

DURO FELGUERA, S.A.

Special report on capital increase by
offsetting credits, as provided for in Article
301 of the Consolidated Text of the
Corporate Enterprises Act

8 March 2023

SPECIAL REPORT ON THE ISSUANCE OF CAPITAL BY OFFSETTING CREDITS, AS PROVIDED FOR IN ARTICLE 301 OF THE CONSOLIDATED TEXT OF THE CORPORATE ENTERPRISES ACT

To the Shareholders of Duro Felguera, S.A.,

For the purposes laid down in Article 301 of the Consolidated Text of the Corporate Enterprises Act, we issue this Special Report on the proposed resolution to increase the share capital of Duro Felguera, S.A. (hereinafter the “Company” or the “Borrower”) by a maximum aggregate amount of up to 90,000,000 euros plus an additional amount, and which will be subscribed by certain creditors by offsetting the credits (principal and interest accrued up to the execution date) arising from the two loan agreements entered into on 28 February 2023 and whose notarisation is pending as of this date (hereinafter the “Agreements”), as explained below. The proposed resolution was included in the report issued by the Board of Directors at the meeting held on 7 March 2023 (meeting following the Board meeting convened on 28 February 2023) and whose certification dated 8 March 2023 is presented in the attached document (see Appendix 1). In accordance with generally accepted auditing standards, we have verified the information prepared under the responsibility of the directors (hereinafter, the “Directors”) in the aforementioned document, with respect to the credits applied to the capital increase and whether they are, as required by Article 301.1 of the Consolidated Text of the Corporate Enterprises Act, at least 25% liquid, due and payable, and the maturity of the remaining credits does not exceed five years.

As indicated by the Directors in Appendix 1, Grupo Promotor de Desarrollo e Infraestructura, S.A. de C.V. (Grupo Prodi) has agreed to a loan with the Company in the amount of 50 million euros, and Mota-Engil México, S.A.P.I de C.V. (Mota México) has also reached an agreement to grant another loan in the amount of 40 million euros (both jointly, the “Lenders” or the “Investors”), within the investment process of both, with origin in the binding memorandum of understanding signed by Mota México and the Company on 30 December 2022 (the “MOU”), and subsequently subject to a non-extinguishing amending novation by virtue of the addendum signed on 21 February 2023 between the parties, to regulate, among other aspects, the adherence of Grupo Prodi to the MOU. Pursuant to this agreement, Grupo Prodi agrees to fully capitalise its Loan Agreement while Mota México agrees to capitalise the amount that is not repaid by the shareholders in the previous Capital Increase with cash contribution with Rights (i.e., with recognition of the shareholders’ pre-emptive subscription right in order to allow the current shareholders to increase their participation in the capital of the Company), all at the same issue rate as the aforementioned Capital Increase with cash contribution or with Rights, as described in Appendix 1, and upon compliance with the conditions precedent established in the MOU. As indicated in the loan agreements signed, the Board of Directors of the Company and the lenders or investors consider that the relaunching of Duro Felguera, S.A. not only requires the entry of funds and liquidity but also the presence in its share capital of a strategic industrial partner with a permanent nature, which provides financial strength and supports its strategic plan, among other aspects. The funds obtained from the loans will be used exclusively for the execution of its business plan. The loans are subject to the fulfilment of certain legal and contractual conditions precedent called “Disbursement Conditions”, among which is the notarisation of the loan agreements themselves. As of the date of this report, the funds derived from the aforementioned loans have not been disbursed and, therefore, interest has not accrued and principal and interest have not been recorded in the Company’s accounting records. Therefore, to date, at least 25% of the credits to be offset cannot be considered

liquid, due and payable, as described in Appendix I, and therefore do not meet the conditions established in Article 301.1 of the Consolidated Text of the Corporate Enterprises Act with respect to liquidity, maturity and enforceability. However, once the funds of both loans are drawn down, which must occur upon request for their simultaneous drawdown to both Lenders, after compliance with the disbursement conditions established in the agreements or, if applicable, by the written waiver of their total or partial compliance by the Lenders, it is expected that the aforementioned loans will become liquid, due and payable at a later date so that, as stated by the Directors, they will comply with the requirements established for the capitalisation of loans in Article 301.1 of the Corporate Enterprises Act at the time of the execution of the proposed resolution that is the subject of this report and, therefore, on the date of execution of the public deed documenting the Debt Capitalisation Increase.

As indicated in the Loan Agreements entered into, the loans will mature 6 months after the drawdown date, unless the Borrower and the Investors, both at the same time and by mutual agreement, decide to terminate the loans early in the event that it is in the Company's interest to do so or if any of the early maturity clauses set out in the agreement are met, among which is the rejection by the National Securities Market Commission (CNMV) of the request for exemption from the obligation to make a takeover bid for the Borrower's shares as a result of the capitalisation of the Investor Loans, in accordance with Article 8 d) of Royal Decree 1066/2007, without prejudice to the Parties being able to extend them or establish such agreements as they deem appropriate. In such cases of early maturity of the loans, the same will be recorded in writing and will produce the same effects as the natural maturity due to the expiration of the term and will be considered as the "Maturity Date" for the purposes of the Agreements. The loans are to be repaid by the Borrower in a single instalment on the Maturity Date. At maturity, the Borrower will repay the full amount of the Loan, together with accrued interest, through the subscription by the Lender of the Debt Capitalisation Increase in the case of Grupo Prodi. With respect to Mota México, the repayment of the loans will be made by bank transfer in an amount equal to the funds obtained by the Borrower by virtue of the subscription and disbursement of the Capital Increase with Rights that would take place prior to the Capital Increase, according to the proposal of the Directors explained in Appendix 1, while the amortisation of the remaining amount for the repayment of principal and interest will be made by capitalisation of such amount by the Lender through the subscription of the Debt Capitalisation Increase in an amount equal to the difference between (i) the total amount due under the Agreements on the Maturity Date and (ii) the amortised amount repaid by bank transfer after the first capital increase. In any case, the capitalisation of the debts derived from the loans must be preceded by obtaining a positive response from the CNMV to the request for exemption from the takeover bid and compliance with the other stipulated conditions. In this regard, once the loans have been drawn down and prior to their Capitalisation, Grupo Prodi undertakes to apply to the CNMV (if applicable, jointly with Mota México) for exemption from the obligation to make a takeover bid for the Borrower's shares pursuant to Article 8 d) of Royal Decree 1066/2007. However, the maturity date will be automatically extended for successive periods of fifteen calendar days (or for shorter periods if so agreed by the Parties) in the event that on the date on which six (6) months have elapsed since the date on which the funds were made available, the exemption from the CNMV from the obligation to make a takeover bid for the Borrower's shares has not been obtained. In the event that the authorisation for exemption by the CNMV from the obligation to make a takeover bid for the Borrower's shares is denied, the loans will automatically become due, without prejudice to the Parties being able to extend them or establish such covenants as they may deem appropriate.

In our opinion, the attached document prepared by the Board of Directors of Duro Felguera, S.A. provides adequate information regarding the future credits to be offset for the capital increase of the Company, which at the date of issuance of this report do not meet the requirements indicated in Article 301 of the Consolidated Text of the Corporate Enterprises Act to be considered in a capital increase by offsetting credits.

In addition, and in order to comply with the provisions of Article 301 of the Consolidated Text of the Corporate Enterprises Act, we will issue a new supplementary special report once the capital increase is to be carried out, stating, as appropriate and if applicable, whether on that new date, the necessary condition is met that at least 25% of the credits subject to capitalisation are liquid, due and payable, and that the maturity of the remaining

portion is not greater than five years.

This Special Report has been prepared solely for the purposes laid down in Article 301 of the Consolidated Text of the Corporate Enterprises Act, and should not be used for any other purpose.

DELOITTE, S.L.

Registered in the R.O.A.C. (Official Register of Accounts Auditors) No. S0692

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ALICIA IZAGA
(R.B79104469)

Digitally signed by
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IZAGA (R: B79104469)
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Alicia Izaga

8 March 2023

Appendix 1: Certification of resolution on Report on capital increase by offsetting credits (literally, Report of the Board of Directors of DURO FELGUERA, S.A. of its meeting of 7 March 2023, in relation to the proposed resolution on the capital increase by offsetting credits)