Report by the Board of Directors of Indra Sistemas, S.A. on the proposed resolution for the approval of the acquisition of 89.68% of the share capital of Hispasat, S.A., included under item one on the agenda of the Extraordinary General Shareholders' Meeting

November 2025

This document is a translation of an original text in Spanish. In case of any discrepancy between both texts, the Spanish version will prevail.

INDRA GROUP

Contents

1. Purpose of the report

The Board of Directors of Indra Sistemas, S.A. (“**Indra**” or the “**Company**”) hereby prepares this report (the “**Report**”) to provide justification for the proposal which, in accordance with the provisions of Article 160 f) of the consolidated text of the Spanish Companies Act, approved by Royal Legislative Decree 1 of 2 July 2010 (the “**Spanish Companies Act**”), will be submitted for approval under item one on the agenda of the Company’s Extraordinary General Shareholders’ Meeting, to be held on 27 November 2025 at first call, or, if a quorum is not reached, on 28 November 2025 at second call.

The proposed resolution concerns the approval of the acquisition by Indra Space, S.L.U. – a wholly-owned subsidiary of Indra – of shares representing 89.68% of the share capital of Hispasat, S.A. (“**Hispasat**”) (hereinafter, the “**Transaction**”). This acquisition will, in turn, enable Indra to increase its existing interest in Hisdesat Servicios Estratégicos, S.A. (“**Hisdesat**”) and to include that company within its accounting consolidation perimeter.

This Report, together with the favourable report issued by the Auditing and Compliance Committee on the financial conditions and accounting impact of the Transaction dated 30 January 2025 – in accordance with Recommendation 44 of the Code of Good Governance for Listed Companies (CGGLC) and Article 18.6.3 a) of the Board of Directors Regulations – will be made available to the Company’s shareholders on its corporate website, from the date of publication of the notice convening the Extraordinary General Shareholders’ Meeting at which the proposed resolution for approval of the Transaction will be submitted.

In addition, Indra published two Inside Information notices, dated 31 January 2025 and 3 February 2025, announcing the Transaction and providing a detailed presentation of its terms, conditions and financial data. These documents are also available on Indra’s corporate website and that of the National Securities Market Commission.

2. Essential nature of the asset and authority of the General Shareholders’ Meeting

On 31 January 2025, Orbitude, S.L.U. – currently known as Indra Space, S.L.U. – (the “**Buyer**”), a company wholly owned by Indra, which acted as guarantor of the Buyer, entered into a sale and purchase agreement with Redeia Sistemas de Telecomunicaciones, S.A.U. (the “**Seller**”), a company wholly owned by Redeia Corporación, S.A., which acted as guarantor of the Seller, for the acquisition of shares representing 89.68% of the share capital of Hispasat (hereinafter, the “**Sale and Purchase Agreement**”). The execution of this agreement was subject to the fulfilment or waiver of a series of conditions precedent, as set out in Section 3.2. of this Report.

Notwithstanding the fact that the execution of the Sale and Purchase Agreement was approved by Indra's Board of Directors, following the aforementioned favourable report by the Auditing and Compliance Committee, the Board of Directors considers that, although the acquisition of shares representing 89.68% of the share capital of Hispasat does not exceed 25% of the value of the assets reflected in the Company's most recently approved balance sheet, the Transaction should nonetheless be classified as an “acquisition of an essential asset” in accordance with Article 160 f) of the Spanish Companies Act, and therefore requires approval by the General Shareholders’ Meeting.

Specifically, the Company's Board of Directors believes that the proposed Transaction should be classified as an “acquisition of an essential asset”, as it forms part of one of the main strategic actions set out in the “Leading The Future” Strategic Plan issued on 6 March 2024, relating to the aerospace sector. Within this framework, and given its magnitude and importance, the Transaction represents a transformational milestone for Indra that falls outside the scope of the Board's ordinary management powers.

3. Description of the Transaction

3.1. Purpose of the sale and purchase

Pursuant to the Sale and Purchase Agreement, and subject to the satisfaction or waiver of a series of conditions precedent set out therein, Indra will acquire 89.68% of the share capital of Hispasat, as a means to:

(i) acquire the business operated by the companies in the Hispasat Group, which, among others, includes the following: (i) the manufacturing and operation of satellites; (ii) the business of offering satellite broadband and connectivity solutions, including Internet access, mobility and cellular network extension, as well as other value-added offerings for governments, corporations and telecommunications operators in America, Europe and North Africa; (iii) the business of broadcasting and distributing audiovisual content via satellite; and (iv) the business of services focused on the definition, design and implementation of value-added solutions based on satellite infrastructure, whether on a consultancy or turn-key basis; and

(ii) increase its current shareholding and consolidate, for accounting purposes, Hisdesat, an entity engaged in the acquisition, operation and marketing of satellite communication services in the X and Ka bands for both military and governmental applications, as well as in establishing partnerships with other entities in the field of space systems.

3.2. Main terms and conditions of the Transaction

The price agreed as consideration under the Sale and Purchase Agreement amounts to €725 million (equivalent to €2,505.08792 per share). Indra's Board of Directors has received three fairness opinions on this price, issued by the two financial advisors to the Transaction (AZ Capital and Citi) and a third bank not involved in the Transaction (J.P. Morgan).

The price will be paid in full in cash on the date the Transaction is closed, without prejudice to any adjustments that may apply in respect of cash outflows, in accordance with the adjustment mechanism agreed in the Sale and Purchase Agreement. The financing of the Transaction is fully secured and has been structured on a base amount of €700 million. The remaining amount up to the total price will be covered with the Company's own cash resources, which means that Indra's need for additional equity funding to complete the payment will be limited. Under this planned financing structure, the Group's debt profile will remain within the ranges established under the Strategic Plan.

For the execution of the Sale and Purchase Agreement, Indra conducted a due diligence review of Hispasat, covering the commercial, financial, tax, legal, labour and technical areas, with the support of specialist advisors in each field.

The Transaction is subject to various customary conditions precedent for this type of transaction, including: (i) regulatory authorisations (such as administrative authorisations or notifications relating to telecommunications, merger control and foreign investments); (ii) authorisations from the Council of Ministers of Spain and the Secretary of State for Telecommunications and Digital Infrastructure (SETID); (iii) corporate consents (such as the approval of the Transaction by the Company's General Shareholders' Meeting and by the Seller's sole shareholder, or the waiver by the shareholders of Hispasat and Hisdesat of their pre-emptive acquisition rights); (iv) additional requirements for the consolidation of Hisdesat; and (v) other third-party consents.

As of the date of this Report, some of the conditions precedent have already been obtained, while the remainder are in the process of being obtained. If the Transaction is approved by Indra's General Shareholders' Meeting, and once the remaining conditions precedent have been fulfilled, the closing of the Transaction is expected to take place within the timeframe set out in the Sale and Purchase Agreement – i.e. before 30 November 2025, and in any event no later than 31 December 2025.

As is customary in this type of transaction, the Sale and Purchase Agreement provides for a standard liability regime, based on the following: (i) representations and warranties relating, among other matters, to the Seller and its guarantor, the shares subject to the sale, the business of the Hispasat Group, and the accuracy of the information provided by the Seller; (ii) the establishment of certain quantitative and time limitations on the Seller's liability; and (iii) the inclusion of specific indemnities in favour of the Buyer to cover risks or contingencies identified during the due diligence process. Furthermore, from the signing of the Sale and Purchase Agreement until the closing of the Transaction, the Seller has undertaken to ensure that the companies forming part of the Hispasat Group continue to operate following the ordinary course of business.

4. Implications of the Transaction for the Company and financial justification

Hispasat maintains a solid position in its traditional business and service areas, with a strong, consolidated client portfolio that provides significant operational capacity and key know-how for Indra as a whole. However, the acquisition of Hispasat represents much more than the acquisition of a traditional satellite company. With this acquisition, Indra seeks to become the benchmark for the satellite industry in Spain, with a vertically integrated strategy and a strong commitment to defence through the consolidation of Hisdesat and participation in the IRIS2 programme (the European secure satellite connectivity system).

In relation to Hisdesat, this Transaction strengthens Indra's capabilities – particularly in defence – thereby enhancing its technological autonomy and, together with the acquisition of Hispasat, enabling the creation of an integrated end-to-end European player with a dual offering in secure communications, observation and navigation.

With regard to the IRIS2 programme, Hispasat will assume within the consortium the role of coordinator for ground activities (design, development and implementation). These activities have direct synergies with Indra's defence business, especially in relation to systems and radars, allowing it to capture industrial value and expand its technological footprint in secure communications.

Overall, the Transaction offers strong operational and industrial synergies, both in terms of costs and, above all, revenues, which have been validated by the Transaction's financial advisors. Additionally, a high degree of strategic alignment has been identified between the activities carried out by Hispasat and Hisdesat and the civil and military capabilities of Indra in areas such as defence, air traffic management, mobility and digital services.

5. Recommendation

On the basis of the foregoing, the Board of Directors considers that the Transaction is in the corporate interest of Indra and recommends its approval by the General Shareholders' Meeting.

It is recorded herein that the analysis and deliberation process of this Transaction by Indra's Auditing and Compliance Committee and Board of Directors was conducted without the participation of the proprietary directors of Sociedad Estatal de Participaciones Industriales (SEPI). Although the Company does not consider this to be a related-party transaction in the terms set out in the Spanish Companies Act, the proprietary directors of SEPI – given that SEPI holds a minority stake in Hispasat – decided, as a precautionary measure, not to participate in the Committee's deliberations or vote on the Transaction, nor will they do so at the meeting of the Board of Directors.

6. Proposed resolution to be submitted for approval by the Extraordinary General Shareholders' Meeting

The proposed resolution to be submitted for approval by the Extraordinary General Shareholders' Meeting, is as follows:

"***One. Authorisation for the acquisition of 89.68% of the share capital of Hispasat, S.A.***

*On 31 January 2025, Orbitude, S.L.U. – currently known as Indra Space, S.L.U. – (the "**Buyer**"), a company wholly owned by Indra Sistemas, S.A., which acted as guarantor of the Buyer, entered into a sale and purchase agreement with Redeia Sistemas de Telecomunicaciones, S.A.U. (the "**Seller**"), a company wholly owned by Redeia Corporación, S.A., which acted as guarantor of the Seller, for the acquisition of shares representing 89.68% of the share capital of Hispasat, S.A. (hereinafter, the "**Transaction**"). The Transaction will enable Indra Sistemas, S.A. to increase its existing interest in Hisdesat Servicios Estratégicos, S.A. and to include that company within its accounting consolidation perimeter.*

*This sale and purchase agreement is subject to the fulfilment of certain conditions precedent, including the approval of the Transaction by the General Shareholders' Meeting of Indra Sistemas, S.A. ("**Indra**"), as it concerns the acquisition of an essential asset, as set out in the report issued by the Board of Directors on 4 November 2025. This report, together with the favourable report issued by the Auditing and Compliance Committee on the financial conditions and accounting impact of the Transaction – in accordance with Recommendation 44 of the Code of Good Governance for Listed Companies (CGGLC) and Article 18.6.3 a) of the Board of Directors Regulations – was made available to shareholders on the date of publication of the notice convening this Extraordinary General Shareholders' Meeting.*

The report issued by the Board of Directors also includes the main terms and conditions of the Transaction, as well as its financial justification and implications for Indra, concluding that the Transaction is in the corporate interest and recommending its approval by the General Shareholders' Meeting.

Pursuant to the foregoing, it is agreed to approve and authorise the Transaction for all purposes and, in particular, for the purposes set out in Article 160.f) of the Consolidated Text of the Spanish Companies Act, approved by Royal Legislative Decree 1 of 2 July 2010.

In addition, it is agreed to delegate to the Board of Directors (with express authority to delegate these powers to the director or directors deemed pertinent), to the Chairman of the Board of Directors and to the CEO, all the powers that are necessary or expedient for the complete execution of the Transaction, including the signature of any documents, public or private, as well as any actions that are necessary or expedient for its due completion."

Tech for
the future

Building
trust to
foster and drive
progress both now
and in the future

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