the fact that the new shares are issued at a price of €4.25 per share, a price that has been independently analysed by KPMG in its fairness opinion, concluding that it falls within the reasonable valuation range (between €3.80 and €4.40 per share) and represents a significant premium over the Volume-Weighted Average Trading Price (VWAP). This demonstrates that the transaction does not entail economic dilution or financial detriment for existing shareholders, beyond the logical proportional reduction of their political rights.

Following the implementation of the Capital Increase, the share capital of the Company will be increased by the amount corresponding to the nominal value of the newly issued shares, i.e., by three million one hundred eighty-seven thousand fifty-eight euros and seventy-three cents (€3,187,058.73). The shareholding of existing shareholders will therefore experience a dilutive effect estimated at approximately 8.55% of the share capital prior to the Capital Increase and 7.88% of the share capital after the Capital Increase. This preliminary calculation, which is merely illustrative, will be subject to verification and confirmation by the independent expert appointed by the Commercial Registry.

The exclusion of pre-emptive subscription rights is not only necessary to ensure the orderly and coordinated execution of the Global Transaction, but it is also proportionate given that (i) the estimated dilutive effect (8.55% before the Capital Increase and 7.88% after) may be regarded as moderate in market terms; (ii) the transaction incorporates a significant share premium that increases equity to the benefit of all shareholders; and (iii) the entry of an institutional shareholder such as SEPI adds strategic stability to the Company. All of this, as verified both by KPMG's report and by the mandatory independent expert report, ensures that the measure does not entail economic harm to current shareholders and is grounded in objective corporate interest considerations.

In light of all the foregoing, the Board of Directors of the Company considers that the exclusion of pre-emptive subscription rights in the Capital Increase is justified on grounds of corporate interest.

4.3. Maximum term for the execution of the Capital Increase

In accordance with Article 297.1(a) of the Spanish Companies Act, it is proposed that the Board of Directors of the Company be expressly delegated the authority to execute the Capital Increase at any time within fifteen (15) business days from the date of adoption of the Capital Increase resolution by the General Meeting, including determining the date of granting the notarial deed of execution and carrying out all actions required for its registration with the Commercial Registry.

4.4. Incomplete subscription

Given the nature of the Global Transaction of which this Capital Increase forms part, the possibility of incomplete subscription is not envisaged. The Capital Increase must be fully subscribed and paid up by SEPI, under the terms set out herein. For these purposes, it should be highlighted that, on 29 July 2025, the Council of Ministers expressly approved SEPI's participation in the transaction and the disbursement of the relevant amount, thereby guaranteeing fulfilment of the commitment undertaken.

4.5. Reports and documentation available to shareholders

In accordance with the provisions of the Spanish Companies Act, all documentation relating to the Capital Increase will be made available to shareholders from the moment the notice convening the General Meeting is published, through the Company's corporate website and the website of the Spanish National Securities Market Commission (CNMV).

Such documentation will include, first, the Report of the Board of Directors — that is, this document — which sets out the basis of the transaction, the issue price of the new shares and the justification for the exclusion of pre-emptive subscription rights.

It will also include the report of Ernst & Young, S.L., as the independent expert appointed for these purposes by the Commercial Registry, distinct from the Company's statutory auditor, whose task will be to verify the reasonableness of the issue price and the adequacy of the exclusion of pre-emptive subscription rights under the applicable legislation.

In addition, the proposed resolutions to be submitted to the General Meeting will be made available to shareholders.

With regard to the report prepared by KPMG, as adviser to the Board, it is cited in this Report as background information and as a reference for determining the issue price, although it does not form part of the documentation required by the Spanish Companies Act.

4.6. Conclusion regarding the Capital Increase

The Board of Directors considers that the share capital increase of Talgo, for an effective total amount of FORTY-FOUR MILLION NINE HUNDRED NINETY-NINE THOUSAND NINE HUNDRED NINETY-EIGHT EUROS AND SEVENTY-FIVE CENTS (€44,999,998.75), rounded to €45,000,000 for explanatory purposes, with exclusion of pre-emptive subscription rights, fully complies with the applicable regulations, is necessary and proportionate given the situation and outlook of the Company, and unequivocally serves the corporate interest.

This transaction cannot be analysed in isolation but must be viewed as an integral part of a single transactional package that also includes the issuance of bonds convertible into shares and the entry of the Consortium with an approximate 29.76327% shareholding prior to the implementation of the Capital Increase. The interdependence of these measures provides

coherence and strength to the Global Transaction, whose ultimate aim is to strengthen equity, secure shareholding stability, and advance the industrial and financial project of the Company in the medium and long term.

In particular, the Board notes that the issue price of €4.25 per share has been validated as reasonable by the report issued by KPMG, appointed by the Company as financial expert independent from the statutory auditor, which reinforces the proportionality of the exclusion of pre-emptive subscription rights and provides additional assurance to shareholders.

For all these reasons, the Board recommends that the General Meeting approve the Capital Increase under the terms set out herein, with its execution being subject, in compliance with the law, to verification by the independent expert appointed by the Commercial Registry, as well as to the fulfilment of the remaining conditions forming part of the transactional package in which this transaction is integrated.

4.7. Proposed resolution on the Capital Increase

The proposed resolution on the Capital Increase to be submitted for approval to the Extraordinary General Meeting of Shareholders of Talgo under item one on the agenda is attached as Annex 1 to this Report.

5. REPORT OF THE BOARD OF DIRECTORS IN RELATION TO THE ISSUANCE OF BONDS CONVERTIBLE INTO ORDINARY SHARES WITH EXCLUSION OF PRE-EMPTIVE SUBSCRIPTION RIGHTS

5.1. Introduction

This section 5 of the Report is prepared by the Board of Directors of Talgo in compliance with Articles 414, 415, 417 and 510 of the Spanish Companies Act, in relation to the proposed Convertible Bond Issue 1 and Convertible Bond Issue 2 convertible into ordinary shares of the Company, with exclusion of pre-emptive subscription rights, within the framework of the Global Transaction defined above (hereinafter, jointly, the “**Bond Issuances**” or the “**Convertible Bond Issuances**”). As previously noted, the purpose of the Global Transaction is to strengthen the Company’s financial structure, diversify its sources of financing, facilitate the entry of institutional and strategic investors, and consolidate its shareholding stability.

The Convertible Bond Issuances are structured in two series:

- (i) **Convertible Bond Issue 1:** 300 bonds, for a nominal amount of €30,000,000, to be subscribed by SEPI (the “**Bonds 1**”); and
- (ii) **Convertible Bond Issue 2:** 750 bonds, for a nominal amount of €75,000,000, to be subscribed by a group of institutional and industrial investors (the “**Bonds 2**”).

Therefore, the Bond Issuances (Bonds 1 and Bonds 2) will have an aggregate nominal amount of €105,000,000 and will be represented by a total of 1,050 bonds, each with a nominal value of €100,000, all with identical terms and conditions.

The exclusion of pre-emptive subscription rights both in Convertible Bond Issue 1 and Convertible Bond Issue 2 is based on grounds of corporate interest, as the issuances are directed placements, guaranteeing full subscription and payment under stable conditions. The measure is considered proportionate and balanced, as will be justified further below in this Report, maintaining a conversion price not lower than the nominal value of the share and avoiding unjustified dilution for shareholders.

In accordance with Article 407 of the Spanish Companies Act, the Bond Issuances will be formalised by granting the corresponding notarial deed.

5.2. Convertible Bond Issue 1 in favour of SEPI

Convertible Bond Issue 1, fully subscribed by SEPI for a nominal amount of €30,000,000, forms part of the Global Transaction with the aim of strengthening the Company's equity and improving its solvency profile. Bonds 1 will accrue compound annual interest at 10.21%, calculated daily on principal and accrued interest, payable in full on their maturity date, whether ordinary or extended, upon conversion or early redemption. In the event of default, the applicable interest rate will be 15%, capitalised every 30 days in accordance with Article 317 of the Royal Decree of 22 August 1885 publishing the Commercial Code (the "**Commercial Code**").

The maturity of Bonds 1 will occur eight years from the disbursement date, extendable to ten years at the Issuer's discretion upon irrevocable notice given at least 45 business days in advance. No early redemption, whether voluntary or mandatory, is contemplated, except in certain predefined cases of early redemption upon default agreed between the Issuer and the subscribers of the Convertible Bond Issuances.

The conversion price of Bonds 1 applicable in the eighth year has been fixed as of today at €3.975308 under a fix-to-fix mechanism (the "**Conversion Price**"), determining as from the date of Convertible Bond Issue 1 the maximum number of shares to be issued upon conversion of Convertible Bond Issue 1. For this purpose, account has been taken of (i) the total amount due on the Maturity Date for Bonds 1 (principal plus interest at 10.21% compounded); (ii) the fair value of Bonds 1 on the Maturity Date, discounting such amount to present value using a rate equivalent to Talgo's average cost of financing as at the date of convening this General Meeting, set at 5.22%; and (iii) the average trading price of Talgo's shares over the five (5) trading days immediately preceding such date, amounting to €2.65 per share.

In the tenth year, the conversion price will be equal to 70% of the volume-weighted average price (VWAP) of Talgo's shares for the thirty (30) trading days immediately preceding the conversion date, provided that in no case may it be lower than the nominal value (the "**Extended Conversion Price**"). In addition, any amount due under Bonds 1 that is not converted into shares as a result of these rules will be paid, at the Company's option, either in cash or through the delivery of treasury shares held by the Company.

5.3. Convertible Bond Issue 2 in favour of a group of investors

Convertible Bond Issue 2, for a nominal amount of €75,000,000, will be subscribed by a group of reputable institutional and industrial investors with a long-term commitment and investment horizon. Among them are entities belonging to the Consortium which, within the same Global Transaction, will acquire—via a purchase transaction—approximately 29.76327% of the share capital of the Company in force as of the date of this Report, that is, prior to the implementation of the Capital Increase itself, thereby strengthening their position as reference shareholders of Talgo and ensuring alignment of interests.

The terms relating to the accrual and payment of interest, as well as the growth conditions, will be identical to those of Convertible Bond Issue 1, as described in section 5.1 above.

The Conversion Price applicable in the eighth year will be determined, as in Convertible Bond Issue 1, pursuant to the fix-to-fix mechanism described in section 5.2 above, whereas in the tenth year the Extended Conversion Price will apply, allowing investors to benefit from potential appreciation of the share and ensuring the economic proportionality of the conversion.

Likewise, any amount due under Bonds 2 that is not converted into shares by application of the conversion rules shall be paid, at the Company's option, either in cash or through the delivery of treasury shares held by the Company.

The report of the independent expert appointed by the Commercial Registry will provide an objective, sound and lawful basis for determining the Conversion Price, the Extended Conversion Price and their adjustment formulas.

5.4. Conclusion of the Board of Directors

The Board of Directors considers that Convertible Bond Issue 1 and Convertible Bond Issue 2 comply with the corporate interest, fulfil the legal requirements and are necessary and proportionate to ensure the financial stability of the Company and the Talgo Group. Consequently, it proposes that the General Meeting of Shareholders approve them, together with the delegation to the Board of the necessary powers to execute future capital increases arising from the conversion, where applicable.

5.5. DETAILED DESCRIPTION OF EACH OF THE CONVERTIBLE BOND ISSUANCES

A. REPORT OF THE BOARD OF DIRECTORS IN RELATION TO BOND ISSUANCE 1, CONVERTIBLE INTO ORDINARY SHARES, WITH EXCLUSION OF PRE-EMPTIVE SUBSCRIPTION RIGHTS IN FAVOUR OF SEPI

This section of the Report is prepared by the Board of Directors of Talgo in relation to the proposed resolution for Convertible Bond Issue 1 — bonds convertible into shares of the Company — with exclusion of pre-emptive subscription rights, to be submitted for approval to the General Meeting, all in compliance with the provisions of the Spanish Companies Act.

Within this framework, the essential parameters of Convertible Bond Issue 1—total amount, type of issuance and placement, conversion conditions and the method for determining the exchange ratio—are described and detailed, together with an analysis of the potential impact on the shareholding of current shareholders arising from the potential conversion of Bonds 1.

The Board of Directors also sets out the legal, economic and corporate grounds of the transaction, justifying the fairness of the economic-financial terms of Convertible Bond Issue 1, as well as the suitability of the conversion ratio and the adjustment mechanisms, which are designed to preserve the economic value of shareholders in light of the potential conversion of Bonds 1.

Finally, the reasons of corporate interest that justify the exclusion of pre-emptive subscription rights are set out, in compliance with the requirements of the Spanish Companies Act, which establishes the applicable guarantees and protections for safeguarding shareholder rights and striking an appropriate balance between the interests of the Company and those of all its stakeholders.

A.1. Description and terms of Convertible Bond Issue 1. Basis and modalities of conversion

The main terms and conditions of Convertible Bond Issue 1, to be subscribed by SEPI, as well as the basis and modalities of conversion of Bonds 1, are set out below.

(i) Interest rate

Bonds 1 will accrue compound annual interest at 10.21%, calculated daily on the nominal amount and accrued interest of each Bond 1, on the basis of a calendar year from the disbursement date until redemption, conversion or maturity. Ordinary interest shall be payable in full on the maturity date (ordinary or extended), conversion or redemption. In the event of default, the applicable interest rate shall be 15% per annum, capitalised every 30 days in accordance with Article 317 of the Commercial Code.

(ii) Nominal value and maximum number of Bonds 1 to be issued

Article 415 of the Spanish Companies Act provides that convertible bonds must be issued, at minimum, at their nominal value. Each Bond 1 will have a nominal value of €100,000, so a total of 300 Bonds 1 will be issued in this series, resulting in an aggregate nominal value of €30,000,000.

(iii) Form and representation of Bonds 1

Bonds 1 shall be registered securities represented by global certificates. Bonds 1 will not bear physical coupons and may not be transferred by endorsement. Bonds 1 will be recorded in the Bondholder Register maintained by the Issuer.

(iv) Term and maturity

The maturity of Bonds 1 will occur eight years after the disbursement date, extendable to ten years at the Issuer's discretion by irrevocable notice given at least 45 business days in advance. No early redemption, whether voluntary or mandatory, is contemplated, except for certain predefined events of default agreed between the Issuer and SEPI.

(v) Conversion Price and Extended Conversion Price

Pursuant to Article 415 of the Spanish Companies Act, convertible bonds may not be converted into shares where their nominal value is lower than the nominal value of the shares delivered upon conversion. In this regard, as detailed in section 5.2 above, the Conversion Price of Bonds 1 applicable in the eighth year will be determined on the date on which the Board approves submission of Convertible Bond Issue 1 to the General Meeting, following the fix-to-fix mechanism described in section 5.2 above, whereas in the tenth year the Extended Conversion Price will apply, provided in all cases that neither may result in a price lower than the nominal value of the shares.

A.2. Justification for the exclusion of pre-emptive subscription rights in Convertible Bond Issue 1

In accordance with Article 417 of the Spanish Companies Act, exclusion of pre-emptive subscription rights in the issuance of convertible bonds requires that the measure be justified on grounds of corporate interest, and the Board of Directors must give detailed reasons demonstrating its necessity and proportionality.

For these purposes, the Board of Directors considers that exclusion in Convertible Bond Issue 1 is appropriate, necessary and proportionate, and fully compliant with the substantive requirements established by the Spanish Companies Act and, in particular, is fully justified on grounds of corporate interest.

As has been noted throughout this Report, Convertible Bond Issue 1 forms part of the Global Transaction for the recapitalisation and reorganisation of the Company, intended to strengthen the Company's equity, diversify its sources of financing and improve the solvency profile and resilience of the Talgo Group in market cycles.

The Global Transaction and, specifically, Convertible Bond Issue 1 also enables the entry into the Company's share capital of a reference institutional investor with a long-term vision and alignment of interests with the Company, providing long-term shareholding stability and institutional support. These considerations have already been assessed by the Board of Directors in relation to the Capital Increase set out in section 4 of this Report, and they are fully applicable to Convertible Bond Issue 1.

Additionally, it should again be stressed that Convertible Bond Issue 1 is structured in coordination with the other transactions comprising the Global Transaction (including the refinancing of the Talgo Group, the Capital Increase and Convertible Bond Issue 2), all of which are mutually conditioned. Opening a pre-emptive subscription period for the issuance of bonds would introduce uncertainties and delays incompatible with the orderly completion of the transactional package, jeopardising its viability and the timely availability of funds required by the Company. Excluding pre-emptive subscription rights in Convertible Bond Issue 1 is therefore necessary to ensure full subscription and timely disbursement.

In this context, the Board of Directors considers that the main advantages of the proposed structure are, in summary, the following:

- (i) **Flexibility and speed of execution.** An alternative structure to Convertible Bond Issue 1 would significantly delay the capital-raising process. Excluding pre-emptive subscription rights makes it possible to dispense with the minimum statutory period for exercising such rights, thereby enabling the Company to take advantage of favourable market conditions and complete the transaction under optimal circumstances, allocating the funds obtained to the implementation of its business plan. Moreover, exclusion avoids the need to prepare and register a prospectus, thereby reducing the timeline and burdens associated with capital raising.
- (ii) **Certainty of investment and reduced exposure to market volatility.** The structure ensures certainty as to the subscription of Bonds 1 and the disbursement of funds. Exclusion of pre-emptive subscription rights enables the execution of Convertible Bond Issue 1 without the Company being exposed to market fluctuations during a subscription period.
- (iii) **Strengthening of the shareholder base.** Convertible Bond Issue 1 will allow SEPI to enter the Company's share capital, with the associated long-term advantages.
- (iv) **Term, maturity and absence of early redemption.** Maturity will occur eight years after disbursement, extendable to ten years at the Issuer's discretion upon

at least 45 business days' notice. No early redemption (whether voluntary or mandatory) is envisaged, except for early redemption events of default agreed between the Issuer and SEPI.

- (v) **Conversion price and possible premium over market value.** The Conversion Price at ordinary maturity (eight years after disbursement) will be fixed pursuant to the fix-to-fix mechanism described in section 5.2 above, meaning that the maximum number of shares to be issued upon conversion will be determined from the date on which the Board submits Convertible Bond Issue 1 to the General Meeting, should the Company elect to convert during that year. This Conversion Price incorporates an implicit premium over the Volume-Weighted Average Trading Price (VWAP).

In the tenth year, the Extended Conversion Price will equal **70% of the VWAP** of Talgo's shares during the thirty (30) trading days immediately preceding the conversion date, provided in all cases it may not be lower than the nominal value of the shares.

Any amount due under Bonds 1 that is not converted into shares pursuant to these rules will be satisfied, at the Company's option, either in cash or by delivery of treasury shares.

This structure ensures economic proportionality of conversion, preserving the corporate interest and the adequate protection of existing shareholders by limiting excessive dilution and maintaining alignment between the Company and bondholders.

- (vi) **Cost-efficiency.** Structuring Convertible Bond Issue 1 as a directed placement to a sole subscriber eliminates marketing and placement fees typical of open or accelerated book-built transactions and shortens execution times, increasing the economic efficiency of the transaction compared to alternatives involving recognition of pre-emptive subscription rights.

In light of all the above, the measure is proportionate having regard to:

- (i) the directed nature of the issuance, limited to a major public institutional investor (Sociedad Estatal de Participaciones Industriales – SEPI), guaranteeing full subscription under stable and certain conditions, reducing exposure to market volatility inherent in an open process and strengthening the Company's financial position within the Global Transaction;
- (ii) the maintenance of a conversion price not lower than the nominal value of the shares, preventing issuance below par and avoiding unjustified economic dilution for existing shareholders; and

- (iii) the submission of the transaction to the reinforced control required by the Spanish Companies Act for listed companies, supported by the report of the independent expert appointed by the Commercial Registry, responsible for verifying the suitability of the conversion ratio and the adjustment mechanisms, ensuring fairness and proportionality.

In view of the foregoing, the Board of Directors of the Company considers that the exclusion of pre-emptive subscription rights in Convertible Bond Issue 1 is not only lawful but also necessary, appropriate and proportionate to the objectives pursued, in the interest of the stability and financial strengthening of the Company and the Talgo Group.

A.3. Reasonableness of the financial terms of the issuance and suitability of the conversion ratio

Pursuant to Article 510 of the Spanish Companies Act, the Board of Directors' report must justify the reasonableness of the financial terms of the issuance and the suitability of the conversion ratio (and, where applicable, its adjustment formulas) to avoid undue economic dilution.

In compliance with this requirement, consistent with the basis and modalities of conversion described in section 5 of this Report and with the legal limitation that the Conversion Price or the Extended Conversion Price may not be lower than the nominal value of the share, the Board of Directors considers that the terms of Bonds 1 are properly substantiated, competitive and offer significant advantages compared to market practice in similar privately placed convertible debt transactions.

A.4. Reasonable financial terms and suitability of the conversion ratio

Bonds 1 are issued on terms that are competitive for the Company, taking into account its risk profile, maturity and cost requirements, and market practice for private placements to qualified investors. The remuneration structure, maturity and conversion regime have been calibrated to balance (i) the attractiveness for the institutional subscriber and (ii) the protection of shareholders, since any conversion below the nominal value of the share is prohibited.

The conversion ratio of Bonds 1 has therefore been determined using objective and verifiable parameters, with mechanisms ensuring that, under no circumstances, will the conversion price be lower than the nominal value, in accordance with Articles 414 and 415 of the Spanish Companies Act. This prevents erosion of the share capital and limits economic dilution for pre-existing shareholders.

A.5. Auditor reports

Furthermore, Article 417.2 of the Spanish Companies Act requires, for resolutions approving the issuance of convertible bonds with exclusion of pre-emptive subscription rights, the issuance of a report prepared, at the request of the Board of Directors, by an auditor other

than the Company's statutory auditor, appointed by the Commercial Registry for this purpose, assessing the suitability of the conversion ratio and, where applicable, the adjustment formulas intended to offset any potential dilution of shareholders' economic interests. Such report must also assess the basis and modalities of conversion (section A.1 of this part of the Report), in accordance with Article 414.2 of the Spanish Companies Act.

Therefore, the information and data included in this Report will be reviewed by the independent expert appointed by the Commercial Registry of Madrid, who is different from the Company's statutory auditor.

The report to be issued by the independent expert designated by the Commercial Registry constitutes a safeguard of objectivity, robustness and legality in the determination of the conversion price of Bonds 1.

In accordance with Articles 419 to 429 of the Spanish Companies Act, a bondholders' syndicate will be constituted for this Convertible Bond Issue 1, with the appointment of a Commissioner and internal regulations attached to the issuance deed.

A.6. Capital increase to service the conversion of Bonds 1

As set out in Article 414.1 of the Spanish Companies Act, Convertible Bond Issue 1 necessarily entails adoption of a share capital increase resolution in the amount required to service the conversion.

In this respect, it is proposed that the General Meeting delegate to the Board of Directors, pursuant to Article 297.1(b) of the Spanish Companies Act, the authority to approve, on one or more occasions, the capital increases necessary to service the conversions of Bonds 1, as well as the authority to determine the execution date and conditions of each capital increase and amend, where appropriate, the share capital article of the Company's bylaws.

This delegation shall be broad enough to allow the Board of Directors to execute the corresponding conversions in accordance with the terms and conditions of Convertible Bond Issue 1, formalise the capital increase resolutions in the corresponding public deed and apply for their registration with the Commercial Registry, all within the time frames and terms set out in this Report.

A.7. Proposed resolutions

The proposed resolution relating to Convertible Bond Issue 1, submitted for approval to the Talgo General Meeting of Shareholders under item two on the agenda, is attached as Annex 2 to this Report.

B. REPORT OF THE BOARD OF DIRECTORS IN RELATION TO BOND ISSUANCE 2, CONVERTIBLE INTO ORDINARY SHARES, WITH EXCLUSION OF PRE-EMPTIVE SUBSCRIPTION RIGHTS IN FAVOUR OF CLERBIL, S.L., EKARPEN PRIVATE EQUITY, S.L., BILBAO BIZKAIA KUTXA FUNDACIÓN BANCARIA AND FUNDACIÓN BANCARIA VITAL–VITAL BANKU FUNDAZIOA. BOND ISSUANCE 2.

This section of the Report is prepared by the Board of Directors in relation to the proposed resolution for Convertible Bond Issue 2 — bonds convertible into shares of the Company — with exclusion of pre-emptive subscription rights, to be submitted for approval to the General Meeting, in compliance with the provisions of the Spanish Companies Act.

Within this framework, the essential parameters of Convertible Bond Issue 2 — total amount, type of issuance and placement, conversion terms and method for determining the exchange ratio — are described and detailed, together with an analysis of the potential impact on the shareholding of current shareholders resulting from the possible conversion of Bonds 2.

The Board of Directors also sets out the legal, economic and corporate grounds of the transaction, justifying the fairness of the economic-financial terms of Convertible Bond Issue 2, as well as the suitability of the conversion ratio and the adjustment mechanisms, designed to preserve the economic value of shareholders in light of the possible conversion of Bonds 2.

Finally, the reasons of corporate interest that justify the exclusion of pre-emptive subscription rights are set out, in compliance with the requirements of the Spanish Companies Act, which establishes the necessary safeguards for this type of operation to protect shareholder rights and appropriately balance the interests of the Company and all its stakeholders.

B.1. Description and terms of Convertible Bond Issue 2. Basis and modalities of conversion

The main terms and conditions of Convertible Bond Issue 2, to be subscribed by Clerbil, S.L., Ekarpen Private Equity, S.L., Bilbao Bizkaia Kutxa Fundación Bancaria and Fundación Bancaria Vital–Vital Banku Fundazioa, as well as the basis and modalities of conversion of Bonds 2, are detailed below.

(i) Interest rate

Bonds 2 will accrue compound annual interest at 10.21%, calculated daily on the nominal amount and accrued interest of each Bond 2, on the basis of a calendar year from the disbursement date until their redemption, conversion or maturity. Ordinary interest shall be payable in full on the maturity date (ordinary or extended), conversion or redemption. In the event of default, the applicable interest rate shall be 15% per annum, capitalised every 30 days in accordance with Article 317 of the Commercial Code.

(ii) Nominal value and maximum number of Bonds 2 to be issued

Article 415 of the Spanish Companies Act provides that convertible bonds must be issued, at minimum, at their nominal value. Each Bond 2 will have a nominal value of €100,000, so a total of 750 Bonds 2 will be issued in this series, resulting in an aggregate nominal value of €75,000,000.

(iii) Form and representation of Bonds 2

Bonds 2 shall be registered securities represented by global certificates. Bonds 2 will not bear physical coupons and may not be transferred by endorsement. Bonds 2 will be recorded in the Bondholder Register maintained by the Issuer.

(iv) Term and maturity

The maturity of Bonds 2 will occur eight years after the disbursement date, extendable to ten years at the Issuer's discretion by irrevocable notice given at least 45 business days in advance. No early redemption, whether voluntary or mandatory, is contemplated, except for certain events of default agreed between the Issuer and the subscribers of the Convertible Bond Issuances.

(v) Conversion Price and Extended Conversion Price

Pursuant to Article 415 of the Spanish Companies Act, convertible bonds may not be converted into shares where their nominal value is lower than the nominal value of the shares delivered upon conversion. Accordingly, as described in section 5.3 above, the Conversion Price of Bonds 2 applicable in the eighth year will be determined pursuant to the fix-to-fix mechanism set out in section 5.2 above, whereas in the tenth year the Extended Conversion Price will apply, provided in all cases that neither may result in a price lower than the nominal value of the shares.

B.2. Justification for the exclusion of pre-emptive subscription rights in Convertible Bond Issue 2

In accordance with Article 417 of the Spanish Companies Act, exclusion of pre-emptive subscription rights in the issuance of convertible bonds requires that it be justified on grounds of corporate interest, and the Board of Directors must give detailed reasons demonstrating its necessity and proportionality.

For these purposes, the Board of Directors considers that exclusion in Convertible Bond Issue 2 is appropriate, necessary and proportionate, and fully compliant with the substantive requirements established by the Spanish Companies Act and, in particular, is fully justified on grounds of corporate interest.

As previously set out in this Report, Convertible Bond Issue 2 forms part of the Global Transaction for the recapitalisation and reorganisation of the Company, intended to strengthen the Company's equity, diversify sources of financing and improve the solvency profile and resilience of the Talgo Group during market cycles.

Furthermore, the Global Transaction and, in particular, Convertible Bond Issue 2, enables the entry into the Company's share capital of a group of institutional and industrial investors of recognised standing and deep roots in the economic and industrial fabric of the Basque Country, who are acting with a long-term commitment to Talgo's business project.

The incorporation of this group of institutional and industrial investors provides significant shareholding stability and creates opportunities for potential technological, industrial and business development synergies, particularly in the railway and advanced engineering sectors.

Additionally, Convertible Bond Issue 2 is coordinated with the other transactions comprising the Global Transaction (including the refinancing of the Talgo Group, the Capital Increase and Convertible Bond Issue 1), all of which are mutually conditioned. Opening a pre-emptive subscription period for the issuance of bonds would introduce uncertainties and delays incompatible with the orderly completion of the transaction package, jeopardising its viability and the timely availability of the funds required by the Company. Excluding pre-emptive subscription rights in Convertible Bond Issue 2 is therefore necessary to ensure full subscription and timely disbursement.

In this context, the Board of Directors considers that the main advantages of the proposed structure are, in summary, as follows:

- (i) **Flexibility and speed of execution.** An alternative structure to Convertible Bond Issue 2 would significantly delay the capital-raising process. Exclusion of pre-emptive subscription rights makes it possible to dispense with the minimum statutory period for exercising such rights under the Spanish Companies Act and allows a more flexible mechanism, enabling the Company to take advantage of market windows and execute the transaction under optimal conditions, allocating the funds to the execution of the transformation plan and to current business prospects. Exclusion also makes it possible to avoid the preparation and registration of a prospectus, reducing timelines and regulatory burdens.
- (ii) **Certainty of investment and reduced exposure to market volatility.** The proposed structure ensures certainty as to the subscription of Bonds 2 and the disbursement of funds. Exclusion allows the Company to execute Convertible Bond Issue 2 without exposure to market fluctuations during a subscription period.
- (iii) **Strengthening of the shareholder base with an industrial component.** Convertible Bond Issue 2 will enable, at the Issuer's option, the entry into Talgo's share capital of an industrially strategic investor group whose sector knowledge,

industrial collaboration capacity, and long-term alignment contribute to the corporate interest.

- (iv) **Term, maturity and absence of early redemption.** Maturity will occur eight years after the disbursement date, extendable to ten years at the Issuer's discretion with at least 45 business days' notice. The issuance does not contemplate early redemption, whether voluntary or mandatory, except in cases arising from conversion or maturity and certain pre-defined events of default agreed between the Issuer and the subscribers of the Convertible Bond Issuances.
- (v) **Conversion price and potential premium over market value.** The Conversion Price at ordinary maturity (eight years after disbursement) will be fixed pursuant to the fix-to-fix mechanism described in section 5.2 above, determining the maximum number of shares to be issued upon conversion from the date the Board submits the Convertible Bond Issue 2 proposal to the General Meeting, should the Company choose to exercise the conversion option in that period. The conversion price so determined incorporates an implicit premium over the Volume-Weighted Average Trading Price (VWAP).

In the tenth year, the Extended Conversion Price will equal 70% of the VWAP of Talgo's shares during the thirty (30) trading days immediately preceding the conversion date, provided in all cases that it may not be lower than the nominal value of the shares.

Any amount due under Bonds 2 that is not converted into shares by application of these rules shall be settled, at the Company's option, either in cash or through the delivery of treasury shares held by the Company.

This structure ensures economic proportionality of conversion, preserving the corporate interest and adequately protecting existing shareholders by limiting excessive dilution and maintaining alignment between the Company and bondholders.

- (vi) **Cost-efficiency.** Structuring Convertible Bond Issue 2 as a directed placement to a single group of subscribers eliminates marketing and placement costs typical of open or accelerated transactions and shortens execution timelines, enhancing the economic efficiency of the transaction compared with alternatives recognising pre-emptive subscription rights.

For all these reasons, the measure is proportionate in light of:

- (i) the directed nature of the issuance, limited to qualified investors, ensuring full subscription under stable and certain conditions, reducing exposure to market volatility inherent in an open process and strengthening the Company's financial position within the Global Transaction;

- (ii) the maintenance of a conversion price not lower than the nominal value of the share, preventing issuance below par and limiting the risk of economic dilution for existing shareholders; and
- (iii) the submission of the transaction to the enhanced control framework provided for listed companies under the Spanish Companies Act, supported by the independent expert report appointed by the Commercial Registry, responsible for verifying the suitability of the conversion ratio and adjustment mechanisms, ensuring fairness and proportionality.

In light of the above, the Board of Directors considers that exclusion of pre-emptive subscription rights in Convertible Bond Issue 2 is not only lawful but also necessary, appropriate and proportionate to the objectives pursued, in the interest of the stability and financial strengthening of the Company and the Talgo Group.

B.3. Reasonableness of the financial terms of the issuance and suitability of the conversion ratio

Pursuant to Article 510 of the Spanish Companies Act, the Board of Directors' report must justify the reasonableness of the financial terms of the issuance and the suitability of the conversion ratio (and, where applicable, any adjustment formulas) in order to avoid undue economic dilution.

In compliance with this requirement, consistent with the basis and modalities of conversion described in section 5 of this Report and with the legal limitation that the Conversion Price or the Extended Conversion Price may not be lower than the nominal value of the share, the Board of Directors considers that the terms of Bonds 2 are duly substantiated, competitive, and offer significant advantages compared to market practice in comparable convertible debt transactions.

B.4. Reasonable financial terms and suitability of the conversion ratio

In accordance with applicable financial practice, the conversion price of Bonds 2 (as with Bonds 1) has been determined using objective and verifiable parameters, consistent with Articles 414 and 415 of the Spanish Companies Act, ensuring in all cases that it is not lower than the nominal value of the share.

In particular, the Conversion Price applicable in the eighth year is fixed at the time of issuance pursuant to the fix-to-fix mechanism described in section 5.2 above, without depending on the market price, whereas the Extended Conversion Price applicable in the tenth year will be calculated as 70% of the volume-weighted average price (VWAP) of Talgo's shares during the thirty (30) trading days immediately preceding the conversion date, never below the nominal value.

This scheme ensures that the conversion ratio is established on the basis of objective and predefined financial criteria, preserving the balance between the Company and investors and avoiding any unjustified economic dilution for existing shareholders.

B.5. Auditor reports

Furthermore, Article 417.2 of the Spanish Companies Act requires, for resolutions on the issuance of convertible bonds with exclusion of pre-emptive subscription rights by the Board of Directors, a report to be prepared, at the request of the Board, by an auditor different from the Company's statutory auditor, appointed for these purposes by the Commercial Registry, assessing the suitability of the conversion ratio and, where applicable, the adjustment formulas, to offset any potential dilution of shareholders' economic interests. Such report must also assess the basis and modalities of conversion (section B.1 of this part of the Report), as provided in Article 414.2 of the Spanish Companies Act.

Therefore, the information and data included in this Report will be reviewed by the independent expert appointed for this purpose by the Commercial Registry.

The concurrence of both auditor reports — the one prepared by the advisor to the Company's Board of Directors and the report to be issued by the independent expert appointed by the Commercial Registry — constitutes a double safeguard of objectivity, robustness and legality in determining the conversion price of Bonds 2.

In accordance with Articles 419 to 429 of the Spanish Companies Act, a bondholders' syndicate will be constituted for this Convertible Bond Issue 2, with the appointment of a Commissioner and a set of bylaws incorporated into the issuance deed.

B.6. Capital increase to service the conversion of Bonds 2

As provided in Article 414.1 of the Spanish Companies Act, Convertible Bond Issue 2 necessarily entails the adoption of a share capital increase resolution in the amount required to service its conversion.

Accordingly, it is proposed that the General Meeting delegate to the Board of Directors, pursuant to Article 297.1(b) of the Spanish Companies Act, the authority to approve, on one or more occasions, the share capital increases required to service the conversions of Bonds 2, as well as the authority to determine the execution date and conditions of each increase and amend, where appropriate, the share capital article of the Company's bylaws.

Such delegation shall be broad enough to allow the Board of Directors to execute the conversions corresponding to Convertible Bond Issue 2 in accordance with its terms and conditions, formalise the capital increases in the relevant public deeds and apply for their registration with the Commercial Registry, all within the time frames and terms set out in this Report.

B.7. Proposed resolutions

The proposed resolution relating to Convertible Bond Issue 2, submitted for approval to the Talgo General Meeting of Shareholders under item three on the agenda, is attached as Annex 3 to this Report.

Madrid, 5 November 2025

**ANNEX 1.– PROPOSED RESOLUTION REGARDING THE FIRST ITEM ON THE
AGENDA OF THE GENERAL SHAREHOLDERS’ MEETING**

FIRST.– Capital increase through cash contributions with exclusion of pre-emptive subscription rights and without provision for incomplete subscription, for a nominal amount of EUR 3,187,058.73, through the issuance and placement into circulation of 10,588,235 new ordinary shares with a nominal value of €0.301 each, of the same class and series as those currently in circulation and with an issue premium of €3.949 per share. Application for admission to trading of the new shares to be issued. Amendment of Article 5 of the Bylaws. Delegation of powers.

1. Capital increase through cash contributions

It is resolved to increase the share capital of Talgo, S.A. (“**Talgo**” or the “**Company**”) by a nominal amount of three million one hundred eighty-seven thousand fifty-eight euros and seventy-three cents (EUR 3,187,058.73), through the issuance and placement into circulation of ten million five hundred eighty-eight thousand two hundred thirty-five (10,588,235) new ordinary shares with a nominal value of EUR 0.301 each, of the same class and series as those currently outstanding, which shall be represented by book entries (the “**Capital Increase**”). For clarification purposes, the nominal amount indicated results from applying the nominal value (EUR 0.301) to the number of shares to be issued (10,588,235), which yields EUR 3,187,058.735, rounded down to EUR 3,187,058.73, disregarding the difference.

The new shares shall be issued with an issue premium of EUR 3.949 per share, resulting in a total issue premium of EUR 41,812,940.015. Consequently, the issue price is fixed at EUR 4.25 per share (EUR 0.301 nominal value and EUR 3.949 issue premium), which means that the total effective amount of the Capital Increase is forty-four million nine hundred ninety-nine thousand nine hundred ninety-eight euros and seventy-five cents (EUR 44,999,998.75).

2. Exclusion of pre-emptive subscription rights and identity of the subscriber

In the interest of the Company and in order to enable the new shares to be subscribed under the terms set out in this resolution by the addressee of the Capital Increase identified below, it is resolved to totally exclude the pre-emptive subscription rights of Talgo’s shareholders, all in accordance with the report of the directors and the report of the independent expert referred to in Articles 504 and 308 of Royal Legislative Decree 1/2010, of 2 July, approving the consolidated text of the Spanish Companies Act (“**LSC**”).

The Capital Increase shall be subscribed in full by Sociedad Estatal de Participaciones Industriales, a public law entity with registered office at Calle Velázquez 134, 28006 Madrid, and tax identification number Q-2820015-B (the “**Subscriber**”).

3. Number and nominal value of the shares to be issued

It is resolved to issue 10,588,235 ordinary shares of Talgo, each with a nominal value of EUR 0.301. Accordingly, the nominal amount of the Capital Increase shall be EUR 3,187,058.73.

4. Issue price of the new shares and total effective amount of the Capital Increase

The new Talgo shares shall be issued at a unit nominal value of EUR 0.301, plus an issue premium of EUR 3.949 per share. Therefore, the issue price of each share shall be EUR 4.25, and the total effective amount of the Capital Increase referred to in this resolution shall be EUR 44,999,998.75.

The number of shares to be issued shall be equal to the amount subscribed and paid as a result of the Capital Increase divided by the issue price, that is, 10,588,235 new shares.

5. Maximum period for execution

The maximum period for the Board of Directors to execute the resolution already adopted to increase the share capital, and to set the terms thereof in all matters not provided for in this resolution, shall be fifteen (15) business days from the date of adoption of the Capital Increase resolution by the Extraordinary General Shareholders' Meeting.

6. Subscription and payment of the new shares

The new Talgo shares shall be subscribed by the Subscriber, and the nominal value and issue premium of the shares shall be fully paid in through the cash contributions described in this resolution, at the time of the granting of the notarial deed relating to the Capital Increase.

For the purposes of Article 299 of the Spanish Companies Act, it is stated that the shares of the Company previously issued are fully paid up.

7. Incomplete subscription

No provision is made for partial subscription of the Capital Increase. The Capital Increase must be fully subscribed and paid by the Subscriber.

8. Rights attached to the new shares

The new Talgo shares shall confer upon the Subscriber the same political and economic rights as the shares of the Company currently outstanding, as from the date on which the Capital Increase is subscribed and paid, and the shares are registered in its name in the corresponding book-entry records.

9. Representation of the new shares

The new Talgo shares shall be represented by book entries, the accounting record of which shall be maintained by Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U. ("Iberclear") and its participating entities.

10. Amendment of Article 5 of the Bylaws

It is resolved to amend Article 5 of the Bylaws of Talgo, concerning the share capital, which shall henceforth read as follows:

“Article 5.– Share Capital and Form of Representation

The share capital is set at FORTY MILLION FOUR HUNDRED SIXTY-EIGHT THOUSAND NINE HUNDRED EIGHTY-THREE EUROS AND FIFTEEN CENTS (EUR 40,468,983.15), and is represented by 134,448,449 ordinary shares, each with a nominal value of THREE HUNDRED ONE THOUSANDTHS OF ONE EURO (EUR 0.301), fully subscribed and paid up, and belonging to a single class and series.

The Company’s shares are represented by book entries and shall be governed by the Securities Market Law and other supplementary provisions.

The keeping of the Company’s book-entry register corresponds to Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. (Iberclear) and its participating entities.

The entitlement to exercise the shareholder’s rights is obtained through registration in the accounting record, which presumes legitimate ownership and entitles the registered holder to require the Company to recognise him as shareholder. Likewise, if the Company makes any performance in favour of the person registered as holder in accordance with the accounting record, it shall be released from the corresponding obligation even if that person is not the actual owner of the share, provided that such performance was made in good faith.”

11. Admission to trading of the new shares

It is resolved to apply for the admission to trading of the new Talgo shares on the Madrid, Bilbao, Barcelona and Valencia Stock Exchanges, and on any other market, whether national or international, on which the Company’s shares are admitted to trading at the time of execution of this resolution, as well as their inclusion in the Spanish Continuous Market (SIBE).

It is expressly stated that, in the event that the delisting of the Company’s shares is subsequently sought, such delisting shall be adopted in accordance with the formalities and requirements established by applicable legislation.

12. Delegation of powers

Without prejudice to the specific delegations of powers contained in the preceding sections (which shall be deemed to include express powers of substitution), it is resolved to empower the Board of Directors to carry out all acts necessary or convenient for the proper implementation of this resolution and, in particular, by way of example and not limitation, to:

- a. Expand and develop this resolution by setting the terms and conditions of the Capital Increase in all matters not provided for herein, including, without limitation, establishing

the execution date of the Capital Increase at any time within the period of fifteen (15) business days from the date of adoption of this resolution;

- b. Adopt all resolutions and perform all acts necessary or convenient for the formalisation of this resolution, including any action or procedure required before the Commercial Registry for the registration of the amended wording;
- c. Carry out, on behalf of the Company, any actions, statements or procedures required before the CNMV, Iberclear, the governing companies of the Stock Exchanges, and any other body, entity or public or private registry, whether national or international, to obtain authorisation, verification, and subsequent execution of the Capital Increase, as well as the admission to trading of the new shares on the Madrid, Bilbao, Barcelona and Valencia Stock Exchanges, and on any other market, whether national or international, on which the Company's shares are listed at the time of execution of this resolution, and their inclusion in the Spanish Continuous Market (SIBE);
- d. Negotiate and sign, if necessary, under such terms as it may deem most appropriate, the contracts required or convenient for the execution of the Capital Increase;
- e. Opt for or waive, as applicable, any special tax regimes established by law for this type of transaction; and
- f. Execute, on behalf of the Company, any public or private documents necessary or convenient for the issuance of the new shares, including the notarial deed of capital increase and amendment of Article 5 of the Bylaws subject to this resolution, and for their admission to trading, and, in general, perform all acts necessary or convenient to ensure the effectiveness of the Capital Increase and the full execution of this resolution, as well as to correct, clarify, interpret, specify, or supplement the resolutions adopted by the Extraordinary General Shareholders' Meeting, and, in particular, any defects, omissions, or errors, whether substantive or formal, resulting from the verbal or written qualification, that may prevent the registration of such resolutions and their effects with the Commercial Registry, the official registers of the CNMV, or any others.

13. Suspensive condition to the effectiveness of the resolution

The effectiveness of this resolution, if approved by the Meeting, shall be subject to the suspensive condition that: (i) the resolutions included under items Second and Third of the agenda of this same Meeting are approved; and (ii) the financing described under Item Fourth of the agenda is formalised.

Once the conditions described in paragraphs (i) and (ii) above are fulfilled, the Capital Increase resolution described herein shall automatically become fully effective.

**ANNEX 2. – PROPOSED RESOLUTION REGARDING THE SECOND ITEM ON THE
AGENDA OF THE GENERAL SHAREHOLDERS’ MEETING**

SECOND.– Issuance of 300 bonds convertible into ordinary shares of the Company for an aggregate nominal amount of EUR 30,000,000, with exclusion of pre-emptive subscription rights, and related capital increase. Delegation of powers.

1. Issuance of convertible bonds

It is resolved to approve, pursuant to Articles 414 and 417 of Royal Legislative Decree 1/2010, of 2 July, approving the consolidated text of the Spanish Companies Act (the “**Spanish Companies Act**”), the issuance of 300 bonds (the “**Bonds 1**”) convertible into ordinary shares of Talgo, S.A. (“**Talgo**”, the “**Issuer**” or the “**Company**”), for an aggregate nominal amount of thirty million euros (EUR 30,000,000), with exclusion of pre-emptive subscription rights (the “**Bonds 1 Issuance**”).

2. Characteristics of the Bonds 1

The main terms and conditions of the Bonds 1, including the bases and modalities for their conversion, are as follows:

- Interest rate

The Bonds 1 shall bear compound annual interest at 10.21%, calculated daily on the nominal amount and accumulated interest of each Bond 1, based on a calendar year from the disbursement date until redemption, conversion, or maturity. Ordinary interest shall be fully payable on the date of maturity, extension, conversion, or redemption.

In the event of non-payment, the applicable interest rate shall increase to 15% per annum, compounded every 30 days in accordance with Article 317 of the Spanish Commercial Code, without prejudice to the provisions governing default.

- Nominal value and maximum number of convertible Bonds 1 to be issued

A total of 300 Bonds 1 shall be issued. Each Bond 1 shall have a nominal value of EUR 100,000, resulting in an aggregate nominal amount of EUR 30,000,000.

- Form and representation of the Bonds 1

The Bonds 1 shall be registered securities, represented by global certificates. The Company shall maintain a Bondholders’ Register, in which permitted transfers shall be recorded.

- Term and maturity

The Bonds 1 shall mature eight years from the date of disbursement and subscription (the “**Initial Maturity Date**”), extendable for an additional two years at the Issuer’s discretion (the “**Extended Maturity Date**”).

- Conversion (at the Issuer’s option) and exercise periods

The Company may exercise the conversion option by giving irrevocable notice to the bondholders during the period between 30 and 5 business days prior to the Initial Maturity Date or, as the case may be, the Extended Maturity Date.

- Conversion price

The initial conversion price applicable in the eighth year (the “**Initial Conversion Price**”) has been determined on this date as EUR 3.975308, in accordance with a fixed-to-fixed mechanism from the time of issuance of the Bonds 1. For such purpose, the following have been taken into consideration: (i) the total amount due on the Maturity Date under the Bonds 1 (principal plus interest at the compound rate of 10.21%); (ii) the fair value of the Bonds 1 on the Maturity Date, discounted to present value using a rate equivalent to Talgo’s average cost of financing at the date of the General Meeting notice, set at 5.22%; and (iii) the average market price of Talgo’s shares for the five (5) trading days immediately preceding such date, amounting to EUR 2.65 per share.

The Initial Conversion Price results from the following relationship:

$$\text{Initial Conversion Price} = \frac{(\text{Maximum Value of Bonds at Maturity} \times \text{Share Price on Proposal Date})}{\text{Fair Value of the Bonds}}$$

The number of shares to be issued on the Initial Maturity Date upon conversion of the Bonds 1 shall be the quotient resulting from dividing the total amount due on such date by the Initial Conversion Price.

The conversion price of the Bonds 1 at the end of the tenth year (the “**Extended Conversion Price**”)—that is, in the event that the Company opts to extend the maturity—shall be variable and equal to 70% of the volume-weighted average price (VWAP) of Talgo’s shares during the thirty (30) trading days immediately preceding the conversion date, and shall not be lower than the nominal value of the share.

- Number of shares to be issued upon conversion

The number of shares to be issued on the Initial Maturity Date shall be the quotient obtained by dividing the total amount due on that date (principal plus accrued interest) by the Initial Conversion Price.

If the Company opts to extend the maturity of the Bonds 1 to the tenth year, the number of shares to be issued on the Extended Maturity Date shall be the quotient obtained by dividing the total amount due on that date (principal plus accrued interest) by the Extended Conversion Price.

In any case, conversion of the Bonds 1 shall apply to the entire outstanding amount of the Bonds 1 as of the Initial or Extended Maturity Date, as applicable, and partial conversions shall not be allowed unless expressly accepted by the Subscriber (as defined below).

Any amount due under the Bonds 1 not converted into shares by virtue of these rules shall be settled, at the Company's discretion, either in cash or by delivering treasury shares held by the Company.

For purposes of determining the maximum number of shares to be issued upon conversion, and hence the corresponding capital increase, the Initial Conversion Price has been applied. Such price, calculated as the ratio between (i) the total amount due on the Maturity Date (principal plus compound interest at 10.21%) multiplied by the average market price of Talgo shares during the five (5) trading days immediately preceding the notice of the General Meeting, and (ii) the fair value of the Bonds 1 discounted to present value at the Company's average cost of financing (5.22%), is fixed at EUR 3.975308 per share. Consequently, it is resolved that the maximum number of shares to be issued upon conversion of the Bonds 1 shall be sixteen million four hundred twenty-five thousand four hundred ninety-six (16,425,496) shares (the "**Maximum Authorized Number of Shares**").

3. Exclusion of pre-emptive subscription rights and identity of the subscriber

Pursuant to Article 417 of the Spanish Companies Act, and in the interest of the Company, it is resolved to totally exclude the pre-emptive subscription rights of Talgo's shareholders (and, where applicable, of holders of other convertible securities) in respect of the Bonds 1 Issuance, based on the report of the directors and the report of the independent expert referred to in said Article 417.

The Bonds 1 shall be subscribed in full by Sociedad Estatal de Participaciones Industriales, a public law entity with registered office at Calle Velázquez 134, 28006 Madrid, and tax identification number Q-2820015-B (the "**Subscriber**").

4. Capital increase

In accordance with the terms and conditions of the Bonds 1, the Company shall have the right, by irrevocable notice to the Subscriber, within the period between thirty (30) and five (5) business days prior to the Initial or Extended Maturity Date, to convert all of the Bonds 1 into ordinary shares of the Company with a nominal value of EUR 0.301 each.

For such purposes, and pursuant to Article 414.1 of the Spanish Companies Act, it is resolved to increase the share capital, on one or more occasions, by the amount necessary to service the conversion of the Bonds 1, as set forth below:

- Maximum amount of the capital increase

It is resolved to increase the Company's share capital, on one or more occasions, up to a total effective amount (nominal value plus issue premium) of EUR 65,296,405.41, through the issuance and placement into circulation of up to sixteen million four hundred twenty-five thousand four hundred ninety-six (16,425,496) ordinary shares, each with a nominal value of EUR 0.301, of the same class and series as those currently outstanding, represented by book entries.

In accordance with Article 508 of the Spanish Companies Act, the present capital increase may be registered with the Commercial Registry prior to its execution, so that, once the deeds of execution of the capital increase by conversion of the Bonds 1 are granted, the new shares may be delivered and transferred to the holders of the Bonds 1. The deeds of execution shall determine the final amount of the capital increase without specifying the identity of the subscribers and shall be filed for registration within five (5) days from the date of their execution.

- Issue price

The shares shall be issued at their nominal value of EUR 0.301, plus the issue premium resulting from the Initial Conversion Price or the Extended Conversion Price, as applicable, at which the Bonds 1 are converted.

- Absence of pre-emptive subscription rights

In accordance with Article 304.2 of the Spanish Companies Act, there shall be no pre-emptive subscription rights in the capital increases carried out to meet conversion requests of the Bonds 1.

- Rights of the new shares

The new shares shall confer upon their holders, from the date on which they are registered in their name in the corresponding book-entry records, the same rights as Talgo's shares currently outstanding.

- Recipients of the capital increase. Subscription and payment

The capital increases shall be directed to the holders of the Bonds 1 at the time the Company exercises its conversion right in accordance with their terms and conditions.

- Incomplete subscription

Pursuant to Article 311 of the Spanish Companies Act, it is expressly resolved to allow partial subscription of the capital increase, which may be executed in one or more tranches to meet conversions of the Bonds 1 as they occur.

- Amendment of the Bylaws

The Board of Directors, with express powers of substitution, is authorised to amend the article of the Bylaws relating to share capital following each execution of the capital increase carried out to service the conversion of the Bonds 1.

- Admission to trading of the new shares

It is resolved to apply for the admission to trading of the new shares on the Madrid, Bilbao, Barcelona, and Valencia Stock Exchanges (and on any other national or foreign markets where the Company's shares may be admitted for trading), through the Spanish Continuous Market (SIBE), and to request from the competent authorities the registration of such shares with Iberclear (Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U.). It is expressly stated that, in the event that delisting of Talgo's shares is subsequently sought, such delisting shall be adopted in accordance with the formalities and requirements established by applicable legislation.

5. Delegation of powers

Without prejudice to the specific delegations of powers contained in the preceding sections (which shall be deemed to include express powers of substitution), it is resolved to empower the Board of Directors to carry out all acts necessary or convenient for the proper implementation of this resolution and, in particular, by way of example and not limitation, to:

- a. Adopt any resolutions necessary or convenient for the implementation and completion of this resolution, including the performance of all formalities and the execution of all public or private documents, agency, underwriting, calculation, and other contracts necessary for the issuance of the Bonds 1 and of the new shares to be issued;
- b. Complete, develop, clarify, or amend this resolution and the terms and conditions of the Bonds 1 included herein, and to modify, if necessary, any provisions adopted by the General Meeting that may prove null or contrary to applicable law, and determine, for indicative purposes, the use of proceeds, the final maturity date and any extension, the transfer regime, the conversion process, the conditions for early redemption, the minimum conversion price, and causes for early maturity, as well as all other conditions deemed appropriate, and, once issued, the subscription and payment procedures;
- c. Determine, in accordance with the terms and conditions of the Bonds 1, the moment of their conversion, which may be limited to a pre-set period, and generally set any elements or conditions necessary or convenient, within the parameters established by the General Meeting;
- d. Execute the corresponding notarial deeds of issuance of the Bonds 1 and register them with the Commercial Registry together with the related capital increase resolutions pursuant to Article 508 of the Spanish Companies Act, as well as execute, by granting the corresponding notarial deeds, the capital increases, establishing the dates for execution, the issue premium of the new shares and thus their issue price, and, considering the possibility of incomplete subscription, determine the number of shares to be issued

and the nominal amount of each capital increase according to the issue price, term, form, and procedure of subscription and payment;

- e. Settle the conversion of the Bonds 1, if deemed appropriate, by delivering treasury shares, and agree at any time on the early redemption or repurchase of the Bonds 1;
- f. Draft, sign, and submit, if applicable, to the CNMV (or to the governing bodies of any national or foreign markets where the Company's shares may be admitted to trading) or to any other competent supervisory authorities, all documents and information required under applicable regulations in relation to the issuances and listings of the new shares issued pursuant to this resolution; and
- g. Execute, on behalf of the Company, any public or private documents necessary or convenient for the proper completion of this resolution and, in general, perform any actions required, as well as correct, clarify, interpret, specify, or supplement this resolution adopted by the General Shareholders' Meeting and, in particular, any substantive or formal defects, omissions, or errors, whether verbal or written, that may prevent the registration of the resolutions or their effects with the Commercial Registry or any other relevant registers.

6. Suspensive condition to the effectiveness of the resolution

The effectiveness of this resolution, if approved by the Meeting, shall be subject to the suspensive condition that: (i) the resolutions included under Items First and Third of the agenda of this same Meeting are approved; and (ii) the financing described under Item Fourth of the agenda is formalised.

Once the conditions described in paragraphs (i) and (ii) above are fulfilled, the bond issuance resolution described herein shall automatically become fully effective.

**ANNEX 3.– PROPOSED RESOLUTION REGARDING THE THIRD ITEM ON THE
AGENDA OF THE GENERAL SHAREHOLDERS’ MEETING**

THIRD.– Issuance of 750 bonds convertible into ordinary shares of the Company for an aggregate nominal amount of EUR 75,000,000, with exclusion of pre-emptive subscription rights, and related capital increase. Delegation of powers.

1. Issuance of convertible bonds

It is resolved to approve, pursuant to Articles 414 and 417 of Royal Legislative Decree 1/2010, of 2 July, approving the consolidated text of the Spanish Companies Act (the “**Spanish Companies Act**”), the issuance of 750 bonds (the “**Bonds 2**”) convertible into ordinary shares of Talgo, S.A. (“**Talgo**”, the “**Issuer**” or the “**Company**”), for an aggregate nominal amount of seventy-five million euros (EUR 75,000,000), with exclusion of pre-emptive subscription rights (the “**Bonds 2 Issuance**”).

2. Characteristics of the Bonds 2

The main terms and conditions of the Bonds 2, including the bases and modalities for their conversion, are as follows:

- Interest rate

The Bonds 2 shall bear compound annual interest at 10.21%, calculated daily on the nominal amount and accrued interest of each Bond 2, based on a calendar year from the disbursement date until redemption, conversion, or maturity. Ordinary interest shall be fully payable on the date of maturity, extension, conversion, or redemption.

In the event of non-payment, the applicable interest rate shall be 15% per annum, compounded every 30 days in accordance with Article 317 of the Spanish Commercial Code, without prejudice to any provisions established for cases of default.

- Nominal value and maximum number of convertible Bonds 2 to be issued

A total of 750 Bonds 2 shall be issued. Each Bond 2 shall have a nominal value of EUR 100,000, resulting in an aggregate nominal amount of EUR 75,000,000.

- Form and representation of the Bonds 2

The Bonds 2 shall be registered securities, represented by global certificates. The Company shall maintain a Bondholders’ Register, in which permitted transfers shall be recorded.

- Term and maturity

The Bonds 2 shall mature eight years from the date of disbursement and subscription (the “**Initial Maturity Date**”), extendable for an additional two years at the Issuer’s discretion (the “**Extended Maturity Date**”).

- Conversion (at the Issuer’s option) and exercise periods

The Company may exercise the conversion option by giving irrevocable notice to the bondholders during the period between 30 and 5 business days prior to the Initial Maturity Date or, as the case may be, the Extended Maturity Date.

- Conversion price

The initial conversion price applicable in the eighth year (the “**Initial Conversion Price**”) has been determined on this date as EUR 3.975308, following a fixed-to-fixed mechanism from the time of issuance of the Bonds 2. For this purpose, the following have been considered: (i) the total amount payable on the Maturity Date under the Bonds 2 (principal plus interest at the compound rate of 10.21%); (ii) the fair value of the Bonds 2 on the Maturity Date, discounted to present value using a rate equivalent to Talgo’s average cost of financing at the date of the General Meeting notice, set at 5.22%; and (iii) the average market price of Talgo’s shares for the five (5) trading days immediately preceding such date, amounting to EUR 2.65 per share.

The Initial Conversion Price results from the following relationship:

$$\text{Initial Conversion Price} = \frac{\text{(Maximum Value of Bonds at Maturity x Share Price on Proposal Date)}}{\text{Fair Value of the Bonds}}$$

The number of shares to be issued on the Initial Maturity Date upon conversion of the Bonds 2 shall be the quotient resulting from dividing the total amount payable on such date by the Initial Conversion Price.

The conversion price at the end of the tenth year (the “**Extended Conversion Price**”)—that is, in the event the Company opts to extend the maturity—shall be variable and equal to 70% of the volume-weighted average price (VWAP) of Talgo’s shares during the thirty (30) trading days immediately preceding the conversion date, and shall not be lower than the nominal value of the share.

- Number of shares to be issued upon conversion

The number of shares to be issued on the Initial Maturity Date shall be the quotient obtained by dividing the total amount payable on that date (principal plus accrued interest) by the Initial Conversion Price.

If the Company opts to extend the maturity of the Bonds 2 to the tenth year, the number of shares to be issued on the Extended Maturity Date shall be the quotient obtained by dividing the total amount payable on that date (principal plus accrued interest) by the Extended Conversion Price.

In any case, conversion of the Bonds 2 shall apply to the entire outstanding amount of the Bonds 2 as of the Initial or Extended Maturity Date, as applicable, and partial conversions shall not be allowed unless expressly accepted by the Subscribers (as defined below).

Any amount due under the Bonds 2 not converted into shares by application of these rules shall be settled, at the Company's discretion, either in cash or by delivering treasury shares held by the Company.

For the purposes of determining the maximum number of shares to be issued upon conversion, and thus the related capital increase, the Initial Conversion Price has been applied. Such price, calculated as the ratio between (i) the total amount due on the Maturity Date (principal plus compound interest at 10.21%) multiplied by the average market price of Talgo shares during the five (5) trading days immediately preceding the General Meeting notice, and (ii) the fair value of the Bonds 2 discounted to present value at the Company's average cost of financing (5.22%), is fixed at EUR 3.975308 per share. Consequently, it is resolved that the maximum number of shares to be issued upon conversion of the Bonds 2 shall be forty-one million sixty-three thousand seven hundred forty (41,063,740) shares (the "**Maximum Authorized Number of Shares**").

3. Exclusion of pre-emptive subscription rights and identity of the subscribers

Pursuant to Article 417 of the Spanish Companies Act, and in the interest of the Company, it is resolved to totally exclude the pre-emptive subscription rights of Talgo's shareholders (and, where applicable, of holders of other convertible securities) in respect of the Bonds 2 Issuance, based on the report of the directors and the report of the independent expert referred to in said Article 417.

The Bonds 2 shall be fully subscribed by the following entities (together, the "**Subscribers**"):

1. CLERBIL, S.L., a Spanish company duly incorporated and existing, with registered office at Calle Gran Vía de Don Diego López de Haro, 45, 9º, 48011 Bilbao (Vizcaya, Spain), registered with the Commercial Registry of Vizcaya under Sheet BI-67849, Volume 5604, Folio 187, and holding tax identification number (NIF) B-95839361.
2. EKARPEN PRIVATE EQUITY, S.A., registered with the Commercial Registry of Bizkaia, Volume 4990, Folio 195, Entry 1, Sheet BI-53330, with tax identification number (CIF) A-95541090 and registered office at Rodríguez Arias 23, 6-1-2, 48011 Bilbao.
3. BILBAO BIZKAIA KUTXA FUNDACIÓN BANCARIA, a Spanish banking foundation duly incorporated and existing, with registered office at Gran Vía de Don Diego López de Haro 19-21, 48001 Bilbao (Vizcaya, Spain), registered with the Basque Country Foundations Register under number F-375, and holding tax identification number (NIF) G-48412720.
4. FUNDACIÓN BANCARIA VITAL – VITAL BANKU FUNDAZIOA, a Spanish banking foundation duly incorporated and existing, with registered office at Calle Cuchillería 24 (Casa del Cordon), 01001 Vitoria (Álava, Spain), registered with the Basque Government Foundations Register under number F-371, and holding tax identification number (NIF) G-01104256.

4. Capital increase

In accordance with the terms and conditions of the Bonds 2, the Company shall have the right, by irrevocable notice to the Subscribers, within the period between thirty (30) and five (5) business days prior to the Initial or Extended Maturity Date, to convert all of the Bonds 2 into ordinary shares of the Company with a nominal value of EUR 0.301 each.

For such purposes, and pursuant to Article 414.1 of the Spanish Companies Act, it is resolved to increase the share capital, on one or more occasions, by the amount necessary to service the conversion of the Bonds 2, as set forth below:

- Maximum amount of the capital increase

It is resolved to increase the Company's share capital, on one or more occasions, up to a total effective amount (nominal value plus issue premium) of EUR 163,241,013.51, through the issuance and placement into circulation of up to forty-one million sixty-three thousand seven hundred forty (41,063,740) ordinary shares, each with a nominal value of EUR 0.301, of the same class and series as those currently outstanding, represented by book entries.

In accordance with Article 508 of the Spanish Companies Act, the present capital increase may be registered with the Commercial Registry prior to its execution, so that, once the deeds of execution of the capital increase by conversion of the Bonds 2 are granted, the new shares may be delivered and transferred to the holders of the Bonds 2. The deeds of execution shall determine the final amount of the capital increase without specifying the identity of the subscribers and shall be filed for registration within five (5) days from the date of their execution.

- Issue price

The shares shall be issued at their nominal value of EUR 0.301, plus the issue premium resulting from the Initial Conversion Price or the Extended Conversion Price, as applicable, at which the Bonds 2 are converted.

- Absence of pre-emptive subscription rights

In accordance with Article 304.2 of the Spanish Companies Act, there shall be no pre-emptive subscription rights in the capital increases carried out to meet conversion requests of the Bonds 2.

- Rights of the new shares

The new shares shall confer upon their holders, from the date on which they are registered in their name in the corresponding book-entry records, the same rights as Talgo's shares currently outstanding.

- Recipients of the capital increase. Subscription and payment

The capital increases shall be directed to the holders of the Bonds 2 at the time the Company exercises its conversion right in accordance with their terms and conditions.

- Incomplete subscription

Pursuant to Article 311 of the Spanish Companies Act, it is expressly resolved to allow partial subscription of the capital increase, which may be executed in one or more tranches to meet conversions of the Bonds 2 as they occur.

- Amendment of the By-laws

The Board of Directors, with express powers of substitution, is authorised to amend the article of the By-laws relating to share capital following each execution of the capital increase carried out to service the conversion of the Bonds 2.

- Admission to trading of the new shares

It is resolved to apply for the admission to trading of the new shares on the Madrid, Bilbao, Barcelona, and Valencia Stock Exchanges (and on any other national or foreign markets where the Company's shares may be admitted for trading), through the Spanish Continuous Market (SIBE), and to request from the competent authorities the registration of such shares with Iberclear (Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A.U.).

It is expressly stated that, in the event that delisting of Talgo's shares is subsequently sought, such delisting shall be adopted in accordance with the formalities and requirements established by applicable legislation.

5. Delegation of powers

Without prejudice to the specific delegations of powers contained in the preceding sections (which shall be deemed to include express powers of substitution), it is resolved to empower the Board of Directors to carry out all acts necessary or convenient for the proper implementation of this resolution and, in particular, by way of example and not limitation, to:

- a. Adopt any resolutions necessary or convenient for the implementation and completion of this resolution, including the performance of all formalities and the execution of all public or private documents, agency, underwriting, calculation, and other contracts necessary for the issuance of the Bonds 2 and of the new shares to be issued;
- b. Complete, develop, clarify, or amend this resolution and the terms and conditions of the Bonds 2 included herein, and to modify, if necessary, any provisions adopted by the General Meeting that may prove null or contrary to applicable law, and determine, for indicative purposes, the use of proceeds, the final maturity date and any extension, the transfer regime, the conversion process, the conditions for early redemption, the

minimum conversion price, and causes for early maturity, as well as all other conditions deemed appropriate, and, once issued, the subscription and payment procedures;

- c. Determine, in accordance with the terms and conditions of the Bonds 2, the moment of their conversion, which may be limited to a pre-set period, and generally set any elements or conditions necessary or convenient, within the parameters established by the General Meeting;
- d. Execute the corresponding notarial deeds of issuance of the Bonds 2 and register them with the Commercial Registry together with the related capital increase resolutions pursuant to Article 508 of the Spanish Companies Act, as well as execute, by granting the corresponding notarial deeds, the capital increases, establishing the dates for execution, the issue premium of the new shares and thus their issue price, and, considering the possibility of incomplete subscription, determine the number of shares to be issued and the nominal amount of each capital increase according to the issue price, term, form, and procedure of subscription and payment;
- e. Settle the conversion of the Bonds 2, if deemed appropriate, by delivering treasury shares, and agree at any time on the early redemption or repurchase of the Bonds 2;
- f. Draft, sign, and submit, if applicable, to the CNMV (or to the governing bodies of any national or foreign markets where the Company's shares may be admitted to trading) or to any other competent supervisory authorities, all documents and information required under applicable regulations in relation to the issuances and listings of the new shares issued pursuant to this resolution; and
- g. Execute, on behalf of the Company, any public or private documents necessary or convenient for the proper completion of this resolution and, in general, perform any actions required, as well as correct, clarify, interpret, specify, or supplement this resolution adopted by the General Shareholders' Meeting and, in particular, any substantive or formal defects, omissions, or errors, whether verbal or written, that may prevent the registration of the resolutions or their effects with the Commercial Registry or any other relevant registers.

6. Suspensive condition to the effectiveness of the resolution

The effectiveness of this resolution, if approved by the Meeting, shall be subject to the suspensive condition that: (i) the resolutions included under Items First and Second of the agenda of this same Meeting are approved; and (ii) the financing described under Item Fourth of the agenda is formalised.

Once the conditions described in paragraphs (i) and (ii) above are fulfilled, the bond issuance resolution described herein shall automatically become fully effective.

ANNEX II

**Certificate from the Governing Body of the Valencia Stock Exchange,
S.A.U.**

DON ÁLVARO CASTRO MARTÍNEZ, MARKET DIRECTOR OF THE VALENCIA STOCK EXCHANGE GOVERNING COMPANY, S.A.U.

CERTIFIES that,

According to data provided by the Market Surveillance Department obtained from the SIS (Integrated Surveillance System), it appears that, for the period between August 4, 2024, and November 4, 2024, inclusive, the simple average of the weighted daily average changes in trading on the Spanish stock exchange of shares in TALGO, S.A., with ISIN ES0105065009, was € 3.7111.

Likewise, during the aforementioned period, 66 trading sessions were held, in each and every one of which TALGO, S.A. shares were traded, with a total volume of 11.380.514 shares and a cash amount of €42.384.840,92, This figure is the result of adding up the daily trading volumes (this calculation does not include transactions that may be executed in the System outside the General Trading Hours set out in section 7 of the Rules of Operation of the Stock Exchange Interconnection System).

The average trading volume during the aforementioned three-month period amounted to 172.432 shares, calculated by dividing the total volume of shares traded (11.380.514) by the number of trading sessions mentioned above.

With regard to the same period of the current year, between August 4, 2025, and November 4, 2025, inclusive, the simple average of the weighted average daily changes in the trading of TALGO, S.A. shares on the Spanish stock exchange, with ISIN ES0105065009, was €2.7891.

Similarly, during this last period, 67 trading sessions were held, in each and every one of which TALGO, S.A. shares were traded, with a total volume of 14.943.907 shares and a cash amount of €41.710.674,74, This is the result of adding up the daily trading volumes (this calculation does not include transactions that may be executed in the System outside the General Trading Hours set out in section 7 of the Rules of Operation of the Stock Exchange Interconnection System).

The average trading volume for the aforementioned three-month period amounts to 223.043 shares, which is the result of dividing the total volume of shares traded (14.943.907) by the number of trading sessions held during that period.

Finally, on November 4, 2025, the closing price of TALGO, S.A. shares, with ISIN ES0105065009, rose to €2.9700, with a trading volume of 144.294 shares (not including transactions that may be executed in the System outside of General Trading hours, as set forth in section 7 of the Operating Rules of the Stock Exchange Interconnection System).

And, for the record and for all appropriate purposes, this certification is issued on November 5, 2025.

The Market Director

See signed original version in Spanish

D. Álvaro Castro Martínez