

THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this Prospectus, or as to what action you should take, you should immediately consult an appropriately authorized professional advisor.

This document constitutes a prospectus (the "**Prospectus**") for the purposes of Article 3 of Regulation (EU) 2017/1129 of the European Parliament and of the Council of June 14, 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (the "**Prospectus Regulation**"), relating to PRIMAFRIO CORPORACION, S.A. ("**Primafrio**" or the "**Company**" and, collectively with its subsidiaries, the "**Group**"). This Prospectus has been prepared in accordance with, and includes the information required by, Annexes 1 and 11 of Commission Delegated Regulation (EU) 2019/980 of March 14, 2019 supplementing the Prospectus Regulation as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) N° 809/2004 ("**Delegated Regulation 2019/980**").

This Prospectus has been approved by and is registered with the Spanish Securities Market Commission (*Comisión Nacional del Mercado de Valores*, the "**CNMV**"), as the competent authority under the Prospectus Regulation, the consolidated text of the Securities Market Act approved by Royal Legislative Decree 4/2015 of October 23 (*texto refundido de la Ley del Mercado de Valores aprobado por el Real Decreto Legislativo 4/2015, de 23 de octubre*) as amended by, among others, the Act 5/2021, of April 12 (the "**Securities Market Act**") and the relevant implementing measures in Spain, on June 10, 2021. That approval and registration relate exclusively to the initial offering of the Shares (as defined below) and the admission to trading of ordinary shares of the Company on the Spanish Stock Exchanges (as defined below) as a regulated market for the purposes of EU Directive 2014/65/EU on markets in financial instruments, as amended ("**MiFID II**") for trading through the SIBE (as defined below). This Prospectus is available on both the CNMV's website (www.cnmv.es) and the Company's website (www.primafrio.com).

An investment in the Shares involves a high degree of risk. Before investing in the Shares, you should carefully read this Prospectus in its entirety and in particular the risk factors set out in the section of this Prospectus entitled "Risk Factors".



PRIMAFRIO CORPORACION, S.A.

(incorporated and registered in Spain as a public limited company –*sociedad anónima*–)

**Offering of 35,000,000 ordinary shares and admission to trading on the Spanish Stock Exchanges
Offering Price Range: €9.30 to €12.10 per share**

This is an initial offering (the "**Offering**") of ordinary shares of the Company, each with a par value of €0.10. The Offering is made by Krone-Mur Servifrio, S.L. (the "**Selling Shareholder**") to qualified investors both inside and outside of Spain, including a private placement in the United States to qualified institutional buyers ("**QIBs**") as defined in Rule 144A ("**Rule 144A**") under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**"), in reliance on Rule 144A or pursuant to another exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. The ordinary shares of the Company have not been, and will not be, registered under the U.S. Securities Act. The Offering outside the United States will be made in compliance with Regulation S under the U.S. Securities Act ("**Regulation S**").

The Selling Shareholder is selling 35,000,000 existing ordinary shares at a price per share (the "**Offering Price**") expected to be between €9.30 and €12.10 (the "**Offering Price Range**") in the Offering (the "**Offered Shares**") and will grant an option to the Joint Global Coordinators on behalf of the Managers (as defined below) to acquire a number of additional existing ordinary shares of the Company representing up to 10% of the Offered Shares (the "**Additional Shares**", and together with the Offered Shares, the "**Shares**") at the Offering Price (less agreed commissions) to cover over-allotments of Offered Shares in the Offering, if any, and short positions resulting from stabilization transactions (the "**Over-allotment Option**"). The Over-allotment Option will be exercisable, in whole or in part, by Morgan Stanley Europe SE in its capacity as stabilization manager (the "**Stabilization Manager**"), acting on behalf of the Managers (as defined below), for a period of 30 calendar days from the date on which the Company's ordinary shares are listed and commence trading on the Barcelona, Bilbao, Madrid and Valencia Stock Exchanges (the "**Spanish Stock Exchanges**") through the Automated Quotation System (Sistema de Interconexión Bursátil Español or Mercado Continuo) (the "**SIBE**").

In connection with the Offering, the Stabilization Manager (or any person acting for the Stabilization Manager) may, to the extent permitted by applicable law, over-allot or execute transactions to support the market price of the Company's ordinary shares or any options, warrants or rights with respect to, or other interest in, the ordinary shares or other securities of the Company, in each case at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilization Manager (or any persons acting on its behalf) will undertake any stabilization action.

This Prospectus and the Offering are exclusively addressed to, and directed at, (i) institutional investors outside the United States (as defined in Regulation S under the U.S. Securities Act); (ii) in the United States, QIBs (as defined in Rule 144A under the U.S. Securities Act) that are acquiring securities for their own account or for the account of another QIB; and (iii) in any Member State of the European Economic Area ("EEA") and the United Kingdom, qualified investors.

You are deemed to have represented to the Company, the Selling Shareholder and the Managers (as defined in this Prospectus) that (i) the securities acquired by you pursuant to the Offering have not been acquired on a non-discretionary basis on behalf of (nor have they been acquired with a view to their offer or resale to) any person under circumstances that may give rise to an offer of any securities to the public other than their offer or resale to qualified investors in any Member State of the EEA and the United Kingdom or under circumstances in which the prior consent of the Managers has been obtained for each such proposed offer or resale; and (ii) if you are outside the United States, the United Kingdom and the EEA, you are a person into whose possession the document may lawfully be delivered in accordance with the laws of the jurisdiction in which you are located. No investor other than the above is allowed to participate in the Offering.

An investment in the Shares involves a high degree of risk. See "Risk Factors" beginning on page 15 for a discussion of certain matters that investors should carefully consider prior to making an investment in the Shares.

Prior to this Offering, there has been no public market for the Company's ordinary shares. The Company will apply to have its ordinary shares listed on the Spanish Stock Exchanges for trading through the SIBE. The Company expects that its ordinary shares will be listed on the Spanish Stock Exchanges and commence trading through the SIBE on or about June 24, 2021 ("**Admission**") under the symbol "PRF". The Shares are expected to be delivered through the book-entry facilities of *Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. Unipersonal* ("**Iberclear**"), and its participating entities against payment therefor on or about June 25, 2021.

This Prospectus does not constitute an offer to sell or a solicitation of an offer to buy any of the Shares in any jurisdiction in which (or to any person to whom) it would be unlawful to make such an offer or solicitation.

The Shares have not been and will not be registered under the U.S. Securities Act or the applicable securities laws of any state or other jurisdiction of the United States and may not be offered, sold, pledged or transferred within the United States, except pursuant to an applicable exemption from, or through a transaction not subject to, the registration requirements of the U.S. Securities Act. For a description of specific restrictions in connection with eligible offerees and on transfer of the Shares, see "*Selling and Transfer Restrictions*".

This Prospectus was approved by and registered with the CNMV on June 10, 2021. Investors may contact the CNMV by telephone (+34) 900 535 015. As this Prospectus refers to the Offering and Admission, its validity will end upon the Admission to trading of the Company's ordinary shares provided that Admission happens prior to the expiration of 12 months following its approval. Once this Prospectus is no longer valid, the Company will have no obligation to supplement it in the event of significant new factors, material mistakes or material inaccuracies.

Joint Global Coordinators and Joint Bookrunners

J.P. Morgan

Morgan Stanley

Joint Bookrunners

Banco Santander

CaixaBank

Berenberg

Société Générale

Co-Lead Managers

Alantra

Commerzbank

JB Capital

Kempen & Co

Agent Bank

CaixaBank, S.A.

Prospectus dated June 10, 2021

IMPORTANT INFORMATION

YOU SHOULD READ THIS PROSPECTUS ENTIRELY AND, IN PARTICULAR, "RISK FACTORS" BEGINNING ON PAGE 15 OF THIS PROSPECTUS, WHEN CONSIDERING AN INVESTMENT IN THE SHARES.

You are deemed to agree to each of the notices set forth below by accepting delivery of this Prospectus.

THIS PROSPECTUS DOES NOT CONSTITUTE AN OFFER TO SELL, OR A SOLICITATION OF AN OFFER TO PURCHASE, ANY OF THE SHARES BY ANY PERSON IN ANY JURISDICTION IN WHICH IT IS UNLAWFUL FOR SUCH PERSON TO MAKE SUCH AN OFFER OR SOLICITATION. NEITHER THE DELIVERY OF THIS PROSPECTUS NOR ANY SALE MADE HEREUNDER SHALL UNDER ANY CIRCUMSTANCES IMPLY THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE COMPANY OR THE GROUP OR THAT THE INFORMATION SET FORTH HEREIN IS CORRECT AS OF ANY DATE SUBSEQUENT TO THE DATE HEREOF.

In making an investment decision, prospective investors must rely upon their own examination of the Company's business and the terms of this Prospectus, including the merits and risks involved in investing in the Shares.

This Prospectus has been prepared by the Company solely for the Offering and the Admission.

Neither the Company nor the Selling Shareholder have authorized any person to give any information or to make any representations other than those contained in this Prospectus, and, if given or made, such information or representations must not be relied upon as having been authorized by the Company or the Selling Shareholder.

You are being provided with this Prospectus solely for the purpose of considering an investment in the Shares. All the information in this Prospectus has been furnished by the Company and you acknowledge and agree that none of J.P. Morgan AG ("**J.P. Morgan**"), Morgan Stanley Europe SE ("**Morgan Stanley**") and, together with J.P. Morgan, the "**Joint Global Coordinators**", Banco Santander, S.A. ("**Banco Santander**"), Joh. Berenberg, Gossler & Co. KG ("**Berenberg**"), Société Générale nor CaixaBank, S.A. ("**CaixaBank**"), (together with J.P. Morgan and Morgan Stanley the "**Joint Bookrunners**"), Alantra Capital Markets, S.V., S.A. ("**Alantra**"), Commerzbank AG ("**Commerzbank**"), JB Capital Markets, S.V., S.A.U. ("**JB Capital**") or Van Lanschot Kempen Wealth Management N.V. ("**Kempen & Co**") (together the "**Co-Lead Managers**"), (the Joint Bookrunners and the Co-Lead Managers all together, the "**Managers**", or any of their respective affiliates, advisors or entity through which the Managers may offer and/or sell the Shares, makes any representation or warranty, express or implied, nor to the fullest extent permitted by applicable law accepts any liability whatsoever, regarding the accuracy, completeness or verification of the information given herein, and that nothing contained in this Prospectus is, or shall be relied upon as, a promise, warranty or representation by the Managers or any of their respective affiliates, advisors or selling agents whether as to the past or the future. The Managers do not assume any responsibility for its accuracy, completeness or verification and, accordingly, disclaim, to the fullest extent permitted by applicable law, any and all liability whether arising in tort, contract or otherwise that they might otherwise be found to have in respect of this Prospectus. Each person receiving this Prospectus acknowledges that (i) such person has not relied on the Managers or any person affiliated with the Managers, advisors or selling agents in connection with any investigation of the accuracy of such information or its investment decision, (ii) it has relied only on the information contained herein, and (iii) no person has been authorized to give any information or to make any representation concerning the Company or the Shares (other than as contained herein) and, if given or made, any such other information or representation should not be relied upon as having been authorized by the Company or the Selling Shareholder.

Neither the Company, the Selling Shareholder nor the Managers, nor any of their respective representatives, is making any representation to any offeree or purchaser of the Shares regarding the legality of an investment in the Shares by such offeree or purchaser under the laws applicable to such offeree or purchaser. Prospective investors should not consider any information contained in this Prospectus to be investment, legal, financial, business, tax, accounting or regulatory advice. Each prospective investor should consult its own counsel, business advisor, accountant, tax advisor and other advisors for legal, financial, business, tax, accounting, regulatory and related advice regarding an investment in the Shares. Each investor or purchaser of Shares in the Offering should analyze for itself the information contained in this Prospectus and base its decision to invest or purchase Shares in the Offering upon such investigation, as it deems necessary, including its assessment of the risks involved and its own determination of the suitability of any such investment, with particular reference to its own investment objectives and experience, and any other factors that may be relevant to such investor in connection with the purchase of Shares in the Offering.

In connection with the Offering, the Managers and any of their respective affiliates or any investment vehicle directly or indirectly related to the Managers may take up a portion of the Shares as a principal position and, in that capacity, may retain, purchase, sell, offer to sell, or otherwise deal for its or their own account(s) in such Shares, any other securities of the Company or other related investments in connection with the Offering or otherwise. Accordingly, references in this Prospectus to the Shares or otherwise dealt with should be read as including any offer to, or dealing by, the Managers or any of them and any of their affiliates, and/or investment vehicle directly or indirectly

related thereto, acting in such capacity. In addition, certain of the Managers or their affiliates, and/or any investment vehicle directly or indirectly related to the Managers, may enter into financing agreements (including swaps, warrants or contracts for differences) with investors in connection with which such Managers (or their affiliates) may, from time to time, acquire, hold or dispose of the Shares. The Managers do not intend to disclose the extent of any such investment or transaction otherwise than in accordance with any legal or regulatory obligation to do so.

The Managers are acting exclusively for the Company and the Selling Shareholder and no one else in connection with the Offering. They will not regard any other person (whether or not a recipient of this Prospectus) as their respective clients in relation to the Offering and will not be responsible to anyone other than the Company and the Selling Shareholder for providing the protections afforded to their respective clients nor for giving advice in relation to the Offering or any transaction or arrangement referred to herein.

You may not reproduce or distribute this Prospectus, in whole or in part, and you may not disclose any of the content of this Prospectus or use any information given herein for any purpose other than considering an investment in the Shares as described in this Prospectus.

The distribution of this Prospectus and the offering, sale, exercise or transfer of the Shares in certain jurisdictions may be restricted by law. Thus, this Prospectus may not be used in connection with any offer or solicitation in any jurisdiction where, or to any person to whom, it is unlawful to make such offer or solicitation. No action has been taken or will be taken by the Company, the Selling Shareholder or the Managers that would permit a public offering of the Shares or the possession or distribution of this Prospectus (or any other offering or publicity materials or application form(s) relating to the Shares) in any jurisdiction where action for that purpose would be required.

This Prospectus may not be used for, or in connection with, and does not constitute an offer of, or an invitation or solicitation to purchase, any Shares in any jurisdiction in which such offer, invitation or solicitation would be unlawful. The Company, the Selling Shareholder and the Managers require persons into whose possession this Prospectus comes to inform themselves about and to observe any such restrictions. Neither the Company, the Selling Shareholder nor the Managers accept any responsibility or liability for any violation by any person, whether or not such person is a prospective investor or purchaser of the Shares described in this Prospectus, of any of these restrictions.

Offering Restrictions

Prospective investors should familiarize themselves with and observe the selling and transfer restrictions set out under "*Selling and Transfer Restrictions*", as well as the other offering restrictions set forth below. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

Notice to Investors in the United States

NONE OF THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION IN THE UNITED STATES OR ANY OTHER U.S. REGULATORY AUTHORITY HAVE APPROVED OR DISAPPROVED THE SHARES OR PASSED UPON OR ENDORSED THE MERITS OF THIS OFFERING OR THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE IN THE UNITED STATES.

The Shares have not been and will not be registered under the U.S. Securities Act or the applicable securities laws of any state or other jurisdiction of the United States and may not be offered, sold, pledged or transferred within the United States, except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. For a description of certain restrictions about eligible offerees and on transfer of the Shares, see "*Selling and Transfer Restrictions*".

The information contained in this Prospectus has been provided by the Company and the other sources identified herein. Distribution of this Prospectus to any person other than the offeree specified by the Company and those persons, if any, retained to advise such offeree with respect thereto, is unauthorized, and any disclosure of its contents, without the Company's prior and express written consent, is prohibited. This document is not a prospectus within the meaning of Section 10 of the U.S. Securities Act.

Information for Investors in Certain Countries

For information for investors in certain countries, see "*Selling and Transfer Restrictions*".

Information to Distributors

Solely for the purposes of the product governance requirements contained within: (i) MiFID II; (ii) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (iii) local implementing measures (together, the "**MiFID II Product Governance Requirements**"), and disclaiming any and all liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Shares of the Offering have been subject to a product approval process, taking into account item 18 of the Guidelines of MiFID II Product Governance Requirements published by the European Securities and Markets Authority ("**ESMA**") on February 5, 2018, which has determined that such Shares are: (a) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (b) eligible for distribution through all distribution channels as are permitted by MiFID II (the "**Target Market Assessment**").

Any person offering, selling or recommending the Shares (a "distributor" under the MiFID II Product Governance Requirements) should take into consideration the Target Market Assessment.

Notwithstanding the foregoing, distributors should note that the price of the Shares may decline and investors could lose all or part of their investment in the Shares. This investment is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other advisor) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Offering. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Managers will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (i) an assessment of suitability or appropriateness for the purposes of MiFID II; or (ii) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Shares.

Each distributor is responsible for undertaking its own target market assessment in respect of the Shares (by either adopting the Target Market Assessment or refining it under the MiFID II Product Governance Requirements) and determining appropriate distribution channels.

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SUMMARY

Introduction and Warnings

THIS SUMMARY SHOULD BE READ AS AN INTRODUCTION TO THIS PROSPECTUS. ANY DECISION TO INVEST IN THE SHARES OF PRIMAFRIO CORPORACION, S.A. (THE "COMPANY" AND, TOGETHER WITH ITS SUBSIDIARIES, THE "GROUP") SHOULD BE BASED ON A CONSIDERATION OF THIS PROSPECTUS AS A WHOLE BY THE INVESTOR. THE INVESTOR COULD LOSE ALL OR PART OF THE INVESTMENT IN THE SHARES.

WHERE A CLAIM RELATING TO THE INFORMATION CONTAINED IN, OR INCORPORATED BY REFERENCE INTO, THIS PROSPECTUS IS BROUGHT BEFORE A COURT THE PLAINTIFF INVESTOR MIGHT, UNDER SPANISH LAW, HAVE TO BEAR THE COSTS OF TRANSLATING THIS PROSPECTUS AND ANY OTHER DOCUMENT INCORPORATED BY REFERENCE HEREIN BEFORE THE LEGAL PROCEEDINGS ARE INITIATED.

CIVIL LIABILITY ATTACHES ONLY TO THOSE PERSONS WHO HAVE TABLED THE SUMMARY, INCLUDING ANY TRANSLATION THEREOF, BUT ONLY IF THE SUMMARY IS MISLEADING, INACCURATE OR INCONSISTENT WHEN READ TOGETHER WITH THE OTHER PARTS OF THIS PROSPECTUS OR IF IT DOES NOT PROVIDE, WHEN READ TOGETHER WITH OTHER PARTS OF THIS PROSPECTUS, KEY INFORMATION IN ORDER TO AID INVESTORS WHEN CONSIDERING WHETHER OR NOT TO INVEST IN THE SHARES OF THE COMPANY.

The Company is a public limited company (*sociedad anónima*) operating under the commercial name of "Primafrio". The Company is registered with the Commercial Registry of Murcia volume 3474, sheet 31, page MU-102877; is holder of Spanish tax identification number (NIF) A-02801629 and with LEI code 959800YYLF3T6GLDC089. The corporate address and the phone number of the Company are: Autovía A-7 dirección Alhama de Murcia, Km-Salida 596, Paraje las Ramblillas, Alhama de Murcia, 30840 (Murcia), Spain; and +34 968 30 91 87, respectively. The ISIN code assigned to our issued share capital is ES0105562005. All the shares of the Company are of the same class.

This Prospectus was approved by and registered with the Spanish Securities Market Commission (*Comisión Nacional del Mercado de Valores*, the "CNMV") on June 10, 2021. Investors may contact the CNMV at the following telephone number: +34 900 535 015. This Prospectus is available at the Company's website (www.primafrio.com) and at the CNMV's website (www.cnmv.es). Neither the Company's website nor any of its contents form part or are incorporated into this Prospectus, whether by reference or otherwise, except as otherwise provided herein. The CNMV has neither examined nor approved the Company's website nor any of its contents.

Capitalized terms not defined in the Summary have the meanings defined elsewhere in this Prospectus.

B. Key information on the issuer

B.1. Who is the issuer of the securities?

The legal name of the issuer is PRIMAFRIO CORPORACION, S.A. and its commercial name is "Primafrio". The Company is incorporated as a public limited company (*sociedad anónima*) in Spain under Spanish law and, in particular, under the Spanish Companies Act. It has its registered office at Autovía A-7 dirección Alhama de Murcia, Km-Salida 596, Paraje las Ramblillas, Alhama de Murcia, 30840 (Murcia), Spain. The Company holds Spanish tax identification number (NIF) A02801629 and LEI number 959800YYLF3T6GLDC08.

The Company's deed of incorporation was granted on November 11, 2020 and was registered with the Commercial Registry of Murcia on December 2, 2020. On March 4, 2021, the Company approved an amendment of the shares' par value from €100 to €0.10 and the number of the shares from 600 to 600,000; consequently, the share capital remained unaltered (i.e., €60,000) but was divided into 600,000 shares with a par value of €0.10 each. Likewise, on the same date, the Company approved a share capital increase of €13,940,000 (i.e., up to €14,000,000) out of unrestricted reserves (which amounted to €93,702,198) by means of the issuance of 139,400,000 new ordinary shares with a par value of €0.10 each. The shares issued were of the same class as the outstanding shares and were subscribed and paid in full by the Selling Shareholder by means of an accounting transfer of the amount of the increase from the reserves account to the share capital account.

Our principal activities are divided into (i) transportation of complete trucks from origin to destination ("**Full truck load**" or "**FTL**") and (ii) groupage activity ("**Groupage**" or "**LTL**"), which consists of picking up goods at different points of origin, consolidating the pallets in our temperature-controlled warehouses and shipping them in a single truck to the same customer in different destinations or different customers (so the same truck is loaded with different products for the same client or different clients).

Our business can be broken down into five business activities: (i) exports FTL, our core business line which consists of the transportation of products (mainly fruit and vegetables) from Spain and Portugal to other European countries, representing 48% of our revenues in 2020; (ii) imports FTL, which consists of the transportation of products such as food, retail, pharma and high value products as well as other products from European countries to Spain or Portugal, representing 23% of our revenues in 2020; (iii) national FTL, which consists of the transportation of products such as fruits and vegetables, retail and high value products as well as other products within the Iberian Peninsula, representing 5% of our revenues in 2020; (iv) exports and national Groupage, which consist of performing Groupage services either from Iberian Peninsula to other European countries (Export) or within the Iberian Peninsula (National), representing 24% of our revenues in 2020; and (v) others, which mainly consists of the renting of our trucks to third parties through short-term leases, representing 1% of our revenues in 2020.

We also carry out research to implement the latest technology in our operations and incorporate them to our fleet and warehouses, take part in both technological joint ventures and health and safety initiatives and provide employee training for professional development with the aim of further establishing ourselves as a highly sustainable and efficient player in the market.

The following table sets forth certain information with respect to the beneficial ownership of the ordinary shares of the Company prior to and after the Offering.

Shareholder	Pre-Offering		Offering		Post-Offering			
	Number of shares	%	Number of Shares offered in the Offering ⁽¹⁾	Number of Shares subject to the Over-Allotment Option	Number of Shares owned assuming no exercise of Over-allotment Option	%	Number of Shares owned assuming full exercise of Over-allotment Option exercised in full	%
Krone-Mur Servifrio, S.L.	140,000,000	100 ⁽²⁾	35,000,000	3,500,000	105,000,000	75	101,500,000	72.5
Free float	-	-	-	-	35,000,000	25	38,500,000	27.5

⁽¹⁾ All of our shares have the same voting rights attached to each of them.

⁽²⁾ Krone-Mur Servifrio, S.L. is ultimately controlled by Mr. Jose Esteban Conesa Alcaraz with a 50.22% (0.26% directly held and 49.96% indirectly held through Ondina Capital, S.L.)

As of the date of this Prospectus, the directors of the Company are the nine members of the board of directors: Mr. Juan Ignacio Conesa Alcaraz (executive), Mr. José Esteban Conesa Alcaraz (executive), Ms. Carmen Panadero Reyes (proprietary), Mr. Gerard van Kesteren (proprietary), Mr. Enrique Pérez-Hernández y Ruiz-Falcó (independent), Ms. Carmen Fernández Rozado (independent), Ms. Isabel García Tejerina (independent), Mr. Dirk Reich (independent) and Ms. Carmen del Río Novo (independent).

Baker Tilly Auditores, S.L.P., with registered office at Paseo de la Castellana, 137, 4 28046 Madrid, holder of Spanish tax identification number (NIF) B-86300811 and registered with the R.O.A.C. (Registro Oficial de Auditores de Cuentas-Official Registry of Auditors) under the number S2106 and in the Commercial Registry of Madrid under volume 29348, sheet 194, page M-528304, is the appointed independent auditor of the Company.

B.2. What is the key financial information regarding the issuer?

The financial information included in this Prospectus to present the Company's business and to allow investors to make an informed assessment of the Company in accordance with Article 6(1) of the Prospectus Regulation is derived from: (i) the Company's unaudited condensed consolidated interim financial statements as of and for the three month period ended March 31, 2021, which include unaudited condensed consolidated financial information and comparable information as of and for the three months ended March 31, 2020, and which have been prepared in accordance with IAS 34 (the "Q1 2021 Unaudited Condensed Consolidated Interim Financial Statements"). Baker Tilly Auditores, S.L.P. ("Baker Tilly") has performed a limited review of the Q1 2021 Unaudited Condensed Consolidated Interim Financial Statements in accordance with ISRE 2410; (ii) the Company's audited consolidated financial statements as of and for the years ended December 31, 2020, 2019 and 2018, which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the EU ("IFRS-EU") (the

"Audited Consolidated Financial Statements"); and (iii) the Company's audited individual annual accounts for the period from November 11, 2020 (date of incorporation of the Company) to December 31, 2020, which have been prepared in accordance with the Spanish General Accounting Plan (Plan General de Contabilidad, "Spanish GAAP") approved by Royal Decree 1514/2007 of November 16, as amended (the "2020 Audited Individual Annual Accounts").

Consolidated Income Statement

<i>(€ million, unless otherwise indicated)</i>	For the three months ended March 31,		For the year ended December 31,		
	2021	2020	2020	2019	2018
Revenue	141.8	126.5	457.7	414.2	372.7
Consolidated operating profit	26.6	22.2	81.4	33.6	28.9
Consolidated net profit	19.6	16.4	63.5	24.9	15.4
Year on year revenue growth	12.2%	n/a	10.5%	11.1%	n/a
EBIT margin^{APM}	18.8%	17.6%	17.8%	8.1%	7.8%
Earnings per share (*)	0,140	0,117	106	41	26

(*) Earnings per share for the year ended December 31, 2020, 2019 and 2018 were calculated based on the number of shares at December 31, 2020, which was established at 600 shares, compared to the actual number of shares established at 140,000,000.

Consolidated Balance Sheet

<i>(€ million, unless otherwise indicated)</i>	As of March 31,		As of December 31,		
	2021	2020	2020	2019	2018
Total assets	326.5	298.2	237.9	239.1	239.1
Total equity	109.4	89.8	115.8	105.1	105.1
Net Financial debt^{APM} (**)	104.4	107.6	64.5	71.0	71.0

(**) Net Financial debt^{APM} corresponds to Short Term and Long-term debt and lease liabilities less Current financial assets and cash and cash equivalents.

Consolidated Cash Flow Statement

<i>(€ million, unless otherwise indicated)</i>	For the three months ended March 31		For the year ended December 31		
	2021	2020	2020	2019	2018
Cash flows from operating activities	36.8	30.0	102.4	60.6	54.3
Cash flows from investment activities	(24.2)	(4.8)	(33.1)	(14.0)	4.3
Cash flows from financing activities	(11.2)	(9.2)	(51.2)	(44.4)	(57.8)

B.3. What are the key risks that are specific to the issuer?

The most material risk factors specific to the issuer are as follows:

Risks related to our client base and business

- We derive a significant portion of our revenue from a limited number of major customers, most of whom are involved in processing, packaging or distribution of food products.
- A substantial and relevant part of our business depends on contracts entered into by the Company or its group companies with related parties.
- Fluctuations in the price or availability of fuel or increases in toll prices may increase our cost of operation, which could materially and adversely affect our profitability.

- Our success significantly depends upon the industry expertise and efforts of our executive team and key management employees.
- Maintaining a full force of qualified drivers is essential to our profitability.
- Our future growth and performance are dependent on our ability to expand our business in certain areas of transport and jurisdictions and to retain and establish new alliances and joint ventures with key logistics partners.

Risks related to our industry

- We operate in a highly competitive and fragmented industry, and numerous competitive factors could impair our ability to maintain our current profitability and market position.
- The UK's withdrawal from the EU ("Brexit").

Legal and regulatory risks

- We have entered into significant related party transactions in the ordinary course of our business.
- We are in the process of approving a risk control and management policy and creating an internal control function.

Risks related to our financial situation

- To continue with our young-fleet policy and with the expansion of our operations, we must be capable of securing third-party financing on favourable terms.

C. Key information on the securities

C.1. What are the main features of the securities?

This is an initial offering (the "**Offering**") of ordinary shares of the Company, each with a par value of €0.10 made by Krone-Mur Servifrio, S.L. (the "**Selling Shareholder**").

The Selling Shareholder is selling 35,000,000 of existing ordinary shares at a price per share expected to be between €9.30 and €12.10 (the "**Offering Price Range**") in the Offering (the "**Offered Shares**") and will grant an option to the Joint Global Coordinators on behalf of the Managers (as defined above) to acquire a number of additional existing ordinary shares of the Company representing up to 10% of the Offered Shares (the "**Additional Shares**", and together with the Offered Shares, the "**Shares**") at the Offering Price (less agreed commissions) to cover over-allotments of Offered Shares in the Offering, if any, and short positions resulting from stabilization transactions (the "**Over-allotment Option**"). The Over-allotment Option will be exercisable, in whole or in part, by Morgan Stanley Europe SE in its capacity as stabilization manager (the "**Stabilization Manager**"), acting on behalf of the Managers (as defined below), for a period of 30 calendar days from the date on which the Company's ordinary shares are listed and commence trading on the Barcelona, Bilbao, Madrid and Valencia Stock Exchanges (the "**Spanish Stock Exchanges**") through the Automated Quotation System (Sistema de Interconexión Bursátil Español or Mercado Continuo) (the "**SIBE**").

The Shares are ordinary shares of nominal value of €0.10 each.

The ISIN code assigned to our issued share capital is ES0105562005. All the shares of the Company are of the same class.

The Shares were created pursuant to the Spanish Companies Act. Each Share carries one vote at the general meeting of shareholders of the Company. There are no restrictions on the voting rights of the Shares.

The Shares rank *pari passu* in all respects with each other, including for voting purposes and for all distributions of profits and proceeds from a liquidation.

Holders of Shares are entitled to the rights and subject to the obligations set forth in the By-Laws. In particular, the following rights are inherent to the condition of shareholder of the Company:

- Right to attend the general meeting of shareholders with voting rights.
- Pre-emptive rights in share capital increases via monetary contributions and for any new bonds convertible into shares.
- Right to exercise shareholder actions.

- Information rights.
- Dividend and liquidation rights.

One of our mid-term management targets is our commitment to continue to pay dividends, as in line with our historical levels. We intend to maintain a 60% pay-out ratio, calculated as dividends/ net income. Our ability to pay any future dividends and their amount depends on, among other factors, our future business performance, the income from our subsidiaries, achieving sufficient distributable profits and balance our legal reserve according to Spanish law (Spanish corporate law requires companies incorporated in Spain to contribute at least 10% of their net income each year to a legal reserve until the balance of such reserve is equivalent to at least 20% of the respective company's issued share capital), our working capital requirements, restrictions included in our debt agreements, our planned investments and any applicable legal restrictions.

C.2. Where will the securities be traded?

Prior to the Offering, there has been no public market for our ordinary shares. We will apply to list our ordinary shares on the Spanish Stock Exchanges and to have them quoted on the SIBE of the Spanish Stock Exchanges (the "**Admission**"). The Spanish securities market for equity securities comprises four stock exchanges located in Barcelona, Bilbao, Madrid and Valencia. We expect that our ordinary shares (including the Shares offered hereby) will be listed on the Spanish Stock Exchanges and quoted on the SIBE on or about June 24, 2021 under the symbol "PRF".

C.3. Is there a warranty attached to the securities?

Not applicable.

C.4. Are there restrictions on the free transferability of the securities?

Not applicable.

C.5. What are the key risks that are specific to the securities?

The most material risk factors specific to the securities are as follows:

- After the Offering, the Selling Shareholder will continue to be able to exercise significant influence over us, our management and our operations, and its interests may not be aligned with the interests of our other shareholders.
- Future issuances or sales of Shares after the Offering could negatively affect the market price of the Offered Shares.
- Our Shares are exposed to trading risks and other external factors.
- Shareholders in the United States and other jurisdictions may not be able to participate in future equity offerings and may have only limited ability to bring actions or enforce judgments against us or our directors.

D. Key information on the admission to trading on a regulated market

D.1. Under which conditions and timetable can I invest in this security?

We expect that the tentative calendar of the Offering would be as follows:

Principal event	Date⁽¹⁾
Approval and registration of the Prospectus with the CNMV	June 10, 2021
Commencement of the book-building period	June 10, 2021
Finalization of the book-building period	June 22, 2021
Setting of the Offering Price	June 22, 2021
Execution of the Underwriting Agreement	June 22, 2021
Publication of the inside information notice (<i>comunicación de información privilegiada</i>) with the Offering Price	June 22, 2021
Allocations of the Offered Shares to investors	June 22, 2021

Transaction date and publication of other relevant information notice (<i>comunicación de otra información relevante</i>)	June 23, 2021
Admission and commencement of the Stabilization Period (on or about)	June 24, 2021
Settlement Date (on or about)	June 25, 2021
End of Stabilization Period (no later than)	July 23, 2021

⁽¹⁾ Each of the dates included in the above tentative calendar is subject to change without prior notice. Any change, including in particular any lengthening or shortening of the tentative calendar, will be made public by publishing the corresponding other relevant information notice (*comunicación de otra información relevante*) with the CNMV.

Immediately following the Offering, the Selling Shareholder is expected to hold directly or indirectly approximately 105,000,000 Shares, representing 75% of our issued share capital (assuming that the Over-allotment Option is not exercised) or 101,500,000 Shares, representing 72.5% (assuming that the Over-allotment Option is exercised in full).

Assuming that the Offering Price is the mid-point price of the Offering Price Range and the Over-Allotment Option is exercised in full, the expenses (including commissions) payable by the Selling Shareholder would amount to approximately a total €16.1 million, which would account for approximately 3.90% of the gross proceeds of the Offering. Assuming that the Offering Price is the mid-point price of the Offering Price Range and the Over-Allotment Option is not exercised, the expenses (including commissions) payable by the Selling Shareholder would total €14.6 million, which would account for 3.90% of the gross proceeds of the Offering. The expenses payable by the Company would amount to €0.1 million, which represents 0.032% (assuming that the Offering Price is the mid-point price of the Offering Price Range and the Over-Allotment Option is exercised in full) and 0.035% (assuming that the Offering Price is the mid-point price of the Offering Price Range and that no Over-Allotment Option is exercised) of the total amount of the Offering.

Likewise, the purchasers must bear the commissions payable to the financial intermediaries through which they will hold the Offered Shares, including those commissions for the administration and custody of securities that are freely set by the corresponding financial intermediaries and notified to the CNMV or the Bank of Spain, as appropriate.

For purely informational purposes, due to the difficulty in determining precisely the expenses incurred as of the date of this Prospectus or to be incurred by the Company and the Selling Shareholder, the estimated expenses payable by the Selling Shareholder in connection with the Offering and the Admission amount to approximately €16.2 million (excluding any applicable VAT), respectively, assuming that the Over-allotment Option is exercised in full and that the Offering Price is at the mid-point of the Offering Price Range.

D.2. Who is the offeror and/or the person asking for admission to trading?

The offeror of the Shares is the Selling Shareholder (see section “B. Key information on the issuer” of this Summary). The offeror of the Additional Shares if the Over-allotment Option is exercised, in whole or in part, will be the Selling Shareholder. The Over-allotment Option will be exercisable, in whole or in part, by Morgan Stanley Europe SE in its capacity as Stabilization Manager, acting on behalf of the Managers, for a period of 30 calendar days from the date on which the Company’s ordinary shares commence trading on the Spanish Stock Exchanges through the SIBE.

D.3. Why is this prospectus being produced?

This Prospectus constitutes a prospectus relating to the Company for the purposes of Article 3 of the Prospectus Regulation. This Prospectus has been approved as a prospectus by the CNMV in its capacity as competent authority under the Securities Market Act and relevant implementing measures in Spain for the admission of the Company’s ordinary shares on the Spanish Stock Exchanges.

Pursuant to the Offering, the Selling Shareholder expects to raise gross proceeds of approximately €374.5 million (calculated based on the mid-point of the Offering Price Range) if the Over-Allotment Option is not exercised, and of approximately €412.0 million (based on the same assumptions) if the Over-Allotment Option is exercised in full. The Company, the Selling Shareholder and the Managers are expected to enter into an underwriting agreement with respect to the Shares being offered by the Selling Shareholder upon the finalization of the book-building period and setting of the Offering Price. As the Selling Shareholder expects to pay the amount of fees and expenses indicated at D1 above, the Selling Shareholder expects to raise net proceeds of approximately €359.9 million, if the Over-Allotment Option is not exercised, and of approximately €395.75 million, if the Over-Allotment Option is exercised in full, through the sale of the Offered Shares in the Offering.

The Company will not receive any proceeds from the sale by the Selling Shareholder of Offered Shares and, if the Over-allotment Option is exercised in whole or in part, of any of Additional Shares sold by the Selling Shareholder in the Offering.

Each of the Managers is a full-service financial institution engaged in various activities, which may include the provision of investment banking, commercial banking and financial advisory services. Some of the Managers and their respective affiliates in the ordinary course of business have in the past engaged in investment banking and/or commercial banking transactions with the Company, the Selling Shareholder and their respective affiliates from time to time for which they have received customary fees and reimbursement of expenses and may in the future, from time to time, engage in transactions with and perform services for the Company, the Selling Shareholder and their respective affiliates in the ordinary course of their business for which they may receive customary fees and reimbursement of expenses.

In the ordinary course of business, the Managers and other parts of their respective groups at any time (i) may invest on a principal basis or manage funds that invest, make or hold long or short positions, finance positions or trade or otherwise effect transactions, for their own accounts or the accounts of customers, in equity, debt or other securities or financial instruments (including derivatives, bank loans or other obligations) of the Company or any other company that may be involved in any proposed transaction, and (ii) may provide or arrange financing and other financial services to other companies that may be involved in any proposed transaction or a competing transaction, in each case, whose interests may conflict with those of the Company or its affiliates.

In addition, certain of the Managers or their affiliates are, or may in the future be, lenders, and in some cases agents or managers for the lenders, under certain of the credit facilities and other credit arrangements of the Company, the Selling Shareholder or their respective affiliates. In their capacity as lenders, such lenders may, in the future, seek a reduction of a loan commitment to the Company, the Selling Shareholder or their respective affiliates, or impose incremental pricing or collateral requirements with respect to such facilities or credit arrangements, in the ordinary course of business.

RISK FACTORS

An investment in the Shares involves a high degree of risk. Prior to making any investment decision in the Shares, you should read and carefully consider the following risks described and uncertainties, together with other information contained in this Prospectus. Accordingly, you should consider carefully whether an investment in the Shares is suitable for you considering the information in this Prospectus and your personal circumstances. If any recipient of this Prospectus is in any doubt about any action they should take, they should consult a competent independent professional adviser who specializes in advising on the acquisition of listed securities, to carefully review the risks associated with an investment in, and holding of, the Shares.

The risks set out below are those that we consider to be material, specific and relevant for an investor to make an informed decision and are supported by the content of this Prospectus. Any of the following risks and uncertainties could materially and adversely affect our business, financial condition, results of operations and prospects and this, in turn, could cause investors to lose all or part of their original investment.

Although we believe the main risk factors to which we are subject are mentioned below, risks and uncertainties described below are not the only ones we may face. Additional risks and uncertainties not currently known to us or that we currently deem either immaterial or insufficiently specific to the Shares or our Group for inclusion in this Prospectus may also materially and adversely affect our business, financial condition, results of operations and prospects. If any of those risks occur, our business, financial condition, results of operations and prospects could be materially affected, and you could lose all or part of your original investment.

Risks related to our client base and business

We derive a significant portion of our revenue from a limited number of major customers, most of whom are involved in processing, packaging or distribution of food products.

A significant portion of our revenue is generated from our major customers. Our top ten customers accounted for approximately 67% of our revenue in 2020. Our top two customers accounted for approximately 43% and 16% of our revenue in 2020, respectively (see Note 15 to the Audited Consolidated Financial Statements) and 41% and 15% of our revenue in the three months ended March 31, 2021, respectively (see Note 14 to the Q1 2021 Unaudited Condensed Consolidated Interim Financial Statements).

Our top customer is one of the largest European suppliers of fruits and vegetables in Europe. Based in Germany, it has more than 50 years of experience operating as an intermediary in this market, importing fresh fruit and vegetables from producers of several growing areas across Spain, from Huelva in the southwest to Lerida in the northeast, to a diverse number of large German retailers.

Our second top customer is one of the Germany's largest grocery retailers and wholesalers, operating a network of largely independent retailers supplied by its own regional food wholesalers. It operates more than 10,000 retail stores. It is vertically integrated, carrying out the production, wholesale distribution, and retailing of products. It has nearly 40 warehouses across regional companies supplying 60,000 products to its stores. In 2019 its total revenues amounted to more than €30,000 million. Apart from Germany (which is its main market) it also has presence in other European markets through its direct investments.

As of the date of this Prospectus we are not aware of neither information nor circumstances that may call into question the financial solvency and the business continuity of our top two customers. In the event that we are aware of any information or circumstances that may call into question the financial solvency and the business continuity of our top two customers, a supplement to this Prospectus will be published if this event occurs between the time when the Prospectus is approved and the closing of the offer period or Admission, whichever occurs later. Following Admission, if that event occurs, we will immediately publish an "inside information notice" (*comunicación de información privilegiada*).

We have been working with our major customers for many years (12 years on average for our top ten customers) and understand their operations well. We believe that the high level of integration that we have with our major customers would be difficult for an alternative logistics service provider to replicate, as their learning of our customers' processes and integration with their services would be a costly and time-consuming exercise. Additionally, the logistics costs are not significant to these customers compared with their whole structure of costs, which, together with the limited alternatives on the market may prevent them from changing suppliers.

Nevertheless, our major customers could seek alternative providers, or decide to reduce the scope of our services. Our contracts with these customers do not oblige them to use a minimum level of our services. For example, they could maintain their contract with us but use another logistics services provider for their transport needs. The contracts are typically agreed for 1-5 years, and those of more than 1 year include annual revision of prices. One

of our large export contracts was agreed for six years and is due to expire in 2024, with a clause to start re-negotiations a few months prior.

Although we continuously seek out new customer relationships to grow our business, it would be difficult to replace a major customer if we suffered a loss of their business. The loss of one or more major customers, or a significant decline in revenue generated by any such customer could result in significant excess capacity for the Group, which would force us to adapt our cost structure, including decreasing the number of direct employees (which represented 31% of our direct costs in 2020) and not renewing the lease contracts of our fleet (representing 7% of our revenues in 2020). The loss of revenues, as well as the impact on our margins if we cannot adapt our capacity to such loss, would lead to a material adverse effect on our business, results of operations, financial condition and prospects, including an adverse effect on the working capital linked to the decrease in profitability. In addition, if one of our largest customers were to experience financial or liquidity problems, we could be exposed to the risk of non-payment of amounts due to us.

A substantial and relevant part of our business depends on contracts entered into by the Company or its group companies with related parties

We enter into transactions with certain related parties or their affiliates that affect a substantial and relevant part of our business, and our financial results. These related party transactions are performed on an arm's length basis and transfer prices are adequately supported based on the requirements established by current tax regulations, provided that prices for related party transactions are determined based on an analysis of comparable market prices performed by management and a subsequent approval of the administration body of the corresponding company (except for the Sale and lease-back of Alhama facility which was assessed by an independent expert- see "*Material Contracts*").

Thus, although prices have not been assessed by a third party, (except for the Sale and lease-back of Alhama facility which was assessed by an independent expert- see "*Material Contracts*"), we consider that there are no material risks in this respect that might give rise to significant liabilities in the future. These related party transactions principally refer to the lease of our logistic centers in the Iberian Peninsula, which are essential assets to run our business operations in a seamless and timely manner. These logistics centres, with an aggregate storage capacity of 65,215 sqm, are where we reorganise, unload, consolidate and store goods. They are strategically located to facilitate our operations and better serve the needs of our clients (see "*Business-Warehouses*").

We currently lease all of these logistics centres in Iberia from the Selling Shareholder and other related parties on a multi-year contract basis. During 2020, 2019 and 2018, we paid rentals of €0.6 million per year for the right to use five of our six operational sites. In 2021 we will continue to rent these five logistic facilities and additionally will lease our main logistics centre in Iberia, Alhama de Murcia, which was initially owned by us, but since February 18, 2021 is leased following a sale and leaseback transaction as mentioned below.

The information with regard to our six logistic facilities is as follows:

- (i) Alhama de Murcia (Murcia, Spain): this site is rented from Primafrío Huelva, S.L. for 10 years until February 2031 (without automatic extension) and we will make an annual payment of almost €2.3 million, with this rent not being linked to CPI (see "*Related Party Transactions*"). Primafrío Huelva, S.L. is a fully owned subsidiary of Ondina Capital, S.L., a party related to the Selling Shareholder in which Jose Esteban Conesa Alcaraz has a majority shareholding. The lessor does not hold a specific right of early termination.
- (ii) Molina de Segura (Murcia, Spain): these logistics facilities comprise five plots as well as premises leased from Uranio Investments, S.L. (27% owned by Juan Ignacio Conesa Alcaraz and José Esteban Conesa Alcaraz, being the remaining share capital owned by other relatives of them) and Mediterráneo Hispagroup, S.A. (17% owned by José Esteban Conesa Alcaraz and 20% by Juan Ignacio Conesa Alcaraz, being the remaining share capital owned by other relatives of them) under annual lease contracts renewed every year absent 6-months prior notice by either party with a rent amounting to €24,200/per month (annually updated according to CPI). Early termination is envisaged if: (i) the premises are used for an activity other than the transport activity of the lessee; or (ii) sublease or assignment of the premises by the lessee.
- (iii) Vilamalla (Gerona, Spain): this site is rented from a fully owned subsidiary of the Selling Shareholder, Transportes Nafimar, S.L., under an annual lease contract which is renewed annually absent 2-months prior notice by either party and with a rent amounting to € 5,550/per month. Early termination not envisaged.
- (iv) Araia-San Millán (Álava, Spain): this site is rented directly from our Selling Shareholder for 10 years until November 2026 (tacitly renewed on a monthly basis according to Spanish law) and with a rent amounting to €13,860/per month (annually updated according to CPI). Early termination is envisaged if: (i) the premises are used for an activity other than a logistics base; (ii) Non-payment by the lessee; or (iii) sublease or assignment of the premises without prior written consent of the lessor.

- (v) Lepe (Huelva, Spain): this facility is leased from Mediterraneo Hispagroup, S.A. (17% owned by José Esteban Conesa Alcaraz and 20% by Juan Ignacio Conesa Alcaraz, being the remaining share capital owned by other relatives of them), under an annual lease contract that is renewed annually absent 6-months prior notice by either party and with a rent amounting to €5,000/per month (annually updated according to CPI). Early termination is envisaged if: (i) the premises are used for an activity other than an industrial building with workshops, warehouse, cold storage rooms and offices; or (ii) sublease or assignment of the premises by the lessee.
- (vi) Azambuja (Lisbon, Portugal): this site is rented directly from our Selling Shareholder under a lease contract for 5 years until November 2021 renewed for 5-year periods absent prior notice by either party and with a rent amounting to €2,000/per month (annually updated according to Portuguese law). We expect to start works in the next month in this centre to increment our logistics capacity in 37,000 sqm. Although the construction to increment the logistics capacity has not been initiated, rent is paid because the plot is used for parking and certain loading and unloading operations. However, the rent is below the market price because of the type of asset currently in operation. Once the warehouse construction is completed, the lease will be updated to the market cost price at that time, for the new space, but the amount payable is still unknown. Early termination is envisaged if the premises are used for an activity other than offices and warehouse without prior consent of the lessor.

The investments for the construction in the mid-term of the two new logistics centres in Algeciras and in the north of France, near to the German border, will be performed similarly to our current logistics centres, where the investment is performed by our Selling shareholder or other related parties, who will own the centres and will subsequently lease them to us, in exchange of an annual rental calculated on arm's length conditions.

A future change of control in the Company, the Selling Shareholder or in any of its related parties (that would imply the entrance of third parties in those companies) may entail a renegotiation of the current contractual conditions or even affect the existence of the contracts (if they are terminated). These circumstances, jointly with the short prior notices envisaged in general in the lease contracts, trigger a risk for the temporary continuity of our business (until we find other adequate facilities for running our business), as we rely on these logistic sites to run our business operations in a seamless and timely manner, resulting in a considerable amount of time and expense to repair.

Fluctuations in the price or availability of fuel or increases in toll prices may increase our cost of operation, which could materially and adversely affect our profitability

We require large amounts of diesel fuel to operate our truck fleet and to power the temperature-controlled units on our trailers, which means that fuel is one of our largest operating expenses, at €77.0 million in 2020, or 17% of our revenue and 20% of our operating expenses for that year, and €89.4 million in 2019, or 22% of our revenue and 23% of our operating expenses for that year. Fuel prices tend to fluctuate, and prices and availability of all petroleum products are subject to political, economic and market factors that are beyond our control, which may lead to decreases in production and price increases. We do not hedge our exposure to changes in fuel prices. Price increases in turn may be the result of both increases in Brent crude prices, or in the taxes applied. In 2020, approximately 50% of the fuel costs we incurred was due to taxes, and this percentage could vary as consequence of changes in regulations. As a result of both exogenous and endogenous factors such as those mentioned here, throughout 2018 to 2020, we estimate that the costs we incurred on fuel have fluctuated as follows:

Year on year key drivers of our fuel costs evolution:	2020 vs 2019	2019 vs 2018
European Brent in Euros ⁽¹⁾	-34%	-6%
Breakdown of impacts for the Group per period:		
Market price ⁽²⁾	-13%	+2%
Volume of km (Growth) ⁽³⁾	+11%	+5%
Litres consumption per 100 km ⁽⁴⁾	-5%	-2%
Other internal efficiencies (such as Fuel Tender App) or volume discounts ⁽⁵⁾	-7%	+2%
Total Fuel cost impact YoY ⁽⁶⁾	-14%	+7%

⁽¹⁾ European Brent price in Euros evolution year on year is calculated as the variation of the average daily prices of European Brent in USD from Reuters converted into Euros at the daily exchange rate. It is only considered as a reference for the purposes of this analysis.

- (2) Market price evolution is calculated as the variation of annual average diesel prices for end customers (including direct taxes), based on the official prices published by the Spanish Ministry for Ecological Transition.
- (3) Volume in km is calculated as the variation of total kilometres driven by our fleet per year.
- (4) Litres consumption per 100 km is calculated as the variation of annual average consumption of litres per 100 km and per truck. Reductions are achieved due to investments in more efficient trucks as well as in tires, and other internal measures such as training delivered to drivers.
- (5) Other internal efficiencies are calculated as the year on year variation of additional discounts achieved in price versus market prices (these efficiencies in 2020 are mainly related to the launch of our internally developed Fuel Tender App in that year, which allows us to achieve greater discounts than the average market prices). Evolution in 2019 relate to lower volume discounts obtained in 2019 compared to 2018.
- (6) Total Fuel cost variation year on year described above, which have impacted the evolution of this magnitude annually compared to prior year.

Because the international price of fuel is quoted in US dollars, and substantially all of our revenue and expenses are denominated in euros, a significant and sustained decline in the value of the euro relative to the US dollar could have a material adverse effect on our results of operations. As mentioned before, fuel costs are also subject to fluctuations in fuel taxes, often driven by exogenous factors independent of the market, as government officials tend to see fuel taxes as a useful mechanism to collect taxes that does not trigger much public opposition. Fluctuations in fuel prices, the absence of meaningful fuel price protection and fuel shortages could materially and adversely affect our results of operations.

To provide an illustrative example of how an increase in the Brent price could potentially impact our fuel costs (assuming constant kms to isolate price impact only), we estimate that an increase in the Brent price of c.20% (broadly 10\$/bbl increase) would in principle translate into a c.8% increase in the diesel retail price, due to the fixed taxes per litre applicable in Spain. The impact of this 20% change in the Brent price would potentially translate only to an increase of c.3-4% in our fuel costs (assuming constant kms).

We employ various means in an effort to protect our margins in the event of an increase in fuel price:

1. partially passing-through to end customers the increase in fuel market prices such that our revenues increase in the same amount as costs. This is done via: (i) long term contracts with clauses including automatic price revision linked to fluctuations in fuel market prices and (ii) the ability to establish prices chargers to customers in line with fuel spot prices in most situations for contracts when tariffs are negotiated in the short term (monthly, quarterly, etc.), to protect margins,
2. controlling subcontracted transport prices, which we can use instead of our own fleet, in cases when the profitability could be higher by using subcontracted fleet than serving the route with our own fleet (the fuel cost control mechanisms described in 1 and 2 reduce our exposure to fuel price increases in business activities generating around 1/3 of our total revenues); and
3. efficiently acquiring diesel through our Diesel Tender application. By using this application, we can get price quotes from different suppliers and they compete to offer us the best price, including significant discounts. This allows us to obtain fuel prices which are below the average retail price. In case of fluctuations of market prices, we can get greater discounts, which would partially offset such increases.

In addition, we expect that our continued development of truck efficiencies (with lower consumption needs –litres per 100km-) and the shift in our business mix toward more premium division (groupage) should provide some protection of our margins despite Brent price increases.

Our operations are also affected by toll prices of the European motorways, as total costs incurred in tolls amounted to €40.0 million in 2020, €35.2 million in 2019 and €33.8 million in 2018, representing 9%, 8% and 9% of revenue and 11%, 9% and 10% of operating expenses, respectively. A general increase of toll prices of the European motorways that our trucks use to reach their destinations within the Iberian Peninsula and other parts of Europe or the imposition of tolls in European motorways that are currently free (e.g. the effective implementation of a potential measure announced by the Spanish government on April 18, 2021 that would lead to the imposition of tolls in the Spanish state motorways) could have a significant impact in our operating costs.

Unless we are able to offset any unexpected cost increases with sufficient revenue, such increases in costs would lower our operating margins and could exert a material and adverse effect on our financial results.

Our success significantly depends upon the industry expertise and efforts of our executive team and key management employees.

Our success and competitive advantage in operating our business and implementing our strategy depends significantly on the industry expertise and efforts of our executive team and key management employees, in particular, José Esteban Conesa Alcaraz, our co-founder and Chief Executive Officer, and Juan Ignacio Conesa Alcaraz, co-founder and Chief Strategy Officer and head of Corporate Development. They have been leading the Company's successful growth track record during our c.15 years of history with a clear vision of the services they want to offer to their clients: comprehensive, customised, environmentally-friendly and quality services, making a difference through continuous development and progress with a highly skilled team offering environmentally sustainable solutions.

The loss of key employees, including our executive team, could result in disruptions to our operations and our inability to successfully implement our strategy and could consequently have an adverse effect on our business, operational results, financial condition and future prospects.

Maintaining a full force of qualified drivers is essential to our profitability.

89% of our employees in 2020 were drivers, and personnel expenses accounted for 36% of our 2020 operating expenses (including drivers and personnel working at the logistics facilities).

The transportation industry has historically experienced substantial difficulty in attracting and retaining qualified drivers. With increased labor scarcity for qualified drivers, we could experience greater difficulty in attracting enough new qualified drivers or retaining our current drivers for our current truck fleet and for those additional trucks we may add to our fleet. Our current average driver tenure is 4.5 years, which has been stable over the past two years. Our turnover rate requires us to recruit a substantial number of new drivers each year (508 in 2020).

Europe is currently facing a significant shortage of truck drivers due to the difficult working conditions and undesirable image of the sector, complex, costly and time consuming regulatory requirements, imminent demographic imbalance (increasing average age of drivers (approx. 30% >50) and difficulties in recruiting younger workers), and a rise in trade of goods all exerting additional pressure on the industry. According to the 2021 annual driver survey published by the IRU (International Road Transport Union), transport companies in the 27 member states of the European Union are forecasting a 17% shortfall in drivers for 2021, while companies in Norway, Switzerland and the United Kingdom are forecasting a 10% shortfall. Early adoption of driverless truck technology may decrease the industry's demand for drivers, but this is expected to be adopted gradually and will need to be accompanied by an ability to retain drivers. Maintaining high drivers' satisfaction levels while increasing their competency and training them will remain a challenge for the industry in the future.

If we are unable to continue to attract new drivers or if a significant number of our current drivers leave our Group, we could be required to adjust our driver compensation package beyond previous levels or let trucks sit idle. Third parties whom we occasionally hire as sub-contractors face similar issues regarding the engaging and retaining of drivers, and their inability to do so could affect their ability to provide us with sub-contracting services. It could also have an adverse impact throughout our supply chain and on our relationship with third party contractors, as by affecting the quantity of service we are able to provide, it could affect the services we will need to commission and the frequency and consistency of such commissions. An increase in our labor costs could materially and adversely affect our profitability.

We have a team of approximately 20 employees in the Drivers Management and Training departments who are dedicated to training our drivers, which we believe has a positive impact on our business. For example, one programme trains our drivers to drive in an efficient manner to save fuel. An estimated decrease of 0.21 litres per 100 km in fuel consumption has been observed on our drivers before and after training. We are targeting savings of up to 0.5 litres per 100 km in 2021 through the application by drivers of their training. If some of our drivers leave the Company once they have been trained, we would need to allocate funds to the training of new drivers. Drivers who have been trained by us could join our competitors, which could prevent us from benefiting from our training investment and require us to expend additional resources to train new drivers.

Although our employees are not members of a union specific to the Group, the transportation industry workforce is subject to a nationwide collective bargaining agreement that governs certain terms of our drivers' employment. If the nationwide collective bargaining agreement is not regularly extended or renewed or if it substantially increases the transportation industry employees' compensation, or if our employees engage in work stoppages and other labor matters, this could have a material adverse effect on our business.

Our future growth and performance are dependent on our ability to expand our business in certain areas of transport and jurisdictions and to retain and establish new alliances and joint ventures with key logistics partners.

Our intention is to carry on growing mainly by focusing on our most highly specialised operating segments, business activities and products, such as Food products' groupage services, transportation of high-value products, intermodal transport and transport of pharmaceutical and hazardous products. We also intend to grow by increasing our operations into certain jurisdictions or business lines where our current presence is reduced or where we are not present.

Our growth in such operating segments, business activities, products and jurisdictions depends on a number of exogenous factors, such as changes in regulations (see "*The UK's withdrawal from the EU ("Brexit")*"), the price competitiveness of local service providers (see "*We operate in a highly competitive and fragmented industry, and numerous competitive factors could impair our ability to maintain our current profitability and market position*"), and customer demand for other products, such as pharmaceuticals.

Another main factor that may affect our profitability and the expansion of our business is our ability to maintain our current strategic alliances and joint ventures and build new ones.

In this respect, we have already established strategic alliances and joint ventures with the following European transport partners:

- Primavia: a partnership with VIIA, a subsidiary of the French railway company SNCF MOBILITIES Primavia focuses our activities on international intermodal temperature-controlled transport, a combination of refrigerated road and rail transport of perishable goods between Spain and the rest of Europe. Primavia is a joint venture created to provide a formal legal framework to the commercial agreement entered into by us and VIIA. The majority of the intermodal operations facilitated by that agreement are directly invoiced to the relevant customer by our own Primafrio operating subsidiaries or by the VIIA group. As part of the intermodal transportation offering provided by Primavia to either VIIA's or our customers, we carry out the temperature-controlled road freight transport, while VIIA will provide access to the rail infrastructure and trains where trailers are loaded when the route foresees transport via train. The end customers enter into agreements with either VIIA or us for the entirety of the intermodal transportation service, and each partner will invoice the counterpart for the part of the service performed with their own resources. Our revenue from intermodal services facilitated by this alliance, which was accounted in Primafrio subsidiaries amounted to €8.6 million in 2020 and €5.1 million in 2019 (€2.9 million for the three months period ended March 31, 2021); and
- Primaver: a partnership with the French company Réseau Primever, which is a joint venture itself between STEF and Groupe SATAR. Primaver is specialized in food products groupage services from Spain and Portugal to France, combining fleet and logistics capabilities of Primafrio and Réseau Primever to provide services to our customers as one single partner. Primaver is a joint venture created to provide a formal legal framework to the commercial agreement entered into by us and Réseau Primever. The majority of the groupage operations facilitated by that agreement are directly invoiced by our own Primafrio operating subsidiaries or by Réseau Primever. We perform the temperature-controlled road transport to STEF facilities in France (our fleet's final destination) and STEF will provide the temperature-controlled last mile road transport within the French market that requires greater capillarity and direct contracts with French clients. Through this agreement, we avoid the historical intermediation of Perpignan to access the French market, which significantly reduces time to destination and ensures better quality to our customers on arrival, especially for perishable products such as fruits and vegetables, which are our core business. Consequently, the revenue facilitated through Primaver can be directly agreed between the end customers and Réseau Primever or us, and each partner will invoice the counterpart for the part of the service performed with its own resources. Total revenue generated by Primaver, and attributable to our provision of services, which includes mainly transportation services, accounted as equity method in our consolidated statements amounted to €1,7 million in 2020 (€1,2 million in 2019 and €1,5 million in 2018). In addition to that, this alliance provides additional revenues that are directly invoiced by our operating subsidiaries that provide the services to their end customers directly. Although we do not monitor specifically the revenues facilitated by this alliance in our Group, we have experienced an increase of 13% in our revenues with destination France in 2020, compared to the prior year (from €19.8 million revenues in 2019 to €22.4 million in 2020), which we believe is mainly a consequence of the opportunities brought by this alliance.

These strategic alliances allow us to access to 57 operational sites in other countries in Europe (36 crossdocking platforms and 16 logistics centres in France secured through the Primaver joint venture to use the facilities owned by Primever, our partner in this business alliance, as well as five logistics platforms for crossdocking in Germany which we secured access with the companies that own each of those facilities). In all cases, we have entered into commercial agreements to with the owners to receive "on demand" access to the different services available in such platforms that could be needed to run our operations in exchange for certain agreed tariffs. (See "*Business-*

Our joint ventures, Economic Interest Groupings and Other Group subsidiaries" for further detail). Disruption to the operation of these sites may arise for several reasons, including strikes and other industrial actions, prolonged power or equipment failures, conflicts with our partners, and other unforeseen events that may not be covered or may be in excess of our insurance coverage. Damage resulting from any of these events may take a considerable amount of time and expense to repair.

Disruption to the efficient operation of these sites or lack of access may affect our ability to fulfil our customers' requirements, or to do so profitably. The direct impact of the events described above and a prolonged period before rectification could have a material adverse effect on our financial condition, results of operations, prospects and reputation. In addition, if there were to be a significant disruption of operations at one or more of our key facilities and operations from these facilities could not be transferred or could only be transferred at very high cost to other locations, our results of operations, financial condition and prospects could be adversely affected.

Additionally, we compete for the availability of railroad services with other intermodal operators as well as certain industries reliant on the use of rail cars, such as the oil and automotive industries, where dependence on railroad capacity has increased significantly over the past several years. In most markets, rail service is limited to a few railroad companies or even a single railroad company. Any capacity constraints, changes in equipment requirements, service problems or reduction in service by the railroads with which we have a relationship, or may in the future develop such relationship, are likely to increase the cost of the rail-based services we provide and reduce the reliability, timeliness, and overall attractiveness of our intermodal services and our capacity to grow in this business line, which could adversely affect our revenue, results of operations and customer relationships. Furthermore, railroads are relatively free to adjust transport rates up or down as market conditions permit. Price increases could result in higher costs to our customers and reduce or eliminate our ability to offer intermodal services.

The following potential risks could exert a negative impact on our business and operating results, in particular with regards to the potential growth of our business: (i) failure to find new clients in such identified areas and jurisdictions where we are focusing our potential growth; (ii) failure to establish similar joint ventures to those currently in place for said areas of development; (iii) failure to maintain our existing joint ventures and/or a good relationship with our partners in those joint ventures; or (iv) difficulties with railroad services in relation to our intermodal business line.

Our success depends to a large extent on IT systems and technological developments. If we are unable to maintain efficient IT systems and protect our technological developments, our ability to provide cost effective services that meet customer demands and our business and results could be adversely affected.

Our operations and analytic capabilities are highly dependent on IT systems, networks and related processes, particularly with respect to our Groupage segment, which accounted for 24% of our 2020 revenue. In addition, our business model relies on certain IT and related developments that we have incorporated into our processes and trucks and that enable us to provide a quality service to our clients and save on costs. For example, we have introduced certain IT programs that allow us to improve the trucks' load management and enable our trucks to optimise routes to reach their destination (contributing to our reduction of fuel costs as a percentage of revenue from 22% in 2019 to 17% in 2020). We have installed certain hardware and on-board control cards into our trucks that allow us to be in permanent contact with our drivers and constantly monitor the condition of our trucks while they are on the road (allowing us to be better prepared in case any contingency arises), we have developed a fuel tender app through which our suppliers of fuel tender on a daily basis the price at which they are willing to offer fuel to us and we have established a contact centre which allows us to be in constant contact with our clients and our drivers.

The proper functioning of our IT systems, networks and related processes depends to a large extent on global IT and communication providers, telephone systems, and global and local internet infrastructures that may be subject to significant system failures and similar disruptive events.

In addition, such systems, networks and processes can be disrupted by system outages, power outages, deliberate cyber-attacks or sabotage, computer viruses, hacking, software errors and physical damage. There can also be failures of the hardware or software that supports these systems, networks and processes that can lead to the loss of data contained therein or the inability to access or interact with our websites or to connect with our customers electronically. Lastly, for the supply of software and the maintenance of software and hardware, we rely, to a large extent, on outside suppliers, and our IT structure could therefore be adversely affected by failures of such third-party suppliers to comply with their contractual obligations or by third-party suppliers terminating their business or significantly increasing their prices.

If we are unable to maintain a proper functioning of our IT systems, networks and related processes or if they are affected by significant failures and disruptive events such as the ones described above, our operations and our business could be severely affected and this could have negative consequences with respect to our clients such as losing freight orders, severe reputational damage and even losing customers. We could also lose part of our

competitive advantage and incur higher costs. All this can lead to our financial situation and cash flow being adversely affected.

Additionally, our ability to compete effectively depends in part on the maintenance and protection of our technological innovations and the know-how required for our day-to-day operations. In this respect, we believe that part of our competitive advantage vis-à-vis other transport/logistics operators is derived from several technological advances that we have developed internally (we have an internal R&D team of approximately 20 people – see “*Business-Research and Development*”) and through alliances and agreements with OEMs, universities and technological centres. If we are unable to maintain such relationships with our development partners, or to develop new relationships, our ability to innovate could be materially adversely affected.

Although we have put in place certain measures to protect our technological and industrial advances, various elements of them are not covered by patents or patent applications (or may not be patentable at this time), or other intellectual property rights, and therefore our business and results may be affected if our competitors incorporate these elements and know-how into their processes and we thus lose part of our competitive advantage over them.

Our food products business is particularly susceptible to adverse local conditions and is dependent on our temperature-controlled warehouses.

A significant proportion of our revenue (75% in 2020) is derived from our Food products business that we operate through both FTL and Groupage segments. Our business model in this sector consists mainly of the transportation of these products from their production centres, concentrated in the south of Spain (Murcia - fruit and vegetables - and Huelva - red fruits such as strawberries) and Portugal to different parts of Spain and other European countries (primarily to Germany, the UK and France, but also other countries). Prior to their distribution, in the case of our Groupage segment revenue, which represented 24% of total revenue in 2020, Food products are collected from the production areas, transported to our temperature-controlled warehouse in Alhama to consolidate pallets in that warehouse and ship the goods to different locations for one client or various clients in the same truck. We also use the other five warehouses we operate in the Iberian Peninsula to consolidate products or complete truck loads if required, in order to maximize efficiency in our operating segments (Full Truck Load or Groupage). These are not temperature-controlled warehouses.

Accordingly, we are exposed to the risk of adverse changes in local conditions in the regions where the Food products that we transport (mainly fruits and vegetables) are produced, such as natural disasters, agricultural plagues, climate change, floods, frost or the increasing significance of emerging countries in the market, whose price competitiveness and food quality could rival those of Spain and Portugal. These matters could have an adverse effect on the producers of this area, which could in turn have a material and adverse effect on our business, results of operations, financial condition and prospects.

Major contingencies affecting our temperature-controlled warehouses could have an adverse effect in this area of business. There is no assurance that our warehouses could not be subject to electrical power and water supply outages and breakdowns of our refrigeration equipment. Although we attempt to limit exposure to such risks by using backup generators, power supplies and other measures (including the self-production of renewable energy to avoid disruption to our operations and an artificial water reservoir in our main warehouse in Murcia) we may not be able to limit our exposure entirely even with these protections in place. This may have negative consequences for the products stored therein (changes in humidity and temperature could spoil or otherwise contaminate the frozen and perishable food and other products stored in our warehouses), which could lead to incurring costs, penalties, contractual claims and lawsuits, which may not be covered by insurance or which may take insurance companies a long time to refund. Any loss of services or product damage could reduce the confidence of our customers in our services and could consequently impair our ability to attract and retain customers. Additionally, in the event of the complete failure of our refrigeration equipment, we would incur significant costs in repairing or replacing said equipment, which may not be covered by insurance. Any of the foregoing could have a material adverse effect on our business, results of operations, financial condition and prospects.

Inability to secure third-party suppliers to partially provide our transportation services may adversely affect our ability to serve our customers.

We maintain our own transportation network and monitor our truck fleet capacity to provide road freight transportation services to our customers. However, during periods of peaks in demand, we rely on third-party transportation service providers to carry out a portion of our contracted services. In 2020, we recorded €51.8 million in cost of sales for outsourcing road freight transportation services, which represented 11% of revenue and 14% of operating expenses (€59.9 million, or 14% of revenue and 16% of operating expenses in 2019, and €51.3 million, or 14% of revenue and 15% of operating expenses in 2018). Our ability to serve our customers thus depends in part on the availability of a limited number of suppliers that can ensure the sufficient quality of these services and offer acceptable prices. We do not have exclusive or long-term contractual relationships with any of these third-

party trucking service providers, and we can provide no assurance that our customers will have uninterrupted or unlimited access to their transportation services when needed in case of our lack of internal capacity.

Any delays or disruptions in providing these transportation services to our customers could reduce the confidence our customers have in our ability to provide transportation services and could impair our ability to retain existing customers or attract new customers. Moreover, in connection with any such delays or disruptions, or if customers' products are damaged or destroyed during transport, we could incur costs, penalties, contractual claims and lawsuits. Any of these risks could have a material adverse effect on our business, results of operations, financial condition and prospects.

Furthermore, the discontinuation of commercial relationships with our major third-party transportation service providers, their bankruptcy, significant changes in the scheduling, pricing, payment terms and service policies of our suppliers, general shortages in available transport capacity or material interruptions in services or stoppages in transportation, all may adversely affect our business, results of operations, financial condition and prospects.

Delays in the provision of committed trucks and trailers by the limited number of suitable OEMs may cause shortages in operations, disruptions in the provision of our services and hinder flexibility in case of supplier concentration.

We enter into lease agreements with major truck and trailer OEMs (Original Equipment Manufacturers) and financial institutions in order to satisfy demand, and to ensure the constant renewal of our truck fleet, as the youth of our fleet is among our key competitive advantages. These trucks and trailers are customized to our business and incorporate some of the technological advances that we have developed internally or with the OEMs. We select OEMs through a competitive tendering process and are not under long-term obligations to lease equipment from particular third parties.

Circumstances may arise that could result in delays in the manufacturing and provision of those vehicles, including shortages in critical manufacturing lines due to strikes, mechanical breakdowns, electrical outages, fires, explosions as well as logistics complications due to, among other factors, the weather or the current COVID-19 pandemic.

Any delays in the provision of committed trucks and trailers by the suppliers may cause disruptions in our provision of services to our customers and could have a material negative effect on our business, results of operations, financial condition and prospects.

As of December 31, 2020, we used the following trucks by OEM:

- DAF 38%
- Scania 25%
- Mercedes 24%
- Volvo 13%

As for our trailers, our main provider as of today is Krone Trailer España, S.L.U. (a third party not related to the Selling Shareholder or its shareholders), from which 88% of our trailers are manufactured, although we also have smaller volume agreements with other suppliers such Lecitrailer or Sor.

The consequences of delays could include a reduction in flexibility, less bargaining power as well as greater dependency due to limited choice of available suppliers.

Our activity is subject to seasonal fluctuations.

The food sector, especially fruit and vegetables, is affected by seasonality, with our drivers moving across Iberia according to the location of the fruits and vegetables in season. Given the high volume of our business that fruit and vegetable transport represent for us, seasonality has an impact on our revenue and profits. Revenue amounted to €126.4 million in the first quarter of 2020 (peak strawberry season), €132.9 million in the second quarter, €60.9 million in the third quarter and €137.4 million in the fourth quarter (peak citrus season). The drop in third quarter revenue is due to reduced production of high value-added foodstuffs (such as berries) during that part of the year. In addition, the third quarter coincides with the summer season in Europe, which is the most agriculturally productive period as a result of the warm weather. In general terms, during the summer months, other European countries increase their domestic fruit and vegetable production, reducing demand for imported food from Spanish producers. The wide variety of products we move, and the seasonal character associated with them, especially fruits and vegetables, mean that we must pay close attention to optimising asset utilization. As part of this monitoring, we adapt our capacity during the year based on that seasonality, considering when our fleet lease contracts expire and the renewals. We also monitor our personnel, specially our direct employees, by considering holidays for our drivers in the lower activity months, as well as by reducing the interim contracts. In addition, we also monitor our cash and

working capital based on that seasonality, ensuring that there is sufficient liquidity to make required payments throughout the year.

If we fail to adapt the operational and financial management in our business to seasonal fluctuations, it could adversely affect our business, results of operations, financial condition and prospects.

Risks related to our industry

We operate in a highly competitive and fragmented industry, and numerous competitive factors could impair our ability to maintain our current profitability and market position.

We compete with many other road freight transport carriers that provide transportation services of varying scale, including international companies that are trying to increase operations in the markets where we are present and that compete directly with us.

In the market for the transport of exported goods from Spain to other European countries using temperature-controlled trucks, there are three other players with a fleet over 1,000 trucks (source: Alimarket). Additionally, we estimate that there are more than 60 small players in the market, with fleets of less than 400 trucks, according to publicly available information.

As for our foreign competitors, there are at least seven other global players in Europe specialized in the transport of fruits and vegetables (where we are specialized) (source: Mordor intelligence).

These competitors could potentially be more widely known than us, have a greater capacity to enter into business relationships with new clients, have more equipment, offer a wider range of services, have access to greater capital resources than we do or benefit from other competitive advantages. Many of our competitors periodically reduce their freight rates to gain business, especially during times of reduced growth rates in the economy, which may limit our ability to maintain or increase freight rates or maintain significant growth in our business. In addition, many customers reduce the number of carriers they use by selecting so-called "core carriers" or approved service providers or conduct bids from multiple carriers for their shipping needs, and in some instances, we may not be selected as a core carrier or to provide services under such bids. Some of our customers also operate their own private trucking fleets, and they may decide to transport themselves more of their own freight. We also compete with other modes of transport that we do not offer at present such as air or sea.

Although the temperature-controlled freight transport industry in Europe is fragmented, with the top five players accounting for an estimated 35% of the market in 2019 according to data gathered from SABI, E-informa, and Alimarket, it is experiencing a trend toward consolidation. This trend could lead to the emergence of other large carriers with greater financial resources and other competitive advantages relating to their size. Competition from freight groupage and brokerage companies may negatively impact our customer relationships and freight rates.

Furthermore, smaller carriers may aggregate and coordinate amongst themselves their procurement and groupage activities in order to benefit from the gains derived from such economies of scale. This may consequently improve such carriers' ability to compete with us.

There are also certain jurisdictions where we already operate at a lower scale, but we may intend to expand our operations in the future, where there is a higher competitiveness of local (lower) rates (such as Eastern Europe).

In order to avoid this competitive pressure on prices, we have positioned ourselves as a high-quality company with a network capable offering a high-frequency, flexible, fast and reliable service, incorporating into our fleet and processes the latest technological advances so as to improve the service we provide to our clients. We strive to be an ESG leader that can provide premium quality services to our customers that other entities cannot provide (such as groupage and transportation of hazardous and pharmaceutical products). However, if we fail to position ourselves in the premium range of the temperature-controlled market, and if there are other competitors that can adapt their businesses to be able to compete with us, this could adversely affect our business, results of operations, financial condition and prospects.

The UK's withdrawal from the EU ("Brexit")

The UK's withdrawal from the EU could also have a material adverse effect on our business, results of operations, financial condition and prospects. Because the UK is now outside the EU's Single Market and Customs Union, our ability as a transport company to move goods from, to and through the UK (excluding Northern Ireland) is subject to a range of new customs formalities and other regulatory requirements. New documentation requirements create an exogenous barrier to entry into the UK market, as compliance is necessary to be able to board ferries to and from the UK. In 2020 the UK accounted for 9% of our revenue (€41.0 million).

The European Union and the UK have entered into the EU-UK Trade and Cooperation Agreement ("**TCA**"), which provides a new economic and social partnership between the parties (including zero tariffs and zero quotas on all

goods that comply with the appropriate rules of origin). The TCA, which came into force provisionally on 1 January 2021, is a new, unprecedented arrangement between the EU and the UK, and there is some uncertainty as to its operation and the manner in which trading arrangements will be enforced by both parties. Each can invoke trade remedies (such as tariffs and non-tariff barriers) against each other in certain circumstances. Any such remedies could cause trading disruption, which could have a significant impact on economic activity in the EU and/or the UK, which (in turn) could have a material adverse effect on our business, results of operations, financial condition and prospects.

Since December 31, 2020, we have seen slight negative effects of Brexit on imports, as there has been generally less export out of the UK to the rest of Europe (including Spain and Portugal) than in the prior period. In the export of goods from Spain and Portugal to the UK, we have seen significant growth from €11.5 million in revenues with destination in the UK in Q1 2020 to €16.8 million revenues in Q1 2021, as we have taken a competitive advantage after Brexit by working with a leading customs office to ensure smooth border transit for our clients.

The COVID-19 pandemic and possible similar future outbreaks could adversely affect our business and results.

The COVID-19 pandemic has caused significant damage and changes in the day-to-day life of a large portion of the global population and is having significant effects in the economy, and it has many implications in all of society, which are still difficult to estimate at this stage.

In response to this situation, different governments have taken numerous measures, which include states of emergency in various countries, travel restrictions, quarantines and closure of institutions and companies. As a consequence of these restrictions, there can be significant changes in our customers' demand, as well as difficulties in providing our services.

Future increases in the impact of the pandemic within the countries where we operate could affect our employees and our facilities and could reduce the ability of our personnel to carry out their work and thereby affect operations. In addition, any quarantine or spread of virus may affect the possibility of our customers or suppliers to carry out their operations, which in turn may adversely affect the demand for our services or our ability to service our customers.

While to date COVID-19 has not had a major negative impact on our activities (as demand for fresh fruits and vegetables has remained relatively stable since the beginning of the pandemic and the transport of food products was declared as an essential service in Europe, allowing us to continue our operations without significant interruption), the final effects of the COVID-19 pandemic are still difficult to assess at this stage, and it is possible that it will have substantial negative effects on global economic conditions. Such effects may also arise in case of potential future outbreaks. Uncertainty about global economic conditions poses a risk as consumers and businesses may postpone or reduce spending, which could have a material negative effect on demand and pricing for freight forwarding and logistics services. Our revenue and gross margins^{APM} are dependent upon this demand.

Our business is subject to general economic and business factors, especially those affecting the jurisdictions where we are present that are largely beyond our control, any of which could have a material adverse effect on our operating results.

Our business is dependent on general economic and business factors affecting the freight industry that may have a material adverse effect on our results of operations, many of which are beyond our control. These factors include excess capacity in the trucking industry, strikes or other work stoppages, fuel taxes, fuel prices, and license and registration fees. We are affected by recessionary economic cycles and downturns in customers' business cycles, particularly in market segments and industries where we have a significant concentration of customers (i.e. in the Food products business).

We are also exposed to general economic conditions, in particular to slowdowns in the economic activity in our principal markets: Germany, Spain, the United Kingdom, Portugal and France, which together accounted for 80% of our revenue in 2020. In its April 2021 World Economic Outlook Update, the International Monetary Fund stated that real GDP in Europe declined in 2020 compared to 2019 by 5.2%, with Germany declining 4.9%, Spain 11.0%, the United Kingdom 9.9% and France 8.2%. This adverse impact will partially be offset in 2021, with a real GDP increase expected in Europe of 4.5% compared to 2020, with Germany increasing 3.6%, Spain 6.4%, the United Kingdom 5.3% and France 5.8%, but the same levels of GDP pre-COVID are not expected to be achieved in Europe until the end of 2022 or 2023 for some countries. Economic conditions may adversely affect our customers and their ability to pay for our services, leading to decreased demand for our services and price pressure on us to make our prices more competitive. If consumer confidence declines and domestic spending decreases in these countries, our revenue would be reduced and we may need to incur additional indebtedness to fund working capital^{APM} requirements, make investments, or for general corporate purposes.

Our business is also directly affected by the volume of international and domestic trade in countries in which we operate. Changes in economic conditions and trade volumes could adversely impact our customers, which could in turn impact their demand for our services and the terms on which the group provides services to our customers leading to decreased revenue, profitability and cash flows and could impair our ability to maintain operations and fulfil our obligations towards others or deter us from entering new markets. In addition to a weaker export business, lower domestic demand may also lead to a slowing economy in certain countries.

These factors could adversely affect our business, results of operations, financial condition and prospects.

Legal and regulatory risks

We have entered into significant related party transactions in the ordinary course of our business

In addition to the related party transactions for the lease of our six logistic sites in the Iberian Peninsula (see *A substantial and relevant part of our business depends on contracts entered into by the Company or its group companies with related parties*), we have entered into other related party transactions in the ordinary course of business (see *“Related Party Transactions”*). These related party transactions are performed on an arm's length basis and transfer prices are adequately supported based on the requirements established by current tax regulations. Thus, although prices have not been assessed by a third party, (except for the Sale and lease-back of Alhama facility which was assessed by an independent expert- see *“Material Contracts”*), we consider that there are no material risks in this respect that might give rise to significant liabilities in the future.

Balances with related parties referred to accounts receivables and other financial assets amounted to €3.4 million, €3.2 million and €16.1 million in 2020, 2019 and 2018, respectively, and represented 1%, 1% and 7% over total consolidated assets at each of the respective years. In addition, accounts payables and other financial liabilities with related parties amounted to €1.4 million, €5.6 million and €15.2 million in 2020, 2019 and 2018, respectively, and represented 1%, 5% and 11% over total consolidated liabilities at each of the respective years.

Transactions with related parties referred to revenues and services rendered amounted to €3.0 million, €3.3 million, €0.9 million for the years ended 2020, 2019 and 2018 respectively, and represented 1%, 1% and 0.2% over consolidated operating income for each of the respective years. Additionally, supplies and services received and current leases with related parties amounted to €12.7 million, €12.0 million and €6.4 million for the years ended 2020, 2019 and 2018 respectively, and represented 3%, 3% and 2% over consolidated operating expenses for each of the respective years.

In 2020, we recorded an operating expense of €3.1 million (€2.9 million in 2019 and €2.3 million in 2018) with respect to management fees charged by the Selling Shareholder, which include both the Senior Manager administration, and operational charges to the Group, as the majority of the personnel providing managing and administrative functions for the whole Group were employees of the Selling Shareholder until the end of 2020, when we started a reorganization of the Group. In 2021, as indicated in Note 17 to the Audited Consolidated Financial Statements, the majority of this personnel was transferred to the Company, in order to provide the Group with its own operational structure, Primafrío has incorporated (between March and June 2021) 56 employees in March and 10 employees in June 2021 into its workforce who were previously employees of the Selling Shareholder and who provided administration and management services to the Group that were invoiced annually by the Selling Shareholder to the Company. These workers have been subrogated with all their pre-existing rights and obligations (seniority, salary, etc.) and they are now for all intents and purposes employees of Primafrío and will provide administration and management services to the Group. Consequently, only a group of 16 persons currently remain as employees of the Selling Shareholder providing the following services to Primafrío and other companies of the Group: insurance management, quality management and workplace risk prevention, labour advice, IT services and other minor administrative services. The agreement envisages the provision by the Selling Shareholder to the Company and other beneficiary Group companies (Primafrío, S.L., Green Express Line, S.L., Primavia Europe, S.L., Renta Frío Truck and Trailer, S.L., and Amodo Mio Logist Cargo, S.L.) of management and administrative services. In consideration for the services provided by the Selling Shareholder, the beneficiaries of the services must pay to the Selling Shareholder a fee of approximately 39 thousand euros per month.

We have also entered into other related party transactions with our joint ventures Primavia and Primavera in 2020. Logistics and transport services under CMR (*Convention Relative au Contrat de Transport International de Marchandises par la Route*), an international agreement that contains the rights and obligations of parties involved in road transport contracts. *Revenues and services rendered* from Jointly controlled entities, amounted to €0.7 million in the first quarter of 2021 and €2.8 million, €3.1 million and €0.9 million in the years ended 2020, 2019 and 2018, respectively, mainly correspond to transportation services, as well as to the leasing of tractors and trailers provided by Group companies to Primavia. The *Supplies and services received* from Jointly controlled companies, amounted to €2.7 million in the first quarter of 2021 and €3.0 million, €6.3 million and €1.0 million in the years ended

2020, 2019 and 2018, respectively, correspond mainly to road and intermodal transportation services subcontracted to Primavia (amounted €7.3 million in 2020) as well as services billed by Primavera due to the use of the logistic sites (amounted €0.7 million in 2020) (see Note 12 to the Audited Consolidated Financial Statements).

We have also granted during 2020 a credit line up to €2 million to the related party Primafrio US LLC, a fully owned subsidiary company of the Selling Shareholder, for which the balance drawn as of December 31, 2020 amounted to €0.9 million. This credit line has a duration of five years with an interest rate of 1% per annum payable annually commencing on March 18, 2020. This credit line was granted for the event that Primafrio US LLC needed to undertake some investment, but it is unused at the current time.

On March 1, 2021, Primafrio, S.L. entered into a workshop service contract with the Selling Shareholder for the provision of trailer maintenance and repair services for a five-year period (see "*Related Party Transactions*"). These services are provided on an ad hoc basis and are ancillary to the maintenance services that are included in the contracts held with the OEMs. In consideration for the services provided by the Selling Shareholder, Primafrio, S.L. must pay to the Selling Shareholder a fee of approximately 33.4 thousand euros per month.

On March 22, 2021 the Selling Shareholder acquired for €0.2 million a 11% stake in CTC, a joint venture that has other eight other partners (BASF Española S.L.U., Contank S.A., Hoyer España, S.A., Tradilo Inversiones, S.L., Schmidt Holding GmbH, Kombiverkehr Deutsche Gesellschaft Für Kombinerten Güterverkehr Mbh & Co. Kg, Salvat Logística S.A.U. and Logística Suardiaz, S.L.). This 11% stake in CTC will be transferred by the Selling Shareholder to the Company by virtue of a contract of sale granted by both parties on June 8, 2021, which is subject to the condition (*condición suspensiva*) that the general shareholders meeting of CTC to be held on June 14, 2021 authorises such transfer. This 11% stake in CTC will be transferred by the Selling Shareholder to the Company for €0.4 million (the €0.2 million initially paid plus €0.2 million contributed to the net equity of CTC by the Selling Shareholder on April 15, 2021), therefore, no gain or loss will arise.

We will also enter into other related party transactions regarding the incrementation of the logistics capacity in some of the logistics centres we currently operate (works have just started in our centre in Lepe to increment our logistics capacity in 1,300 sqm and we expect to start works in the next month in our centre in Azambuja to increment our logistics capacity in 37,000 sqm). We are also planning the construction in the mid-term of two new logistics centres in Algeciras and in the north of France, near the German border. Except for our centre in Alhama whose investments were performed by us, all these investments described herein, will be performed similarly to our current logistics centres, where the investment is performed by our Selling shareholder or other related parties, who will own the centres and will subsequently lease them to us, in exchange of an annual rental calculated on arm's length conditions.

Prices for related party transactions are determined based on an analysis of comparable market prices performed by management and a subsequent approval of the administration body of the corresponding company (except for the Sale and lease-back of Alhama facility which was assessed by an independent expert- see "*Material Contracts*").

Although we believe that our related party transactions have been entered into on an arm's length basis, it is not possible to confirm this for certain, as the information necessary to ascertain this would need to come from unrelated third parties. In addition, we may be subject to transfer pricing adjustments if relevant authorities determine that transactions with related parties have not been priced on an arm's length basis. The Audit Committee will review and inform these related party transactions and submit them for their approval by the Board of Directors or the General Shareholders' Meeting, as applicable.

We are in the process of approving a risk control and management policy and creating an internal control function

According to the Good Governance Code of Listed Companies (the "**Corporate Governance Code**") approved by the board of the CNMV on February 18, 2015, as amended in June 2020, Recommendations 45 and 46, listed companies should have in place a control and management policy and a specific internal control function in charge of, amongst others, ensuring that risk control and management systems are functioning correctly and that the major risks that companies are exposed to are correctly identified, managed and quantified.

As of the date of this Prospectus, we do not yet have in place such control and management policy or an internal control function, but we plan to have them in place before October 31, 2021. Likewise, we intend to adopt policies and develop procedures and systems that will assist us in the implementation of best practices, paying particular consideration to the recommendations and procedures on control of financial information set by the CNMV in its Internal Control over Financial Reporting System (*Sistema de Control Interno sobre la Información Financiera or SCIIIF*). These procedures and system are expected to be approved before October 31, 2021.

We are subject to numerous laws, regulations and policies at national, regional and local levels of government in the markets where we do business.

The transport sector is a highly regulated sector due to its strategic importance to the functioning of numerous industries and services and its interrelationship with other activities subject to significant regulations, such as those relating to road transport (including the transport of hazardous and pharmaceutical products and accident prevention), food handling, product safety and quality, environment and the regulation of working hours and conditions. In addition, we operate across a range of international locations that have different and specific regulations, such as France, Germany, Italy, Portugal and the UK, which adds complexity to our activity. Accordingly, we incur, and expect to continue to incur, substantial costs to ensure compliance with an increasingly complex and multi-layered legal regime at a national and supra-national level, including costs to:

- maintain strict compliance with applicable health and safety regulations applicable to our employees (including those relating to the limitation of our drivers' driving hours);
- maintain strict compliance with food handling regulations;
- comply with ever-stricter climate change and greenhouse gas emissions regulations;
- modify or extend business licenses and permits (including for the transportation of certain products, such as pharmaceutical and hazardous goods); and
- handle and dispose of waste materials.

See "*Regulation*" for a more detailed description of the regulatory framework within which operate.

Although fuel costs decreased in 2020 by 14% compared to 2019, we may in the future face potential cost increases due to carbon taxes or increased fuel efficiency regulations on the truck industry. For this reason, we work towards the further development of technological systems that optimise the consumption of fuel and the management of fuel prices.

We may also be the subject of investigations conducted by local, regional, national or supranational regulatory authorities, including on competition matters (such as the Spanish National Markets and Competition Commission (the CNMC)). We are also subject to tax inquiries and investigations in the ordinary course of business.

The laws and regulations to which we are subject may change over time, sometimes frequently and unexpectedly. We are unable to predict future changes to any of the laws or regulations applicable to our business or to their interpretation. This uncertainty could result in increased compliance costs or the need for additional capital expenditures.

Failure to adapt to environmental concerns and regulatory change could expose us to fines, project delays and reputational harm.

According to the European Environment Agency (the EEA), despite the fact that air pollution from transport has decreased over the last decade due to the introduction of fuel quality standards, European vehicle emission standards and the use of cleaner technologies, concentrations of air pollutants are still too high in Europe.

Although in recent years we have devoted significant resources to reducing our carbon footprint by incorporating technological advances into our trucks and our processes (see "*Business-Research and Development*") we cannot anticipate any potential additional requirements that regulators, clients and investors might request from freight companies like us in terms of the reduction of our environmental impact (taking into account our high fuel consumption).

Such additional requirements could expose us to higher costs and our failure to adapt to increased social awareness and client expectations, could trigger a reduction in the amount of future work opportunities, including with strategic clients and within our current joint ventures.

Risks related to our financial situation

To continue with our young-fleet policy and with the expansion of our operations, we must be capable of securing third-party financing on favourable terms.

The truckload industry is capital intensive and our policy of operating a young truck fleet requires us to expend significant amounts annually as lease payments. In 2020, we recorded a €34.3 million depreciation charge in relation to the right of use of assets recorded under IFRS 16 with respect to the lease contracts (most of the lease contracts relate to all of our fleet leasing arrangements over our trucks and trailers). We made payments of €35.4 million in 2020 towards such leasing arrangements. Our total debt in relation to these leasing arrangements as of

March 31, 2021 was €76.3 million (€81.1 million as of December 31, 2020, €72.4 million as of December 31, 2019 and €68.2 million as of December 31, 2018).

On December 9, 2020, the Group subsidiary Primafrío, S.L. entered into a note purchase and private shelf deed with the Prudential Insurance Company of America and certain companies of its group (the "**Pricoa Notes Agreement**"). Pursuant to the Pricoa Notes Agreement, Primafrío, S.L. has issued:

- €50 million 2.15% Series A Guaranteed Senior Notes on which the interest is payable semi-annually and maturing on December 11, 2032; and
- €25 million 2.15% Series B Green Guaranteed Senior Notes ("**green bonds**") on which the interest is payable semi-annually and maturing on December 11, 2032. This tranche fulfills the "Green Loan Principles" published by the Loan Market Association in May 2020.

The proceeds of the Series A Guaranteed Senior Notes were used for general corporate purposes. The proceeds of the green bonds were used for green capital expenditure as well as work on energy transition and logistics transformations. The notes are not listed on any securities exchange.

In addition to the amounts issued, during the three years from the date of the Pricoa Note Agreement, Primafrío, S.L. may make requests to the note purchasers for the purchase of additional senior promissory notes (shelf notes), up to a maximum aggregate amount of \$61.0 million (approximately €50 million at current exchange rates). The shelf notes would bear interest at a rate agreed by the parties and would have a maximum maturity of 12 years and 6 months. The note purchasers do not have any obligation to purchase shelf notes. In total, Pricoa Notes Agreement has available €125 million, of which €75 million have been withdrawn at the date of this Prospectus, and €50 million are available to be disposed if required by us.

Under the Pricoa Notes Agreement, the Company agrees to ensure compliance with the following financial covenants, which are tested in respect each 12-month period ending on the last day of each June and December (a "**Relevant Period**"):

- **net leverage** shall not exceed 2.50:1 (certain exceptions are allowed for acquisitions. (See "*Material contracts*" section for further details);
- **interest coverage** shall not be less than 4.00:1. Interest cover is defined in the agreement as the ratio of EBITDA^{APM} to finance charges, as each of those terms is defined in the agreement; and
- **debt to equity ratio** in respect of the last day of any Relevant Period ending prior to or on December 31, 2022 shall not exceed 2.00:1, and in respect of the last day of any Relevant Period thereafter shall not exceed 1.80:1. Debt to equity ratio is defined in the agreement as the ratio of total net debt to consolidated equity, as each of those terms is defined in the agreement.

These financial ratios are not APMs. They are calculated on the basis of definitions agreed in the Pricoa Notes Agreement and may not be comparable to similar APMs presented elsewhere in this Prospectus.

The Pricoa Notes Agreement provides for additional customary negative covenants. These include a restriction on the disposal of fixed assets, which, subject to certain exceptions, prohibits the disposal of more than 10% of total consolidated fixed assets in any given year, and the disposal of more than 30% of total consolidated fixed assets over the life of notes issued under the agreement. In the event disposals exceed these limits, the excess proceeds must be reinvested in fixed assets or used to repay senior indebtedness of the Group. The Pricoa Notes Agreement also restricts the payment of dividends and similar distributions unless no event of default has occurred under the agreement and net leverage for the most recent Relevant Period does not exceed 2.00:1.

As of December 31, 2020, and March 31, 2021, the Group satisfied all the relevant covenants.

Under the payment schedule of the Pricoa Notes Agreement, Primafrío, S.L. shall repay €15 million of principal of Series A and Series B notes every December 11, from 2028 until 2032, of which (i) €10 million corresponds to Series A notes, and (ii) €5 million to Series B notes. Primafrío, S.L. may prepay the notes at its option at any time upon payment of a make-whole amount. It may also prepay at par plus accrued interest upon the occurrence of certain changes in tax laws. Noteholders may require Primafrío, S.L. to prepay the notes in the event the Company or certain group companies become subject to certain sanction or upon a change of control of the Company, which is defined as (i) the Conesa family (Mr. Juan Ignacio Conesa Alcaraz; his wife; and his brother, Mr. José Esteban Conesa Alcaraz, as defined in the agreement) ceasing to own, directly or indirectly, at least 51% of the Company or otherwise losing the power to direct the management of the Company, and (ii) the Company ceasing to own 100% of Primafrío, S.L. Upon a change of control, Primafrío, S.L. would be required to make an offer to repurchase the outstanding notes at a premium.

The Pricoa Notes Agreement contains also customary events of default (See "*Material contracts*" section for further details).

The obligations under the Pricoa Notes Agreement are secured by a personal guarantee (configured as first demand guarantee) granted by each the Company, Doctrans-Transportes Rodoviarios de Mercadorias, Lda. and Lamision Sociedade de Transportes, Lda, under the terms and conditions set forth in the Pricoa Notes Agreement. Any member of the Group that becomes a material company (being a subsidiary of the Company that has revenue, earnings before tax, depreciation and amortisation or gross assets representing 5% or more of the revenue, EBITDA^{APM} or gross assets of the Group) shall become a guarantor. Our Consolidated Financial Statements incorrectly reflected that the debt was secured by the shares of certain subsidiaries within Primafrio Group. However, the above description of the guarantees is accurate, based on the clauses of the signed contract.

Considering all the above debt, net of our cash and cash equivalents, our Net financial debt to EBITDA^{APM} ratio (see "*Operating and Financial Review-Additional Information-Alternative Performance Measures*" and "*Presentation of Financial Information-Alternative Performance Measures*") amounted to 0.9x, 0.9x and 1.14x for 2020, 2019 and 2018, respectively.

Although until the present date we have not relied on any other third-party financing for our operations, if we elect to expand our fleet in the future, or if there is a significant increase in prices to be paid for the renewal of our current equipment or the repayments of our debt facility, our capital needs would increase and we may need such third-party financing. In addition, we may need such third-party financing for the future expansion of our operations into other markets and the implementation of our growth strategy. Such financing could affect our ability to comply with the requirements under our current covenants.

Our ability to secure third-party financing depends on several factors, many of which are beyond our control, including general economic conditions, adverse changes in the debt or capital markets and the availability of funds from financial institutions. If we are unable to generate sufficient cash from our own operations and cannot obtain third-party financing on favourable terms in the future, we may have to limit our growth, enter less favourable financing arrangements, operate our truck fleet for longer periods of time or not be able to carry on incorporating new technological advances into our fleet to save fuel and CO₂, any of which could have a material adverse effect on our profitability.

In addition, increases in interest rates could adversely affect the amounts to be paid for new leasing arrangements relating to our trucks that will become necessary in the future (noting that leasing quotas are calculated based on implicit interest rates for 3-5 years financing at the beginning of each lease arrangement), as well as additional financing that could be required to secure our growth.

If we are unable to secure financing or enter into leasing arrangements on favourable terms, or at all, our growth opportunities would be limited and our business, financial condition, cash flow and result may be adversely affected.

Risks related to the Offering and the Shares

After the Offering, the Selling Shareholder will continue to be able to exercise significant influence over us, our management and our operations, and its interests may not be aligned with the interests of our other shareholders.

Immediately following the Offering, the Selling Shareholder will directly or indirectly hold approximately 75% of our issued share capital (assuming no exercise of the Over-allotment Option) or at least approximately 72.5% (assuming that the Over-allotment Option is exercised in full). As a result, the Selling Shareholder will continue to be in a position to effectively control, directly or indirectly, matters requiring shareholders' approval, including, among other significant corporate actions, the appointment and dismissal of the members of our Board of Directors, the payment of dividends, changes in our issued share capital, the adoption of amendments to our By-Laws, the execution of mergers or other business combinations and the acquisition or disposal of substantial assets. The Selling Shareholder will therefore have the ability to, among other things, strongly influence and modify, directly or indirectly, our legal and capital structure, our management, and our business and day-to-day operations. We cannot assure you that the interests of the Selling Shareholder will coincide with the interests of the purchasers of the Shares.

Furthermore, the Selling Shareholder's significant ownership may delay or deter a change of control of our Company (including deterring a third party from making a takeover offer for our Company), deprive shareholders of an opportunity to receive a premium for their Shares as part of a sale of our Company, and affect the liquidity of the Shares, each of which could have a material adverse effect on the market price of the Shares.

Future issuances or sales of Shares after the Offering could negatively affect the market price of the Offered Shares.

Issuances or sales of a substantial number of Shares in the public market following the Offering, or the perception that such issuance or sale might occur, could adversely affect the market price of the Shares and/or our ability to raise capital through a future public offering of Shares. We have agreed, subject to certain limited exceptions, not to issue, offer nor sell any Shares during a period of 180 days following the Settlement Date without the prior written consent of the Joint Global Coordinators, subject to certain exceptions. The Selling Shareholder has agreed to similar restrictions, prohibiting sales of Shares during the 180 days following the Settlement Date. See "*Plan of Distribution*". Following the expiration of these periods, the Selling Shareholder will be free to sell Shares, and we will be free to issue new Shares through public or private offerings. Future issuances of Shares could dilute the percentage of ownership or interest of holders, and future issuances or sales of Shares could adversely affect the market price of the Shares.

Our Shares are exposed to trading risks and other external factors.

There is currently no public trading market for our ordinary shares prior to the Offering, and Admission should not be taken as implying that there will be a liquid market for the Shares. There can be no assurance that an active trading market will develop or, if one does develop, that it will be maintained. The failure of an active trading market to develop may affect the liquidity of the Shares. Our ordinary shares may therefore be difficult to sell compared to the shares of companies with more liquid trading markets and the share price may be subject to greater fluctuation than might otherwise be the case.

Furthermore, there is no assurance that the Offering Price will be indicative of the future price of our ordinary shares. Following the Offering, the price of our ordinary shares may not always accurately reflect the underlying value of our business. The price and value of our ordinary shares may decrease as well as increase, and investors may realize less than the original sum invested. The value of our ordinary shares may, in addition to being affected by our actual or forecast operating results, fluctuate significantly as a result of a large number of factors, some of which are specific to our operations and some, such as fuel prices, which are not within our control.

There is no assurance that we will pay dividends or the level of any such dividends in the future.

One of our mid-term management targets is our commitment to continue to pay dividends, in line with our historical levels. We have the intention to pay approximately a 60% pay-out ratio, calculated as dividends/ net income.

Our ability to pay any future dividends and their amount depends on, among other factors, our future business performance, the income from our subsidiaries, achieving sufficient distributable profits and balance our legal reserve according to Spanish law (Spanish corporate law requires companies incorporated in Spain to contribute at least 10% of their net income each year to a legal reserve until the balance of such reserve is equivalent to at least 20% of the respective company's issued share capital), our working capital requirements, restrictions included in our debt agreements, our planned investments and any applicable legal restrictions. The Pricoa Notes Agreement also restricts the payment of dividends and similar distributions unless no event of default has occurred under the agreement and net leverage for the most recent relevant period does not exceed 2.00:1. We also might not pay dividends if our directors believe this may result in any member of our corporate group being inadequately capitalized or if, for any other reason, our directors conclude it would not be in our best interests. See "*Dividends and Dividend Policy*".

As of March 31, 2021, our net leverage ratio was 0.84x, so we meet the restrictions under Pricoa Notes Agreement. We also expect to generate enough net profit and cash in 2021 to be able to fulfil the expected 60% pay-out ratio by the end of this year.

Shareholders in the United States and other jurisdictions may not be able to participate in future equity offerings and may have only limited ability to bring actions or enforce judgments against us or our directors.

Spanish corporate law provides for pre-emption rights to be granted to shareholders in the event of a share capital increase in our Company under certain circumstances. However, securities laws of certain jurisdictions may restrict our ability to allow participation by shareholders in future equity offerings. In particular, shareholders in the United States may not be entitled to exercise these rights, unless either the ordinary shares and any other securities that are offered and sold are registered under the U.S. Securities Act, or the ordinary shares and such other securities are offered pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act. We cannot assure prospective investors that any exemption from such overseas securities law requirements would be available to enable shareholders in the United States or other jurisdictions to exercise their pre-emption rights or, if available, that we will utilize any such exemption.

The ability of an overseas shareholder to bring an action against us may be limited under law. We are a public limited company (sociedad anónima) incorporated in Spain and all of our assets are located outside of the United States. The rights of holders of our ordinary shares are governed by Spanish law and by our By-Laws. These rights differ in certain respects from the rights of shareholders in comparable U.S. corporations and some other non-Spanish corporations. In addition, all our directors and executive officers are residents of Spain and a substantial part of their assets are located in Spain. Consequently, it may not be possible for an overseas shareholder to effect service of process upon us or our directors and executive officers within the overseas shareholder's country of residence or to enforce against us or our directors or executive officers judgments of courts of the overseas shareholder's country of residence based on civil liabilities under that country's securities laws. An overseas shareholder may not be able to enforce any judgments in civil and commercial matters or any judgments under the securities laws of countries other than Spain against our directors or executive officers who are residents of Spain or countries other than those in which judgment is made. In addition, Spanish or other courts may not impose civil liability on our directors or executive officers in any original action based solely on foreign securities laws brought against us or our directors or executive officers in a court of competent jurisdiction in Spain or other countries.

There can be no assurance that we will not be a passive foreign investment company for any taxable year, which could result in adverse U.S. federal income tax consequences to U.S. investors in our Shares.

In general, a non-U.S. corporation will be a PFIC for any taxable year in which (i) 75% or more of its gross income consists of passive income or (ii) 50% or more of the value of its assets (generally determined on a quarterly average basis) consists of assets that produce, or are held for the production of, passive income. For the purpose of the above calculations, a non-U.S. corporation that directly or indirectly owns at least 25% by value of the shares of another corporation is treated as if it held its proportionate share of the assets of the other corporation and received directly its proportionate share of the income of the other corporation. Passive income generally includes interest, investment income and gains from commodities transactions (other than certain active business commodities gains). Goodwill is treated as an active asset under the PFIC rules to the extent attributable to activities that produce active income. Cash is a passive asset.

We do not expect to be a PFIC for our current taxable year. However, the application of the PFIC rules to our Company is subject to certain uncertainties. In addition, our PFIC status is an annual factual determination that will depend on the manner in which we operate our business, the composition of our income and assets, and the value of our assets from time to time (which value may be determined by reference to the market value of the Shares, which may be volatile). Therefore, we may be a PFIC for any taxable year if our market capitalization declines while we hold a substantial amount of cash (including cash raised in this Offering). Accordingly, we cannot give assurance that we will not be a PFIC for any taxable year. We will not conduct annual assessments of our PFIC status. If we are a PFIC for any taxable year during which a U.S. investor owns Shares, the U.S. investor will generally be subject to adverse U.S. federal income tax consequences. See "*U.S. Tax Considerations—Passive Foreign Investment Company Rules*."

CERTAIN TERMS AND CONVENTIONS

As used herein, the following terms shall have the meanings indicated:

"**ADR**" is the acronym derived from the French name " Accord relatif au transport international des marchandises Dangereuses par Route ". Formally the Agreement of 30 September 1957 concerning the International Carriage of Dangerous Goods by Road, is a 1957 United Nations treaty that governs transnational transport of hazardous materials.

"**APMs**" means alternative performance measures.

"**app**" means application.

"**Board of Directors**" means the Board of Directors of the Company.

"**CAGR**" means compound annual growth rate.

"**Cash conversion^{APM}**" means Free operating cash flow (considered as cash flow from operating activities deducted by lease payments) divided by EBIT.

"**CNH2**" means Centro Nacional de Hidrogeno.

"**Committees**" means the Audit Committee, the Appointments and Remunerations Committee and the Innovation and Sustainability Committee of the Company.

"**CMR**" means *Convention Relative au Contrat de Transport International de Marchandises par la Route*, an international agreement that contains the rights and obligations of parties involved in road transport (the shipper, carrier and addressee).

"**CTC**" means Combi Terminal Catalonia, S.L., which is a Joint Venture in which the Selling Shareholder owns 11% and which also includes eight other partners, (BASF Española S.L.U., Contank S.A., Hoyer España, S.A., Tradilo Inversiones, S.L., Schmidt Holding GmbH, Kombiverkehr Deutsche Gesellschaft Für Kombinerten Güterverkehr Mbh & Co. Kg, Salvat Logistica S.A.U. and Logistica Suardiaz, S.L.), (77% is owned by seven of them (11% each) and 12% the remaining one). This Joint Venture was founded for the construction and operation of a train terminal in cooperation with the Port of Tarragona. This train terminal offers the possibility to change from the Spanish to the European gauge, connecting Tarragona via train line with Belgium, Italy and Germany as well as offering a train connection up to China. On an Iberian level, this terminal will be the connection with the Mediterranean Corridor, Madrid, Algeciras, and Portugal.

"**CPI**" means consumer price index.

"**EBIT**" means earnings before interest and tax and corresponds to the consolidated Operating Profit for the period as presented in the Audited Consolidated Financial Statements prepared under IFRS-EU.

"**EBITDA^{APM}**" means consolidated operating profit, less depreciation and amortization and less impairment and gains on the disposal of non-current assets.

"**EBITDA conversion^{APM}**" means implied % of the following calculation: $(EBITDA^{APM} - capex) / EBITDA^{APM}$

"**EIG**" means Economic Interest Groupings, An Economic Interest Grouping is a form of entrepreneurial cooperation contemplated in the EU legal system by which a corporate legal entity is created with the aim of performing/helping to perform the economic activity of its shareholders.

"**ESMA**" means the European Securities and Markets Authority.

"**Exports**" means our core business line which consists of FTL or Groupage services (mainly fruit and vegetables) from Spain and Portugal to other European countries.

"**ESG**" means Environment, Social and Governance.

"**EU**" means the European Union.

"**FTL**" means full truck load. Our FTL operating segment consists of the transportation of goods in complete trucks from origin to destination for a single client.

"**Groupage**" means the Group operating segment consisting of a logistics and transportation service, which covers picking up goods at different points of origin, consolidating the pallets in our temperature-controlled warehouses and shipping them in a single truck to the same customer in different destinations or different customers (i.e. loading in a single trailer different products for the same customer or for different customers).

"**Groupe SATAR**" means the French company that has jointly created the Réseau Primever joint venture with STEF.

"**headquarters**" means the Company's headquarters located in Murcia, Spain.

"**IRU**" means the International Road Transport Union, a world road transport organization founded 70 years ago in Geneva to facilitate trade, international road transport and passenger mobility, and to support sustainable development worldwide.

"**IFRS-EU**" means International Financial Reporting Standards as adopted by the European Union.

"**LNG**" means liquefied natural gas.

"**LTL**" means Less than Truck Load, which is similar to our Groupage business although not identical, as it consists of combining small loads for more than one client into a single truck.

"**LTM**" means Last Twelve Months, the unaudited financial information included in this Prospectus for the twelve months ended March 31, 2021, which is calculated by taking the results of operations for the three-month period ended March 31, 2021 and adding it to the difference between the results of operations, for the year ended December 31, 2020 and the three month period ended March 31, 2020.

"**MAR**" means Regulation (EU) No 596/2014 of the European Parliament and of the Council of April 16, 2014 on market abuse.

"**MITECO**" means Ministerio para la Transición Ecológica y el Reto Demográfico, which refers to the Spanish Ministry for the Ecological Transition and the Demographic Challenge.

"**MwH**" means megawatt-hour.

"**OEM**" means original equipment manufacturer. In particular, it refers to trucks and trailers manufacturers.

"**Primavia**" means Primavia Europe, S.L.

"**Primaver**" means Primaver Société Anonyme.

"**Réseau Primever**" means the joint venture between Groupe SATAR and STEF.

"**R&D**" means research and development.

"**Selling Shareholder**" means Krone-Mur Servifrio, S.L.

"**SNCF**" means "Société nationale des chemins de fer français", a French state-owned company that operates the railways in that country, under a monopoly regime.

"**Senior Management**" means members of the senior management of the Company.

"**Spanish Companies Act**" means *Real Decreto Legislativo 1/2010, de 2 de julio*, in which Spanish Companies Act is approved, as amended.

"**sqm**" means square meter(s).

"**STEF**" means a listed French Group and one of the European leaders in transport and logistics for temperature-controlled Food products in Europe.

"**Tautliners**" means a type of trailer that is equipped with a side curtain, commonly used for the transportation of general palletised freight that does not require temperature-controlled transport.

"**Trailer**" means the unpowered part of the vehicle that loads the goods for the road freight transportation and needs to be towed by a truck tractor or a motor truck to operate.

"**Truck**" means the towing and powered vehicle also called a tractor that is used to connect the trailer for the road freight transportation of goods and materials. A truck can operate without a trailer but needs a trailer to load goods.

In this Prospectus, "we", "us", "our" and "ours" refers to the Group, unless otherwise indicated or the context otherwise requires.

All references to "Spain" are to the Kingdom of Spain, and all references to "United States" or "U.S." herein are to the United States of America.

Unless otherwise indicated, all references in this Prospectus to "euro", "EUR" and "€" are to the lawful single currency of member states of the European Union that adopt or have adopted the euro as their currency in accordance with the legislation of the European Union relating to European Monetary Union and all references to

"U.S. dollars" and "USD" are to the lawful currency of the United States. The Company prepares its annual accounts in euro.

DECLARATION OF RESPONSIBILITY AND COMPETENT AUTHORITY

Declaration of Responsibility

Mr. Juan Ignacio Conesa Alcaraz, acting in the name and on behalf of the Company, in his capacity as duly empowered representative of the Company by means of the resolutions adopted by the Selling Shareholder and the Company's board of directors (the "**Board of Directors**") on May 31, 2021, accepts responsibility for the information contained in this Prospectus. Having taken all reasonable care to ensure that such is the case, to the best of his knowledge, the information contained in this Prospectus is, as of the date of this Prospectus, in accordance with the facts and contains no omissions likely to affect its content.

Mr. Juan Ignacio Conesa Alcaraz, acting in the name and on behalf of the Selling Shareholder, in his capacity as sole director of the Selling Shareholder, declares that the Selling Shareholder accepts responsibility for the information referred to the Selling Shareholder in "*Principal and Selling Shareholder*" and "*Plan of Distribution*". Having taken all reasonable care to ensure that such is the case, to the best of his knowledge, the information referring to the Selling Shareholder in "*Principal and Selling Shareholder*" and "*Plan of Distribution*" is as of the date of this Prospectus, in accordance with the facts and contains no omissions likely to affect its contents.

For the avoidance of doubt, none of the Managers or their respective affiliates, advisors or selling agents make any representation or warranty, express or implied, nor accept any responsibility whatsoever with respect to the content of this Prospectus, including the accuracy or completeness or verification of any of the information herein.

This Prospectus is not intended to provide the basis of any credit or other evaluation and should not be considered as a recommendation by any of the Company, the Selling Shareholder or the Managers (or any of their respective affiliates or any entity through which the Managers may offer and sell the Shares) that any recipient of this document should purchase the Shares. Each investor should determine for itself the relevance of the information contained in this Prospectus, and its purchase of Shares should be based upon such investigation, as it deems necessary, including its assessment of the risks involved and its own determination of the suitability of any such investment, with particular reference to its own investment objectives and experience and any other factors that may be relevant to such investor in connection with the purchase of the Shares. In any event, investors should consult their financial advisor before making an investment in the Company.

Competent Authority

This Prospectus has been approved by and registered with the CNMV on June 10, 2021, as the competent authority under the Prospectus Regulation, the Securities Market Law and the relevant implementing measures in Spain.

The CNMV only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Company and/or the quality of the Shares.

PRESENTATION OF FINANCIAL INFORMATION AND OTHER IMPORTANT NOTICES

Historical financial information

The financial information included in this Prospectus to present the Company's business and to allow investors to make an informed assessment of the Company in accordance with Article 6 (1) of the Prospectus Regulation is derived from:

- (i) the Company's unaudited condensed consolidated interim financial statements as of and for the three month period ended March 31, 2021, which include unaudited condensed consolidated financial information and comparable information as of and for the three months ended March 31, 2020, and which have been prepared in accordance with International Accounting Standard (IAS) 34 Interim Financial Reporting as adopted by the European Union ("IAS 34") for the preparation of interim financial information (the "**Q1 2021 Unaudited Condensed Consolidated Interim Financial Statements**"). Baker Tilly Auditores, S.L.P ("**Baker Tilly**") has performed a limited review of the Q1 2021 Unaudited Condensed Consolidated Interim Financial Statements in accordance with International Standard on Review Engagements ("ISRE") 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity ("ISRE 2410");
- (ii) the Company's audited consolidated financial statements as of and for the years ended December 31, 2020, 2019 and 2018, which have been prepared in accordance with International Financial Reporting Standards ("**IFRS**") as adopted by the EU ("**IFRS-EU**") (the "**Audited Consolidated Financial Statements**"); and
- (iii) the Company's audited individual annual accounts for the period from November 11, 2020 (date of incorporation of the Company) to December 31, 2020, which have been prepared in accordance with the Spanish General Accounting Plan (Plan General de Contabilidad, "**Spanish GAAP**") approved by Royal Decree 1514/2007 of November 16, as amended (the "**2020 Audited Individual Annual Accounts**").

The foregoing documentation is incorporated by reference in this Prospectus. See "*Documentation Incorporated by Reference*". The Audited Consolidated Financial Statements and the Q1 2021 Unaudited Condensed Consolidated Interim Financial Statements are together referred to as the "**Consolidated Financial Statements**". For more information about the presentation of the financial information included herein, see Note 2 to each of the Consolidated Financial Statements referred to above.

The Audited Consolidated Financial Statements and the 2020 Audited Individual Annual Accounts have been audited by Baker Tilly Auditores, S.L.P ("**Baker Tilly**"). The audit reports on the Audited Consolidated Financial Statements covering the three years ended December 31, 2020, 2019 and 2018 and the limited review report on the Q1 2021 Unaudited Condensed Consolidated Interim Financial Statements are unqualified. The Consolidated Financial Statements have been translated from Spanish to English, and in case of any discrepancy between the English version and the Spanish version, the latter shall prevail.

In the preparation of this Prospectus, certain discrepancies have arisen between the information included in the Consolidated Financial Statements and the most updated information provided in this Prospectus (see detailed explanation in sections "*Key Factors Affecting Results of Operations – Fuel oil costs*" and "*Material Contracts*"). We consider that these discrepancies are not material and do not require a restatement of our Consolidated Financial Statements. We have also confirmed with our auditor that these discrepancies would not have any impact in their audit or limited review reports stated above. The information provided in this Prospectus is the most updated and accurate where it diverges from the Consolidated Financial Statements.

Pursuant to Spanish regulatory requirements, consolidated management reports must accompany the Consolidated Financial Statements and are incorporated by reference into this Prospectus only to comply with such regulatory requirements. Any information contained in such report shall be deemed to be modified or superseded by any information included elsewhere in this Prospectus that has been subject to a subsequent update. Investors are strongly cautioned that the consolidated management report contains information as of various historical dates and does not contain a full description of the Company's business, affairs or results. The information contained in the consolidated management report has not been prepared for the specific purpose of this Offering. Accordingly, the consolidated management report should only be read together with the other portions of this Prospectus, and in particular "*Risk Factors*" and "*Operating and Financial Review*". Furthermore, the consolidated management report includes certain forward-looking statements that are subject to inherent uncertainty (see "*Forward-Looking Statements*"). The consolidated management report accompanying the Audited Consolidated Financial Statements has not been audited by Baker Tilly, although Baker Tilly has reviewed the coherence of the information presented therein with regards to the information contained in the Audited Consolidated Financial Statements.

For further information on certain of the Company's documents, see "*Documents on Display*".

Basis of preparation

The Selling Shareholder constituted the Company by means of a monetary contribution of 600 shares with a par value of €100 each, fully subscribed and paid up, granting the Selling Shareholder 100% of the capital stock of the Company. The Company's deed of incorporation was granted on November 11, 2020 and was registered with the Commercial Registry of Murcia on December 2, 2020, as the holding company of an existing subgroup, with no change of economic substance or real alteration of the composition of the Group's ownership.

On December 9, 2020, the Selling Shareholder made an in-kind contribution to the Company corresponding to 100% of the shares of the companies included in the Group's perimeter.

As stated in paragraph 2 of IFRS 3, "Business combinations", in operations under common control, acquisitions or transfers of assets will not be within the scope of that standard. Paragraph 10 of IAS 8, "Accounting policies, changes in accounting estimates and errors" states that "in the absence of an IFRS-EU that is applicable to a transaction or other events or conditions, the Sole Administrator must use professional judgment in the development and application of an accounting policy". In accordance with the foregoing, the sole administrator of the Selling Shareholder has carried out an analysis of whether the contributions were constitutive of a business, as well as whether said transaction could be considered carried out in the context of a transaction under common control, all with the purpose of accounting for the transaction as a business combination under common control.

Regarding the analysis of whether the contributions were of a business, the sole administrator reached his conclusion based on what is stated in paragraphs 17 and 18 of the "fundamentals for conclusions" of IFRS 3. In relation to whether the transaction is considered a transaction under common control, the conclusion was based on what is stated in the application guide of IFRS 3 on "Business combinations of entities under common control", specifically in paragraph B1 of IFRS 3 which states that "a business combination between entities or businesses under common control is a combination of businesses in which all the entities or businesses that are combined are controlled, ultimately, by the same party or parties, both before and after the business combination and that control is not transitory".

The Sole Administrator has considered that the Group is the result of a reorganization of the pre-existing group, as it has not produced a change in the controlling shareholder, and as in the preparation for the Audited Consolidated Financial Statements, the Group has been considered, in essence, a continuation of the operations of the aforementioned pre-existing group, and has considered that it meets the definition of a transaction under common control. As stated in paragraph 10 of IAS 8 on the definition of an accounting policy for transactions not regulated by IFRS-EU, the sole administrator of the Company has considered that for the purposes of the presentation of the Audited Consolidated Financial Statements, the operations carried out by the subsidiaries have been accounted for since January 1, 2018, and for the three years ended on December 31, 2020, 2019 and 2018, based on the values of the operations that these companies had in the pre-existing group.

On March 4, 2021, the Company approved a share capital increase in the company out of voluntary reserves (*reservas voluntarias*) by means of the issuance of 139,400,000 new ordinary shares of the same class as all the outstanding shares of the Company and were subscribed and paid in full by the Selling Shareholder by means of an accounting transfer of the amount of the increase from the reserves account to the share capital account.

Operating Segment Reporting

Our segment information included in Note 15 to the Audited Consolidated Financial Statements is presented in accordance with the disclosure requirements set forth in IFRS-EU 8, Operating Segments. In particular, our two segments are: (i) Transportation of complete trucks from origin to destination ("**Full truck load**" or "**FTL**") and (ii) groupage activity ("**Groupage**"), which consists of picking up goods at different points of origin, consolidating the pallets in our temperature-controlled warehouses and shipping them in a single truck to the same customer in different destinations or different customers (so the same truck is loaded with different products for the same client or different clients).

Alternative performance measures

In addition to the financial information presented herein and prepared under IFRS-EU, we have included in this Prospectus certain alternative performance measures (the "**APM's**") as defined in Commission Delegated Regulation (EU) 2019/979 of March 14, 2019 for the relevant periods.

Such measures include: *Gross Margin^{APM}, Gross Margin over revenue^{APM}, Gross Margin by Segment^{APM}, Gross Margin over revenue by Segment^{APM}, Contribution Margin^{APM}, Contribution Margin over revenue^{APM}, Contribution Margin by Segment^{APM}, Contribution Margin over revenue by Segment^{APM}, EBITDA^{APM}, EBITDA by Segment^{APM}, EBITDA Margin^{APM}, EBIT Margin^{APM}, Net Financial Debt^{APM}, Net Financial Debt^{APM} to EBITDA^{APM}, Return on Invested Capital (ROIC)^{APM}, Working Capital^{APM}, Working Capital over Revenue^{APM}, Trade Working Capital^{APM} and*

Trade Working Capital over Revenue^{APM}, EBITDA Conversion^{APM}, Free Operating Cash Flow^{APM}, Cash conversion^{APM} and Maintenance and Expansion Capex^{APM}.

The APMs are defined and an explanation of their use is included in this Prospectus, which also include a reconciliation to the most directly reconcilable line item, subtotal or total (see section "*Operating and Financial Review*"). The majority of these APMs are also defined and reconciled in the Consolidated Financial Statements (except for Working Capital^{APM}, Working Capital over Revenue^{APM}, Trade Working Capital^{APM} and Trade Working Capital over Revenue^{APM}, Free Operating Cash Flow^{APM} and Maintenance and Expansion Capex^{APM} which are not included in such financial statements but are included in this Prospectus).

The Company believes that the presentation of the APMs included herein complies with the guidelines issued by ESMA on June 30, 2015 on alternative performance measures and ESMA's "Q&A on Alternative Performance Measures Guidelines" published on April 17, 2020.

We have presented these APMs, which are unaudited, as supplemental information because they are used by our management in making financial, operational and planning decisions and provide financial information that it believes should be considered in addition to the Audited Consolidated Financial Statements in assessing our performance. In addition, the Company believes that the APMs presented herein may contribute to a better understanding of its results of operations by providing additional information on what the Company considers to be some of the drivers of its financial performance and because we believe certain of these APMs to be in line with indicators commonly used by analysts covering the Company's industry and investors in the capital markets.

These APMs are not defined under, and have not been prepared in accordance with, IFRS-EU. They should only be considered together with the Consolidated Financial Statements and may be presented on a different basis than the financial information included in the Consolidated Financial Statements. In addition, the APMs, as calculated by the Company, may differ significantly from similarly titled information reported by other companies, and therefore may not always be comparable.

Prospective investors are cautioned not to place undue reliance on these measures, which should be considered as supplemental to, and not a substitute for, the financial information prepared in accordance with IFRS-EU included herein. The APMs included herein have not been audited by the Company's auditors or by any independent expert.

Some of the limitations of these APMs are:

- they do not reflect our cash expenditures or future requirements for capital expenditures or the Group's contractual commitments;
- they do not reflect changes in, or cash requirements for, the Company's working capital^{APM} needs;
- although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often need to be replaced in the future, and measures based on EBITDA^{APM} do not reflect any cash requirements that would be required for such replacements;
- they do not reflect the significant interest expense, or the cash requirements necessary, to service interest or principal payments, on our debt; and
- the fact that other companies in the industry may calculate EBITDA^{APM} differently than the Company does, which limits their usefulness as comparative measures.

In light of the limitations of these APMs, investors are cautioned not to place undue reliance on these measures. Such measures should be reviewed by investors in conjunction with the Consolidated Financial Statements and the "*Operating and Financial Review*".

See "*Operating and Financial Review—Additional Information—Alternative performance measures*" for the description of these management measures categorized as APMs.

Rounding

Certain financial information in this Prospectus has been subject to rounding adjustments. As a result of this rounding, figures shown as totals in tables or elsewhere in this Prospectus may vary slightly from the exact arithmetic aggregation of the figures that precede them. In addition, certain percentages presented in this Prospectus reflect calculations based upon the underlying information prior to rounding and, accordingly, may not conform exactly to the percentages that would be derived if the relevant calculations were based upon the rounded numbers.

Market, Economic and Industry Data

This Prospectus contains statistics, data and other information relating to markets, market sizes, market shares, market positions and other industry data pertaining to the Group's business and markets.

Market and industry data are principally based on, where available, official government statistics, industry publications or market studies. In particular, the Company has included the latest available market and industry data from the following third-party sources: (i) trusted institutional data bases (SABI, Alimarket, DataComex, Eurostat, Fepex, WorldBank, Mercasa, INE, FIAB, ICEX Spain Export and Investments and Observatorio del Transporte y la Logística en España (MITMA)); and (ii) transport research companies (Market Sizing - Select Logistics Segments for Europe & Spain (2016-2025) – Mordor Intelligence, TOP 100 European Transport&Logistics 2020 – Fraunhofer, Transporte Hortofrutícola 2021, Logística y Grupaje Frigoríficos 2019 – Alimarket, COVID-19 Impact on the Road Transport Industry – IRU World Road Transport Organization, DBK, Transport Intelligence and Transporte XXI).

Industry publications and market studies generally state that their information is obtained from sources believed to be reliable, but that the accuracy and completeness of such information is not guaranteed and that the projections they contain are based on a number of significant assumptions. Where third party information has been sourced in this Prospectus, the source of such information has been identified. All third-party information, as outlined above has, to the Company's knowledge, been accurately reproduced and, as far as the Company is aware and is able to ascertain, no facts have been omitted which would render the reproduced information provided inaccurate or misleading. The Company believes that this third-party market and industry data, to the extent quoted or referred to herein, are reliable. However, as the Company does not have access to all of the facts and assumptions underlying such market and industry data, the Company has not independently verified the information and cannot guarantee its accuracy or completeness.

This Prospectus contains certain statements regarding the Group's competitive and market position. The Company believes these statements to be true, based on market data and industry statistics, but the Company has not independently verified the information. The Company cannot guarantee that a third party using different methods to assemble, analyse or compute market data or public disclosure from competitors would obtain or generate the same results. In addition, the competitors of the Group may define their markets and their own relative positions in these markets differently than the Company does and may also define various components of their business and operating results in a manner that makes such figures non-comparable with the Group's figures.

In addition, in cases where third-party data does not cover the market or type of service or product, or third-party data is not available, we have included certain market and industry data reflecting its management's best estimates based upon information obtained from regulators, trade and business organizations and associations, consultants and other contacts within the industries in which the Group operates as well as its senior management team's business experience and experience in the industry. For example, certain market share information and other statements presented herein regarding our position relative to its competitors are not based on published statistical data or information obtained from independent third parties but reflect management's best estimates. Any and all of the information set forth in this Prospectus relating to the operations, financial results or market share of our competitors has been obtained from information made available to the public in such companies' publicly available reports and independent research, as well as from our experience, internal studies, estimates and investigation of market conditions.

Market and industry estimates have been prepared taking into account the following competitors:

- European generalists (Kuehne+Nagel, DSV Panalpina, NTG, ID Logistics, Wincanton, etc.)
- European specialists (STEF, Raben, Girteka, Nagel, NordFrost, HSF Logistics, Kloosteboer)
- Spanish generalists (DHL, Carreras, SESE)
- Spanish specialists (Fuentes, J. Carrión, GTO, El Mosca, Isabel Alonso, Caliche, Mazo, etc.)

The Company believes that these internal surveys and market and industry estimates, to the extent included in this Prospectus, are reliable, but we have not independently verified this information and cannot guarantee its accuracy or completeness. The Company cannot assure you that any of the assumptions that it has made in compiling this data are accurate or correctly reflect its position in its markets or other matters relating to its business. Accordingly, investors are cautioned not to place undue reliance on such estimates.

Forward-Looking Statements

This Prospectus includes forward-looking statements that reflect our intentions, beliefs or current expectations and projections about our future results of operations, financial condition, liquidity, performance, prospects, anticipated

growth, strategies, plans, opportunities, trends, future developments and the markets the Group serves or intends to serve. The Group has tried to identify these and other forward-looking statements by using the words "may", "could", "will", "would", "should", "expect", "intend", "estimate", "anticipate", "guidance", "future", "potential", "believe", "seek", "plan", "aim", "expect", "objective", "goal", "project", "strategy", "target", "continue" and similar expressions or their negatives.

These forward-looking statements are based on numerous assumptions regarding our present and future business and the environment in which the Group expects to operate in the future. Forward-looking statements may be found in "*Risk Factors*", "*Operating and Financial Review*", "*Industry Overview*" and "*Business*" and elsewhere in this Prospectus.

These forward-looking statements are subject to known and unknown risks, uncertainties and assumptions and other factors that could cause our actual results of operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies, plans or opportunities, as well as those of the markets the Group serves or intends to serve, to differ materially from those expressed in, or suggested by, these forward-looking statements. Investors should read "*Risk Factors*" and the description of our segments in "*Business*" for a more complete discussion of the factors that could affect the Group.

In light of these risks, uncertainties and assumptions, the forward-looking events described in this Prospectus may or may not occur in the future. Additional risks that the Group may currently deem immaterial or that are not presently known to the Group could also cause the forward-looking events discussed in this Prospectus not to occur. These forward-looking statements speak only as of the date of this Prospectus. Except as otherwise required by Spanish, U.S. federal and other applicable securities laws and regulations and by any applicable stock exchange regulations, the Group undertakes no obligation to update publicly or revise publicly any forward-looking statements, whether as a result of new information, future events, changed circumstances or any other reason after the date of this Prospectus. Given the uncertainty inherent in forward-looking statements the Group cautions prospective investors not to place undue reliance on these statements.

This Prospectus does not contain any profit estimates, or a profit forecast as defined in the Delegated Regulation 2019/980.

Trademarks

The Company owns or has rights to certain trademarks, trade names, service marks or applicable copyright notices that it uses in connection with the operation of the Company's business. The Company asserts to the fullest extent under applicable law, its rights to its trademarks, trade names, service marks and applicable copyright notices. Solely for convenience, the trademarks, trade names, service marks or applicable copyright notices appearing in this Prospectus are listed without the applicable ®, © or ™ symbols.

Legislation

This Prospectus refers to various statutes, directives and other legislation and regulations. Unless the contrary is specified, or the context otherwise requires, all such references are to the laws of Spain.

Investment Considerations

An investment in the Company is suitable only for investors who are capable of evaluating the risks and merits of such investment, who understand the potential risk of capital loss and that there may be limited liquidity in the underlying investments of the Company and in the Shares, for whom an investment in the Shares constitutes part of a diversified investment portfolio, who fully understand and are willing to assume the risks involved in investing in the Company and who have sufficient resources to bear any loss (which may be equal to the whole amount invested) that might result from such investment. Typical investors in the Company are expected to be institutional and qualified investors who are looking to allocate part of their investment portfolio to the international transportation industry. Investors should consult their financial advisor before making an investment in the Company.

There is no guarantee that any appreciation in the value of the Shares will occur or that the operating and/or financial objectives of the Company will be achieved, and investors may not recover the full value of their investment. Any operating and/or financial objectives of the Company are targets only and should not be treated as assurances or guarantees of performance.

A prospective investor should be aware that the value of an investment in the Company's shares is subject to normal market fluctuations and other risks inherent in investing in securities. There is no guarantee that any appreciation in the value of the Shares will occur or that the operating objectives of the Company will be achieved. As such, the value of investments in the Company's shares and any income derived therefrom may fall or rise, and investors may not recoup the original amount invested in the Company's shares.

The contents of this Prospectus are not to be construed as advice relating to legal, financial, taxation, accounting or regulatory matters, investment decisions or any other matter. Prospective investors must rely upon their own representatives, including their own financial and legal advisors and accountants, as to financial, legal, tax, accounting, regulatory, investment or any other related matters concerning the Company and an investment therein.

EXPECTED TIMETABLE AND OFFERING STATISTICS

Expected Timetable of Principal Events

The Company expects the tentative calendar of the Offering to be as follows:

Principal event	Date ⁽¹⁾
Approval and registration of the Prospectus with the CNMV	June 10, 2021
Commencement of the book-building period	June 10, 2021
Finalization of the book-building period	June 22, 2021
Setting of the Offering Price	June 22, 2021
Execution of the Underwriting Agreement	June 22, 2021
Publication of the inside information notice (<i>comunicación de información privilegiada</i>) with the Offering Price	June 22, 2021
Allocations of the Offered Shares to investors	June 22, 2021
Transaction date and publication of other relevant information notice (<i>comunicación de otra información relevante</i>) (on or about)	June 23, 2021
Admission and commencement of the Stabilization Period (on or about)	June 24, 2021
Settlement Date (on or about)	June 25, 2021
End of Stabilization Period (no later than)	July 23, 2021

⁽¹⁾ Each of the dates included in the above tentative calendar is subject to change without prior notice. Any change, including in particular any lengthening or shortening of the tentative calendar, will be made public by publishing the corresponding "other relevant information notice" (*comunicación de otra información relevante*) with the CNMV.

Offering Statistics

The table below includes the Offering statistics assuming the sale of all the Offered Shares in the Offering at a price determined by reference to the mid-point price of the Offering Price Range:

Concept	Amount
Offering Price Range	Non-binding range between €9.30 and €12.10 per share
Offered Shares ⁽¹⁾	35,000,000
Additional Shares ⁽²⁾	Up to 3,500,000
Estimated gross proceeds of the Offered Shares and Additional Shares receivable by the Selling Shareholder ⁽¹⁾⁽²⁾⁽³⁾	€412 million
Estimated total fees of the Offering ⁽⁴⁾	€12.4 million
Estimated total expenses of the Offering ⁽⁵⁾	€3.7 million
Expected market capitalization of the Company following the Offering ⁽⁶⁾	€1,498 million
CNMV's fee	€72 thousand
Iberclear's fee ⁽⁷⁾	€62 thousand
Spanish Stock Exchanges' fee ⁽⁷⁾	€18 thousand

⁽¹⁾ The number of Offered Shares will be 25% of the existing ordinary shares of the Company.

⁽²⁾ Refers to the Additional Shares under the Over-allotment Option, assuming the Over-allotment Option is exercised in full. The number of Additional Shares would be up to 10% of the Offered Shares with the Offering Price the mid-point price of the Offering Price Range.

⁽³⁾ The Company will not receive any portion of the proceeds resulting from the sale of the Offered Shares and, if the Over-allotment Option is exercised in whole or in part, of any of Additional Shares, all of which will be paid to the Selling Shareholder or to such persons as the Selling Shareholder may direct.

⁽⁴⁾ Estimated total fees relate to the underwriting commissions to be paid assuming payment of the maximum amount of the discretionary commission of the Managers (excluding VAT) payable by the Company and the Selling Shareholder, considering over-allotment Option is exercised in full and that the Offering Price is at the mid-point price of the Offering Price Range.

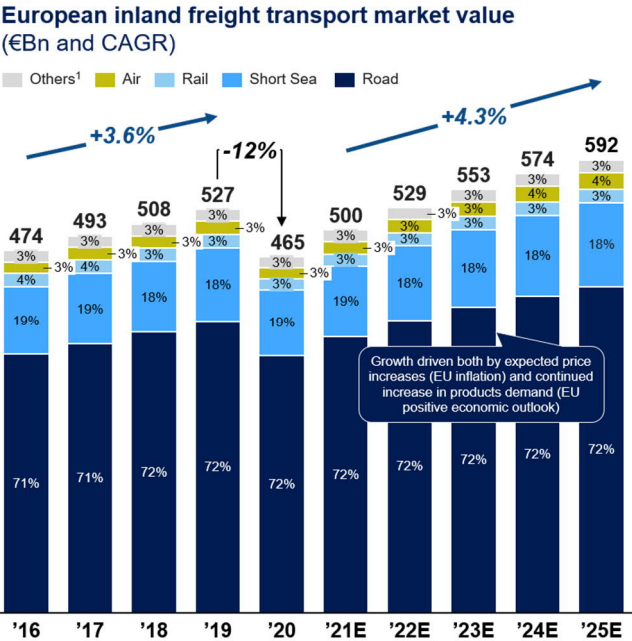
- ⁽⁵⁾ Estimated total expenses relate to the Legal, financial advisory, audit and other expenses related to the Offering (notary public, Commercial Registry, legal publishing, legal and financial advice, audit services and IPO insurance), assuming that Offering Price is at mid-point price of the Offering Price Range.
- ⁽⁶⁾ Assuming that the Offering Price is at the mid-point price of the Offering Price Range.
- ⁽⁷⁾ Assuming the Over-allotment Option is exercised in full.

INDUSTRY OVERVIEW

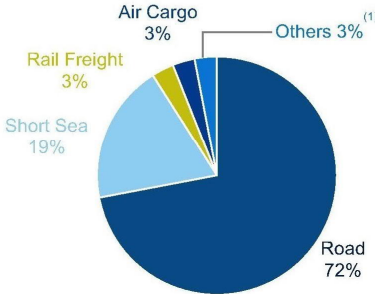
The European inland logistics market is valued at €465 billion

Transport by road accounts for the largest proportion of the total inland logistics market, with a 72% share corresponding to €335 billion in value and is expected grow at a 4.3% CAGR from 2021 to 2025 (source: European Commission; Fraunhofer, Mordor Intelligence, Eurostat). The proportion of road transport in the market is slowly growing and it is expected to remain the primary mode of transport going forward.

The charts below show a breakdown, by mode of transport, of the European inland logistics and freight transport market having considered the largest player among top cold chain transport competitors.



European Inland Logistics by Mode 2020



Total: €465bn

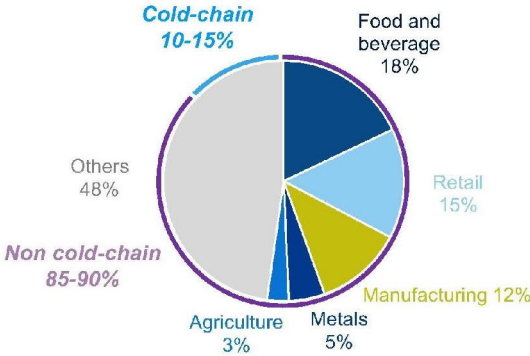
Source: European Commission; Fraunhofer, Mordor Intelligence, Eurostat
 (1) Others: Inland waterways and pipeline

The European road freight transport end-market can be analyzed in terms of the following categories (source: European Commission; Fraunhofer, Mordor Intelligence, Eurostat):

- by product: key markets in this respect include Food and Beverage (18%), Agriculture (3%), Retail (15%), Manufacturing (12%), Metals (5%) and Others (48%). Our primary focus is on the largest market segment - Food and Beverage;
- by temperature characteristic: the market is split into temperature-controlled activity (10-15%) and non-temperature-controlled activity (85-90%). The primary focus for us is the temperature-controlled segment, which is characterized by a higher value than its volume share, due to higher prices; and
- by load type: the proportion of FTL to Groupage (LTL (Less than truck load)) is approximately 2/3rd to 1/3rd. Although FTL offers lower added value / margin rates, it accounts for a significantly larger share of the market in comparison with LTL. FTL is also characterized by faster delivery rates due to the existence of a single boarding and delivery location. It is a cost-efficient method for larger shipments and is the preferred solution for high value / fragile goods. In comparison, LTL is characterized by greater operational complexity and requires separate warehousing capacity. Moreover, there is a negative impact on the speed of delivery due to multiple boarding and delivery points. This method is cost-efficient for smaller shipments. LTL is the faster-growing market segment and is also a structurally more attractive market due to higher barriers to entry. The Groupage (LTL) market is outgrowing the FTL market due to increased customer demand.

The chart below shows a breakdown, by end market, of the European road transport market having considered the largest player among top cold chain transport competitors.

European Road Logistics by End-Market



Total: €335bn

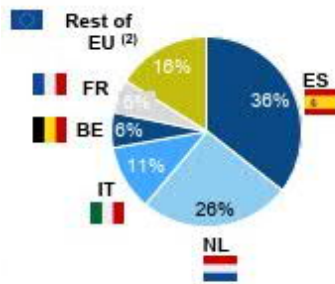
Source: European Commission; Fraunhofer, Mordor Intelligence, Eurostat

Spain is the top producer of the European fruit & vegetable export market

Spain accounts for 36% of the total market followed by the Netherlands, Italy, Belgium and France, accounting for 26%, 11%, 6% and 6% of the total EU market respectively (source: Eurostat, Mercasa; Transporte XXI).

The chart below shows the market share, by country, of the largest exporters of fruit and vegetables in Europe (5-year average.)

Fruit & Vegetables Market Value in Europe (5 years average)⁽¹⁾



Source: Eurostat, Mercasa; Transporte XX
 (1) Available info until 2018. Country share has been steady for the last two years

The competitive advantages of the Spanish market further reinforces its leading position in the European fruit and vegetable market sector on the basis of the following factors: double the amount of annual hours of sunshine in comparison with Central and Northern Europe, lower agricultural labor costs, the existence of long-term relationships with retailers, adequate travel conditions, which are particularly important seeing as over 75% of products travel a journey of over 500 km, and a stable market share in Spain both in terms of volume and value (source: Eurostat, Mercasa; Transporte XXI).

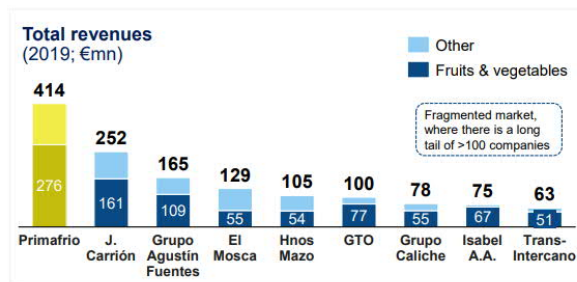
The significance of the fruit and vegetable market is increasing due to consumer trends such as an increased focus on health and healthy products, prioritisation by consumers of quality and taste over quantity, the rising importance of the stay at home model and a medical and institutional push aimed at increasing the consumption of fruit and vegetables (source: Eurostat, Mercasa; Transporte XXI).

Our operations involve three road freight transport markets

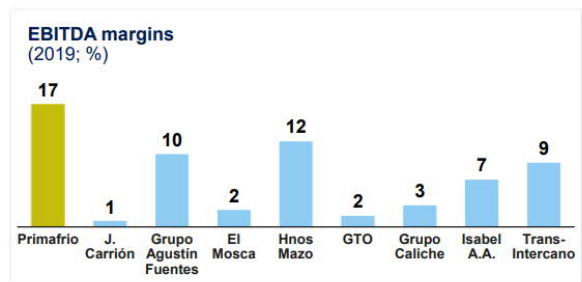
1. The Spanish fruit and vegetable temperature-controlled exports road freight transport market valued at €2 billion and the Spanish temperature-controlled national road freight transport market valued at €2.9 billion

We are the leader by revenue, EBITDA margins^{APM} and fleet in temperature-controlled fruits and vegetables road freight transport in Spain (including national and export transport), according to SABI, Alimarket and E-informa.

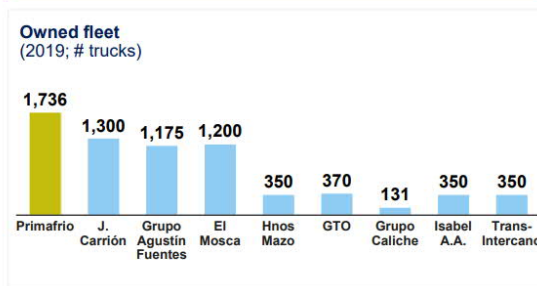
Largest transport player among Spanish F&V specialists



Profitability consistently above cold transport players



Strong fleet composition



Source: SABI, Alimarket and E-informa

We are also the leader by revenue in temperature-controlled fruits and vegetables road freight transport in Europe, according to publicly disclosed revenue of our competitors. Where specific revenue data is not publicly available, we have applied to the competitor's total temperature-controlled revenue to the percentage that fruits and vegetables represent in respect to the total temperature-controlled freight transport in Europe as per Mordor Intelligence's market report.

Fruit and vegetable export accounts for 85% of this market and Spain is positioned as the leading fruit and vegetable exporter in Europe, which ensures the continued attractiveness of this market. Moreover, temperature-controlled transport is a profitable sector, characterized by significant barriers to entry that benefit long-term, well-established and large scale market players.

Based on our data, we consider that there are at least seven European specialists operating in this industry (STEF, Raben, Girtka, Nagel, NordFrost, HSF Logistics, Kloosteboer). Nagel Group (Germany) and STEF (France) would be the bigger players after us (source: Mordor intelligence). However, they are more focused in each of their respective countries, while we are a global European operator, with presence in 25 countries, and 76% of our revenues in 2020 originated from routes with destination outside Spain.

2. The Spanish medium to long-distance road logistics market valued at €5.9 billion

The continuous movement of our fleet allows us to accept any kind of palletized transport within the Spanish peninsula, especially transports moving from the north to the south. Moreover, the more complex groupage business is gaining relevance due to increasing demand from clients for added value services.

3. The Spanish road logistics import market valued at €6.3 billion

Our fleet is dispersed throughout EU territory, which allows us to offer the transport of any kind of goods from any country in Europe when returning to Spain, as well as offering a multitude of routes between other countries. In addition, import flows not only provide us with an opportunity for growth, but also an opportunity to reduce empty returns. Our focus is on high value products and a high quality of service.

The Spanish fruit and vegetable temperature-controlled exports road freight transport is a €2 billion value market, with a historical CAGR of 3.7% from 2016-2019 and is expected to grow with a CAGR of 4.1% from 2021-2025

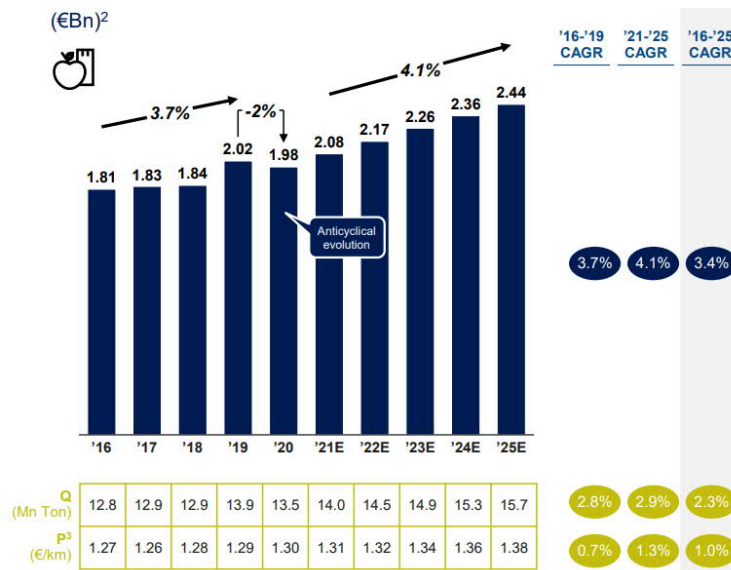
The value chain starts with production and then goes through the processing stage, the producer warehouse, the logistics provider warehouse and the customer warehouse before ultimately ending up with the customer via online revenue or in supermarkets and stores.

We are focused on transportation from the producer warehouse to the logistics provider warehouse, and subsequently from the latter to the customer warehouse. In order for fruit and vegetables to remain fresh for a longer period of time between production and consumer use / end-market, temperature-controlled transport is essential.

The growth of the market is primarily dependent on volume, price (driven by supply shortages) and demand for fresh products across Europe, with crop production also exerting an influence on growth rates. It has been on a trajectory of growth since 2015 and was characterized by anticyclical evolution in 2020. As shown in the graph below, demand increased significantly thereafter, in light of the shift from out-of-home to stay-at-home consumption patterns. This is a resilient market given the essential need for food and beverage among consumers. As further evidenced by the graph below, it is forecasted that the slow-down of the years 2019 and 2020, will be counter-balanced by an average annual growth of 4.1% (source: DataComex, Observatorio de Costes del Transporte de Mercancías por Carretera, Ministerio de Industria, Comercio y Turismo).

The graph below shows the historical and expected growth rates of the Spanish fruit and vegetable temperature-controlled export market averaging 3.4% in the years from 2016 to 2025.

Fruit and vegetables (F&V)¹ Spanish cold chain exports road freight transport



Source: Source: DataComex, Observatorio de Costes del Transporte de Mercancías por Carretera, Ministerio de Industria, Comercio y Turismo

Notes:

1. All fruit and vegetables considered in cold transport.
2. Includes EU-27, UK, Switzerland and Norway.
3. Past evolution of long-distance road transport prices, Observatorio de Transporte MITMA; Source: DataComex, Observatorio de Costes del Transporte de Mercancías por Carretera, Ministerio de Industria, Comercio y Turismo.

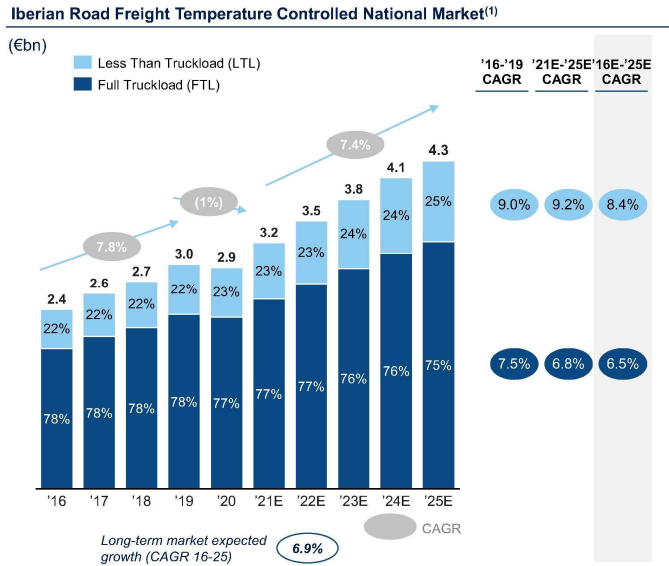
The Spanish temperature-controlled national road freight market is a €2.9 billion value market and is demonstrating annual growth of 7-8%

This market grew historically at 7.8% CAGR from 2016-2019 and is expected to grow with a CAGR of 7.4% from 2021 to 2025. In 2020, this was a flat market which demonstrated resilience due to transport of essential products like fruit and vegetables.

Groupage (LTL) accounts for c. €0.7 billion of this market and is outgrowing the overall market with a 9% annual growth rate. This growth is driven by customers searching for customized solutions and technological advances corresponding to required quality. This market also includes temperature-controlled last mile / short-distance transport, which is not a segment that we are active in (source: Eurostat, Mordor Intelligence, Observatorio de Costes del Transporte de Mercancías por Carretera, DataComex, Alimarket).

Growth is driven by an increasing demand of complex, added value services including: 1) Retailers requiring customizable transportation, 2) Technological advances that enable complex operations and allow for the required quality, 3) Transportation companies increasing LTL capabilities looking for higher margin operations, and 4) Investments in large temperature-controlled warehouses across Europe to consolidate and deconsolidate loads close to origin and destinations (source: Eurostat, Mordor Intelligence, Observatorio de Costes del Transporte de Mercancías por Carretera, DataComex, Alimarket).

The graph below shows the historical and the expected growth rates of the Spanish road transport temperature-controlled national market.



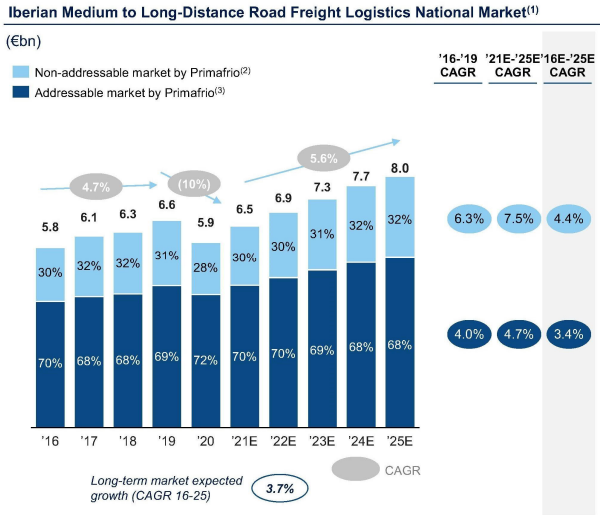
Source: Source: Eurostat, Mordor Intelligence, Observatorio de Costes del Transporte de Mercancías por Carretera, DataComex, Alimarket

The Spanish medium to long-distance domestic market is a €5.9 billion value market, with a historical CAGR of 4.7% from 2016-2019 and is expected to grow with a CAGR of 5.6% from 2021-2025

The high historic growth within this market is driven by a positive economic outlook, with high demand compensating for price fluctuations, especially in end-markets such as fishing, food and beverage or parcel (source: Observatorio de Costes del Transporte de Mercancías por Carretera, Eurostat).

In 2020, the Spanish long-distance road freight transport market suffered a fall of 10% due to the COVID-19 pandemic. However, it is expected to recover during the next two years. Notably, some categories such as textile and industrials suffered a more severe drop. However, this was partially offset by strong growth in parcel, as well as resilience in food and beverage and agriculture (source: Observatorio de Costes del Transporte de Mercancías por Carretera, Eurostat).

The graph below shows the historical and the expected growth rates of the Spanish medium to long-distance road freight logistics national market.



Source: Source: Observatorio de Costes del Transporte de Mercancías por Carretera, Eurostat

Notes:

1. Market defined as medium to long-distance domestic market, implying domestic origin and destination with a distance travelled of >150 km
2. Includes non-palletised goods: O&G / Metals and refined / Coke and refined / Minerals / Fabricated metal products/ Transport equipment / Wastes / Equipment for transport of goods / Office removals and motor vehicles
3. Includes palletised goods: Agriculture and fishing/ Food beverage and tobacco / Chemicals / mails and parcels / Textile / Wood products / Machinery and equipment / Furniture / Grouped goods / Unidentifiable goods

This market includes agriculture and fishing, food and beverage, tobacco, chemicals, mail and parcels, textiles, wood products, machinery and equipment (source: Observatorio de Costes del Transporte de Mercancías por Carretera, Eurostat).

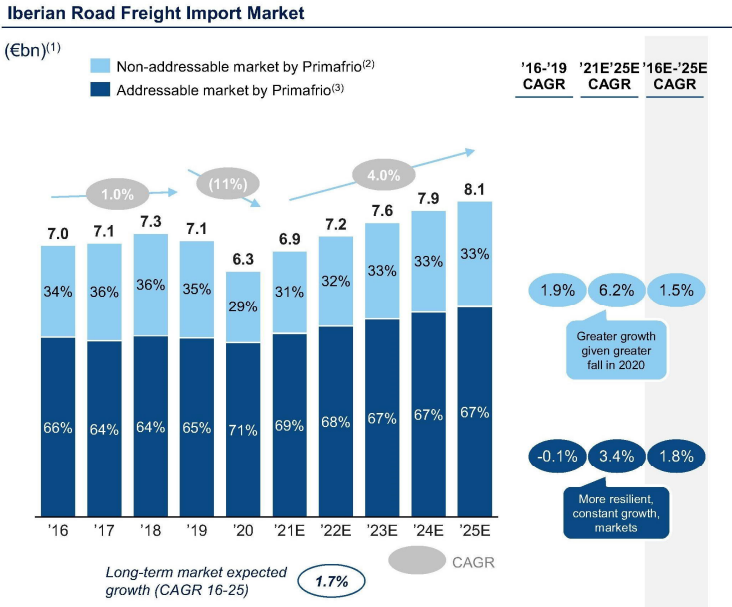
The Spanish road transport imports market is a €6-7 billion value market, expected to grow at CAGR of 4% from 2021-2025

Spain's contribution to this market is c.73%, with the remainder being accounted for by Portugal. According to DataComex, Observatorio de Costes del Transporte de Mercancías por Carretera, Ministerio de Industria, Comercio y Turismo, this market is split in the following segments: food & beverage, wholesale and retail, pharmaceutical, manufacturing products and paper. Their analysis includes UK, Switzerland and Norway in "Europe", considers 10% on cold over all pharmaceutical exported products, and counts all fruit and vegetables in cold transport.

In 2020, the Spanish imports road freight transport market suffered an 11% drop, due to the COVID-19 pandemic. This was a result of the temporary closure of borders, halts in manufacturing processes, and an overall recession which severely damaged key Spanish import sectors such as the automotive, machinery and equipment sectors. Moreover, steady demand for fresh food and an increase in demand for pharmaceuticals was not sufficient to offset the negative influences given the relatively smaller share of the road import market attributed to these sectors. However, our addressable sector of this market displayed more resilience than the overall market. According to DataComex, Observatorio de Costes del Transporte de Mercancías por Carretera, Ministerio de Industria, Comercio y Turismo, a recovery from the events of 2020 is expected within the next 3 to 4 years, driven by a positive economic outlook and upward trends in long distance transport prices, with high growth expected in markets, and

looked at the past evolution of long-distance road transport prices, with data from the Observatorio de Transporte MITMA.

The graph below shows the historical and the expected growth rates of the Spanish road freight import market. In particular, it shows the 11% drop suffered in 2020 due to the COVID-19 pandemic, and the subsequent forecasted 4% annual recovery over the next 5 years.



Source: DataComex, Observatorio de Costes del Transporte de Mercancías por Carretera, Ministerio de Industria, Comercio y Turismo

Notes:

1. Includes: EU-27, UK, Switzerland and Norway
2. Includes non-palletised goods: crops, live animals, construction products, raw materials, vehicles, ships, O&G, fertilizers
3. Includes palletised goods: Food and beverage, Wholesale and retail, pharmaceutical, manufacturing products, paper

Overall, the structural import/export imbalance of ~1.4x in terms of road freight transport leaves room for growth and the opportunity to reduce empty runs and optimise fleet utilization by incorporating loads from diverse end-markets. This is a competitive area with competition coming from broader European transportation companies and 3PL players as well as from other Spanish exporters' fleets returning to Spain (source: DataComex, Observatorio de Costes del Transporte de Mercancías por Carretera, Ministerio de Industria, Comercio y Turismo).

Barriers to entry in the temperature-controlled road freight export transport market result in higher profitability in comparison with general transport

Key barriers to entry to the temperature-controlled road freight export transport market include: 1) Operational scale, as a robust fleet with dense and large networks assures service fulfilment, and is critical to satisfying volume requirements, timings and handling seasonality, 2) Customer retention and loyalty, as clients are mostly large retailers with a broad refrigerated product offering, where quality and speed of transport is key, 3) Integration in the client's value chain leads to high switching costs, 4) Technological expertise and R&D, as innovation and digitalization improves processes and allows to operate more efficiently and with larger economies of scale, and 5) Service-level requirements, as higher standards of quality, flexibility and time in a more complex operation require higher specialization for temperature-controlled transport (source: Alimarket; Eurostat; Mordor Intelligence).

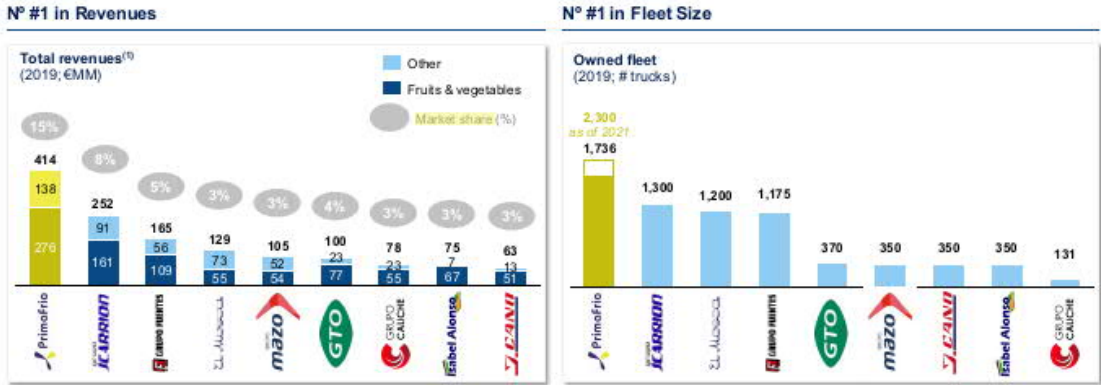
Moreover, certain trends in temperature-controlled road logistics favour market leaders like our company. An important trend in this respect is the push for sustainability in terms of limiting the carbon footprint of companies in

both warehousing and transportation operations. There is pressure from the EU to shift towards other modal alternatives. EU pressure can also be seen in the form of increasing regulation which seeks to drive market changes such as the EU Mobility Package to be implemented by February 2022, the introduction of limitations of vehicle emission levels with set standards to be met, as well as the charging of freight users for the use of road networks and the imposition of tariffs (source: Observatorio del Transporte y la Logística en España; Ministerio de la Industria, Comercio y Turismo; Expert interviews).

Competition

Our key competitors in the Spanish temperature-controlled export sector, both in terms of revenue and fleet size, include J. Carrion, Grupo Augustin Fuentes, El Mosca, Hino Mazo, Grupo Caliche and Isabel A.A., TransIntercano. We are the leader amongst these competitors and continue to grow our market share, which has increased from 11% in 2016 to 15% in 2019. We are one of few players able to offer temperature-controlled Groupage (LTL) exports (source: SABI; E-informa; Alimarket).

The graphs in *Our operations involve three road freight transport markets- The Spanish temperature-controlled road logistics export market valued at €2.4 billion* subsection above show our market share of the Spanish temperature-controlled export market as compared with the market shares of competitors.



Based on our data, our main European competitors operating in the temperature-controlled industry are STEF, Raben, Girtka, Nagel, NordFrost, HSF Logistics, Kloosteboer, Nagel Group (Germany) and STEF (France) (source: Mordor intelligence).

BUSINESS

Overview

We are the leader by revenue in temperature-controlled road freight transport of fruit and vegetables in Spain, according to SABI, Alimarket and E-informa, and the European leader by revenue in fruit and vegetables road freight transportation, according to publicly disclosed revenue of our competitors and the Mordor Intelligence market report (see "*Industry Overview—Our operations involve three road freight transport markets*"). We have built up our business over 15 years since our founding in 2007.

We operate mainly through two operating segments, Full Truckload (FTL) and Groupage services.

Our FTL segment focuses on transporting full truckloads of goods from origin to destination (i.e. loading the trailer with the same products for one single client), while our Groupage segment consists of picking up goods at different points of origin, consolidating the pallets in our temperature-controlled warehouses and shipping them in a single truck to the same customer in different destinations or different customers (i.e. loading the trailer with different products for the same client or different clients).

We further break down our business into five business activities:

- exports FTL, our core business line, which consists of the transportation of products (mainly fruit and vegetables) from Spain and Portugal to other European countries;
- imports FTL, which consists of the transportation of products such as food, retail, pharma and high value products, as well as other products from other European countries to Spain or Portugal;
- national FTL, which consists of the transportation of products such as fruits and vegetables, retail and high value products as well as other products within the Iberian Peninsula;
- exports and national Groupage, which consist of performing Groupage services either from the Iberian Peninsula to other European countries (Export) or within the Iberian Peninsula (National); and
- others, which mainly consists of income generated from the fees charged to third parties for the use of our leased trucks through short-term sub-leases (contracts are arranged by entire months).

In addition to these activities, we also carry out research, take part in both technological joint ventures and health and safety initiatives and provide development training with the aim of further establishing ourselves as a highly sustainable and efficient player in the market. Our mission is to provide efficient solutions to temperature-controlled logistics needs and to offer clients a comprehensive, bespoke, environmentally friendly and high quality service. We incorporate technological developments into our trucks and our logistics platforms, thereby improving the quality of client service, reducing our emissions and costs, as well as increasing the safety of our processes.

We are specialised in providing the highest quality temperature-controlled freight services from the main fruit and vegetable production areas located in Spain and Portugal to 25 European consumer markets. We have a solid and loyal customer base, represented by established European retailers, transportation agencies and Spanish fruit and vegetable producers.

We have a diverse geographical footprint, providing logistics and transport services in 25 countries in Europe, with Germany, Spain and the UK representing the majority of our revenue, by destination of cargo, in 2020 (35%, 24% and 9%, respectively).

We also have a diverse product focus, serving clients from different industries and adapting to their needs. Although the Groupage and FTL logistics of Food products is our main business activity by product type, representing in 2020 75% of our revenue, we have a large customer base in the logistics solutions of other products such as retail products, high value products and pharma and other products, which represented in 2020 15%, 4% and 6% of our revenue, respectively. In summary, our Imports FTL business is focused on transporting any type of product that can be loaded in a trailer, to avoid empty kilometres of our trucks on their way back from the different European destinations, which helps us maximize our profitability.

Our headquarters are located in Murcia, on the south-eastern coast of Spain, which is one of the largest fruit and vegetable producing regions in Europe. The logistics centres we operate have c.26,915 sqm of warehouse capacity in Spain with additional c. 1,300 sqm under construction in Lepe and c.37,000 sqm of warehouse capacity in Portugal (we expect to start works in the next month in our centre in Azambuja). Thanks to our European partnerships with other logistics providers, we have access to 36 cross docking platforms and 16 logistics centres in France with 200,000 sqm of warehousing capacity, and to five logistics platforms in Germany, which we mainly use for crossdocking.

We have an asset-light business model, leasing 100% of our fleet of over 2,300 trucks from established OEMs (Original Equipment Manufacturers) and almost 2,400 trailers from financial institutions. This business model enables us to continuously renew our fleet and operate one of the youngest fleets in the industry, with an average truck age of just 1.4 years. Our extensive and dense fleet network across Europe, with trucks every 50 kilometres on average on the routes we operate, has created a strong competitive advantage for our company in an industry where the role of reliability is decisive to attract and retain customers. This route concentration strategy, with proximity of trucks on route, provides us with the flexibility and the capacity to react quickly to changing client demands, as well as to ensure swift responses to any potential operational issues. As of December 31, 2020, we had 4,104 employees, including 3,776 drivers and 328 other employees (mainly warehouse personnel working in our logistics and operational activities).

We have formed several strategic partnerships with top European logistics providers to increase our presence in strategically important geographies and diversify our business activities. These include Primavera, a partnership with Réseau Primever to increase our presence in the French market, which grants Primafrio access to 36 cross docking platforms and 16 logistics centres in France, and Primavia, a Joint Venture with SNCF to operate intermodal transportation combining refrigerated road and rail transport of perishable goods from Spain to Central Europe and the UK.

We also strive to be an industry reference in sustainability, leading the transition of the sector towards a zero-carbon emissions target which we committed to achieve by 2030. We plan to achieve our target through the incorporation of technological improvements in our trucks, logistics centres, IT, training and other processes. We have an internal R&D department of over 20 dedicated professionals, who have already developed and implemented over 10 innovative projects since 2017 and have reached several cooperation agreements with different OEMs, universities and technological centres for the development of new projects, with over 30 projects currently under development. The main objective of these projects is to increase our operational efficiency and to reduce our fuel consumption each year and move us closer to achieving our 2030 objective of zero CO₂ emissions. We estimate that these initiatives have already reduced our trucks' CO₂ emissions by approximately 14,000 tonnes in 2020 compared to 2019. As part of our net carbon emissions target, we are also actively involved in various carbon compensation initiatives, such as reforestation activities in collaboration with BPM (Biodiversity Partnership Mesoamérica).

In 2020, Group subsidiary Primafrio, S.L. entered into a note purchase and private shelf deed with the Prudential Insurance Company of America and certain companies of its group, and issued a €25 million Green bond under the agreement, aimed at green capital expenditure as well as work on energy transition and logistics transformations.

In the three months period ended March 31, 2021, we generated revenue of €141.9 million, EBITDA^{APM} of €37.9 million and EBIT of €26.6 million, compared with revenue of €126.5 million, EBITDA^{APM} of €32.2 million and EBIT of €22.2 million in the three months period ended March 31, 2020. Consequently, we had a 12.2% growth in revenues in the three months period ended March 31, 2021 compared to the same period ended March 31, 2020. In 2020, we generated revenue of €458 million, EBITDA^{APM} of €118 million and EBIT of €31 million with a compound average growth rate since 2018 of 10.8%, 37.6% and 67.8%, respectively, and a strong EBITDA conversion^{APM} profile of 96.1% in 2020. We achieved an EBIT Margin^{APM} of 17.8 and 18.8% in 2020 and in the three months period ended March 31, 2021, EBITDA^{APM}, EBIT Margin^{APM} and Cash conversion^{APM} are APMs. For additional information on APMs, see "Operating and Financial Review—Additional Information—Alternative Performance Measures" and "Presentation of Financial Information and Other Important Notices—Alternative Performance Measures".

Our vision is to be the leading company in our sector, anticipating our customers' demands and offering quality-driven, highly technological and sustainable logistics services. We also intend to be the market consolidators, as we anticipate this evolution will primarily benefit logistics operators with scale. Finally, we contribute to social development and progress through a highly skilled team and our environmentally sustainable solutions.

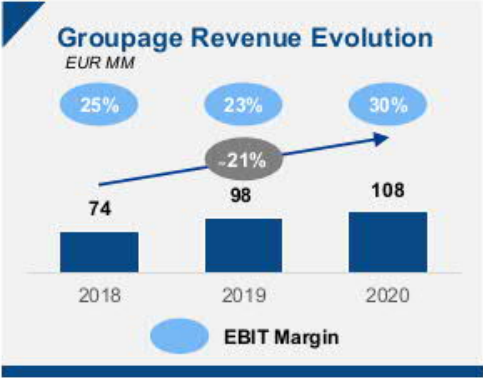
Our Key Strengths

Specialised, differentiated, market leading temperature-controlled logistics company

We are the leader by revenue in temperature-controlled road freight transport of fruits and vegetables in Spain, according to SABI, Alimarket and E-informa, and the leader in road freight transport of fruit and vegetables in Europe, according to publicly disclosed revenue of our competitors and the Mordor Intelligence market report. Our specialised fleet enables us to offer continuous temperature-controlled services to our clients. In 2020, 80% of our revenue was generated from products that required temperature-controlled logistics, with 75% of our revenue being generated from the transport of perishable food.

The transportation of perishable products on Full Truck Load (FTL) services is one of the most profitable niches in the transportation market, given that customers value quality of logistics and shorter periods of transit over price.

In addition to that, we are expanding our Groupage services for these type of products, which implies a logistically more complex service than FTL, requiring specific capabilities and an extensive network of facilities, which can only be provided by large players, and also brings higher margins than FTL. This service consists of grouping together goods from several clients into one load and transporting the goods to one or multiple locations. It is an operationally sophisticated activity, and we are one of the few players able to offer temperature-controlled Groupage (LTL) exports from Spain to Europe (source: SABI; E-informa; Alimarket). We introduced this business in 2015, and since then we have fostered it throughout our centres, benefitting from its high margins (as shown in the graph below, 30% EBIT margin^{APM} in 2020, compared to 14% EBIT margin^{APM} for FTL in 2020).



Through our route concentration strategy, we have also built a dense fleet network able to offer a high-frequency and flexible service at an unmatched scale thanks to our sizeable and consistently upgraded fleet of trucks. At any given moment we have approximately one truck every 50 kilometres on the routes where we operate. This density allows us significant flexibility and capacity to react to customer requirements, which less specialised or smaller competitors do not have.

Favourable fast-growing temperature-controlled end market with high barriers to entry

We specialise in the transport of goods that require temperature-controlled logistics, with 80% of our 2020 revenue generated from this activity. The Iberian temperature-controlled logistics market is growing significantly faster than the overall freight market, with forecast 6.8% CAGR growth for FTL and 9.2% CAGR growth for Groupage for 2021 to 2025 (source: Eurostat, Mordor Intelligence, Observatorio de Costes del Transporte de Mercancías por Carretera, DataComex, Alimarket). The growth is driven by both final consumers and retailers. On one hand, consumers have increased demand for healthy foods, such as fresh fruits and vegetables, as the home-cooking trend has increased. On the other hand, retailers are responding by demanding ever more value-added services, like LTL, as they seek out rapid and flexible supply chain logistics solutions to adapt to new consumer trends. At the same time, increasing demand for temperature-controlled transport for pharmaceutical products provides a growth opportunity in this niche market.

The temperature-controlled transportation logistics sector involves high barriers to entry, because only large players with extensive and specialised truck fleets with refrigeration capabilities and a dense fleet network are able to operate a continuous temperature-controlled chain. Furthermore, our customers face potentially high switching costs due to our integration into their value chains and the high investment required to build out a temperature-controlled logistics network. We believe this benefits our company.

High quality service offering leading to longstanding relationships with blue chip customers

Our blue-chip customer portfolio contains over 2,500 clients, including major European retailers and fruit and vegetable producers. We have a high client retention rate, with more than 80% of revenue coming from clients who have had a relationship of over five years with us. In addition, our client satisfaction rate is high. We continuously monitor our client satisfaction rate through annual surveys, having scored 9.2/10 in 2020.

We offer high quality services to our customers. We focus on speed, reliability, punctuality, quality, scale and safety to ensure the products are delivered with minimal impact on their freshness and quality. In particular, our ability to offer two-manned transport allows us to deliver quickly and on time, which is a particular advantage for perishable products. End customers highly value the freshness of food such as fruits and vegetables, which allows our clients to differentiate themselves from competitors. Our customer-focused approach integrates our operations with the supply chains of our clients. We provide a punctual and reliable service that we can quickly scale up to adapt to the

customer's needs. This degree of integration leads to high switching costs for our customers due to the high cost of integrating a new partner into a supply chain that is reliant on speed and trusted service provision.

Consequently, we believe that we are well-positioned to increase our wallet share in existing clients (including by offering them Groupage services) and, therefore, the revenue that we obtain from them.

Best-in-class in Technology, Innovation and ESG principles compliance

Our business strategy includes a focus on innovation. We promote research in order to progress towards the adoption of the latest technology, increase safety of our processes and offer a service that meets rigorous quality demands, while simultaneously reducing the environmental footprint of our activity.

Part of our competitive advantage vis-à-vis other logistics companies is derived from the technological improvements that we have developed internally. We have an internal R&D team of more than 20 professionals developing new initiatives to improve operations and better serve clients. We also enter into alliances and agreements with OEMs, universities and technological centres to further our innovation strategy.

These technological developments are built on four key strategic pillars:

- **Smart Truck** – seeking to develop the most technologically advanced fleet to automate our logistics activities and improve fuel efficiency, thus reducing our carbon footprint and lowering costs. Some of the initiatives include atmosphere-controlled trailers to extend shelf-life, hydrogen-fuelled trucks, LNG-powered vehicles, active aerodynamics, solar panels, development of new refrigerants and many more. We have already incorporated some of these developments into our trucks, and will continue to develop and incorporate other advancements, such as progressively substituting our fleet of fuel-powered trucks with hydrogen trucks.
- **Smart Building** – designing and developing fully automated and self-sufficient logistics centres with zero-carbon footprint, connected in real time with the fleet and the planning department. We have incorporated several technological advancements into our logistics platform in Alhama, Murcia. Our Smart Building initiatives for the Alhama platform include energy optimisation, use of renewable energy, solar panels, electric poles, green cooling, water management, communication systems and predictive maintenance. These initiatives have made our headquarters energy and water self-sufficient. In addition, our headquarters are equipped with the latest information and communication systems, including an automated information gathering system supplemented with machine learning.
- **Smart IT** – employing the latest technologies and developments in process automation to reduce emissions and take advantage of data mining in daily operations. These programs allow us to improve fleet load management and optimise routing of our trucks, as well as maintain a real-time connection between our fleet and the headquarters. Our trucks are constantly monitored and we can quickly address any contingencies that may occur while they are on the road. We also use a fuel tender app through which our fuel suppliers bid their offer price on a daily basis.
- **Smart Training** – improving driving efficiency, safety and service quality with technologically advanced trainings for our drivers, such as real-life simulators.

See "*Research and Development*" for further details on these four key strategic pillars.

These advances allow us to improve the service that we provide to our clients and reduce our fuel consumption each year, as well as decreasing our CO₂ emissions by approximately 14,000 tonnes in 2020 compared to 2019. These reductions have a positive impact on our financial results and contribute to our image among our clients and the market in general, given the increasing importance of ESG principles and guidelines. They also enable us to increase the safety of our processes.

We are strongly focused on becoming a reference in terms of sustainability in the temperature-controlled logistics industry. Our major objective is to reduce our carbon footprint and achieve our zero-carbon emissions target by 2030 through developing and implementing the abovementioned innovations.

We are developing internally and through partnerships a number of technological innovations with the objective of, inter alia, reducing our carbon footprint. We also take part in various initiatives in order to be best-in-class in our sector in terms of compliance with the ESG principles and guidelines.

We have embarked on a number of R&D initiatives ultimately aimed at the decarbonisation of our operations and neutralisation of our carbon footprint. These are best understood as broken down into the following four sub-groups:

- green financing: we issued a €25 million green bond to invest in environmental projects;

- strategy and green infrastructure: we founded AHMUR, an organisation that promotes the use of Green Hydrogen within the Murcia region and throughout the Mediterranean corridor; and we cooperate with the National Hydrogen Centre on the development of Hydrogen Mobility Europe (H2ME) an EU-funded initiative to expand the European hydrogen vehicles fleet and stations network (we are the only Spanish logistics and transportation company taking part in this initiative);
- recognition of Primafrio's carbon footprint reduction and ESG initiatives: in recognition of our efforts towards more sustainable operations, we are the first heavy duty long haul fleet to receive the Ecological Fleet Certificate, and we also received ISO 50001 Certificate in 2021. We are also members of "Lean & Green", the European Logistics Community tackling CO2 emissions and engaging to reduce 20% of carbon emissions within the next five years; and
- compensation of carbon footprint: we participate in "Biodiversity Partnership Mesoamerica", an organisation aiming to compensate the impact of carbon emissions through initiatives such as reforestation.

We are highly committed to the general well-being of our employees, our company's reputation and the planet. In this regard, we organise different initiatives for the wellbeing of our employees and their families (such as summer camps for our employees' children) and promote and support different projects through the Fundación Primafrio including financing research and entrepreneurship projects linked to, inter alia, sustainability and respect for the environment and initiatives aimed at the care of the elderly and promoting sport among teenagers.

We are the first heavy duty long-haul transportation company to receive the Ecological Fleet Certificate, which is a program developed by AEGFA (Spanish Association of Automobile Fleet Managers), in collaboration with IDAE (Institute for Energy Diversification and Saving, attached to the Ministry for Ecological Transition and the Demographic Challenge), to distinguish our fleets as ones that promote energy efficiency and the reduction of polluting emissions.

In 2020, we issued a €25 million Green bond aimed at financing green capital expenditure as well as our work on energy transition and logistics transformations.

Asset-light business model with youngest fleet in the industry

We operate an asset-light business model, including a fully leased fleet and logistics centres across the Iberian Peninsula. This strategy allows us to maintain a high degree of operational flexibility and scale operations quickly in response to customer demand (i.e. by being able to incorporate new trucks to our fleet using less financial resources than if we had to purchase them) and generate superior returns and increased margins (as we incur less expenses upfront than if we had to purchase the trucks). We lease our trucks from some of the major OEMs in the industry, including Mercedes Benz, Scania, Volvo and DAF, which gives us supplier diversification and provides us with flexibility to optimise commercial and operational benefits in growing our fleet.

We operate under lease six logistics centres located in Spain and one in Portugal, with a current total of c.65,215 sqm of leased warehouse capacity including c.1,300 sqm of warehouse capacity under construction in Lepe, Huelva and c.37,000 sqm of warehouse capacity in Portugal (we expect to start works in the next month in our centre in Azambuja to increment our logistics capacity in 37,000 sqm). We also have access to 36 cross docking platforms and 16 logistics centres in France with 200.000 sqm of warehousing capacity via the Primavera partnership and five logistics platforms in Germany through other arrangements. Our six logistics platforms we operate in the Iberian Peninsula are leased to the Selling Shareholder or related parties. We operate them exclusively except for minor arease in our facility in Alhama which are operated by the Selling Sharholder and other related parties.

All of our trucks are leased with no repurchase obligation enables us to have one of the youngest fleets in the sector, with an average age of 1.4 years. Together with our double-manned service, this allows us to provide premium seamless services to our clients. Our asset-light business model also helps us reduce the carbon footprint, as we can renew our fleet more often and incorporate new technological advances we develop into our trucks.

We believe that our nimble business model contributes to stronger returns and increased margins, as customers are willing to pay premium prices for high-quality services. The majority of our clients are offered a double-manned service (i.e. a load is transported to its destination with a truck with two drivers taking turns), reflected by our ratio of 1.65x drivers per truck on average in 2020. Double-manning our trucks results in increased on-time deliveries, service reliability and quality of service, which increases our competitiveness.

High growth, high margin, high EBITDA^{APM} and Cash conversion^{APM} financial profile

From our founding 15 years ago, we have built a company that has become a reference in the Spanish and European temperature-controlled logistics market, while generating strong growth in revenue and profitability. Our 10.8% compound annual revenue growth rate from 2018 to 2020 is one of the highest within the Spanish

temperature-controlled logistics market, when compared to the figures published by some of our main competitors (Public figures available for our competitors up to 2019. See section "Industry" for further details. We expect that evolution in 2020 in 2021 would be similar than in 2019).

The consolidated accounts under Spanish GAAP for Krone-Mur (which was substantially similar in scope to the current Primafrio Group) for the years 2016-2018 show revenue CAGR of c. 10%. In 2018, revenues for the Primafrio Group under IFRS were €372.6 million, compared to 2018 revenues for Krone-Mur Group under Spanish GAAP of €372.9 million.

We have increased our market share in our core product (the Spanish fruit and vegetable segment) to c.15% in the last five years, according to SABI E-informa and Alimarket. We have become the largest player in the fruits and vegetables segment in Spain by revenues, EBITDA margins and size of our fleet (source: SABI; E-informa; Alimarket). Moreover, we achieved this revenue growth while maintaining strong profitability, with a 37.6% compound annual EBITDA^{APM} growth rate from 2018 to 2020 and EBIT margin^{APM} of above 7% for the last three years, and 17.8% in 2020.

We have a strong EBITDA conversion rate^{APM} of 96.1% and cash conversion^{APM} rate of 84.1% in 2020. Our business has been resilient through the COVID-19 pandemic, with continuing organic growth despite declines in GDP in all of our major markets.

EBITDA margin^{APM}, EBITDA conversion^{APM} and Cash conversion^{APM} are APMs. For additional information on APMs, see "Operating and Financial Review–Additional Information–Alternative Performance Measures" and "Presentation of Financial Information–Alternative Performance Measures".

Our Strategy

We are focused on maintaining leadership in the market through existing client relationships and technology, while actively diversifying our geographical reach, product exposure and client portfolio. We have identified several growth avenues to sustain profitable growth and market leadership.

Strengthening leadership in logistics and expanding our client base

We intend to strengthen our position in the market by both increasing wallet share with our existing clients and expand our diversified portfolio base of approximately 2,500 customers with new clients outside the top 50 European retailers group.

We currently serve five out of the 50 top European retailers, and believe that there is a potential to increase revenue from these current relationships, in particular by broadening our portfolio of services (especially via our Groupage offering) and the geographical scope of our network and supplied services. We have grown our revenue from our top 20 clients at a CAGR of 12.7% over the past three years, from €257 million in 2018 to €326 million in 2020, and we will seek to continue growing "wallet share" from these clients in the mid-term. In addition, we are actively targeting potential new clients among top 50 European retailers.

We are focused on maintaining leadership in the market through existing client relationships and constant improvements in technology, while actively diversifying in terms of geographical reach, product exposure, and client portfolio.

Increasing our Groupage offering

Groupage accounted for a 24% of our revenue in 2020. We believe it offers the largest growth opportunity in the near-term because of its higher margins and ability to attract small and large customers alike particularly in the delivery of fresh product, since it provides more flexibility in the required quantity delivered at any one time, and higher frequency in deliveries. Our facilities in Alhama, Murcia, which are equipped with state of the art food storage and classification processes for groupage, are another element designed to reinforce our growth in the groupage segment.

Our Groupage segment has generated c.20% CAGR revenue over the past three years, and we are targeting to continue to grow the segment's revenue at a 15-20% compound annual growth rate in the mid-term, which would increase its share of our consolidated revenue from 24% in 2020 to approximately 35-40%. This growth would be supported by increasing our current Groupage client base of c. 400 clients to 800-1,000. These targets are forward-looking statements based on future events that we expect to occur, including certain assumptions about trends in macroeconomic factors and resulting developments described above. As these targets are based on future events and management actions, they are subject to inherent risks and significant uncertainties, especially in terms of the

risk that the forecasted events and actions may not take place or may take place at a different time or to a different extent than anticipated, as well as the fact that certain events and actions cannot be predicted or quantified at the time these targets are established. We have adopted these targets taking into account our assessment of macroeconomic conditions affecting our operations. Consequently, our ability to achieve these targets cannot be assured. See "*Forward Looking Statements*" and "*Risk Factors*" for an explanation of some of the risks that could affect our ability to achieve our targets.

As a key element to executing our Groupage strategy, we have the intention to use a new logistics platform that will be built in the north of France (in the French-German border). This border is a strategic point of transit for all transports coming from Spain and heading Eastern Europe or crossing the border for distribution in Germany. We believe that this warehouse (which is expected to have around 26,600 sqm of cross-docking capacity) will help us to run operations more efficiently, and open up new clients in Germany for us, as well as new services for our existing Groupage clients in Germany and surrounding areas. Additionally, this new development will free up space in our main logistics centre in Iberia, Alhama de Murcia, enabling us to expand the national groupage services on offer. The cost incurred in the development of this new logistics center will be paid by the Selling Shareholder and, following its completion (expected for 2023) we will enter into a long-term lease agreement for its use. In line with the same strategy that we have pursued in the past, we will collaborate with the Selling Shareholder throughout the project, in order to ensure that is built to fulfil our operational requirements, but the logistics centre would be owned by the Selling Shareholder.

Increasing our Pharma and ADR offering

We also intend to increase and diversify our client base by growing in product sectors such as the transportation of pharmaceutical products or hazardous goods, which present positive secular market trends with strong long-term demand and attractive margins. Due to the particular natures of the products being transported, this sector requires a high-quality service, and as such represents a high growth market with higher margins than the transportation of other products.

Our fleet is specialised and technologically adapted to the transport of pharmaceutical products, so that all of our trucks are suitable for the transportation of pharmaceutical products. Primafrio holds the special certifications required to transport pharmaceutical and ADR products, as well as extensively trained drivers and specialised equipment and fleet to offer these services. This service is done on an FTL basis.

We have actively targeted pharma and chemical clients since obtaining the required GDP certification, which enables us to transport pharmaceutical goods, and in 2020 we were awarded significant contracts with established companies such as Braun, BASF and H. Esser.

Increasing our presence in the foreign markets where we are already established and expanding our presence to other markets where we are not present

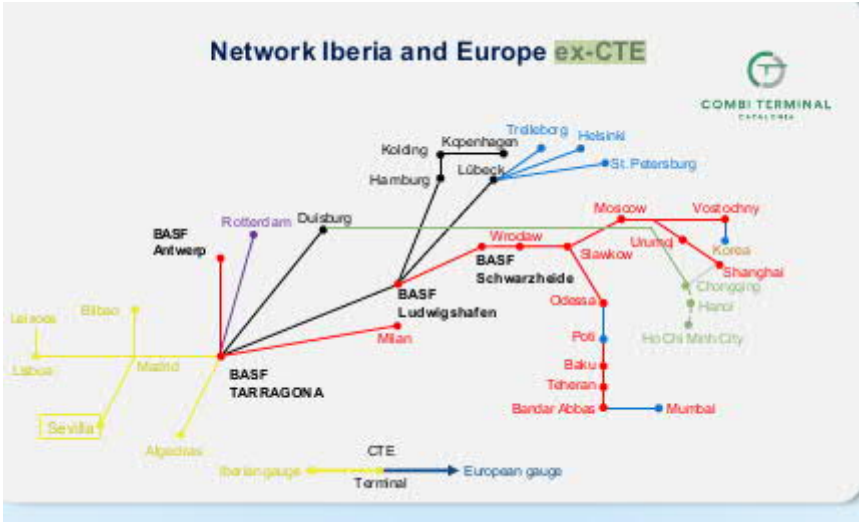
We currently operate in 25 countries. Our European footprint is characterised by strong penetration into and growth within the German and French markets by way of strategic partnerships and joint ventures. We intend to increase our presence in those European countries other than Spain where we are already operating and expand our activities into those European countries where we are not yet present through new strategic partnerships (such as our partnerships with Primavera, Primavia and CTC).

Given several strategic partnerships and joint ventures that we have formed (such as Primavera and Primavia), we believe we are well-positioned to increase our presence in other markets such as the UK or the United States, in particular in business lines such as food, retail and high value. We focus on partnerships that could lead to our growth in intermodal logistics offerings, i.e. maritime, railway or air freight operators.

On March 22, 2021 the Selling Shareholder acquired for €0.2 million a 11% stake in CTC, a joint venture that has other eight other partners (BASF Española S.L.U., Contank S.A., Hoyer España, S.A., Tradilo Inversiones, S.L., Schmidt Holding GmbH, Kombiverkehr Deutsche Gesellschaft Für Kombinerten Güterverkehr Mbh & Co. Kg, Salvat Logística S.A.U. and Logística Suardiaz, S.L.). This 11% stake in CTC will be transferred by the Selling Shareholder to the Company by virtue of a contract of sale granted by both parties on June 8, 2021, which is subject to the condition (*condición suspensiva*) that the general shareholders meeting of CTC to be held on June 14, 2021 authorises such transfer. This 11% stake in CTC will be transferred by the Selling Shareholder to the Company for €0.4 million (the €0.2 million initially paid plus €0.2 million contributed to the net equity of CTC by the Selling Shareholder on April 15, 2021), therefore, no gain or loss will arise.

This joint venture was founded for the construction and operation of a freight rail terminal in the Port of Tarragona in Catalonia (Spain). Once operational, the train terminal will offer the possibility to change from the Spanish to the European gauge, connecting Tarragona via train line with Belgium, Italy and Germany as well as offering a rail connection as far as China. In Spain, this terminal will be the connection for the transportation of goods by train between the Mediterranean Corridor, Madrid, Algeciras and Portugal and the rest of Europe.

The Iberian and European rail network after CTC is expected to be finished during the second quarter of 2024 and will connect the cities shown below (in the graph, "CTE" stands for "CTC"):



The construction of this train terminal will require an investment of approximately €40 million over the next few years, until the second quarter of 2024 (as the expected date of finalisation of the construction), for all the joint venture shareholders, and we will have to provide 11% in line with our participation in the JV. We expect to finance our contribution with the cash generated from our activities, without further financing.

We have also the intention to use a new logistics center to be built at the Port of Algeciras (Cádiz, Spain) and that will give us the opportunity to expand our business offering internationally. The Selling Shareholder has recently bought approximately 500,000 sqm of land in that area. The investment to build the logistics centre will be paid by the Selling Shareholder which will lease it to us once it is finished to be operated exclusively by us through a long-term lease contract. We expect that the construction will be finished by 2023.

The Port of Algeciras handles approximately 35% of Spanish horticultural cargoes and was one of the main European ports for fruit and vegetable operators in 2020, connecting the Americas and Spain. We currently distribute products arriving at the port, after consolidating the products at our Alhama logistics facility. The new logistics centre, strategically located 10 kilometres from the port and with a excellent connections with the main highways, would enable us to consolidate loads in Algeciras and increase distribution efficiency. With minimal temperature-controlled logistics operations in the area, we believe there is excellent potential to expand our business globally. The facility will be located in an industrial area on the highway connecting the Port of Algeciras with Seville and Málaga and would consist of a new built 15,000 m2 temperature-controlled warehouse for fruits and vegetables, along with a service station and a small workshop. In a second phase, non-temperature-controlled warehousing facilities for all other products arriving at the Port of Algeciras are expected to be built, enabling product diversification.

Finally, we also have a well-identified external growth pipeline, including diversified opportunities across the cold-chain, groupage, pharmaceuticals and high value activities. On this front, we are currently exploring opportunities in North America and Eastern Europe and in the long-term our intention would be to develop our presence in the UK. Our investment criteria include a target size of €5-20 million in EBITDA^{APM} and an internal rate of return (IRR) in the mid-teens.

Maintaining leadership through research and development to increase efficiency and become a reference name in sustainable logistics

We intend to strengthen our position in the market and increase our activities by continuing to innovate, delivering advanced training, exploring tech joint ventures, implementing safety initiatives and focusing on the design (whether in-house or through development agreements with third parties such as OEMs, universities and technological centres) and incorporation into our trucks, facilities and processes of the technological developments that we believe will help us to become the leading company in terms of sustainability and efficient logistics.

One of our company's goals is to become a role model of R&D in the sector. We aim to achieve this through the continued development of our three R&D pillars: Smart Truck (i.e. the incorporation of new technological developments into our trucks), Smart Building (i.e. the incorporation of new technological developments into our

logistics centres) and Smart IT (i.e. the incorporation of new technological developments into our processes in general).

By incorporating new technologies into our business, we intend to improve our operating efficiency and the service we provide to our clients.

Our dedication towards achieving these goals is demonstrated by our exclusive involvement as a national logistics company with the "Centro Nacional de Hidrogeno", to promote the development of hydrogen fuel trucks, and by our additional R&D partnerships with top-class national and European universities, as well as with OEM.

We are strongly focused on becoming a reference point in terms of sustainability in the road freight industry, aiming to reduce our carbon footprint and achieve our zero emissions target by 2030 through various initiatives. We think that this will be an important driver in retaining our current clients and attracting new clients, given the increased importance of compliance with ESG principles and guidelines.

We continuously incorporate into our trucks, facilities and processes technological innovations that will enable us to continue reducing our fuel consumption and CO₂ emissions and improve our consumption of resources and waste management. We also intend to remain involved with different sector initiatives (such as AHMUR, "Lean & Green" and "Biodiversity Partnership Mesoamerica" and our cooperation with the National Hydrogen Centre) and take part in new sustainable initiatives.

Operating our logistics centres through leased contracts, aligned to our asset-light model

We intend to continue expanding our logistics capillarity by incrementing the logistics capacity in some of the logistics centres we currently operate (works are planned in our centres in Lepe and Azambuja to increase our logistics capacity by 1,300 sqm and 37,000 sqm respectively. The cost of these expansions will be paid by the owners of the facilities, which are a related party in the case of the facility located in Lepe and the Selling Shareholder in the case of the facility located in Azambuja (see "Related parties" section for further details).

We also have plans to build in the mid-term two new logistics centres in Algeciras and in the north of France, near the German border, to expand our operations in maritime in the case of Algeciras and our Groupage activity for central Europe, in the case of the French project (see "Increasing our Groupage offering" section above for further details).

These investments will be performed similarly to our current logistics centres, where the investment is performed by the Selling Shareholder or other related parties, who will own the centres and will subsequently lease them to us, in exchange for an annual rental amount calculated on arm's length conditions.

Financial Targets

As part of our strategy, we have established a series of medium-term financial and operating targets. Our targets with respect to our income statement include maintaining annual revenue growth in the low double digits, with Groupage continuing to grow as a percentage of total revenue and maintaining EBIT margins^{APM} in line with 2020 results.

With regard to cash flow, we intend to maintain our asset-light approach, with Capital expenditures^{APM} continuing to remain in the low single digit millions of Euros. We expect trade working capital variation to remain stable at a low single digit million Euros, in line with 2020 levels that we would have had provided an effective Trade working capital^{APM} management would have been performed (see Trade working capital^{APM} variation explanations within section "Additional Information – Alternative Performance Measures").

For lease payments, we expect to continue to represent around 7-8% of revenue. We expect that our effective cash tax rate will be in the region of 20%, in line with the Company's effective tax rate of 19% for 2020, with the Spanish marginal tax rate of 25% being partially offset by R&D tax credits.

In terms of our capital structure, we aim to continue operating with low leverage, targeting a maximum net debt/EBITDA^{APM} ratio of 1.5x (0.9x ratio in 2020).

Additionally, we have the intention to maintain a dividend policy with a pay-out ratio in the region of 60%, calculated as dividends/ net income, in line with our historical dividend track record. We believe that we will generate enough net income to pay these dividends without breaching any of the covenants included in the Pricoa Notes Agreement, which could restrict to that payment (see "Material contracts" for further details).

These targets are forward-looking statements based on future events that we expect to occur, including certain assumptions about trends in macroeconomic factors and resulting developments described above. As these targets are based on future events and management actions, they are subject to inherent risks and significant uncertainties, especially in terms of the risk that the forecasted events and actions may not take place or may take place at a

different time or to a different extent than anticipated, as well as the fact that certain events and actions cannot be predicted or quantified at the time these targets are established. We have adopted these targets taking into account our assessment of macroeconomic conditions affecting our operations. Consequently, our ability to achieve these targets cannot be assured. See "*Forward Looking Statements*" and "*Risk Factors*" for an explanation of some of the risks that could affect our ability to achieve our targets.

EBITDA margin^{APM}, EBIT margin^{APM} and net debt/EBITDA^{APM} are APMs. For additional information on APMs, see "*Operating and Financial Review—Additional Information—Alternative Performance Measures*" and "*Presentation of Financial Information—Alternative Performance Measures*".

History

We were founded in 2007 by brothers José Esteban Conesa Alcaraz and Juan Ignacio Conesa Alcaraz, following the steps of their father José Conesa, who had previously founded Paconsa in 1967, a leading road transportation company which became the largest in Spain and was later sold in 2003. José Esteban Conesa and Juan Ignacio Conesa are our Chief Executive Officer and Chief Strategy Officer and Head of Corporate Development, respectively, and to this day continue to run the daily operations of our company.

José Esteban Conesa Alcaraz and Juan Ignacio Conesa Alcaraz started the Company as a European refrigerated road freight transport company focused on offering a comprehensive quality service to our customers, with a clear goal of becoming a global integrated logistics operator. We were founded in Murcia, where we strategically based our headquarters and main logistics centres, as the region is close to the most significant fruit and vegetable producers in Spain and one of the largest in Europe. The company is led by our founders and current shareholders, who together with key management team, have a combined industry experience of more than 150 years and have positioned Primafrio as the European leader in road freight transport of fruits and vegetables (according to SABI, Alimarket and E-informa).

We have had a successful growth track record during our c.15 years of history. In 2010, we achieved over €100 million in revenue. In 2012, we increased our truck fleet up to 1,000 units, to satisfy the increase in our customers' demand and offer better quality services. In 2020, we achieved revenue of €457.7 million, increased our logistics facilities network to 65,215 sqm of logistics warehousing capacity in Spain and Portugal (26,915 sqm in Spain with additional c. 1,300 sqm under construction in Lepe, Spain, and 37,000 sqm, which works are expected to start in the next month in Azambuja, Portugal) and operated a leased fleet of over 2,300 trucks, creating a dense transport network along European roads (on average, we have one truck approximately every 50 km on the routes we operate).

In 2015 we identified an opportunity to enter into higher value-added activities and started offering groupage services to our clients.

As part of our strategy to widen our geographical coverage, in 2017 we entered into a joint venture agreement with Réseau Primever (a joint venture between Groupe SATAR and STEF) for the creation of Primaver, a company jointly owned between Primafrio and Primever. Through this agreement, we strengthened our access to the French market for the supply of fruits and vegetables and secured the access to 36 cross docking platforms and 16 logistics centres of Primever in France.

Also, following this strategy of expanding our geographical coverage, in 2018 we entered into a joint venture agreement with VIIA (a SNCF company) for the creation of Primavia. Primavia focuses on international intermodal transport, through a combination of refrigerated road and rail transport of perishable goods between Spain, Central Europe and the UK.

On March 22, 2021 the Selling Shareholder acquired for €0.2 million a 11% stake in CTC, a joint venture that has other eight other partners (BASF Española S.L.U., Contank S.A., Hoyer España, S.A., Tradilo Inversiones, S.L., Schmidt Holding GmbH, Kombiverkehr Deutsche Gesellschaft Für Kombinerten Güterverkehr Mbh & Co. Kg, Salvat Logistica S.A.U. and Logistica Suardiaz, S.L.). This 11% stake in CTC will be transferred by the Selling Shareholder to the Company by virtue of a contract of sale granted by both parties on June 8, 2021, which is subject to the condition (*condición suspensiva*) that the general shareholders meeting of CTC to be held on June 14, 2021 authorises such transfer. This 11% stake in CTC will be transferred by the Selling Shareholder to the Company for €0.4 million (the €0.2 million initially paid plus €0.2 million contributed to the net equity of CTC by the Selling Shareholder on April 15, 2021), therefore, no gain or loss will arise. CTC was established to create a Combiterminal Intermodal Infrastructure, which will imply, *inter alia*, the construction and operation of an ad-hoc freight rail terminal at the Port of Tarragona. Through this alliance, we intend to increase our intermodal services for German, Italian and Belgian customers.

Finally, as part of our intention to diversify our service offering, in 2018 we created Logist Cargo, a transport agency specialized in international transport with a fleet of tautliners, which are a type of trailer equipped with a side curtain,

commonly used for the transportation of general palletised freight that does not require temperature-controlled transport. The creation of this subsidiary allows us to provide different alternatives of transportation services to our clients.

In 2018 we finalized our logistics platform in Alhama (Murcia), with an investment of €48 million (€45.2 million corresponding to land and building and the rest related to furniture, machinery, and other assets), to expand efficiency opportunities and give access to higher value-added activities within our logistics business (in particular, Groupage services). Our main Centre of operations is made of 389,906 sqm plot area, with 34,661 sqm built area, including a single section refrigerated cross-docking platform of 15,000 sqm. It has temperature-controlled cross-docking facilities, which facilitates the consolidation of products for different clients for more efficient shipment and is equipped with the latest information and communication systems. It also incorporates different elements such as solar energy panels, an own reservoir of water and waste management facilities so as to reduce its energy and water consumption and CO₂ emissions. We have recently, in May 2021, sold and leased back this facility to a related party in line with our asset-light strategy (see “Recent developments” section for further details).

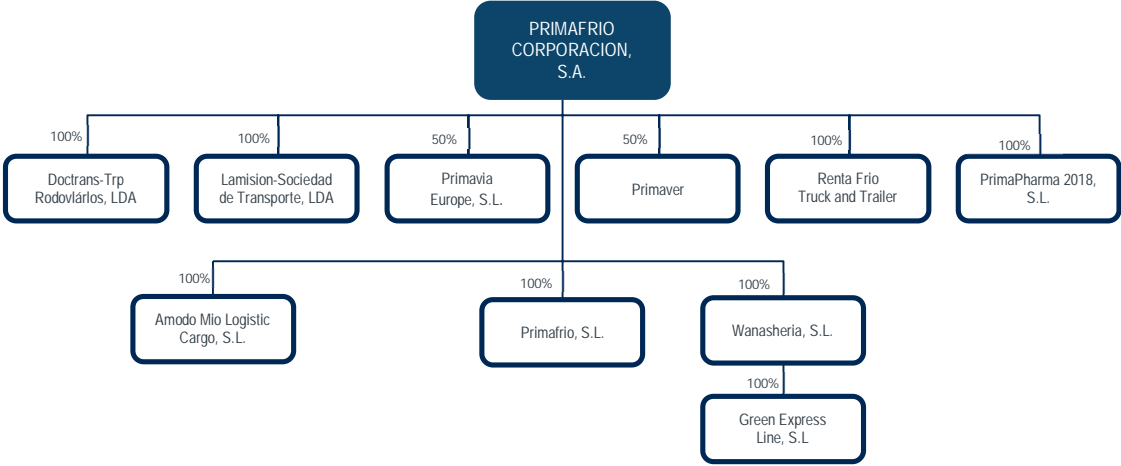
In 2018 we received the Good Distribution Practices (GDP) certificate, required for the transport of pharmaceutical products and medicinal products by road. In the same year, we established Primapharma, a subsidiary focused on temperature-controlled road freight transport for the pharmaceutical sector.

We are committed to promoting entrepreneurship and social economy. In March 2018 we created our foundation, Fundación Primafrio, a non-profit entity to provide innovative answers to the social, economic and environmental challenges of our society.

As of the date of this Prospectus, we are present in more than 25 European countries and continue growing by diversifying our services offering and increasing our presence in Spain as well as in the rest of Europe. As of the date of this Prospectus, we have 4,158 employees, including 3,693 drivers and 465 other employees (mainly warehouse personnel working in our logistics), and operate a fleet of 2,300 leased trucks and almost 2,400 leased trailers.

Organizational structure

The diagram below sets forth a simplified overview of our corporate structure as of the date of this Prospectus. The Company is the parent company of a group of operating companies. The following chart shows the Company's consolidated subsidiaries and equity affiliates.



A full list of key data for each of our subsidiaries and joint ventures is in Annex I to the Audited Consolidated Financial Statements of the Company as of and for the years ended 31 December, 2020, 2019 and 2018.

Our business

We are an international logistics operator providing temperature-controlled road freight transport services through several operating segments and business activities.

For 2020, our top ten customers accounted for approximately 67% of our revenue and 96% of revenue from our top ten customers correspond to Food products. There are two customers that exceed individually 10% of our

revenue in 2020: one of the biggest retailers in Germany, to which we provide logistics services to import fruits and vegetables from Spain to their stores network, and an intermediary that has been operating in this industry for many years, connecting fruits and vegetables' producers in Spain with a diverse number of European retailers (especially in Germany). Each of these top customers serve numerous smaller/end market customers behind them. We work with the intermediary to facilitate our operational and invoices process.

Our client base is primarily made of:

- fruit and vegetable wholesaler companies (i.e. intermediaries between the producers and the retailers) who buy fruits and vegetables from the producers and sell them to retailers of fruit and vegetables, supermarkets, restaurants, etc.;
- retailers and supermarkets, who buy fruits and vegetables from producers or wholesalers and sell them to the public. Our transport is integrated into their European platforms to enable distribution to stores; and
- other clients such as fruit and vegetable producers, who sell fruit and vegetables to retailers and supermarkets. Usually, the producers are responsible for the transportation of the fruits and vegetables to the stores or warehouses.

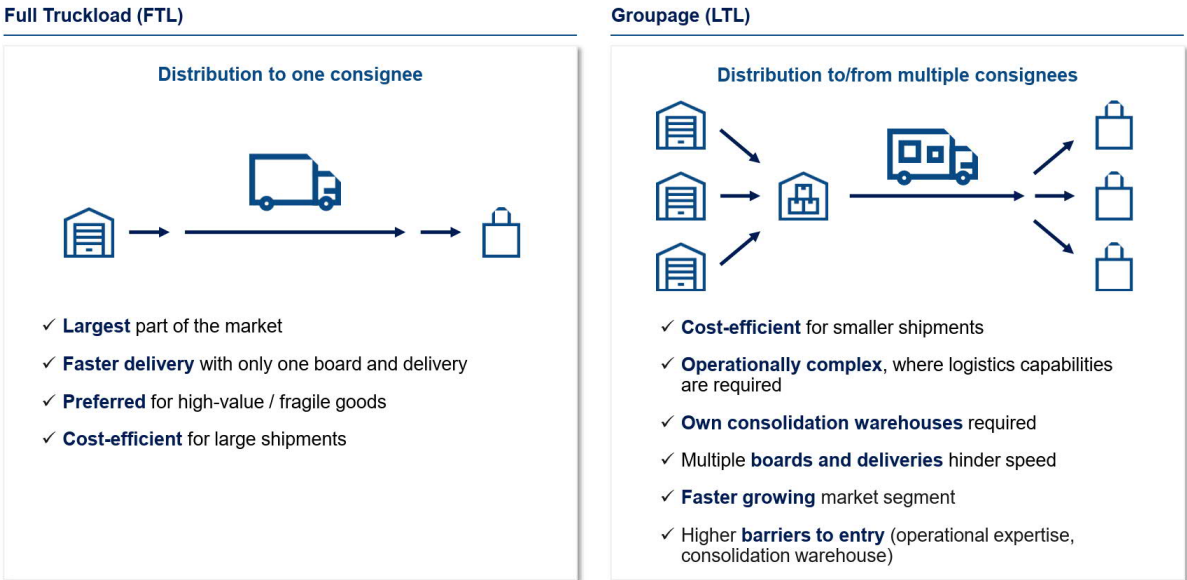
In addition, some of our clients are cooperatives, which are alliances organised by fruit and vegetable producers to sell their products to large supermarkets. Our business relationship with these cooperatives is similar to the relationships that we maintain with larger single seller food and vegetable producers.

For all these clients of Food products (mainly related to fruits and vegetables) we offer transportation of full loads in temperature-controlled trailers (FTL services) and also Groupage services, which involves picking up goods at different points of origin, consolidating the pallets in our temperature-controlled warehouses and shipping them in a single truck to the same customer in different destinations or different customers.

In addition, we also serve customers outside these categories, such as pharmaceuticals or high-value products. For these types of products, we usually offer FTL services since their freight is transported on return journeys from Europe to Spain and Portugal. See "Our business relationships with our key clients" for a further explanation of the characteristics and circumstances of the agreements formalized with our key clients.

Our operating segments

We operate mainly through two operating segments: Full Truckload (FTL) and Groupage services. The key aspects of each of these segments are summarized in the following chart:



Full Truckload (FTL) services

FTL transportation services consist of carrying full trailer loads from origin to the destination, with all the load of the trailer being loaded with goods for a single customer from origin to destination. Usually the full route is covered through road transportation, although occasionally part of the route can be made by sea or by train, which is known as intermodal transport. In the case of maritime routes, the full vehicle including the truck and the trailer will travel

on the ship to the port of destination, and that same vehicle will finish the route to the customers' premises. When part of the route is by rail, the trailer is loaded onto the freight train, and another truck will be connected to the trailer at the destination rail station in order to complete the route to the customer.

Our FTL segment, especially Exports FTL, engages in the transport of food products, mainly fruits and vegetables that require a temperature-controlled or insulated environment for individual customers' requirements. In the case of Imports FTL and National FTL, we have customers as food retailers, for which we import different food products from Europe to the Iberian Peninsula, which require temperature-controlled trucks, but we also transport any kind of goods, including clothes, furniture and technology products, among others, in order to avoid empty kilometres for our trucks, on their way back from Europe to our main area of operations in the South of Spain, to maximize our profitability. Consequently, our Exports FTL customers are mostly supermarkets and fruits and vegetables producers or wholesalers. Our Imports FTL customers are more diverse, and can include companies which sale food, retail, pharmaceutical and high-value products, among others.

We currently participate in partnership through joint-venture Primavia, which is a joint venture with VIJA (a SNCF company) for intermodal services combining road and refrigerated rail transport, as part of our FTL transportation services we offer to our customers. See *–Our joint ventures and other Group subsidiaries* for further details about Primavia.

Our FTL activities are distributed across Europe, where we operate in more than 25 countries (mainly in Germany, the UK, France and Spain). During 2020 our FTL operating segment generated €350.0 million in revenue compared to €316.6 million in revenue in 2019. Out of the €350 million in revenue, 69% were made in food products transport, with the remainder being generated mainly in the transport of retail and pharma and other products.

The table below sets forth certain financial and operational information regarding the FTL segment for the periods indicated:

	Three months period		Fiscal Year		
	2021	2020	2020	2019	2018
	<i>(€ million, unless otherwise indicated)</i>				
Revenue	101.1	91.3	350.0	316.6	298.5
Gross Margin ^{APM}	68.2	61.8	245.3	197.0	187.1
Gross Margin over revenue ^{APM}	67.4%	67.7%	70.1%	62.2%	62.7%
Contribution Margin ^{APM}	26.2	22.7	92.1	53.3	49.6
Contribution Margin over revenue ^{APM}	25.9%	24.9%	26.3%	16.8%	16.6%
EBITDA ^{APM}	22.4	19.0	76.0	38.1	33.7
EBITDA Margin ^{APM}	22.2%	20.8%	21.7%	12.0%	11.3%
EBIT	14.6	12.1	48.9	11.3	7.3
EBIT Margin ^{APM}	14.5%	13.2%	14.0%	3.6%	2.4%

Our FTL activities also encompass our import business. We seek to return our trucks to Iberia as quickly as possible, while minimizing empty kilometres, and thus endeavour to transport high value loads from single points outside of Iberia to single points within.

Groupage services

Groupage services include picking up the goods at origin, consolidating and allocating the goods in our logistics centres and shipping them to one customer or different customers or destinations using a single trailer (i.e. loading in a single trailer different products picked up from different production areas, to be delivered to one customer or to different customers in the same area). This provides flexibility to our customers and allows us to offer more complex value-added services, which involve more flexibility, frequency and rightsizing of the service offering for our clients. Due to the complexity and added-value nature of the Groupage services *vis-à-vis* FTL transport, this operating segment has higher margins than FTL transport. This activity requires an extended network of warehousing facilities for crossdocking, which makes it difficult for competitors to replicate.

We began providing Groupage in 2015 to broaden the range of services that we provide, and as a response to our customers' demand. Our Groupage services have experienced significant growth in recent years, driven by strategic decisions such as the alliance with Primever in 2017 to incorporate Primaver, which has enabled us to extend our operations to France gaining access to 36 crossdocking platforms and 16 logistics centres there, and the construction of our logistics platform in Alhama de Murcia, finalized in 2018, which has a single-section refrigerated cross-docking platform of 15,000 sqm and 106 temperature-controlled cross-docking facilities.

We have developed a unique offering in this segment, which gives our customers higher flexibility and shorter transit times for their perishable goods. These advantages are critical in this sector, due to the short life of fruits and vegetables, which represent most of the products for which we provide Groupage services. We receive orders from our customers and collect the corresponding goods from the production areas in Spain on the same day to be sent to our facilities in Alhama (e.g. a customer requests a truck with peppers, lettuces and tomatoes which are produced in different areas of Almeria and Murcia). We use our refrigerated platform to unload the products and consolidate the different pallets so that they can be loaded in a single trailer to be transported to the destination for the same customer or different customers in the same area, not later than 12 hours after the goods arrived at our warehouse (e.g. we may consolidate a load for 3 different customers in the London area in one single trailer).

Consequently, we do not store the goods our warehouses but ensure shorter transit periods of one consolidated load and allow our customers to place smaller orders at a higher frequency, which ultimately allows our clients to offer fresher and higher quality fruits and vegetables to their clients. At a lesser scale, we can use other facilities we have in Iberia, as well as access the platforms in Germany and France, to facilitate our Groupage activities (e.g. If we have two trucks with different pallets coming from different areas of Spain, they can be unloaded in our base in Araia in the north of Spain and consolidate their own pallets before continuing the journey to different areas in Europe).

Groupage services have been highly demanded by our customers, which is demonstrated by a compound annual growth rate of 20.5% from 2018 to 2020, compared to a compound annual growth rate of 8% from 2018 to 2020 in our FTL services. During 2020 our Groupage services operating segment generated €107.7 million in revenue, compared to €97.6 million in revenue in 2019 and €74.2 million in 2018. Out of the €107.7 million in revenue, 93% were made in Food products transport, mainly fruits and vegetables.

The table below sets forth certain financial and operational information regarding the Groupage services operating segment for the periods indicated:

	Three months ended March 31				
	2021	2020	2020	2019	2018
	<i>(€ million, unless otherwise indicated)</i>				
Revenue	40.8	35.2	107.7	97.6	74.2
Gross Margin ^{APM}	28.9	21.9	76.0	59.6	46.4
Gross Margin over revenue ^{APM}	70.9%	62.4%	70.6%	61.0%	62.6%
Contribution Margin ^{APM}	17.0	14.6	47.0	37.0	32.6
Contribution Margin over revenue ^{APM}	41.7%	41.6%	43.7%	37.9%	44.0%
EBITDA ^{APM}	15.5	13.2	42.1	32.3	28.7
EBITDA Margin ^{APM}	37.9%	37.5%	39.1%	33.1%	38.7%
EBIT (operating income)	12.0	10.2	32.5	22.3	21.6
EBIT Margin ^{APM}	29.4%	28.9%	30.1%	22.8%	29.1%

Our business activities

By product type

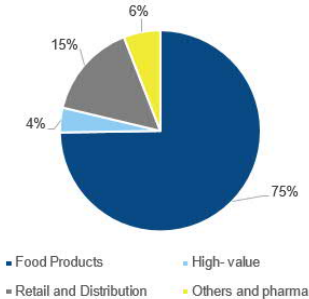
Based on the types of products that we transport our operations can be distributed into the following product lines:

- Food products
- Retail and distribution products
- High-value products
- Others and pharma products

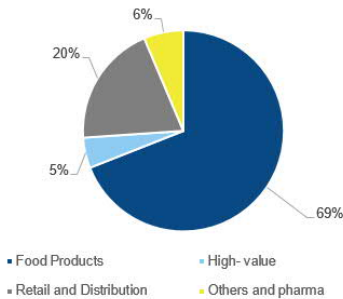
The charts below show the breakdown of our consolidated revenue by product type in 2020 and March 2021:

2020 revenue by product:

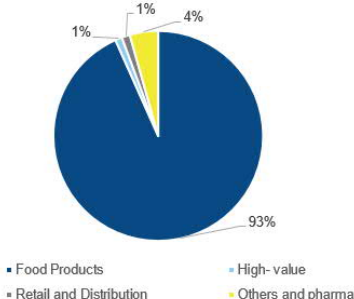
2020 Total revenues by product



2020 FTL revenues by product

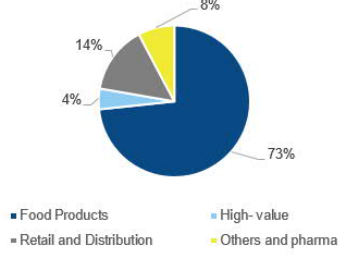


2020 Groupage revenues by product

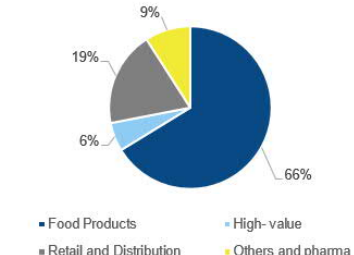


Q1 2021 revenue by product:

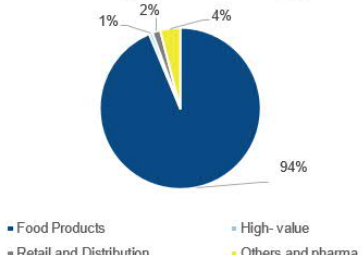
Q1 2021 Total revenues by product



Q1 2021 FTL revenues by product



Q1 2021 Groupage revenues by product



Food products. The products included in this category are mainly fresh fruits and vegetables, which are perishable and have relatively shorter life spans than other products, thus making the transport more time sensitive. These products require specialised, temperature-controlled facilities and transport to maintain the freshness and quality, which enables us to charge premium prices for our services. We are the leader by revenue in temperature-controlled road freight transport of fruit and vegetables in Spain, according to SABI, Alimarket and E-informa, and the European leader by revenue in fruit and vegetables road freight transportation, according to publicly disclosed revenue of our competitors and the Mordor Intelligence market report. In case those specific revenues were not disclosed, we used the percentage that fruits and vegetables represent in respect to the total temperature-controlled freight transport in Europe for the competitor's total temperature-controlled revenue as per the Mordor Intelligence market report. We transport food products both on a FTL and Groupage basis.

Our clients in this product line are European retailers (i.e. supermarket chains), wholesaler companies and Spanish fruits and vegetables producers, and four of our top five clients correspond to this product line. Selected clients for this product line include Lidl, Walmart, Mercadona, Edeka and Fresón de Palos. A significant portion of our revenue in 2020 was generated from the transport of Food products (75% of our 2020 revenue), out of which 93% related to fruits and vegetables. We believe that we have scope to increase our revenue in this product line due to two factors: (i) certain European countries have strong purchasing power, which increases demand for fresh fruits and vegetables at a higher price for quality products, and (ii) there is a general increase of the demand for fruits and vegetables, especially in northern European countries, due to the change in consumer habits (e.g. more importance is given to healthy diets), coupled with an increase in the production of fruits and vegetables in southern European countries.

Retail and distribution products. These products are extremely varied in terms of size and weight and include textiles, dry and general goods, among others. We mainly transport this type of product on an Imports FTL basis, optimising the return to Spain of our trucks and minimizing empty runs (for trucks that have previously transported

Food products from Spain and Portugal to other parts of Europe). We offer high quality and speed of transport which is key for large retailers. 15% of our revenue in 2020 was generated from the transport of retail and distribution products. Selected clients for this product line include Leroy Merlin, Pimkie and Hukla.

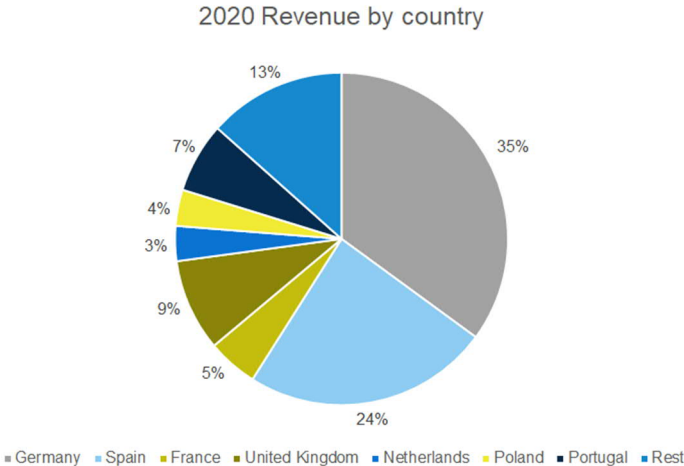
High-value products. The products included in this product line are mainly high-tech products. Our activities in this sector require experienced trained drivers, a double-manned crew and trailers are equipped with certain devices (such as weight control devices). This allows our fleet to transport this kind of products safely and limiting the risk of theft. Only a limited number of our competitors has a similarly equipped fleet that allows them to provide such service. 4% of our revenue in 2020 was generated from the transport of high-value products. Selected clients for this product line include Nintendo, Decathlon and Covergarden Store.

Others and Pharma products. Among the products included in this product line are medical, pharmaceutical and chemical products. Our clients include mainly pharmaceutical companies, medical suppliers and chemicals manufacturers. In 2020, 6% of our revenue was generated from the transport of this category “Other and Pharma products” (2% in 2018 and 4% in 2019). In order to provide transportation services for this type of products, our trailers need to be specially-equipped, special certifications need to be obtained (such as the GDP Certificate for transporting pharmaceutical products and medicinal products for human use) and drivers need to hold a special licence. We believe that we have significant potential to increase our revenue in this product line since (i) there are very few transport companies that provide temperature-controlled road freight transport for pharmaceutical or hazardous goods or toxic materials, and (ii) the margins for the transport of these products are higher due to the required highest standards in service, essential when handling these products. These contracts require good quality service understanding of their specific features of each product, with particular emphasis on safety and compliance with regulations. Selected clients for this product line include Braun, H. Essers and BASF.¹

By geographical distribution

We have presence in 24 other European countries. We have maintained stable growth in the EU market, with 69% of our revenue in 2020 coming from markets outside Spain and Portugal (revenue related to FTL and Groupage services with a final destination outside Spain and Portugal), highlighting our presence in Germany (35% of our revenue in 2020) and the UK (9% of our revenue in 2020) markets. The remaining 31% of our revenue in 2020 came from Spain and Portugal.

We show below the split of revenue by country, is recorded based on the country of destination of the transport.



Our headquarters and main logistics centre is strategically located in Murcia, south-east Spain, one of the largest European producer regions of fruits and vegetables. (Spain represents 36% of the European fresh fruits and vegetable market, ahead of the Netherlands with 26% and Italy with 11% market share respectively. Source: SABI, Alimarket). Our main market is Germany, which is also the main European recipient of these types of products (representing 28% of the market share, followed by France with 13% and the UK with 12% market share respectively, with the latter two countries also being our second and third markets by geography. Source: SABI, Alimarket). In summary, we are strategically located in Spain, being the biggest European producer of fruit and vegetables, and have created a dense network of customers in the biggest consumption areas in Europe, reinforced

by all facilities we have strategically located to allow access to the major transport and logistics networks and to meet our needs, which have positioned us as the European leader, by revenue, in road freight transport of fruits and vegetables, according to publicly disclosed revenue of our competitors. Public figures available for our competitors up to 2019. See section “Industry” for further details. We expect that evolution in 2020 and 2021 would be similar than in 2019. We operate from 6 logistics centres across Iberia with 26,915 sqm of warehouse of capacity in Spain with additional c 1,300 sqm under construction in Lepe and approximately c.37,000 sqm of warehouse capacity in Portugal, which works are expected to start works in the next month. We also have access to 36 cross docking platforms and 16 logistics centres in France with c.200,000 sqm of warehouse capacity thanks to our Primavera partnership. These sites allow us to have direct access to the French market as well as facilitating our ability to service the wider European market. We also have access on demand to five logistics platforms in Germany due to arrangements that we have reached with German operators. (See “–Our capacities and warehouses” for further information in relation to our facilities).

Our business activities are “Exports FTL”, “Imports FTL”, “National FTL”, “Exports”, “National Groupage” and “Others”. Thus, we split our FTL services in 3 categories (Exports FTL, Imports FTL and National FTL) depending on the areas where the recipient of the transportation is located. Our in addition to Groupage services are also provided within Spain and to other European countries:



The breakdown of our revenue by business activities for 2020 and for the first quarter of 2021 is as follows:

(€ million, unless otherwise indicated)	As of the three months ended March 31	% over total revenue	As of the year ended December 31	% over total revenue
	2021		2020	
Exports FTL	60.3	43%	219.2	48%
Imports FTL	33.2	23%	104.4	23%
National FTL	6.1	4%	22.0	4%
Exports and National Groupage	40.8	29%	107.7	24%
Others	1.4	1%	4.4	1%
Total Revenue	141.9	100%	457.7	100%

- (a) **Exports FTL:** our core business activity, which consists of the transportation of fresh products (mainly fruits and vegetables) from Spain and Portugal to other European countries on a FTL basis. We are the Spanish market leader by revenue in temperature-controlled transport services for fruits and vegetables from Spain and Portugal to any other part of the European territory, according to SABI, Alimarket and E-informa. Our Exports FTL revenue represented a 48% of our total revenue for 2020 and 43% of our total revenue for the first quarter of 2021.

In order to provide versatility and flexibility in the Exports FTL business activity, we have located our logistics centres close to main production centres of fruits and vegetables in Spain and Portugal (such as Alhama de Murcia (Murcia), Molina de Segura (Murcia) and Lepe (Huelva)) or in strategic road transportation routes within Europe, such as Vilamalla (Gerona, Spain), Araia (Basque Country, Spain) and Azambuja (45 km away from Lisbon, Portugal).

- (b) **Imports FTL:** consists of the transportation of all kinds of products from European countries to Spain or Portugal on an FTL basis. Our strategic position as an international freight transportation group, with a dense network of trucks across the European territory, enables us to transport all types of goods from any country in Europe to Spain and Portugal. This business activity also allows us to maximize our profitability, as those trucks that have previously transported Food products from Spain and Portugal to other parts of Europe are loaded before returning to Spain with products whose destination is the Spanish or Portuguese markets and we thus minimize the empty kilometres of our fleet in any route. Our Imports FTL revenue represented a 23% of our total revenue for 2020 and for the first quarter of 2021. The main products

transported on an Imports FTL basis correspond to retail and distribution products (such as clothes, furniture, etc.), and high-value products (such as technological products).

- (c) **National FTL:** this business activity consists of the transportation of all kinds of products within Spain on a FTL basis. Our National FTL revenue represented 4% of our total revenue for 2020 and 4% of our total revenue for the first quarter of 2021.
- (d) **Exports and National Groupage:** consists of grouping goods dispatched by multiple clients into a single load and transporting them from Spain and Portugal to other European countries or within Spain. Our Export and National Groupage revenue represented 24% of our total revenue for 2020 and 29% of our total revenue for the first quarter of 2021, in line with the target of continuing to grow in this business.
- (e) **Others:** this business activity mainly consists of the renting of our trucks to third parties through short-term leases. It represented 1% of our total revenue for 2020 and for the first quarter of 2021.

International markets (i.e. excluding Spain and Portugal)

In 2020 Germany accounted for 35% of our revenue (€160.5 million) and showed the first foreign market position over the total revenue. It also showed the strongest growth, with an increase of 14.4% compared to €140.3 million in 2019. Five of our top ten clients operate in Germany.

In 2020 the UK accounted for 9% of our revenue (€41.0 million), the second foreign market position over the total revenue. It increased by 1.3% compared to €40.5 million in 2019. Three of our top ten clients operate in the UK.

In 2020 France accounted for 5% of our revenue (€22.4 million) the third foreign market position over the total revenue. It increased by 13.2% compared to €19.8 million in 2019. Two of our top ten clients operate in France.

National Market (including Spain and Portugal)

In 2020 Spain accounted for 24% of our revenue (€109.5 million), making it our second most important market as a percentage of total revenue (just behind Germany), increasing by 2.6% from €106.7 million in 2019. Eight of our top ten clients operate in Spain.

In 2020 Portugal accounted for 7% of our revenue (€31.2 million), showing an increase of 2.4% compared with €30.5 million in 2019. Four of our top ten clients operate in Portugal.

Our routes optimisation

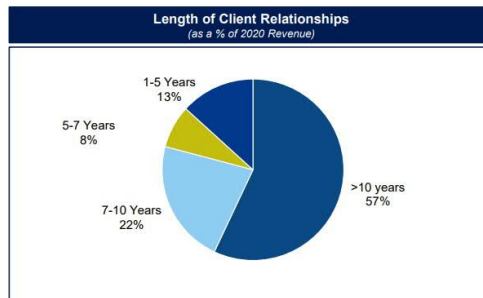
We have developed a very sophisticated TMS (Transportation Management System) to optimise our routes, with the aim to minimize the estimated time of arrival (ETA) and empty kilometres in all our routes. This software considers all the purchase orders created for our core businesses, which are usually related to Groupage or FTL – exports activities, and based on that, allocates each order to a specific truck and driver, as well as connects with our Imports and National departments, which have people 24/7 dedicated to find available loads for the return route of that truck.

This software also considers the legal required stops for our drivers, as well as the different requirements for each route identified in the purchase order by our customers (destination, time of arrival, non-stop service, etc.).

We consider that our routes optimisation system, as well as the expertise of our commercial team, is key to keep our levels of profitability and growth, which is one of the highest in our industry.

Our business relationships with our key clients

Our customer portfolio contains over 2,500 clients. Our key clients are European retailers, wholesaler companies and Spanish fruit and vegetable producers. We provide them with a high-quality service, which has enabled us to build long-lasting relationships, as shown by our high customer retention ratio (57% of our revenues in 2020 relate to clients who have been working with us for the last 10 years on average-see graphic below).



Our top two customers accounted for approximately 43% and 16% respectively of our revenue in 2020 (see Note 15 to the Audited Consolidated Financial Statements) and 41% and 15% of our revenue in the three month period ended March 31, 2021 respectively (see Note 14 to the Q1 2021 Unaudited Condensed Consolidated Interim Financial Statements).

Our top customer is one of the largest European suppliers of fruits and vegetables in Europe. Based in Germany, it has more than 50 years of experience operating as an intermediary in this market, importing fresh fruit and vegetables from producers of several growing areas across Spain, from Huelva in the southwest to Lerida in the northeast, to a diverse number of large European retailers, with important presence in Germany.

As per our relationship with this intermediary, we believe that this relationship is leading us to set up in practice indirect business relationships with over thirty end-market of leading customers (producers and retailers), which are the ones that contract directly with the intermediary. The reason is that, although we contract directly with the intermediary, we maintain regular direct contact with those producers and retailers, to adjust our service levels, and understand their expansion plans, which in turn allows us to adapt our capacity to their future needs.

Our second largest customer is one of Germany's largest grocery retailer and wholesaler, operating a network of largely independent retailers supplied by its own regional food wholesalers. It operates more than 10,000 retail stores. It is vertically integrated, carrying out the production, wholesale distribution, and retail of products. It has nearly 40 warehouses across regional companies supplying 60,000 products to its stores. In 2019 its total revenues amounted to more than €30,000 million. Apart from Germany (which is its main market) it also has a presence in other European markets through its direct investments.

The cost of the services we provide to each of our two main customers only represents less than 10% of the product value (Price of Sale to Public). Even if this cost could be slightly lower for these customers if we were replaced by other operators, it needs to be considered that due to the large volume we have with them and the unique service we offer to them, their switching costs would be much higher. Should they really want to change their logistics provider, this will not be a matter of one day to another as not many other logistics provider could offer the same level of service, the unique service of groupage, the knowledge and the scale to them.

Our business relationships, based on a long-lasting mutual loyalty, are formalized through agreements for the provision of transport services tailored to clients' requests and the type of product, subject to complying with the Company's standards. No minimum or maximum volumes are envisaged, and penalisation arrangements are included for last minute cancellations or delays in the load. These agreements include some common elements such as price conditions (agreed on an annual or seasonal basis and set based on the type of services provided as indicated below), penalisation arrangements for last minute cancellations or delays in the load, transit time and additional cost for two drivers and/or non-stop transport (exchange of drivers so that the truck arrives non-stop at the destination) and type of insurance (CMR - or high value insurance/pharma/ADR).

Type of agreements by products and main common characteristics:

- food: these agreements encompass retail clients, wholesalers and producers, are typically agreed for 1-5 years and those of more than 1 year include annual revision of prices;
- retail: these agreements encompass retail clients, are typically agreed for 1-3 years and those of more than 1 year include annual revision of prices;
- high value: these agreements encompass mostly retail clients specialized in high value products such computers, handsets, etc. Are typically agreed for 1 year and are open for revision annually; and
- pharmaceutical: these agreements encompass pharmaceutical and chemical companies, are typically agreed for 1 year and are open for revision annually.

No material changes expected when re-negotiating the agreements with our top clients. Agreements range from 1-4 years, depending on the client.

We maintain flexible agreements management to follow clients' terms and conditions, subject to compliance with our standards. The average payment period of our clients is short and varies depending on the type of client (around 30-40 days). Insolvency provisions are only made once there is an actual insolvency of the client and the insurance file is closed, since we work with Crédito y Caución, which provides us with insurance coverage relating to the payments due by our clients. The insurance has a franchise of €500 and a coverage up to 90% (referred to the compensation received when declaring the insolvency). Even so, when a claim is declared, the insurance company continues to try to recover the debt and if it is recovered, the full amount is paid to us. In addition, we serve a broad portfolio of customers which we believe have high credit quality (in particular our top clients).

Thanks to our premium services offered, we have along-lasting business relationships with our main clients, which has enabled us to gain wallet share with them over time. We believe there is still whitespace to increase this, given the proven reliance of our major customers on the high-quality of our services, especially on our provision of groupage services over the last 6 years, and the high switching costs that changing suppliers would entail.

We manage our key accounts with a sales representative assigned to specific clients who is responsible for the customer relationship, including improving customer service and ensuring that each client has one point of contact. The sales representative also acts as account manager, constantly monitoring and analysing the evolution of the client to guarantee the best possible service offered and future growth opportunities, focusing on pricing structure and volume evolution, looking for new potential growth opportunities with the client through continuous engagement. Annual pricing is reviewed and confirmed by management, who monitor reports on the evolution of the clients to ensure the best performance of the commercial team. With regard to pricing mechanics, account managers and commercial management, as applicable, receive our tenders directly via email or online platforms. The tendering process is centralised to ensure that all quotations are made in accordance with our strategy. In general, there are 2-3 rounds of bidding following the initial quotation, with the final round usually being a direct negotiation. Once an agreement is reached on prices and volumes, contractual documentation is prepared and approved centrally.

Our business relationships mainly depend on the services required by the client, distinguishing between:

FTL services: FTL agreements are typically entered into with European retailers, wholesaler companies and Spanish fruit and vegetable producers for export activity, but also with smaller retailers and small businesses for import and national activities. Their price conditions are set based on the combination of the origin/destination of the load, the unit price agreed per truck and the type of transported products (there are certain products for which we have to meet specific quality and safety standards or where drivers need special licenses, allowing us to achieve higher margins). Although minimum volumes are not required with these clients, the price for each client is quoted based on the historical volume kept with it. Agreements for imports FTL is a mix of long term agreements and opportunistic loads shipped to optimise fleet utilisation.

Groupage services: Groupage agreements are also typically entered into with European retailers, wholesaler companies and Spanish fruit and vegetable producers. Their price conditions are set based on the combination of the origin/destination of the load and the unit price agreed per pallet. Certain supplements might also be charged depending on the customer's needs, such as a second driver, non-stop transport, etc. For customers with whom both FTL and Groupage agreements are entered into, if its load for a particular trailer reaches a certain volume (even if the trailer is not solely devoted to transport goods for that customer) the price charged to that customer for such trailer becomes a fixed price (as in a FTL service) instead of a price per pallet (as in a Groupage service) which is cheaper for the client.

All contracts which are longer than 1 year include a diesel price adjustment. Annual contracts often do not include this arrangement, but pricing is adjusted annually to take in consideration any changes of the diesel. In addition, it needs to be considered, that especially in the fruit and vegetable sector we work with a different pricing each season, often only valid for 3 months, and this pricing takes into consideration the costs for the Company (including the cost of diesel). For those agreements for which fuel price adjustment clauses are not included, the conditions and circumstances under the agreement (such as price conditions due to changes in fuel price) are revisited each time a purchase order is agreed, or the agreement is renewed.

Our relationships with our key suppliers

Our key suppliers are, due to our business activities, truck and trailer manufacturers (OEMs), fuel suppliers and transport services suppliers.

The choice of our fleet suppliers is based on efficiency, environmental impact, performance, reliability and cost criteria. We follow each year a competitive tender process to ensure that we enter into agreements with the best suppliers considering these criteria. As a result of this process we maintain long term relationships with major

brands, collaborating with them in the development of new products and testing new solutions. Primafrío has a long-term agreement with Michelin for tires supply.

The principal suppliers of our truck fleet are Mercedes-Benz, Volvo, SCANIA and DAF. The majority of our new fleet in 2020, 700 vehicles, have been leased from DAF and Volvo. Regarding our trailer suppliers, we have historically worked with Krone Trailer España, S.L.U. (a third party non-related to the Selling Shareholder or its shareholders), mainly for their quality, service and reliability, although we also have smaller volume agreements with other suppliers (Lecitrailer, S.A. and Sor Ibérica, S.A.). Due to the large volume of our fleet, we benefit from higher purchasing power towards OEMs than our competition and the sector average, as well as an improved service (such as having an official network of workshops throughout Europe at our disposal or having a workshop of those principal suppliers doing the maintenance at our headquarters), which increases productivity, driver rest time and the Company's profitability.

All of our trucks and trailers are leased through renting or leasing contracts that are subscribed with financial entities (both financial entities of the OEMs, e.g., for Mercedes, Mercedes-Benz Financial Services, E.F.C., S.A., for Volvo, VFS Commercial Services Spain, S.A. or for Iveco, Transolver Finance EFC, S.A., and both with third financial institutions, e.g., Cajamar Caja Rural, Sociedad Cooperativa de Crédito, Bankia, S.A. or Caja Rural Granada, Sociedad Cooperativa de Crédito for Krone Trailer España, S.L.U. or Caja Rural de Albacete, Ciudad Real y Cuenca, SCC for Sor Ibérica, S.A.) or directly with the OEMs in the case of Lecitrailer, S.A. In those cases where renting or leasing contracts are signed with financial institutions, the manufacturers (OEMs) previously sell the vehicles to the financial institutions, the Company signs renting or leasing contracts with financial institutions (either the financial institutions of the brands themselves or third party financial institutions) for the lease of these vehicles for a specific period and the manufacturers (OEMs) in turn sign a contract with the financial institutions to buy back the vehicles when the lease period expires. All renting or leasing contracts signed have the same standard terms and conditions and in all of them the Company waives the right to exercise a purchase option at the end of the agreed vehicle leasing period. The Company also undertakes in all cases to return the vehicle to the manufacturers on the agreed date.

Regarding the term of the renting or leasing contracts, for the trucks it is usually a 1 to 3 years lease contract and for the trailers it is usually a 3 to 5 years lease contract. The contracts basically establish fixed rental payments as monthly fee over the contract period. Variable payments of another nature are not usual, such as extra charges based on additional kilometres, usage, etc. These are standard renting or leasing contracts in which suppliers bear the normal maintenance costs of the vehicles. With regard to fuel suppliers, we follow a validation process and we enter into agreements with those fuel suppliers who meet our requirements regarding filling stations (location, 24h supply, minimum number of lanes, availability of diesel A, diesel B and ad blue, the quality of these and conditions in extreme temperatures, certain amenities for drivers such as a shower or cashier, etc.). We currently have ten approved suppliers of prime quality fuel. Suppliers provide us with fuel cards that our drivers use when they need to refuel. Although our main fuel supplier is Valcarce, we currently engage with other nine fuel suppliers. We manage our fuel purchases through our fuel tender app, which provides us visibility of the best prices offered by our suppliers (fuel prices are published by suppliers on a daily basis). Our platform orders the fuel options always starting from the minimum price set by us. We do not have contracts or minimum volume commitments with any of our suppliers, neither any hedge contract linked to fluctuations of market prices.

Finally, we work with transport services suppliers through CMR contracts. There are no agreements establishing minimum transport services or prices. The price is either agreed with the rates with them or we inform them for each trip that is subcontracted. The price is normally per km and depends on the areas of origin and destination. It is based on both because of increases in demand or because of routes that are outsourced because they are more profitable to do so. Whenever we need to subcontract transport services, we first confirm among our suppliers who has the availability to render the service and we make a request to them and set the price. Once the supplier accepts the request, we provide them with load and unload instructions, instructions regarding the goods, etc. Loading and unloading instructions are sent from Alhama to the transporters, but they are not monitored like our own fleet. There is a minimum percentage of suppliers with whom we have a series of specific routes and for which we establish specific prices. We have these agreements for routes that give little margin, i.e. those that deviate from our usual routes or national routes on which the Company is not focused, for example, the first section of product collections from producers to the centre of Alhama on certain groupage routes which are short routes where it is not profitable for the Company to have those vehicles dedicated to that service and it is more profitable to subcontract to specialised suppliers as we get better prices.

Our joint ventures, Economic Interest Groupings and Other Group subsidiaries

We have secured key strategic alliances with some of the key partners in the logistics and transportation services in Europe, allowing us to widen our geographical coverage and improve the quality of our services. The following

joint ventures have been created as a consequence of such alliances, although the majority of the operations facilitated through these alliances are directly performed by the other subsidiaries of the Group.

Joint Ventures

These joint ventures are the chosen legal framework that governs the collaboration among companies involved in each partnership. The vast majority of the sales that are secured through these alliances are directly registered as sales in Primafrio and invoiced to the end customers or to the joint ventures' partners. The costs for the usage of the logistics platforms in case of Primavera are registered in the operating subsidiaries of the Group as cost of sales. Joint ventures are accounted for using the equity accounted method, but their economic activity is minimal.

Primavia Europe S.L ("Primavia")

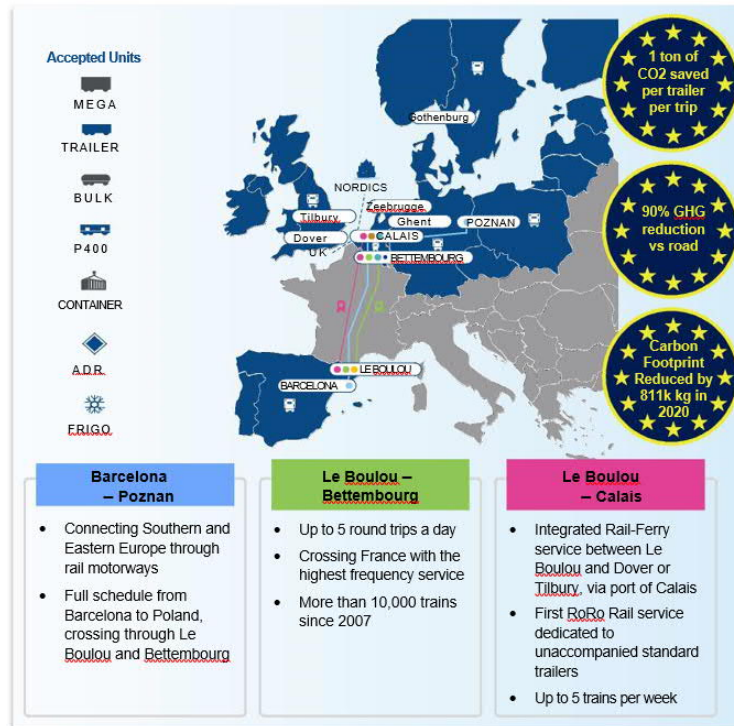
Primavia was established on June 1, 2018 and is based in Alhama, Murcia. It is a partnership with VIIA, a subsidiary of the French railway company SNCF. This joint venture focuses its activities on international intermodal transport and logistics operations, a combination of refrigerated road and rail transport of perishable goods between Spain and the rest of Europe.

Our clients are increasingly demanding sustainable logistics solutions to minimize the carbon footprint of their supply chain. Intermodal transportation, combining both road and rail, can potentially contribute to a reduction of carbon emissions. As sustainability becomes a highly valuable aspect to our customers, we believe intermodal transportation represents an avenue for potential growth in our business.

We have a 50% ownership of the company and VIIA owns the other 50%. Primavia did not distribute dividends during 2020 and 2019. The amount recorded as ordinary results of companies accounted for using the equity method in the Audited Consolidated Financial Statements, corresponding to 50% of the total results of the company, in line with Primafrio's ownership, was €(211) thousand in 2020 (and €(851) thousand in 2019 and €(473) thousand in 2018). The financial results set out in the table below represent solely the results of Primavia. They do not include the results generated by our operating subsidiaries through Primavia (i.e. those that entities of our Group directly invoice to the relevant customers), as described below.

Primavia is a joint venture created to provide a formal legal framework to the commercial agreement committed by the partners (VIIA and us), but the majority of the intermodal operations facilitated throughout that agreement are directly invoiced to the relevant customers by our operating subsidiaries or by the VIIA group. When offering intermodal transportation to our customers or to the VIIA customers, we perform the temperature-controlled road freight transport and VIIA provides the access to the rail infrastructure and the trains where we load our trailers for the part of the route via rail. End customers can directly agree with VIIA or us for the whole intermodal transportation service, and in this case each partner will invoice its counterpart (such counterpart, VIIA or us, having been the one contracting directly with the end customers) the part of the service performed with its own resources. If, on the contrary, the customer contracts directly with Primavia, VIIA will invoice Primavia the agreed cost for the rail transport and we will invoice Primavia the part of the road freight transport.

The chart below demonstrates the flow of goods through the Primavia joint venture, with goods loaded on trains in Barcelona or Le Boulou and transported across France by train to other European locations in the north of France, such as Calais, Poznan or Bettermbourg.



Total revenue generated by Primavia for the provision of intermodal transportation services amounted to € 10,5 million in 2020 (€ 9.2 million in 2019 and € 0.2 million in 2018).

The financial results set out in the table below represent solely the results and financial position of Primavia, which is accounted under equity method in the Audited Consolidated Financial Statements (figures below include 100% of the company's Balance sheet and Profit and Loss):

Selected Balance Sheet figures	Fiscal Year (€Thousands)		
Primavia ⁽¹⁾	2020	2019	2018
Carrying amount (50% of Ownership)	(35)	176	27
Share Capital	400	1,000	1,000
Other Equity	(49)	(945)	-
Total Equity	(71)	(1,648)	(54)
Total Assets	2,406	2,640	3,119
Selected Profit and Loss figures	Fiscal Year (€Thousands)		
Primavia ⁽¹⁾	2020	2019	2018
Revenue	10,465	9,176	184
Operating Profit	(397)	(1,663)	(946)
Amortization	(8)	-	-
Net Profit	(422)	(1,702)	(946)

(1) Company audited by Baker Tilly Auditores, S.L.P

Primavia has had losses in the past three years as after it's a newly created entity set up 2018, and it could not get enough volumes to become profitable. We expect that 2021 will be the first year that this JV will generate positive net income.

Primaver Société Anonyme ("Primaver")

Primaver Société Anonyme was established on June 30, 2017 and is based in Perpignan (France). Primaver is a joint venture between us and the French company Réseau Primever (which is in turn a joint venture between Groupe SATAR and STEF). Through this cooperation, we strengthened our operations in the French market for the supply

of FTL and Groupage services for fruit and vegetables by gaining access to Réseau Primever's 36 cross docking platforms and 16 logistics centres in France, with total operational surface of c. 200,000 m², which are invoiced to us by Primaver on a "pay per use" basis.

Traditionally the sale of fruit and vegetable products produced in Spain and transported to France for its sale in the French market has been managed via Perpignan, where there is a wholesale market where large wholesalers buy those fruit and vegetables in order to subsequently on-sale them to retailers throughout France.

With this joint venture, Primafrio and Réseau Primever can avoid this process and offer end-customers a more direct delivery of the goods from Spain to France, ensuring fresher products due to a cut in transit times and direct deliveries without stops in Perpignan. As part of the services agreed between Réseau Primever and us, we perform the temperature-controlled road transport to STEF facilities in France and STEF provides the temperature-controlled last mile road transport within the French market that requires greater capillarity and direct contracts with French clients. We and Réseau Primever also perform combined Groupage services for Primever customers, which include consolidation of the pallets to distribute to different customers in a single load.

The revenue facilitated through Primaver can be directly agreed by the end customers with Réseau Primever or us (i.e. the customer may not contract directly with Primaver, but with us or Réseau Primever), and in this case each partner will invoice its counterpart (such counterpart, Réseau Primever or us, having been the one contracting directly with the end customers) for the part of the service performed with its own resources. If, on the contrary, the customer contracts directly with Primaver, Réseau Primever will invoice Primaver the agreed cost for the part of the road freight transport carried out by them and we will invoice Primaver the part of the road freight transport performed by us.

We believe that this cooperation also facilitates our access to French clients, as the quality of the products would increase, since we are reducing the transit time in the transportation of fruits and vegetables from the production areas in the Iberian Peninsula to our customers' facilities in France. This gives us a competitive advantage against the services than other competitors could offer.

We have a 50% ownership of the company and our partner has the other 50%. Primaver did not distribute dividends during 2020 and 2019. The amount recorded as ordinary results of companies accounted for using the equity method in the Audited Consolidated Financial Statement, corresponding to 50% of the total results of the company, in line with Primafrio's ownership, was €27 thousand in 2020 (€(17) thousand in 2019 and €(24) thousand in 2018).

. We also incurred in costs for the usage of their platforms amounted €0.7 million in 2020 (€1.0 million in 2019 and €1.0 million in 2018) for the amounts invoiced by Primaver to us each period and registered as Supplies with Joint controlled entities. We don't have minimum commitments with our partner in Primaver, neither for the services we provided to them or viceversa. We only invoice the JV or we received an invoice from them on a demand basis, based on the services provided by each party in the JV.

In addition to that, this alliance provides additional revenues which are directly invoiced by our operating subsidiaries which provide the services to their end customers directly. Although we do not monitor specifically the revenues facilitated by this alliance in our Group, we have experienced an important increase of 13% in our revenues with destination France in 2020, compared to prior year (from €19.8 million revenues in 2019 to €22.4 million in 2020), which we believe is mainly consequence of the opportunities brought by this alliance.

The financial results set out in the table below represent solely the results and financial position of Primaver, which is accounted under equity method in the Audited Consolidated Financial Statements (figures below include 100% of the company's Balance sheet and Profit and Loss):

Selected Balance Sheet figures	Fiscal Year (€Thousands)		
	2020	2019	2018
Primaver ⁽¹⁾			
Carrying amount (50% of Ownership)	95	67	84
Share Capital	120	120	120
Other Equity	15	48	(0)
Total Equity	189	135	168
Total Assets	535	295	1,343

Selected Profit and Loss figures	Fiscal Year (€Thousands)		
	2020	2019	2018
Primaver ⁽¹⁾			
Revenue	1,779	1,176	1,499
Operating Profit	62	(33)	72
Amortization	-	-	-

Selected Profit and Loss figures	Fiscal Year (€Thousands)		
	2020	2019	2018
Primaver ⁽¹⁾			
Net Profit	54	(33)	48

(1) Not audited Company

Economic Interest Groupings

We act as private investor in different Economic Interest Group entities (EIG) (*Agrupaciones de Interés Económico*), which are a form of entrepreneurial cooperation contemplated by the EU legal system, under which a corporate legal entity is created with the aim of performing/aiding to perform certain Research and Development projects (R&D) linked to the economic activity of its shareholders. Such EIGs operate via the following mechanism:

- the R&D Promoter delivers the license for the EIG to develop the R&D project;
- the R&D Promoter usually provides between 60-65% of the required financing of the R&D project through loans;
- the private investor provides the remainder, usually between 35-40% of the required financing, subscribing 100% of the Equity in the EIG;
- the private investor benefits from 100% of (i) the NOLs (net operating losses carryforward) generated in the EIG and (ii) the tax deductions generated by investment in R&D; and
- in exchange, the private investor gives up any potential benefit from the development of the R&D project, which stays with the R&D Promoter.

As of December 31, 2020, the Group held interests in four of these entities, all of them registered in Spain and whose activity consists on promoting different research and development projects. Information regarding these entities (percentage of ownership and investment value) is as follows (see Note 3.f to the Audited Consolidated Financial Statements for information regarding interests held in 2019 and 2018):

	% of Ownership	Investment Value (Thousands of Euros)	
		Acquisition	31/12/2020
Angerman Investigaciones, A.I.E.	99.9952%	2,109	-
Balch Investigaciones, A.I.E.	99.9918%	1,213	-
Geim Investigaciones, A.I.E.	99.9946%	1,990	-
Lule Investigaciones, A.I.E.	99.9950%	2,002	-

During fiscal years 2020, 2019 and 2018, the Group, as a partner of the Economic Interest Groups, has made investments in those entities of €7.3 million, €2.9 million and €3 million respectively, which are initially recognized as Other current financial assets and tax credits. The compensation of tax losses and tax deductions that correspond to these entities for the years 2020, 2019 and 2018 amounted to €5.0 million and €6.9 million in 2020, €1.9 million and €2.7 million in 2019 and €2.3 million and €1.2 million in fiscal year 2018. This recognition is made through the cancellation of the tax credits previously recognized as a consequence of the ownership in the EIG as well as through the derecognition of financial assets (indicated as acquisition investment value), recognizing a financial income for the tax benefit of the operation, the amount of which in 2020 was €4.6 million (€1.7 million in 2019 and €0.5 million in 2018).

Other Group subsidiaries

In addition to the subsidiaries that operate our main segments, FTL and Groupage, we have incorporated other group subsidiaries that perform diversified services, in order to adapt our capabilities to our customers' demand. The main subsidiaries performing such diversified services are:

Primapharma 2018 S.L ("Primapharma")

Primapharma is a fully-owned subsidiary of the Company specialized in the international transportation of pharmaceutical and chemical products, providing FTL services. The subsidiary is headquartered in Gerona, Spain, and was founded on June 22, 2018.

Primapharma holds the required certifications for the transportation of this type of products, such as the GDP Certificate. All our fleet of trucks and trailers are equipped with temperature-controlled equipment, an essential requirement for such transportation.

The establishment of this company generated approximately € 0.2 million of revenues for these types of products in 2020. Amodo-Mio Logistic Cargo, S.L. ("Logist Cargo")

Logist Cargo is a fully owned subsidiary of the Company, which was founded on September 3, 2018 and is based in Alhama, Murcia. Logist Cargo is a transport agency, specialized in European transport, both refrigerated transport and transport by tautliners with ADR equipment, offering specific transport solutions for all clients. ADR equipment and kits are designed to meet the requirements set out by United Nations Economic Commission for Europe (UNECE).

Tautliners are trailers commonly used for the transportation of general palletised freight that does not require temperature-controlled transport. We acquired these type of trailers through lease contracts, after the creation of this subsidiary, which allows us to provide different alternatives of transportation services to our clients at the time we adapt our fleet to our customers' demands. We take advantage of our diverse fleet and our know-how in European transport to offer global transportation services to our customers, with the aim of becoming a global logistics solution partner for them.

The establishment of this company generated a positive result in our FTL business with €5.9 million of revenue invoiced to third parties by the subsidiary in 2020.

Renta Frio Truck and Trailer S.L. ("Renta Frio")

Renta Frio is a fully owned subsidiary of the Company, with a fleet of 173 trucks as of December 31, 2020 that we operate through lease contracts. This company is specialized in the short-term sub-lease of these trucks to third parties as well as jointly controlled entities (occasionally the fleet can also be rented to other Group subsidiaries if needed), in order to cover needs from other transport operators, and to provide additional profitability to our Group, by charging fees in exchange for the usage of our vehicles. The fact that Renta Frio's core business is the short-term utilization of its own fleet has positively impacted our Group by increasing the utilization of our own resources and own capabilities. Third party revenue generated by Renta Frio amounted to €3.0 million in 2020.

Our capacities

Fleet

Our fleet is entirely leased and consists of over 2,300 trucks and almost 2,400 trailers, from established OEMs (Original Equipment Manufacturers) and financial institutions. Leasing our trucks allows us to maintain one of the youngest fleets in the industry, with an average truck age of 1.4 years. Our extensive and dense network across Europe, has created a strong competitive advantage, since it provides flexibility and the capacity to react swiftly to changing client demands, as well as ensuring swift responses to any potential operational issues.

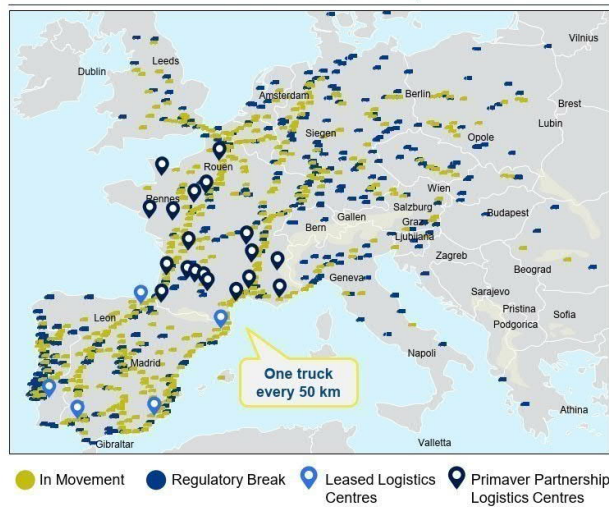
Our fleet averaged approximately 195,000 km per truck per year in 2020 (186,000 km in 2019 and 173,000 km in 2018), with fuel consumption at 93 litres per 100km (98 litres in 2019 and 100 litres in 2018). Fuel consumption data for the historical periods is calculated considering rebased consumption to 100 litres for 2018 and applying actual percentage of decrease for 2019 and 2020. Repair and maintenance costs amounted to €0.0087 per km in 2020 (€0.0087 in 2019 and €0.0104 in 2018).

Both the trucks and trailers are returned to the manufacturer or to the financial institution (as applicable) at the completion of the lease period, and no extensions are considered, as one of our key strategy pillars is the youth of our fleet (1.4 years in average for trucks at the end of 2020). The agreements are signed on demand, each time that we lease vehicles, and conditions for fixed rental payments and duration are set every time based on market prices of the vehicles (less the agreed discount that we have), and interest rates at each moment, although we have advantageous conditions with all OEMs, due to large volume of vehicles we lease every year.

We work with our principal suppliers through cooperation agreements on a variety of initiatives (autonomous guidance, semi-autonomous trucks, bio methane propulsion, bio diesel and synthetic diesel, heat recovery system and special tires) aimed at the reduction of the fuel consumption of our fleet and the mitigation of the consequences of driver shortages. The cost incurred by the Group in such initiatives is not significant, and is mainly related to personnel expenses, as the collaboration implies sharing know-how of our key people with the key manufacturers to jointly agree which will be the new technologies more beneficial for the industry.

Our fleet includes the most advanced systems in monitoring and security. Our trucks are equipped with live tracking and safety systems, which allow us to constantly monitor the location, consumption, driving times, emissions and temperature of each of our trucks. Through cutting-edge temperature control devices and real-time alerts, we carry out predictive and preventive maintenance to prevent any incidents, ensuring the adequate conservation and the traceability of the transported load. Our logistics platform in Alhama, Murcia has the latest system and predictive maintenance to perform maintenance if necessary, in our fleet (it also includes a tire warehouse, paint cabins for trucks and trailers, an incident reparation area and 3 vehicle inspection pits for the main brands of trucks).

Extensive and Dense Network Across Europe...



Our route concentration policy has led us to have trucks every 50 km on average on the routes we operate, calculated as total km covered by our fleet per day divided by total trucks on road per day.

Thanks to our constant renewal of our fleet, we have achieved an approximately 7% fuel save by using Euro VI engines compared to the previous use of the Euro V engines. We have also incorporated transport alternatives such as gas (LNG)-fuelled trucks, thus promoting our commitment to reducing pollutant emissions and gaining experience in the gas powered trucks field which will lead in the following years into new fuels such as Hydrogen liquified (*for specific information refer to Environment Social and Governance and Research and Development*).

Drivers and employees directly related to operations

We had 4,104 employees as of December 31, 2020, 3,776 of whom are drivers. Our drivers are directly hired by us and they are not service suppliers. In addition, we also have 328 experienced employees in our logistics and operational activities.

We provide significant training to our drivers through various means (such as our official simulator and virtual reality project) to improve their driving capabilities and ensure that they adopt positive driving habits so as to increase their safety and efficiency, both in terms of fuel consumption (and the corresponding reduction of CO₂ emissions) and client service.

Constraining drivers' regulations which set limitations to the number of kilometres that can be driven by each driver force us to increase the number of drivers hired at a similar pace to the number of kilometres made by our trucks.

This is also strengthened by our commitment to offer double-manned services to our customers. Double-manned services imply that a same truck is driven until its destination by two drivers which take turns driving at regular intervals of time. This alternative allows the truck to travel twenty hours non-stop before the nine hour night break (when drivers are changed), whereas if the truck is just driven by one driver the driver can only drive for nine hours with 45-minute breaks every 4.5 hours before the nine hour night break. This allows faster deliveries to our customers and, therefore, a better service.

Warehouses

Presence in our Iberian locations: Spain and Portugal

We operate in the Iberian Peninsula through six logistics centres with an aggregate storage capacity of 65,215 sqm (including 26,915 operational sqm in Spain with additional c.1,300 sqm under construction in Lepe, Spain) and an additional 37,000 sqm, which works are expected to start in the next month, in the Azambuja logistics centre in Portugal).

All our logistics centres are strategically located to facilitate our operations and better serve the needs of our clients. The following table summarizes information about each of the logistics centres along with their purpose and facility details.

We lease all of our logistics centres in Iberia from the Selling Shareholder and other related parties on a multi-year contract basis.

Logistics centre	Location	Plot Area (sqm) (*)	Built Area (office) (sqm) (**)	Logistics storage - Capacity (sqm) (***)	Annual Rent (thousands €)	Detailed Description
Alhama de Murcia	Murcia, Spain	389,906	34,661	15,000	€2,300	<p>(***) Cross-docking platform of 15,000 sqm and 106 temperature-controlled cross-docking facilities, this facilitates the provision of Groupage services.</p> <p>(*) Parking for trucks and areas for future developments to adapt and expand as per the needs of the company.</p> <p>(**) Underground parking for office and warehouse staff, reception, meeting rooms, waiting rooms, exposition room, offices, training rooms, rest area for staff and drivers, fitness studio, kitchen and canteen, archives, IT rooms, supermarket (12/7), hotel with 39 rooms (double and single rooms) and hotel reception, restaurant (24/7), workshop with a tire warehouse, paint cabins for trucks and trailers, incident repair area, 3 vehicle inspection pits for the main brands of trucks, area for residual management, gas station with 16 fuel pumps for simultaneous fueling, 6 fuel tank capacity of 75,000 litres each, 16 washing stations for trucks simultaneously.</p> <p>These owned installations do not generate income in our operations as they are not developed by us.</p> <p>Equipped with <i>state of the art</i> devices to optimise the use of energy, reduce our carbon footprint, improve waste management, improve our processes and gain efficiency.</p>
Molina de Segura	Murcia, Spain	23,427 plus additional 50,000 which corresponds to a truck parking separated from the mains installations	N/A	4,500	€290.4	Workshop, truck wash.
Villamalla	Gerona, Spain	9,900	2,784	1,800	€66.6	(*) used as secured parking area for high value goods;

Logistics centre	Location	Plot Area (sqm) (*)	Built Area (office) (sqm) (**)	Logistics storage - Capacity (sqm) (***)	Annual Rent (thousands €)	Detailed Description
						<p>(**) 3 Offices, Meeting room, Reception area, Waiting room, Restrooms, Archive.</p> <p>(***) the total warehouse space of 1800 sqm is composed of a temperature-controlled area of 850 sqm and a non-temperature-controlled area of 950 sqm. In addition, the logistics platform has 9 loading docks plus 4 docks connected with each other through a sliding door.</p>
Araia - San Millán	Álava, Spain	28,000	5,247	3,615	€166.3	<p>*used as secured parking area for high value goods, including private petrol station with two fuel pumps and electric room.</p> <p>**Offices space: 375 sqm including meeting rooms, waiting room, reception, training room, rest area and rest rooms and several private apartments; Fleet Service and Vehicle maintenance building: 903 sqm, Fuel tank for own consumption and car wash.</p> <p>***Refrigerated storage of all kinds of fruits and vegetables: 3,615 sqm (2,821 sqm of storage without regulated temperature and 794 sqm of storage with regulated temperature).</p>
Lepe	Huelva, Spain	42,271	300	3,300	€60.0	<p>*used as parking area, including own petrol station with eight fuel pumps and truck cleaning facilities. Covered space for truck repairs, and also connection points for the trucks to be connected to electricity for the cooling systems.</p> <p>**Offices space: offices, meeting rooms, reception, rest area with showers and toilet facilities.</p> <p>***storage sqm includes 1,300 sqm under construction for additional cold storage.</p>
Azambuja	Portugal	134,882	294	37,000	€24.0	<p>*Plot area is mainly destined for parking use of trucks and trailers (up to 2,000 parking spaces). Car park for all local drivers.</p> <p>** An office area equipped with resting area and showers for drivers.</p>

Logistics centre	Location	Plot Area (sqm) (*)	Built Area (office) (sqm) (**)	Logistics storage - Capacity (sqm) (***)	Annual Rent (thousands €)	Detailed Description
						***Building of 37,000 sqm, which works are expected to start in the next month, of new temperature-controlled warehousing for the loading and unloading of goods.
Total		628,386	43,427	65,215	€2,907	Our current total operational Logistics storage capacity is of 26,915 sqm with additional c.1,300 sqm under construction in Lepe logistics centre and 37,000 sqm, which works are expected to start in the next month in the Azambuja logistics centre.

Alhama de Murcia (*Murcia, Spain*)

Our facilities at Alhama de Murcia are our headquarters and our main logistics centre. We manage our operations from this facility. The construction works of the headquarters, and all the facilities of the logistics centre, ended on 2018 and we have invested €48 million in them (€45.2 million corresponding to land and building and the rest related to furniture, machinery, and other assets).

They have 15,000 sqm of logistics storage, with a cross-docking platform and 106 temperature-controlled cross-docking facilities. These facilities provide an efficient classification of the fruit and vegetables stored there in order to provide our Groupage services to customers within Spain and other parts of Europe. Our Groupage services are, therefore, centralized through this logistics centre.

Our facilities here extend to over 34,000 sqm and include the following facilities for staff and drivers in addition to the facilities described above: an underground parking for office and warehouse staff offices with meeting rooms, waiting rooms, an exposition room, offices, an area for residual management, training rooms, resting area for both staff and drivers, a fitness studio, a kitchen and canteen, archives, IT rooms, a supermarket (12/7), a hotel with 39 rooms and a restaurant (24/7).

Our Alhama facilities also include the following truck/trailer facilities: a workshop with a tire warehouse, paint cabins, an incident repair area, 3 vehicle inspection pits for the main brands of trucks, a gas station with 16 fuel pumps for simultaneous fueling, 6 fuel tanks with a capacity of 75,000 litres each and 16 washing stations for trucks which may be used simultaneously.

All these owned installations do not generate income in our operations as these installations are not developed by us.

These facilities are also equipped with state-of-the-art devices in order to optimise the use of energy, reduce our carbon footprint, improve waste management, improve our processes and gain efficiency. For example, these facilities are equipped with an installation of 2,000 photovoltaic modules in our headquarters in Alhama de Murcia which generates electricity as well as a monitoring and remote-control system of different elements of the building managed through sensorization, IoT and automation. Moreover, a closed water circuit collects rainwater, washing water, sanitary water, workshop water and irrigation water to use or reuse it in the most efficient manner. Finally, our facilities here also benefit from an advanced communication system (including a communication tower) through which our operations can be more easily managed.

Our facilities at Alhama are strategically located, as (i) they are placed in Murcia, a region which is one of the biggest producers of fruit and vegetables in Europe (and a great proportion of such production is for export purposes) and (ii) –they have quick and easy access to the Spanish national highway network (in particular, the A-91 and AP-7 motorways, that link the Mediterranean coast with the rest of Europe and the A-30 motorway, which connects Murcia with inland Spain).

These facilities were owned by us, although in February 18, 2021 we have contributed them to a company of the Group (Primafrio Huelva, S.L.) and we sold such company and leased these facilities back to a related party to the Selling Shareholder (Ondina Capital, S.L.). We entered into a 10-year lease contract (without automatic extension)

with Primafrío Huelva, S.L. for the leasing of the Alhama facility on February 18, 2021 and at an annual rent of almost €2.3 million thousand (as per a third-party appraisal). (See "*Material contracts*"). The total amount for the annual rent determined by a third-party appraisal was €2.3 million. Nevertheless, other companies (the Selling Shareholder or related parties to the Selling Shareholder) also rent a minimal part of the spaces (workshop and offices) to Primafrío Huelva, S.L. in Alhama facility, in exchange of an annual payment of 32 thousand Euros, so the total rent received by the lessor equals the total value of the third-party appraisal (€2.3 million). In accordance with IFRS 16, the total amounts committed to be paid have been recorded as a Right of use within the non-current assets and as Lease liability, amounting to €20 million, in the second quarter of 2021.

Molina de Segura (Murcia, Spain)

Our logistics facilities at Molina de Segura served as our headquarters between 2007 and 2018. These logistics facilities comprise five plots as well as premises leased to us by Uranio Investments, S.L. (27% owned by each Juan Ignacio Conesa Alcaraz and José Esteban Conesa Alcaraz, being the remaining share capital owned by other relatives of them) and Mediterráneo Hispagroup, S.A. (17% owned by José Esteban Conesa Alcaraz and 20% by Juan Ignacio Conesa Alcaraz, being the remaining share capital owned by other relatives of them) under annual lease contracts jointly amounting to 24 thousand Euros per month (annually updated according to CPI) and which are renewed every year.

Villamalla (Gerona, Spain)

Our logistics facilities at Villamalla are used for both FTL and Groupage services (5 groupage operators are available 7 days a week, 24 hours a day).

They are strategically located as (i) they are very close to the French border (and, therefore, they are the last exit point for our trucks transporting goods to other European countries and the first entry point when those trucks come back to Spain and within a region that is well-connected with France and the rest of Europe due to the European route E-15) and (ii) they have quick and easy access to the N-2 Spanish motorway, one of the most important Spanish logistics networks connecting Madrid with Catalonia (and, ultimately, with the rest of Europe), and passing through Zaragoza, which is also an important logistics centre in Spain.

From an operational perspective, our Villamalla facilities are relevant for us because, due to their location, they can be used to reorganize, unload, re-group and store goods before their distribution within the rest of Europe (for export activities) or Spain (for import activities) and they can also be used for regulatory breaks for drivers before our trucks leave or enter Spain.

These facilities are leased to us by Transportes Nafimar, a company under the control of the Selling Shareholder, under an annual lease contract amounting to €5,550/per month, which is annually renewed.

Araia – San Millán (Álava, Spain)

This logistics centre is located in the 385 km of the N-1, a Spanish highway route which starts in Madrid and ends in the north of Spain, near the Spanish-French border in Irún. The N-1 is one of the most important Spanish logistics networks connecting Madrid with France and, ultimately, with the rest of Europe. We use this facility for both FTL and Groupage services.

From an operational perspective, our Araia-San Millán facilities are relevant for us because (as with the Villamalla logistics centre) due to their relatively close location to the French border they can be used to reorganize, unload, re-group and store goods before their distribution within the rest of Europe (for export activities) or Spain (for import activities) and they can also be used for regulatory breaks for drivers before our trucks leave or enter Spain. In addition, these facilities are also relevant because, given that fuel is usually cheaper in Spain than in France, trucks are usually refuelled in these facilities before leaving Spain and they also have facilities for cleaning the trucks.

These facilities are leased to us by the Selling Shareholder under a 10-year lease contract due in November 2026, although its terms provide for its tacit renewal on a monthly basis after its term has expired. The monthly lease amounts to €13,860 (annually updated according to CPI). In accordance with IFRS 16, the total amounts committed to be paid have been recorded as a Right of use within the non-current assets and as Lease liability, amounting €1 million respectively as of December 31, 2020.

Lepe (Huelva, Spain)

This logistics centre is located in the heart of Huelva, one of the most important berry production regions in Europe (including strawberries, raspberries, blackberries and blueberries). It is also close to red berry production regions of Portugal. It is mainly used for Groupage services, as it is ideally positioned to consolidate all berries produced at origin for their distribution within Spain, Portugal and other European countries.

This platform is responsible for all pickups of received goods in Portugal (in the production areas), as well as pickups of received all types of goods related to FTL and Groupage services, in the port of Algeciras and ports in Portugal, being responsible for delivery of goods to the destination or to our platforms for consolidation in case of Groupage.

This facility is leased to us by Mediterraneo Hispagroup, S.A. (17% owned by José Esteban Conesa Alcaraz and 20% by Juan Ignacio Conesa Alcaraz, being the remaining share capital owned by other relatives of them) under a lease contract amounting to €5,000/per month (annually updated according to CPI), which is tacitly renewed every year.

Azambuja (Lisbon, Portugal)

Works in this logistics centre are expected to start in the next month to increase our logistic capacity in c.37,000 sqm and expected to be finalized in 2024. It is expected to have 37,000 sqm of new temperature-controlled warehousing. The building cost of this facility will be borne by the Selling Shareholder, which is the landlord of this centre. We expect to use this facility to expand our Groupage services capacity, but we will use it also to facilitate our FTL services.

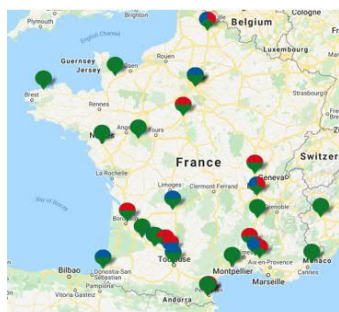
It is located only c. 45 km from Lisbon, enabling excellent access to Spain and Continental Europe (through the Spanish A-5 motorway) and also to the United Kingdom (through the European route E-1 motorway).

It is connected to train lines between Lisbon and Spain and it is operational and ready to facilitate freight services by train. ADIF, the company in charge of the Spanish rail network, is currently working to homologate the train tracks between Spain and Portugal so that there can be a faster connection between Madrid and Lisbon, which will provide greater possibilities to this logistics centre.

These facilities are leased to us by Krone-Mur under a lease contract due to expire in November 2021 (although it is automatically extendable for 5-year periods unless prior notice by either party) amounting to €2.000/per month (annually updated according to CPI). Actual rent is paid for the current use of the area for parking and certain loading and unloading operations, although the rent is low based on the type of asset currently in operation. Once the warehouse is completed, the lease will be updated at arm's lengths conditions for the new facility, but the amount payable is still unknown. In accordance with IFRS 16, the total amounts committed to be paid have been recorded as a Right of use within the non-current assets and as Lease liability, amounting €0.1 million respectively as of December 31, 2020.

Presence in other locations

French Platforms: As mentioned above, through our joint venture Primaver, we ensure access to 36 crossdocking centres and 16 logistics centres in France owned by Primever, our partner in this business alliance, providing us with access to approximately 200,000 sqm of warehouse space. The sites are in key locations for the whole European land transportation network, allowing us direct access to the French market, and bringing us closer to neighbouring countries, thus allowing us to service better the wider European market. For example, during the red berry season, given the high activity driven by the French market demand for Spanish red berries, we use 23 crossdocking platforms daily to cross dock our Groupage of red berries and newly consolidate them there. The total costs we incurred for the usage of such platforms amounted €0.7 million in 2020 (€1.0 million in 2019 and €1.0 million in 2018) which has been invoiced by Primaver to us for each period and registered as Supplies with Joint controlled entities.



German Platforms: We also use some of our partners' five platforms for crossdocking activities in Germany. There are no formal agreements - the platforms in these locations are being used and paid on a services provided basis. These platforms are owned by the following German companies:

- Ludwigshafen am Rhein: Contino Transport GmbH
- Achern, Germany: Fresh Logistics System GmbH

- Leipzig, Germany: Frutty-Interworld GmbH
- Eching, Germany: World of Less Logistic Trading GmbH
- Bornheim, Germany: Franz Wirtz GmbH



As indicated above, we are working on the basis of commercial agreements with the owners of these logistics platforms in France and Germany to receive "on demand" access to the different services available in such platforms that could be needed to run our operations in exchange for certain agreed tariffs. Costs are as per use of the platform and movement of pallets. The total costs we incurred for the usage of such platforms amounted €0.1 million in every year for 2020, 2019 and 2018, which has been invoiced by each owner to us for each period and registered as Supplies with third parties.

Environment, Social and Governance

ESG principles are at the heart of our strategy and we consider them to be of utmost importance within our activity and business model. We believe that complying with ESG principles not only benefits society and our planet, but it also drives innovation and long-term value within our company. Our aim is to become a Net Carbon Emissions company by 2030 and an industry reference in ESG and sustainable logistics.

We have a 15 year history of permanent innovation and research that has led us to adopt a business model aimed at achieving sustainability of our activities (limiting our impact on the environment) and providing the best possible service to our clients, while caring for the wellbeing of our employees, our contribution to the development of the society and the transparency and integrity of our activities.

We aim to provide efficient solutions to temperature-controlled logistics needs, offering our clients a comprehensive, customized and environmentally friendly high-quality service. We also aim to offer our employees the opportunity to grow both personally and professionally.

The Group is committed to conducting its business in accordance with the United Nations' Sustainable Development Goals (SDG) in order to achieve sustained growth and value for our customers, employees, suppliers and society at large. At the date of this prospectus we are committed to the following 13 (out of a total of 17) Sustainable Development Goals:



In line with these objectives and the sustainable development goals of the United Nations, we have approved an internal sustainability policy. The aim of such a policy is to set out the commitments and internal mechanisms that we intend to adopt (including in terms of governance) to become a reference in sustainable logistics, considering the environmental and social factors that have a greater impact on our activity.

Our corporate strategy is conditioned by our compliance with ESG principles and our management decisions take into consideration to a great extent such compliance. We devote significant resources to this effect and, as a consequence thereof, we have been able to significantly reduce our carbon footprint in recent years.

We are aiming to become a Net Carbon Emissions company by 2030 through technological innovation (ahead of the target set out in the EU strategy of climate neutrality by 2050, see "*Regulation–Safety and environmental laws and regulations*"). We meet all quality standards, having obtained the following certificates: ISO 9001, ISO 14001, IFS 2018 Standard, 2018 GDP Certification, 2018 FVS Environmental Footprint Seal promoted by the Sustainable Life Foundation (*Fundación Vida Sostenible*), ISO 27001, ISO 50001 and the Ecological Fleet Certificate, a program promoted by AEGFA (Spanish Association of Automobile Fleet Managers), in collaboration with IDAE (Institute for Energy Diversification and Saving), and carried out under the Ministry for Ecological Transition and Demographic Challenge (*Ministerio para la Transición Ecológica y el Reto Demográfico*). We are also registered in the Spanish Registry of Carbon Footprint, Offsetting and CO₂ removal.

We believe that we are ESG leaders in temperature-controlled logistics and one of the most environmentally friendly logistics alternatives for the products we transport. With our intermodal transport we can merge the benefits of road and rail transport. On our train journeys we are saving approximately 1 Tonne of CO₂ per 1,000 km (Source: VIIA 2020 CO₂ saver certificate).

Compliance with ESG principles is also embedded in our risk management system. We perform continuous risk analysis of the environmental and social aspects which are more impacted by our activity, in particular in the following areas: quality management, food safety and responsibility of legal persons.

We monitor our progress in terms of compliance with ESG principles against certain qualitative and quantitative metrics that measure the ESG impact of our operations (i.e. energy, fuel consumption, water use, climate and other environmental metrics). Furthermore, our standard procedures require that every time a new project or business model is proposed, its impact from an ESG perspective needs to be evaluated beforehand to ensure its alignment with our business model and, once it is implemented, its impact needs to be periodically traced and evaluated.

The day-to-day responsibility for managing sustainability issues rests with the Head of R&D & ESG and his team of 20 people.

In addition, ESG skills and knowledge have been taken into consideration in the composition of the Board of Directors, which will be assisted, when necessary, by independent ESG consultants for broader and forward-looking views.

Finally, our employees and senior management are provided with education on ESG principles, in particular on topics like 1) environmental footprint / impact, 2) climate and renewable energy, 3) circular economy, 4) sustainable infrastructure and 5) digitalization.

Given the importance of ESG principles in our activity and strategy, we are determined to improve and accelerate our social and environmental commitment focusing on seven main pillars, for each of which we have developed certain initiatives that have already brought tangible results as of today and that we expect will bring additional results in the coming future. These are summarized below:

1. Environmental Management System optimisation

Defining and promoting an integral system to manage all environmental activities, which allows us to trace our activities including our CO₂ footprint. We are aware of the effects of our activity on the environment, and therefore our objective is to offer a clean, quality transport service.

Our environmental management system has developed a comprehensive program that seeks to continuously improve and optimise environmental initiatives while seeking to comply with all legal requirements. As a result of the implementation of different initiatives to reduce our carbon footprint since our inception, in 2015 we obtained the International ISO standards 9001 and 14001 certificates, which certify that a qualified environmental management system is developed and implemented so that we are at the forefront of our industry. In addition, in 2021 we have been awarded with the ISO 50001 (Energy Management Certification), which certifies that our environmental management system is capable of reducing our energy consumption and carbon footprint and improve waste management and with the ISO/IEC 27001 (*Information Security Management System Certification*), which certifies that our information systems are capable of maintaining the reliability and accuracy of the information provided and also its confidentiality.

2. Emissions minimization

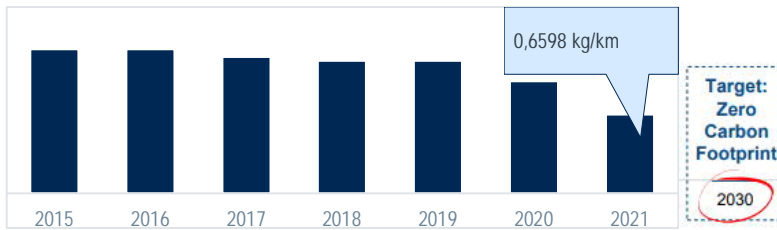
Minimizing polluting emissions by implementing improvements in all emission sources. Given our activity, the emissions generated are our main impact on the environment. Our commitment consists of reducing our carbon footprint until becoming completely Zero Emissions through different initiatives such as:

- being a founding member of AHMUR, the first Green Hydrogen association, an organization which promotes the use of green hydrogen in Murcia and the Mediterranean corridor, aiming to foster research of renewable energy projects;
- issuing a €25 million green bond in 2020, the proceeds of which will be used green capital expenditures and works on energy transition and logistics transformation. In addition, this tranche has been classified as Sustainable Finance, as it is aligned with the "Green Loan Principles" published by the Loan Market Association in May 2020, which are voluntary guidelines that recommend transparency and disclosure and promote integrity in the development of the Green Bond market;
- becoming a member of the international Lean & Green initiative, a European logistics community whose aim is to support initiatives to reduce CO₂ emissions and whose members have firm commitments to reduce at least 20% of their carbon emissions by 2025;
- becoming a member of Biodiversity Partnership Mesoamérica, an organization devoted to mitigating the impact of the carbon footprint globally and generating greater global biodiversity, including initiatives to compensate activities around the world, prioritizing those places that are most affected by climate change. Certain of these projects are focused on the recovery of communities devastated by hurricanes in south and central America, enhancing the development of the dry corridor in Honduras, Guatemala and El Salvador, participating directly in the reforestation of 14,000 native trees in La Tigra Forest Reserve to establish a replicable sustainable model and community-based ecotourism, as well as a Rainforest Protection Project, a Smart Climate Agriculture Project, a Sustainability Packaging Project, a Landscape Protection Project and a collaboration with a Tropical Agronomic Research and Education Centre;
- collaborating with the Spanish National Hydrogen Centre (Centro Nacional del Hidrógeno) as a strategic company to develop the H₂ network in Spain;
- promoting green hydrogen projects with some IBEX 35 utilities and other energy developers such as Iberdrola, Repsol, Enagás and Soltec, as well as with other relevant international companies such as Air Liquide, Linde, Fraunhofer and Amazon leading the fair and inclusive ecological transition;
- collaborating with OEMs and other vehicle component manufacturers in different projects aimed at reducing the CO₂ emissions of our trucks, such as the one established with Michelin;
- promoting our expansion into the intermodal business line, which has resulted in having been awarded the International CO₂ SAVER 2019 Certification in 2019, which certifies that we reduced our CO₂ impact in 2019 by -1 ton every 1000 km through our Primavia partnership with VIIA;
- implementation of new long-term business ventures based on activities involving international intermodal transport, through a combination of refrigerated road and rail transport of fresh goods between Spain, Central Europe and the UK, as well as maritime and air freight forwarders services. Intermodal road-rail transportation ensures fast, environmentally friendly and responsible transport, aiming to address our commitment to reducing the carbon footprint and our environmental impact. In March 22, 2021 the Selling Shareholder entered into a joint venture agreement (acquiring 11% of CTC, which will be transferred to the Company – see *Business-Increasing our presence in the foreign markets where we are already established and expanding our presence to other markets where we are not presente* and *Business-History*) to create Combiterminal Intermodal Infrastructure, which will involve, inter alia, the construction and operation of an ad-hoc freight rail terminal in the Port of Tarragona, promoting the use of intermodal transportation and, therefore, reducing our carbon footprint; and
- we have recently joined the Sustainable Fleet Certification, which is a program promoted by AEGFA (Spanish Association of Automobile Fleet Managers), in collaboration with IDAE (Institute for Energy Diversification and Saving, dependent on the Spanish Ministry for Ecological Transition and Demographic Challenge), with the purpose of distinguishing our fleet of trucks as being equipped with devices that promote energy efficiency and the reduction of polluting emissions.

As a result of these initiatives, we have significantly reduced our carbon footprint in the last years (14,000 tonnes of CO₂ emissions saved in 2020 compared to 2019) and consider ourselves as having become one of the European logistics companies with the lowest CO₂ emissions.

We include below a chart detailing our reduction of CO₂ emissions. There is a significant reduction in 2020 and 2021 due to all of the IT developments that we have incorporated into our trucks and processes and the training of our drivers, so as to improve their driving faculties with the aim of reducing the fuel consumption of our fleet.

Primafrío Trucks CO₂ Emission Evolution (kg/km)



Source: Company's source derived from our carbon footprint analyses

3. Fuel consumption reduction

In our commitment to take measures to adapt to the consequences of climate change, the reduction of fuel consumption and its associated GHG emissions, we are committed to several initiatives, such as:

- incorporating into our fleet certain elements to reduce atmospheric emissions and fuel consumption such as Euro VI engines. The acquisition of trucks with these new engines means approximately 7% fuel consumption reduction compared to the previous use of Euro V engines (Source: Company's source derived from its internal system);
- the use of new tires, such as Michelin X LineEnergy tires (that we have developed jointly with Michelin), leading us to fuel consumption savings of up to 1.6 ltr/100 km (Source: Michelin- 2017 Certificate);
- progressive substitution of our fuel-propelled trucks with greener alternatives such as Liquefied Natural Gas-powered trucks (60% reduction in NOx emissions, 95% reduction in CO₂ emissions, 80% of CH₄ and 99% of suspended particles, in addition to a reduction of noise pollution) (Source: IVECO- 2017 Publication);
- launch of efficient driving programs by our own driving department with the objective of promoting a driving efficiency awareness among our drivers so as to reduce our fuel consumption. Through this program, driving is monitored and those drivers who focus their efforts on responsible driving are rewarded; and
- development and incorporation into our processes of advanced data analysis and artificial intelligence technology, which optimises routes in logistics and transportation in terms of time and fuel consumption, minimizing vehicle stops, reducing "empty kilometres" and driving efficiency parameters. We expect that this system will lead to a significant reduction in the fuel consumption of our fleet, thus in 2020 the decrease in our consumption of fuel due to our efficiency driven by the optimisation of all these measures, in addition to other measures such as the investments in more efficient trucks as well as in tires and training delivered to drivers, represented fuel costs saving of 5% compared to 2019 (refer to Operating and Financial Review - explanation of Procurement costs' variation 2020 compared to 2019).

4. Protecting water and reducing power consumption

Water and power consumption reduction based primarily on the utilization of renewable sources. We maintain a strong commitment to reducing electrical energy consumption and derived CO₂ emissions. More than 90% of the energy consumed comes from renewable sources. There are also ongoing projects to take advantage of solar energy:

- our headquarters in Alhama de Murcia are equipped with a closed water circuit that collects rainwater, washing water, sanitary water, workshop water and irrigation water through the storages thanks to the EBAP system (rainwater pumping station), so as to use or reuse such water in our processes, amounting to 70% of potential savings in water consumption (Source: Company's source derived from its internal system);
- our headquarters in Alhama de Murcia have a 2,000 photovoltaic modules installation (almost 1MWh) to self-supply up to 40% of these facilities' power consumption through green energy. This initiative, in addition to reducing electricity consumption, results in a potential decrease of approximately 192.7 tons of CO₂ emissions per year and energetic saves of up to 1,284,428 kWh per year (Source: Installation supplier- 2019 Technical proposal);
- our trailers have solar panels installed on their roofs to generate renewable energy in order to feed the refrigeration system (instead of using fuel); and

- all our power purchase contracts subscribed with third parties guarantee the 100% renewable origin of our energy supply by sending us annual Renewable Energy Certificates (RECs). Our facilities hold an electric unified supply point code where it is possible to check and trace energy contracts as a consequence of recent years' management, and our green cooling as main refrigerant ensures a low level of Global Warming Potential.

5. **A waste-free world**

Ensuring proper waste management and training improvement through specific initiatives such as:

- the implementation since 2017 of a program to recycle our used tires;
- the implementation of a recycling program to assist us in reducing pollution involved in the whole manufacturing process including food handling, trucks, management of buildings, etc.;
- development initiatives to advance towards a circular economy approach, such as collaboration with the Spanish Reina Sofía Foundation and CSIC (Centro Superior de Investigaciones Científicas) through a research project to reduce the negative impact of plastic waste in our environment; and
- onboarding training program to all new joiners to raise awareness among workers about the importance of waste management.

6. **Human capital development**

"Companies are the people behind them" (Juan Ignacio Conesa Alcaraz, Chairman). We are committed to our employees. They are our main asset, and the objective is that all of them have equal opportunities in a best-in-class work environment.

We are committed to social welfare and wellbeing. We have a strong focus on sustainability and governance elements to foster a best-in-class working environment. The company has an ethical code which establishes the guidelines that must govern the ethical behavior of all its employees in their daily performance and, specifically, with regard to the relationships and interactions it maintains with all its stakeholders.

Improving the quality of our team and constantly developing human capital.

We are constantly adapting employee recruitment, training, development and retention practices, corporate culture and corporate purposes to meet our needs.

The great transformation of the transport sector and digitization demand new knowledge and skills that, if not covered swiftly, will place the group at a disadvantage vis-à-vis its competitors. We seek to enhance not only our technical knowledge, but also the skills of the workforce, promoting their comprehensive development, which has an impact on the retention of talent and the ability to continue providing an excellent service to our clients.

In this regard, we have launched initiatives to improve firm inclusion and family conciliation supported through the implementation of a harassment and discrimination protocol, where our roadmap is that promotion policies are based on equal opportunities for both genders. In this sense, inclusion is a weighty goal, reinforcing the presence of women in all professional groups, which is a key priority within our organization.

In addition, given the importance that talent development has for us, we have developed an ongoing training plan tailored to the various profiles existing in our Company. This training allows our team to stay prepared and be competitive and continuously up-to-date in their skills and roles. In particular, we provide courses on cross-sectional areas and training activities on occupational risk prevention, environmental issues, languages, food safety and quality standards. In line with our commitment to minimizing emissions and preserving the security of our personnel, we have developed a program focused on the importance of quality customer service and efficient driving ("Efficient driving Program) for all of our drivers. Through this program we analyze on a monthly basis the impact on customer feedback, fuel savings, consumption and idleness for each brand, driver and truck by establishing motivational drivers' rankings. This program is focused on promoting our drivers' awareness in terms of the following aspects:

- Road driving safety program: this program, conducted throughout our official simulator and virtual reality project, focuses on ensuring that our drivers adopt safe practices and positive driving habits while improving their driving attention (the number of accidents per million km decreased 26% since 2018). In addition, we have improved the comfort of trucks and reduced the time period on the vehicles maintenance checks, which provides more security and trust for the drivers to mitigate risks and reduce accidents. It also has a positive impact on our service, as by adopting these practices our drivers can be more punctual on our deliveries.

Sustainability: the focus on the reduction of CO2 emissions is resulting in 7% of fuel consumption savings from 2018 to 2020 and less pollution compared to previous years. (See the subsection "**Procurements**" in "Operating and Financial Review–Consolidated Income Statement" for further information).

Direct customer feedback: we measure customer satisfaction by conducting regular surveys among them. We achieved a global client satisfaction rate of 9.2 in 2020 (Source: Primafrío 2020 Client Satisfaction Survey, including over 150 clients).

Better Health, Safety and Security at work

We assume as one of our fundamental objectives the correct implementation of health prevention with a positive evolution on the labor conditions and on the workforce welfare of our employees. Our health and security committee ensures that the relevant safety-at-work regulations are duly implemented in our company.

Our prevention services include advice, evaluation and planning on labor risk prevention, control of working conditions, provision of training and information to employees, research of work accidents, emergency measures, planning preventive activities, technical prevention activities and an occupational medicine program, industrial hygiene and psychology services.

In addition, one of the purposes of the construction of our headquarters in Alhama was improving the quality of life of our employees and being more capable of retaining our talent. In order to guarantee workforce welfare, the following measures have been implemented: (i) a medical insurance program to cover healthcare in a complementary way under very advantageous conditions for all employees, (ii) exclusive discounts on car/motorcycle or home insurance for our employees and their first-degree relatives, (iii) a gymnasium with instructors, laundry facilities, resting areas for drivers, a 24-hour restaurant, kindergarten and playroom for employees' children, a hairdresser, lunch and dinner delivery services and a supermarket and (iv) other personal activities and an intranet where all of the company's communications are centralized and provide access to news, theatre, football and basketball tickets and discounts reached with a wide variety of companies and universities.

7. Our commitment to our stakeholders (employees, clients, suppliers, society...)

A commitment to our stakeholders is part of our core values. We encourage active listening and dialogue with our stakeholders, responding to the challenges that society demands from us, including in terms of environment protection. The opinions and interests of our stakeholders have a direct impact on our decision-making.

Our clients' satisfaction through the provision of an excellent service is very important for us. For example, we have an APPCC system (Hazard Analysis and Critical Control Points), which guarantees the highest quality in food transport by controlling and analyzing risk points. We also undergo quality audits carried out by our clients.

We are incorporating several measures into our processes to promote compliance with ESG principles, sustainability, equality and transparency. For example, we have an Ethical Code of Suppliers and Subcontractors, which requires compliance by our suppliers and subcontractors with certain ethical principles to which we are committed.

We also invest in technological innovation to meet our clients' needs in terms of helping them to reduce scope 3 emissions (these being indirect emissions that occur in the value chain including both upstream and downstream emissions). Such emissions result from purchased goods and services and the use of sold products, which includes transportation.

We carry out actions the purpose of which is to improve social cohesion and cultural strengthening:

- We maintain a close relationship with our region of origin, Murcia, where the fruit and vegetable sector plays a fundamental role. In this respect, we have promoted several social projects within the Murcia region through the Primafrío Foundation (Fundación Primafrío).
- We have our own Corporate Social Responsibility Department.
- We participate as patrons in the following non-profit organizations: Fundación Cotec para la Innovación and Fundación Isaac Peral para la Innovación y Tecnología Industrial.
- In 2018 we created the Primafrío Foundation (Fundación Primafrío), a non-profit organization with the aim of providing answers through innovative proposals to social, economic and environmental challenges. Some of the actions we have taken include care of the elderly, the promotion of entrepreneurship and the social economy, the promotion of sport and the defense of the environment and biodiversity.
 - o during the past years, we have carried out important corporate social responsibility actions for which we have received awards (i.e. an award for innovation in the region of Murcia, an award for the best sponsor for its commitment to sport...); and
 - o we have also promoted multiple events (i.e. sustainability and respect to the environment, health, care of the elderly, promotion of sports...) and carried out multiple I+D+I actions. In particular, we joined the Network of Chairs of the Polytechnic University of Cartagena (UPCT), in which we

develop R+D+I actions in the field of logistics 4.0 and road transport. More recently, we collaborated with this institution in the manufacture of medical equipment to cope with COVID-19. Also, we joined the Catholic University of Murcia to fund Juan Carlos Izpisua's research that seeks cures to incurable diseases related to cancer, diabetes, ageing or rare diseases.

Primafrío S.L. has scored well in key sustainability ratings and rankings, namely the Sustainalytics ESG Rating with a Low Overall ESG Risk Rating (15.8) as of the 11 May 2021 Sustainalytics ESG risk report. Primafrío S.L. has achieved a Low score for Exposure to ESG issues (26.3) and an Overall Management Score of Average (43.5).

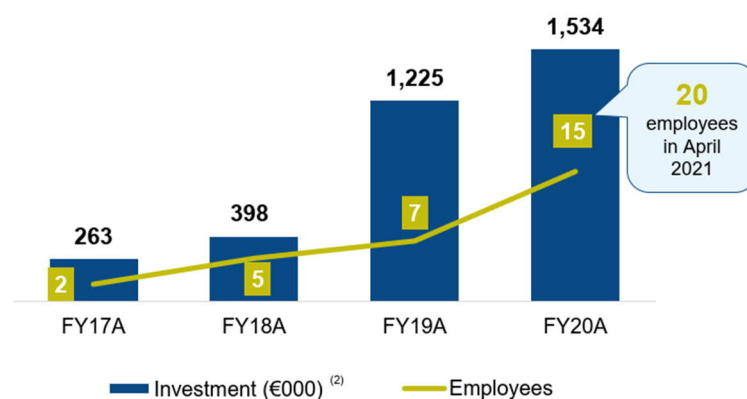
Research and Development

We are committed to continuous improvement by prioritizing innovation and research and we invest in technology and innovation to become a reference name in sustainable logistics. In addition, our investment allows us to improve our efficiency through initiatives that reduce fuel consumption, promote a circular economy and encourage a zero-waste approach. These initiatives also favour autonomous logistics and driving, which results in enhanced safety for our employees.

We believe in the importance of technology for an agile and future-fit ecosystem. We believe that data insights, smart sourcing and real-time visibility of goods has a significant impact on logistics. This has been a critical focus for us since our inception – we use sophisticated digital tools to obtain new technological models that increase the safety of processes and the quality of our services and reduce the environmental impact of our activity. Thus, we have incorporated several technological advances into our trucks, processes and logistics centres that we have developed internally and through alliances and agreements with OEMs, European universities (more than 30), R&D centres and more than 100 technology companies. We are signing (in the following days) a letter of adherence to MIT in partnership with IBM to collaborate both in technological solutions for the transportation industry, as well as in solutions necessary to face the threat of climate change.

Furthermore, we promote university chairs with first-class universities in Spain (in particular, in Murcia) and other European countries to generate and transfer knowledge as well as bringing young university talent to our company where employees with the best marks and achievements are promoted. This allows current employees to be close to academic centres to acquire knowledge in other university areas of interest.

We have invested large amounts of own capital on human resources and the most advanced technology in the last years in order to stand out and be the reference point in the logistics sector. As of April 2021, our R&D Department is made up of 20 professionals with an average of 4 years' employment at the Company and more than 140 years of combined experience. The chart below reflects the evolution of the number of employees and our investments in technological innovation since 2017, in an effort to develop our sustainable projects (more than ten projects have been completed since 2017 and more than 30 projects are currently under development):



Notes:
 1. R&D Department organisation structure as of April 2021
 2. Includes R&D project budget and personnel costs

We are collaborating with the Spanish Reina Sofía Foundation and CSIC (Centro Superior de Investigaciones Científicas) through a research project as an opportunity to advance towards a circular economy approach, thus reducing the negative impact of plastic waste in our environment. In addition, we are the first and only integral logistics operator developing strategy and technology within the European Commission (we are leading with the European Commission the LONGRUN project for the development of efficient and environmentally friendly long-

distance powertrain for heavy duty trucks and coaches, which is the most important project for decarbonization and a just and inclusive ecological transition), as well as being patron at THE COTEC Foundation (Spanish Royal Family innovation foundation at Europe) and Isaac Peral Foundation, the latter with the purpose of contributing to the growth of the technological and industrial ecosystem of Murcia.

We also work with different OEMs in different projects in order to improve our processes, reduce our carbon footprint and improve our efficiency.

Due to the high importance of reducing the CO₂ carbon footprint (this being our major goal), our projects are divided into four main categories: Smart Truck, Smart Building, Smart IT and Smart Training.

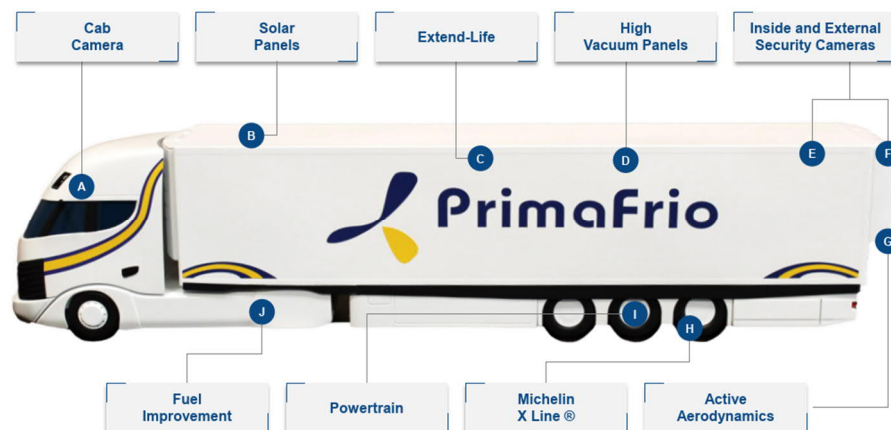
Smart Truck

We are working to develop the most advanced trucks in the market, improving fuel efficiency and reducing emissions, and automating our fleet. We are improving the efficiency of trucks and reducing their carbon footprint and we are involved in different projects to this effect, such as being the only Spanish logistics company developing a project with the Spanish Centro Nacional del Hidrógeno.

We are working with OEMs, Universities, the European Commission and certain technological centres to incorporate certain engineering advances into our trucks and trailers and to implement fuel alternatives and autonomous driving, with the purpose of reducing our main costs. These initiatives include the following:

- **Autonomous driving:** we are working in close collaboration with a leading technology provider start-up to develop fully autonomous driving software. We believe that autonomous driving will have a significant impact on the logistics industry, lowering costs such as fuel, employee expenses, insurance, etc. We have previous R&D experience in autonomous driving through a partnership with Nikola One.
- **Atmosphere-Controlled Truck:** we have implemented different sensors and monitoring devices in the interior of our trailers to control the atmospheric variables that may affect the goods loaded into our trailers and thus reduce food waste. We are also working to substitute the diesel refrigerating units of the trucks for new CARRIER cooling units which already have an electric engine, reducing fuel consumption. Other possible ways to achieve food preservation while reducing fuel consumption are engineless solutions (ECO-DRIVE) through electrohydraulic technology, which is of sense with regards to electric truck engines as the whole vehicle works in electric mode. This will eliminate food waste and contribute to the development of the circular economy. We estimate that the potential decrease of total CO₂ emissions per year as a result of this initiative could be approximately 0.8% (source: Company's calculation based on wasted food in 2020).
- **Active aerodynamics:** we have installed rear spoilers and underneath diffusers to improve our trucks' aerodynamics and reduce fuel consumption (fuel savings of up to 1.8 ltr/100 km) and reduce CO₂ emissions per year. We estimate that the potential decrease of total CO₂ emissions per year as a result of this initiative is approximately up to 3.6%, depending on the duty cycle, using current vehicles (source: Company's calculation based on an external source -2021 Supplier presentation and 2020 MITECO's factor emission kg CO₂/ltr).
- **Powertrain:** we are working to incorporate into our trucks of a power generation system to generate kinetic power through the trailer axles that can be stored in batteries, thus reducing the energy demand of the trailers and the cooling unit. This initiative is still a work in progress and we estimate that it could generate approximately 12% of potential fuel savings, and a potential decrease of approximately 10.7% of total CO₂ emissions per year (source: Company's calculation based on an external source - Company's supplier and 2020 MITECO's factor emission kg CO₂/ltr).
- **Michelin X-Line Tires:** new compound designs developed between Michelin and us in private testing to reduce pollutant emissions, extend their life and recycle them safely. This initiative has been implemented and results in fuel consumption savings of up to 1.6 ltr/100 km (approximately 5.5% of fuel savings) in our current fleet and reduce our total CO₂ emissions per year by approximately 4.9% (source: Company's calculation based on an external source – Michelin - 2017 Certificate and 2020 MITECO's factor emission kg CO₂/ltr).
- **Solar panels:** installation of solar panels on the trailer's roof to generate renewable energy to feed the trailer's refrigeration system. They reduce emissions (with an estimated potential to decrease total CO₂ emissions per year by approximately 2.7%) and diesel consumption (with estimated potential fuel savings of approximately 27% derived from Diesel B, used for trailer tanks). This initiative is still a work in progress. (Source: Company's calculation based on an external source - 2021 Tecnalia presentation and 2020 MITECO's factor emission kg CO₂/ltr).

- **H₂ truck:** in an effort to achieve our zero emissions target by 2030, we are involved in different projects with different reputable OEMs worldwide (on an exclusivity basis) to develop green hydrogen-propelled and fuel cell technologies in trucks and trailers which would substitute our current fleet. This initiative is still a work in progress and we estimate that it would result in the complete elimination of Diesel fuel A consumption and a potential decrease of approximately 89.5% of total CO₂ emissions per year (source: Company's calculation based on 2020 Diesel A consumption and 2020 MITECO's factor emission kg CO₂/ltr).
- **LNG Truck:** we have incorporated liquefied natural gas-powered vehicles in some truck models. We estimate that if this initiative were implemented throughout the entire fleet it could generate 100% savings of Diesel fuel A and a potential decrease of approximately 85.1% of total CO₂ emissions per year (source: Company's calculation based on an external source - *IVECO- 2017 Publication*) and 2020 MITECO's factor emission kg CO₂/ltr).
- **New refrigerants:** implementation of alternative refrigerants or refrigeration systems to reduce emissions and gain efficiency. This initiative is still a work in progress, but we have an advantageous position, being involved in projects with different manufacturers: Air liquide (Blueeze), Thermoking (CryoTech), Carrier (Transicold). We estimate that this initiative could result in 100% savings of Diesel fuel B and a potential decrease of approximately 10.1% of total CO₂ emissions per year (source: Company's calculation based on an external source - Carrier Transicold presentation and 2020 MITECO's factor emission kg CO₂/ltr).
- **Static aerodynamics:** we have implemented in some truck models other aerodynamics systems fitted in the truck to decrease air resistance areas, which we estimate could lead to fuel savings of approximately 2.9% and a potential decrease of approximately 2.6% of total CO₂ emissions per year if this initiative were implemented throughout the entire fleet (source: Company's calculation based on an external source - Knorr-Bremse presentation and 2020 MITECO's factor emission kg CO₂/ltr).



Smart Building

In this case, we aim to have fully automated and self-sufficient logistics centres in order to increase efficiency and reduce the carbon footprint of our activity in our logistics centres. Our decarbonization plan is to not install any diesel or fossil fuel power contributing to achieving zero emissions facilities:

- **Energy optimisation:** we have implemented a monitoring and remote-control system at our headquarters through sensors, IoT and automation. The headquarters connect to the logistics processes centres and truck activity autonomously. We estimate that the electrical consumption of the refrigeration is reduced by 8% and in lighting by 75%, which means approximately 24.4% savings in electrical costs and a decrease of approximately 205 tons (0.1%) of total CO₂ emissions per year. We intend to incorporate these improvements into our other logistics centres. (Source: Company's calculation based on an external source - Tech Partner 2017-2018 report and 2020 MITECO's factor emission kg CO₂/kWh);
- **Electric poles:** we have implemented new cooling units with an electric engine capable of being connected through a cable to electric posts (energy from renewable sources European solar farms) to avoid the use of the combustion engine in the refrigerated trailer during breaks. We estimate that this initiative could reduce NOX emissions by 73% and suspended particle emission by 85%. The largest supplier is NOMADPOWER with whom we hold a European partnership and pricing agreement. The

decrease of total CO₂ emissions per year is approximately up to 3.2% (source: Company's calculation based on an external source - Nomad Power- 2017 Technical Proposal and 2020 MITECO's factor emission kg CO₂/ltr);

- **Water management:** we have implemented a closed water circuit that collects rainwater, washing water, sanitary water, workshop water and irrigation water. We estimate that this initiative has the potential to reduce water consumption up to 70%;
- **Photovoltaic installation:** we have started the installation of 2,000 photovoltaic modules in our headquarters in Alhama de Murcia (almost 1 MWh) to self-supply the headquarters with renewable electricity. We estimate that this initiative could result in a potential decrease of up to approximately 192.7 tons of CO₂ that are not emitted to the atmosphere or a potential decrease of approximately 0.1% of total CO₂ emissions per year. (Source: Company's calculation based on an external source - Installation supplier - 2019 Technical proposal and 2020 MITECO's factor emission kg CO₂/kWh);
- **Predictive maintenance:** we have implemented an asset management in all of our locations in advance, increasing the use life of the equipment. This initiative improves our customer KPIs, profitability and fleet performance;
- **Advanced communication systems:** we have installed our own communication tower that covers all companies. By having permanent coverage, communication with any truck is not lost and provides greater security to transport, in addition to optimising distances travelled. According to our increase of productivity, the improvement of communications led to costs savings as the signal established between drivers and the traffic department is successful in more than 98% of cases. The use of our apps enabled drivers to be connected and prevented any incidences or delays due to exogenous factors. We estimate that the decrease of total CO₂ emissions per year is approximately up to 2% (Company's calculation based on 2020 fuel consumption and 2020 MITECO's factor emission kg CO₂/ltr);
- **Green cooling:** we are using CO₂ as main refrigerant with null global warming potential (GWP), eliminating carbon emissions. In some other facilities where CO₂ is not installed yet, we intend to replace with CO₂. We estimate that the decrease of total CO₂ emissions per year is approximately up to 462 tons (or 0.2%) (Source: Company's calculation based on 2020 warehouse energy consumption and 2020 MITECO's factor emission kg CO₂/kWh); and
- **Green energy certificates:** All electric contracts guarantee our 100% renewable energy supply sending on an annual basis Renewable Energy Certificates (RECs). Each of our facilities holds an electric unified supply point code where it is possible to check and trace energy contracts as a consequence of the last year of management. We estimate that the decrease of total CO₂ emissions per year is approximately up to 0.3%. (Source: This calculation was based on 2020 energy consumption in the headquarters and other facilities and 2020 MITECO's factor emission kg CO₂/kWh).

Smart IT

This category includes the latest technologies and developments to automate processes, thereby contributing to the reduction of fuel consumption and emissions and taking advantage of data mining in daily operations.

- **Route optimisation:** we have improved load management to reduce "empty kilometres" as well as improve driving efficiency parameters (with the aim to reduce 10% of total kilometres and 25% of "empty kilometres", amounting to an estimated 11.5% fuel savings and the decrease of approximately 12.4% of total CO₂ emissions per year (source: Company's calculation based on 2020 fuel consumption and 2020 MITECO's factor emission kg CO₂/ltr);
- **Remote diagnosis:** we have installed new hardware and on-board control cards to improve the communication of the vehicle's status in real time. Breakdowns are prevented and waiting time for technical assistance is reduced as well as mechanical failures which could contribute to extra consumption. With this initiative we estimate fuel savings of up to 0.2% and a decrease of up to 0.2% of total CO₂ emissions per year;
- **Predictive models:** Development of new algorithms and acquisition of data of interest to eliminate the time spent and kilometres travelled on manual operations, equipping the fleet with artificial intelligence and optimising our resources. This initiative is still a work in progress and we estimate that it has the potential to achieve fuel savings of 5% and a potential decrease of approximately 5% of total CO₂ emissions per year (source: Company's calculation based on 2020 fuel consumption and 2020 MITECO's factor emission kg CO₂/ltr);

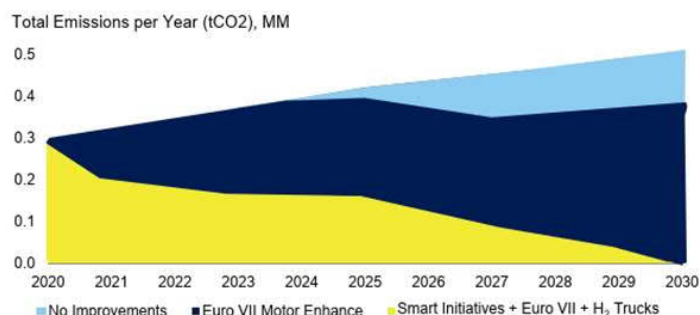
- **Contact centre:** we have implemented a call centre compound by hardware, servers and ad-hoc software to improve the attention to the drivers and automation of regular procedures. Less waiting time in assistance means less emissions (with an estimated decrease of approximately 0.4% of total CO₂ emissions per year) and misunderstandings when driving. (Source: Company's calculation based on 2020 fuel consumption and 2020 MITECO's factor emission kg CO₂/ltr); and
- **Fuel tender application:** we have implemented an internal application through which our suppliers of fuel tender on a daily basis the price at which they are willing to offer fuel to us. At close of business day, each driver automatically receives purchase instructions in order to optimise purchase costs by achieving more competitive prices. (€6.5 million fuel cost reduction since 2018 linked to fuel tender app and other efficiencies).

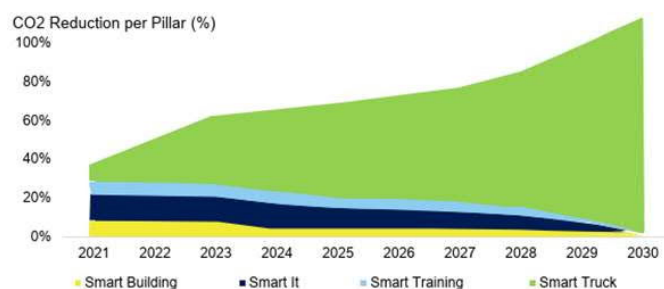
Smart Training

This initiative involves projects to improve driver communication and efficiency, safety, training and quality of services. As a result, the accident rate, calculated based on the number of accidents per million kilometers, decreased in 2020 by 26% since 2018. These initiatives related to:

- **Training & telecoaching:** Drivers are trained in efficient driving, risk perception, safety practices, advanced manoeuvring practices and fuel reduction (with the decrease of fuel by approximately 2% per year), pollutant emissions and accidents (potential decrease of approximately 1.8% of total CO₂ emissions per year (source: Company's calculation based on 2020 fuel consumption and 2020 MITECO's factor emission kg CO₂/ltr);
- **Road safety simulator & VR Project:** A virtual reality simulator that we have developed to train drivers and prevent them from having accidents and improve road safety and efficient driving (the number of accidents per million km decreased 26% since 2018). We are still working on the development of an advance simulator which will have a considerable aim of reducing emissions during transport activities and increasing safety. We estimate that the initiative could involve approximately 2% of potential fuel savings and the potential decrease of approximately 1.8% of total CO₂ emissions per year (source: Company's calculation based on 2020 fuel consumption and 2020 MITECO's factor emission kg CO₂/ltr);
- **Drivers' ranking:** Drivers are ranked according to results and best drivers are rewarded with financial and administrative incentives. This initiative ensures the best performance on the road and we estimate it results in approximately up to 2% of fuel savings and the decrease of approximately up to 1.8% of total CO₂ emissions per year (source: Company's calculation based on 2020 fuel consumption and 2020 MITECO's factor emission kg CO₂/ltr);
- **Contact Centre:** we have established a call centre to improve and control fuel consumption and efficiency KPIs; and
- **Efficient driving department:** An internal department devoted to promoting efficient driving among our drivers. The best drivers are awarded with prizes, choice preferences such as truck brand and holidays. The worst drivers are penalized and have special formation as reinforcement. In addition, we are developing new interactive applications for drivers to be trained in virtual and physical simulators so that drivers can be trained and examined constantly. We estimate that this initiative could generate approximately 0.5% of potential fuel savings and the potential decrease of approximately 0.4% of total CO₂ emissions per year (source: Company's calculation based on 2020 fuel consumption and 2020 MITECO's factor emission kg CO₂/ltr).

Our estimates of the potential decrease of total CO₂ emissions per year and potential fuels savings are calculated using a baseline of 2020 levels. Having considered all of the carbon reduction initiatives set out above, we have formulated our 10-year plan towards our aim of net zero carbon emissions before 2030, as follows:





Intellectual and Industrial Property

We have registered the following trademarks and logos portfolio and internet domains:

- "Primafrio trademark and logo in the European Union, UK and US;
- "GRUPO PRIMAFRIO" trademark in Spain; and
- internet domain names (primafrio.com, primafrio.es, primafrio.net, doctranside.com, lamisionida.com, logist-cargo.com, gesline.com, primapharma2018.com, primavia.info, renta-frio.com, renta-frio.es).

Legal Proceedings

We are not currently subject to any legal claims or administrative proceedings that we believe that, if decided adversely to us, would be likely to have a material effect on our business, financial condition or results of operations. In the course of our operating history, we have not been required to make any significant payments pursuant to judicial judgments entered against us. We have not recorded material provisions in connection with legal claims against us.

Employees

The table below sets forth the number of persons employed by categories during the three months ended March 31, 2021 and each of the years ended December 31, 2020, 2019 and 2018.

Number of Persons	Three months ended March 31,	Year ended December 31,		
	2021	2020	2019	2018
Drivers	3,813	3,776	3,268	3,102
Estructure Personnel	79	14	12	15
Logistics Personnel	300	270	214	211
Commercials	67	44	14	12
Total	4,259	4,104	3,508	3,340

The table below sets forth the average number of persons employed by categories as of March 2021 and as of the year ended 2020, 2019 and 2018.

Average number of persons					
	March 2021	March 2020	2020	2019	2018
Drivers	3,775	3,248	3,303	3,118	2,983
Estructure Personnel	37	12	13	13	30
Logistics Personnel	298	302	288	283	231
Commercials	55	33	37	29	18
Total	4,165	3,595	3,641	3,443	3,262

Insurance

We maintain insurance policies for our operations that we believe are substantially in line with those of similar companies in the industry. We maintain a comprehensive insurance program through a portfolio of recognised insurers worldwide to address our potential risks regarding damages, work-related accidents, machinery breakdown and civil liability for trucks, a fully comprehensive insurance for our installations, business losses, liabilities and financial matters for the company and the managers. Our insurance program is in full effect, with all due premiums paid. Although our insurance does not cover every potential risk associated with our business, we believe that our insurance coverage is adequate and in line with industry practice.

REGULATION

General

We operate in a highly regulated sector, the road transport sector, and we are subject to EU, national, regional and local regulations. We are required to comply with extensive and complex laws and regulations related to, inter alia, road transport operations, including trade, customs, safety, environment, labor and anti-corruption and anti-bribery laws as well as tax and VAT (see "*Taxation*") laws and regulations. See also "*Risk Factors—Legal and regulatory risks—We are subject to numerous laws, regulations and policies at the national, regional and local levels of government in the markets where we do business*".

Road transport sector specific laws and regulations

EU and national laws and regulations include rules on cabotage, posting of drivers, rests and breaks and electronic freight transport information.

The existing EU legislation applying to road transport services establishes common rules on access to the profession and to the market, sets minimal standards for working time, driving time and rest periods, including enforcement and the use of tachographs for professional road transport, and sets minimum annual vehicle taxes, as well as common rules for tolls and user charges for heavy goods vehicles.

The main EU rules directly affecting our activity are the following: Regulation (EU) No 165/2014 of the European Parliament and of the Council of 4 February 2014 on tachographs in road transport repealing Council Regulation (EEC) No 3821/85 on recording equipment in road transport and amending Regulation (EC) No 561/2006 of the European Parliament and of the Council on the harmonisation of certain social legislation relating to road transport; Regulation (EC) No 561/2006 of the European Parliament and of the Council of 15 March 2006 on the harmonisation of certain social legislation relating to road transport and amending Council Regulations (EEC) No 3821/85 and (EC) No 2135/98 and repealing Council Regulation (EEC) No 3820/85; Regulation (EC) No 1072/2009 of the European Parliament and of the Council of 21 October 2009 on common rules for access to the international road haulage market; and Regulation (EC) No 1073/2009 of the European Parliament and of the Council of 21 October 2009 on common rules for access to the international market for coach and bus services and amending Regulation (EC) No 561/2006.

In addition, there are other technical laws and regulations focused on the qualifications of the carriers, the requirements for access to the profession, rest hours or technical issues related to control procedures, tachograph verification, and others.

In July 2020, the EU Parliament adopted a number of regulations known as the Mobility Package 1, wide-ranging set of initiatives to address key challenges affecting European transport and mobility, mostly of which are directly applicable and do not need to be transposed into each EU Member state national legislation. This Mobility Package has laid down, in addition to specific rules for posting drivers in the road transport sector and enforcement requirements (including a regulation on minimum requirements covering maximum daily and weekly driving times; minimum breaks and daily and weekly rest periods; and positioning by means of tachographs, which record information about driving activity, such as time, speed and distance), measures to digitalize the transport activity, with the aim to reduce the administrative burden by creating electronic documents which can certify the compliance with the administrative requirements (transport orders, consignment note, etc.).

The Mobility Package 1 includes the following regulations: Regulation (EU) 2020/1054 of the European Parliament and of the Council of 15 July 2020 amending Regulation (EC) No 561/2006 as regards minimum requirements on maximum daily and weekly driving times, minimum breaks and daily and weekly rest periods and Regulation (EU) No 165/2014 as regards positioning by means of tachographs; Regulation (EU) 2020/1055 of the European Parliament and of the Council of 15 July 2020 amending Regulations (EC) No 1071/2009, (EC) No 1072/2009 and (EU) No 1024/2012 with a view to adapting them to developments in the road transport sector; Regulation (EU) 2020/1056 of the European Parliament and of the Council of 15 July 2020 on electronic freight transport information; and Directive (EU) 2020/1057 of the European Parliament and of the Council of 15 July 2020 laying down specific rules with respect to Directive 96/71/EC and Directive 2014/67/EU for posting drivers in the road transport sector and amending Directive 2006/22/EC as regards enforcement requirements and Regulation (EU) No 1024/2012.

At a national level, the following laws and regulations stand out for their importance: Land Transport Organization Law 16/87 of 30 July 1987; Royal Decree 1211/90, of 28 September, approving the Regulations of the Land Transport Organization Law; and Law 15/2009, of 11 November, on Land Transport Contracts. In addition to these regulations, we are governed by lower-ranking regulations of a technical or procedural nature.

Since some of the goods we transport are of a hazardous nature, we are subject to additional strict rules and specific authorisations. The "*Accord Européen relatif au Transport International des Marchandises Dangereuses par Route*

(ADR)", drawn up in Geneva on 30th September 1957 by the United Nations Economic Commission for Europe, has an essential importance for the international transport of hazardous goods. This agreement not only facilitates the transport of hazardous goods, but also increases the transport safety. At a National level we are subject to specific regulations such as the Royal Decree 97/2014 of 14 February, which regulates the transport of hazardous goods by road in Spanish territory or the Royal Decree 387/1996 of 1 March 1996, approving the Basic Directive on Civil Protection Planning for the risk of accidents in the transport of hazardous goods by road and rail.

As we also transport pharmaceutical products, we are subject to additional requirements related to compliance with temperature range restrictions, hygiene standards and continuous monitoring. These requirements have become increasingly demanding in recent years and, to some extent, this trend will continue. One of the most important regulations within the European Union applicable to the transport of pharmaceutical products is the so-called Good Distribution Practices (GDP). These practices impose certain requirements for the carriage of this type of products with the aim to ensure safety, quality and traceability in the distribution of medicines and pharmaceuticals products. Furthermore, since these pharmaceuticals include medical products, we must also comply with additional practices to ensure that these products are transported in compliance with the general safety and performance requirements demanded to manufacturers and distributors by the applicable EU and Spanish laws and regulations.

Safety and environmental laws and regulations

Even though transport plays an essential role in society and the economy, at the same time it is a major source of environmental pressures in the European Union (EU) and contributes to climate change, air pollution and noise. Several regulations had been adopted at an EU level with the aim to mitigate the effects of economic activity on climate change and could significantly impact transportation modes and the economics of the transportation industry.

We are subject to a broad range of foreign and domestic environmental, health and safety requirements, including those relating to the discharge of hazardous substances into soils and waters, emissions of toxic air pollutants, and the generation, handling, disposal, storage and release of solid and hazardous substances and wastes, and human health and safety.

At an European level, there are recommendations aimed at achieving a competitive and sustainable transport policy and a competitive low-carbon economy by 2050 with the objective of reducing carbon dioxide emissions from the transport sector by 60 % by 2050, which could lead to the adoption of European directives and subsequent national laws setting limitations and obligations for the transport sector to this respect.

At Spanish level, there are a number of legislative initiatives to promote sustainable transport, among which it is worth to highlight the draft Climate Change and Energy Transition Law (*Proyecto de Ley de Cambio Climático y Transición Energética*), which aims to achieve emission neutrality by 2050 at the latest and sets forth an obligation for companies with more than 500 employees to issue and make public an annual report reflecting the assessment of the risks associated with climate change generated by its business activity, including the measures to be taken to achieve a transition to a sustainable economy.

Anti-trust, anticorruption and intellectual property laws and regulations

We are subject to EU antitrust provisions basically contained in the Treaty on the Functioning of the European Union, jointly with regulations which implement it and various non-regulatory documents. Our activity is particularly affected by Council Regulation 169/2009/EC of 26 February 2009 applying rules of competition to transport by rail, road and inland waterway. At Spanish level we are governed by the Law 15/2007 of 3 July 2007 on the Defence of Competition (*Ley 15/2007, de 3 de julio, de Defensa de la Competencia*) and the Law 3/1991 of 10 January 1991 on Unfair Competition (*Ley 3/1991, de 10 de enero, de Competencia Desleal*).

Road transport companies must also comply with various regulations of governmental agencies regarding safety, security and anti-terrorism measures. Securing supply chains and national security concerns lead to increased requirements in terms of cargo documentation and verification (i.e. container weighing) as well as supply-chain traceability (including pre-notifications, etc.). It can also impose constraints on the routing or the design of routes as well as restrict choices in terms of suppliers or contractors.

We are a technology-based company and we use digital tools to obtain new technological models that increase the safety of processes and the quality of our services and reduce the environmental impact of our activity. Therefore, we are subject to several rules regarding intellectual property protection at an EU and national level. These laws and regulations include, among others, Regulation (EU) 2017/1001 of the European Parliament and of the Council of 14 June 2017 on the European Union trade mark, Royal Legislative Decree 1/1996, of 12 April 1996, approving the revised text of the Intellectual Property Law (*Real Decreto Legislativo 1/1996, de 12 de abril, por el que se aprueba el texto refundido de la Ley de Propiedad Intelectual, regularizando, aclarando y armonizando las*

disposiciones legales vigentes sobre la materia) and Law 1/2019 of 20 February 2019 on Trade Secrets (*Ley 1/2019, de 20 de febrero, de Secretos Empresariales*).

REASONS FOR THE OFFERING AND USE OF PROCEEDS

Reasons for the Offering

Both we and the Selling Shareholder believe that the Offering will enable us to expand our shareholder base so as to reach a free float of between 25% (assuming no exercise of the Over-allotment Option) and 27.5% (assuming the Over-allotment Option is exercised in full) of Primafrio's total issued share capital upon Admission, thus satisfying the minimum required threshold of distribution of shares for admission to trading on the Spanish Stock Exchanges through the SIBE (which, in accordance with Spanish Royal Decree 1310/2005 of November 4, and subject to certain exceptions, involves reaching a free float of at least 25% of the shares admitted to trading).

We believe that becoming a publicly listed company and adopting all the corporate governance requirements of a listed company will also provide us with additional advantages, including brand recognition, enhanced transparency and corporate governance, reinforced institutional profile and a tool for the retention and incentivization of the management team through stock incentive schemes (see "*Board of Directors and Management–Compensation*"). We believe it will also improve the Group's profile and status with existing and potential customers and suppliers and create a widened and diversified shareholder base which includes long-term institutional investors, thus improving our access to public capital markets (including for debt instruments). These elements all support our future growth while strengthening and institutionalizing our relationships with internal and external stakeholders, allowing investors to access our business, and enabling us to pursue our expansion strategy and to be better placed to take advantage of future market opportunities at a national and international level.

Use of Proceeds

Pursuant to the Offering, the Selling Shareholder expects to raise gross proceeds of approximately €374.5 million (calculated based on the mid-point of the Offering Price Range) if the Over-Allotment Option is not exercised, and of approximately €412.0 million (based on the same assumptions) if the Over-Allotment Option is exercised in full. The Company will not receive any proceeds from the sale by the Selling Shareholder of Offered Shares or, if the Over-allotment Option is exercised in whole or in part, of any of Additional Shares sold by the Selling Shareholder in the Offering.

For purely informational purposes, due to the difficulty in determining precisely the expenses incurred as of the date of this Prospectus or to be incurred by the Company and the Selling Shareholder, the estimated expenses payable by the Company and the Selling Shareholder in connection with the Offering and the Admission amount to approximately €16.2 million (excluding any applicable VAT), assuming that the Over-allotment Option is exercised in full and that the Offering Price is at the mid-point of the Offering Price Range.

As the Selling Shareholder expects to pay the amount of fees and expenses indicated above, the Selling Shareholder expects to raise net proceeds of approximately €395.75 million, through the sale of the Offered Shares in the Offering, assuming that the Over-allotment Option is exercised in full and that the Offering Price is at the mid-point of the Offering Price Range.

DIVIDENDS AND DIVIDEND POLICY

We intend to maintain a pay-out target of approximately 60% of our net income being distributed to shareholders, in line with our historical track record of dividend distribution. The Company's ability to distribute dividends in the near future will anyway depend on a number of circumstances and factors, including (but not limited to) the amount of distributable profits and reserves and its investment plans, earnings, level of profitability, cash flow generation, restrictions on payment of dividends under applicable law (both on the Company and on any Group entity), including any regulation that may be enacted as a result of the COVID-19 pandemic or otherwise, compliance with covenants in debt instruments, the level of dividends paid or shares repurchased by other comparable listed companies doing business in Spain and such other factors as the Board of Directors or the General Shareholders' Meeting may deem relevant from time to time. In that regard, payment of dividends is generally proposed by the Board of Directors and must be approved by the General Shareholders' Meeting.

Holders of Shares will be entitled to receive any future dividends, which will be declared on the basis set out in Primafrio's By-Laws. For additional information, see "*Description of Share Capital–Dividend and Liquidation Rights*".

Dividend Distribution per Share for each Financial Year Corresponding to the Historical Financial Information

The following table sets forth the dividend distributions approved by the shareholders of the Company against net profit or distributable reserves for the financial years ended December 31, 2020, 2019 and 2018 (calculated with number of shares of the Company as of December 31, 2020).

	Dividends (millions of euros, except per share amounts)		
	For the year ended December 31, 2020	For the year ended December 31, 2019	For the year ended December 31, 2018
Dividend	89.3	15.0	27.0
Dividend per share	0.149	0.025	0.045

In connection with the sale and lease-back of the Alhama facility, in May 2021, €50.0 million was distributed as an extraordinary dividend out of available reserves from Primafrio, S.L. to its parent company Primafrio, and then from Primafrio to the Selling Shareholder. This dividend was partially settled with the intercompany loan receivable granted to the Selling Shareholder as of March 31, 2021 (amounting to €28 million) the rest of the dividend has been paid in cash.

The Pricoa Notes Agreement restricts the payment of dividends and similar distributions unless no event of default has occurred under the agreement and net leverage for the most recent relevant period does not exceed 2.00:1 (see "*Material Contracts*"). As of December 31, 2020, and March 31, 2021, the Group satisfied all the relevant covenants, so we are in the position to distribute dividends if this situation remains.

Any dividends will be paid in euros. Dividends are declared and paid pro rata according to the number of shares held by each shareholder. Dividends declared but not yet paid do not bear interest.

Primafrio's expectations in relation to dividends, distributable reserves, business performance and market conditions are subject to numerous assumptions, risks and uncertainties, which may be beyond its control. See "*Presentation of Financial Information and Other Important Notices–Forward-Looking Statements*". For a discussion of risks faced by the Company's business, see "*Risk Factors*".

Legal and Regulatory Requirements

The Company's ability to distribute dividends may be restricted under general Spanish corporate laws and regulations. Spanish corporate law requires companies incorporated in Spain to contribute at least 10% of their net income each year to a legal reserve until the balance of such reserve is equivalent to at least 20% of the respective company's issued share capital. The legal reserve, up to the amount of 20% of the share capital, may only be used to offset losses provided, however, that no other reserve is available for such purposes. Legal reserves may be distributed to shareholders in the event of liquidation or when exceeding 20% of the share capital.

As of December 31, 2020, the balance of the Company's legal reserve was nil, as the Company had just been incorporated in November, 2020. Accordingly, after the Offering, at least 10% of the net income of the following year(s) will have to be contributed until the balance of such reserve is equivalent to at least 20% of our issued share capital following completion of the Offering as described above.

Taxation on Dividends under Spanish Law

Under current Spanish tax legislation, any dividend distributions made by the Company in the future will be subject to tax. See "*Taxation*" for a discussion of certain aspects of the taxation of dividends.

CAPITALIZATION AND INDEBTEDNESS

The following section presents the consolidated statement of capitalization and indebtedness of the Company as of March 31, 2021. This section should be read together with "Presentation of Financial Information and Other Important Notices" and "Operating and Financial Review", and the Consolidated Financial Statements and related notes thereto incorporated by reference into this Prospectus.

Representation Concerning Working Capital

The Company, in its own opinion, has sufficient working capital to meet its present obligations and, in particular, to meet its obligations for a period of at least 12 months from the date of this Prospectus.

Capitalization and Indebtedness

The following tables set forth the Company's consolidated capitalization and indebtedness as of March 31, 2021.

No material changes have occurred since March 31, 2021, except for the Adjustments related to Alhama sale and lease-back subsequent transaction and the related dividends paid against reserves. We have presented a summary of the adjustments reflected in a separate column in the Statement of Capitalization and Statement of indebtedness presented below (*). The impacts related to these transactions are summarized as follows: (i) the sale and lease-back of the Alhama facility, which was initially contributed to Primafrio Huelva, S.L. in February 2021 and subsequently the 100% of the shares of Primafrio Huelva, S.L. were sold to a related party to the Selling Shareholder (Ondina Capital, S.L.), in exchange for €54.7 million in cash, generating a profit of €0.2 million for the Group (see "Material Contracts" section for further description of this transaction), and (ii) an extraordinary dividend of €50 million approved in April 29, 2021 to the Selling Shareholder, to be distributed against available reserves. The dividend will be partially offset by the intercompany loan of €28 million granted to the Selling Shareholder in March 2021.

Consequently, the above-mentioned transactions will result in a €49.8 million decrease in Equity (net of €50 million decrease in Other reserves and €0.2 million in profit and loss) exert a €23.2 million positive impact in Cash (difference between €54.7 million of cash inflow for the sale of Alhama, €9.5 million cash outflow related to the VAT paid to Krone-Mur as part of the VAT group settlement and €22 million cash outflow for the remaining dividend, after the settlement of the €28 million loan receivable).

The sale of Shares in the Offering will not affect our capitalization.

The Company did not have any contingent liabilities as of March 31, 2021.

Statement of Capitalization

	As of March 31, 2021 (€ millions)	Adjustments related to Alhama subsequent transaction (* (€ millions)	As adjusted (€ millions)
Total current debt (including current portion of non-current debt)			
- Guaranteed	-	-	-
- Secured	33.7	2.3	36.0
- Unguaranteed / unsecured	0.6	-	0.6
Total non-current debt (excluding current portion of non-current debt):			
- Guaranteed	-	-	-
- Secured	118.1	17.7	135.8
- Unguaranteed / unsecured	1.0	-	1.0
Shareholder equity			
- Share capital	14.0	-	14.0
- Legal reserve(s)	-	-	-
- Other reserves	95.4	(49.8)	45.6
Total	262.8	(29.8)	233.0

The total of €151.8 million of secured debt relates to: (i) €75.5 million relating to the €75 million in aggregate principal of notes issued under the Pricoa Notes Agreement, plus €0.5 million interest accrued as of March 31, 2021. This obligation is secured by a personal guarantee granted by each company (see "Material Contracts" section for further description of the collateral) and (ii) €76.3 million related to the lease liabilities which are secured by the vehicles financed.

Statement of indebtedness

	As of March 31, 2021 (€ millions)	Adjustments related to Alhama subsequent transaction (*) (€ millions)	As adjusted (€ millions)
A Cash	31.6	23.2	54.8
B Cash equivalents	-	-	-
C Other current financial assets	17.4	-	17.4
D Liquidity (A + B + C)	49.0	23.2	72.2
E Current financial debt (including debt instruments, but excluding current portion of non-current financial debt)	0.6	-	0.6
F Current portion of non-current financial debt	33.7	2.3	36.0
G Current financial indebtedness (E + F)	34.3	2.3	36.6
H Net current financial indebtedness (G – D)	(14.7)	(20.9)	(35.6)
I Non-current financial debt (excluding current portion and debt instruments)	42.6	17.7	60.3
J Debt instruments	75.5	-	75.5
K Non-current trade and other payables	1.0	-	1.0
L Non-current financial indebtedness (I + J + K)	119.1	17.7	136.8
M Total financial indebtedness (H + L)	104.4	(3.2)	101.2

Total financial indebtedness includes lease liabilities considered as financial indebtedness by €76.3 million (€33.7 million current and €42.6 million non-current). These amounts have been adjusted by additional €20 million related to the lease liability for the rental of Alhama facility which has been secured after the sale (€2.3m as current and €17.7 million as non-current).

There is no restriction to the use of our cash balances as of March 31, 2021 and subsequent cash received as part of the adjustments presented above.

SELECTED FINANCIAL INFORMATION

The following tables present the Company's selected consolidated financial information as of March 31, 2021 and for the three-month periods ended March 31, 2021 and 2020 and as of and for the years ended December 31, 2020, 2019 and 2018.

The selected consolidated financial information as of March 31, 2020 and for the three-month periods ended March 31, 2021 and 2020 is derived from, and should be reviewed together with, the Q1 2021 Unaudited Condensed Consolidated Interim Financial Statements, including the related notes thereto, prepared in accordance with IAS 34 and incorporated by reference into this Prospectus.

The selected audited consolidated financial information as of and for each of the years ended December 31, 2020, 2019, and 2018 is derived from, and should be reviewed together with, the Audited Consolidated Financial Statements, in each case including the related notes thereto, prepared in accordance with IFRS-EU. The Audited Consolidated Financial Statements are incorporated by reference into this Prospectus.

The following tables should be read together with "*Presentation of Financial Information*" and "*Operating and Financial Review*", and the Consolidated Financial Statements and the related notes thereto incorporated by reference in this Prospectus.

Consolidated Balance Sheet

<i>(€ million, unless otherwise indicated)</i>	As of March 31,	As of December 31,		
	2021	2020	2019	2018
Non-current assets				
Intangible assets	0.2	0.3	0.4	0.3
Property, plant and equipment	50.3	55.0	52.7	45.1
Right-of-use assets	75.0	79.8	71.4	67.7
Investments accounted for using the equity method	0.1	0.1	0.2	0.1
Other non-current financial assets	6.7	3.1	0.5	0.9
Deferred tax assets	0.4	0.4	0.4	0.4
Total Non-current assets	132.7	138.7	125.6	114.5
Current assets				
Inventories	2.8	2.7	2.5	2.8
Trade and other receivables	82.3	76.6	69.2	70.8
Other accounts receivable from Public Authorities	30.1	27.2	26.3	26.0
Cash and cash equivalents	31.6	30.3	12.1	10.0
Other current financial assets	46.4	21.4	1.9	14.7
Prepayments and accrued income	0.6	1.3	0.3	0.3
Total current assets	193.8	159.5	112.3	124.6
Total assets	326.5	298.2	237.9	239.1
Shareholders' equity				
Share Capital	14	0.1	-	-
Reserves of the Parent Company	-	-	1.5	0.5
Reserves of companies accounted for using the global integration	75.9	83.9	89.8	89.2
Reserves of companies accounted for using the equity method	(0.1)	0.1	(0.4)	-
Profit for the period	19.6	63.4	24.9	15.4
Interim dividend		(57.7)	-	-
Total Equity	109.4	89.8	115.8	105.1

(€ million, unless otherwise indicated)

	As of March 31, 2021	As of December 31,		
		2020	2019	2018
Non-current liabilities				
Non-current provisions	1.7	1.7	1.7	1.7
Non-current lease liabilities	42.6	46.1	41.3	38.0
Other non-current liabilities	76.4	76.5	0.8	1.1
Total Non-current liabilities	120.7	124.3	43.8	40.8
Current liabilities				
Current lease liabilities	33.7	35.0	31.1	30.2
Other current liabilities	0.6	0.7	4.3	12.5
Trade and other payables	51.2	43.6	39.5	43.3
Other accounts payable to Public Authorities	10.8	4.9	3.4	7.2
Total Current liabilities	96.3	84.1	78.3	93.2
Total Equity and Liabilities	326.5	298.2	237.9	239.1

Consolidated Income Statement

<i>(€ million, unless otherwise indicated)</i>	For the three months ended March 31,		For the year ended December 31,		
	2021	2020	2020	2019	2018
Operating income	143.7	127.5	461.7	418.0	375.5
Revenue	141.8	126.5	457.7	414.2	372.7
Other operating income	1.9	1.0	4.0	3.8	2.8
Operating expenses	(117.1)	(105.2)	(380.3)	(384.4)	(346.6)
Procurements	(26.3)	(24.6)	(80.0)	(93.0)	(83.8)
Contract work carried out by other companies	(18.4)	(18.1)	(56.3)	(64.6)	(55.4)
Personal expenses	(39.5)	(34.2)	(135.4)	(123.1)	(111.3)
Operating Expenses	(21.9)	(20.4)	(74.7)	(69.9)	(66.4)
Taxes other than income tax	(0.1)	(0.1)	(1.9)	(1.4)	(1.7)
Changes in provisions	-	-	(0.6)	(0.6)	(0.8)
Depreciation and amortization	(11.2)	(9.9)	(36.5)	(36.6)	(32.9)
Impairment and gains on the disposal of non-current assets	-	-	(0.3)	(0.2)	(0.6)
Other results	0.3	2.2	5.4	5.0	6.2
Consolidated operating profit	26.6	22.2	81.4	33.6	28.9
Financial income	0.3	-	4.8	2.0	0.9
Financial costs	(0.9)	(0.4)	(1.4)	(1.5)	(1.6)
Exchange differences	-	-	-	-	-
Resulting Involvement Equivalence	-	-	(0.2)	(0.9)	(0.4)
Changes in the fair value of financial instruments	-	-	(0.1)	-	-
Consolidated finance income/ (loss)	(0.6)	(0.4)	3.1	(0.4)	(1.1)
Consolidated before tax	26.1	21.8	84.5	33.2	27.8
Income tax	(6.4)	(5.4)	(21.0)	(8.3)	(12.4)
Consolidated profit for the period from continued operations	19.6	16.4	63.5	24.9	15.4
Consolidated profit for the period from discontinued operations	-	-	-	-	-
Consolidated profit for the period	19.6	16.4	63.5	24.9	15.4

Consolidated Cash Flow Statement

(€ million, unless otherwise indicated)	For the three months ended March 31		For the year ended December 31		
	2021	2020	2020	2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES (I)	36.8	30.0	102.4	60.6	54.3
Profit before tax	26.1	21.8	84.5	33.2	27.8
Adjustments to profit (loss)	11.8	10.3	34.1	37.5	31.0
Depreciation and amortization change	11.2	9.9	36.5	36.5	33.0
Valuation allowances for impairment losses	-	-	0.6	0.6	0.8
Impairment and gains on disposal of non-current assets	-	-	0.3	0.2	0.6
Financial income	(0.3)	-	(4.8)	(1.9)	(0.9)
Financial costs	0.9	0.4	1.4	1.5	1.5
Changes in fair value of financial instruments	-	-	0.1	-	-
Ordinary results of companies accounted for using the equity method	-	-	0.2	0.9	0.4
Other effects	-	-	(0.2)	(0.2)	(4.4)
Changes in working capital	(0.9)	(1.9)	(9.6)	(2.6)	0.2
Inventories	-	-	(0.1)	0.3	(0.2)
Trade and other receivables	(5.8)	(12.3)	(8.0)	1.0	(8.4)
Other current assets	(2.2)	(4.6)	(5.9)	0.4	(1.9)
Trade and other payables	7.1	15.0	4.4	(4.3)	10.7
Other cash flows from operating activities	(0.2)	(0.4)	(6.5)	(7.6)	(4.7)
Interest received	0.2	-	4.8	1.9	0.9
Interest paid	(0.4)	(0.4)	(1.4)	(1.5)	(1.5)
Income tax (paid)/received	-	-	(9.9)	(8.0)	(4.1)
CASH FLOWS FROM INVESTMENT ACTIVITIES (II)	(24.2)	(4.8)	(33.1)	(14.0)	4.3
Investment paid	(32.1)	(4.9)	(33.5)	(16.5)	(18.9)
Intangible assets	-	-	-	(0.2)	(0.2)
Property, plant and equipment	(0.4)	(1.0)	(4.6)	(11.6)	(12.7)
Other financial assets	(0.1)	-	(28.0)	(4.7)	(6.0)
Related parties	(31.6)	(3.9)	(0.9)	-	-
Divestment	(7.9)	0.1	0.4	2.5	23.2
Property, plant and equipment	4.5	-	-	0.9	0.2
Related parties	-	0.1	-	-	3.1
Other financial assets	3.4	-	0.4	1.6	19.9
CASH FLOWS FROM FINANCING ACTIVITIES (III)	(11.2)	(9.2)	(51.2)	(44.4)	(57.8)
Increases and (decreases) in equity instruments	-	-	0.1	-	-
Issuance of equity instruments	-	-	0.1	-	-
Liability Instrument proceeds / (and payment) Issue:	(11.2)	(9.2)	41.6	(32.9)	(30.8)
Bank borrowings and other financial liabilities	-	-	75.9	0.5	0.8
Current payables to related parties	-	-	75.7	0.5	0.8
Refund and repayment:	(11.2)	(9.3)	(34.3)	(33.5)	(31.6)
Bank borrowings and other financial liabilities	(0.6)	-	(0.3)	(0.3)	-
Lease liabilities	(10.6)	(9.3)	(34.0)	(33.2)	(31.6)

<i>(€ million, unless otherwise indicated)</i>	For the three months ended March 31		For the year ended December 31		
	2021	2020	2020	2019	2018
Dividend payments	-	-	(92.8)	(11.5)	(27.0)
Net increase/(decrease) of cash and cash equivalents (I+II+III+IV)	1.4	16.0	18.2	2.2	0.8
Cash and cash equivalents at beginning of the year	30.3	12.1	12.1	9.9	9.1
Cash and cash equivalents at end of the year	31.6	28.0	30.3	12.1	9.9

Consolidated Information by Segments

Consolidated Income Statement by Segments

<i>(€ million, unless otherwise indicated)</i>	As of and for the year ended December 31, 2020		
	FTL	Groupage	Total
Revenue	350.0	107.7	457.7
Procurements and Contract work carried out by other companies	(104.6)	(31.7)	(136.3)
Personal expenses	(113.1)	(22.3)	(135.4)
Other operating expenses and Other profit/loss	(59.2)	(12.6)	(71.8)
Depreciation and amortization	(26.9)	(9.6)	(36.5)
Impairments and Other income	2.7	1.0	3.7
Operating income	48.9	32.5	81.4
Financial income	3.6	1.1	4.8
Financial expenses	(1.0)	(0.3)	(1.4)
Rest of financial income and expenses	(0.2)	(0.1)	(0.3)
Profit before tax	51.3	33.2	84.5
Income tax	(12.8)	(8.3)	(21.0)
Consolidated profit for the period	38.5	24.9	63.5

<i>(€ million, unless otherwise indicated)</i>	As of and for the year ended December 31, 2019		
	FTL	Groupage	Total
Revenue	316.6	97.6	414.2
Procurements and Contract work carried out by other companies	(119.6)	(38.0)	(157.6)
Personal expenses	(105.4)	(17.7)	(123.1)
Other operating expenses and Other profit/loss	(56.5)	(10.5)	(67.0)
Depreciation and amortization	(26.6)	(10.0)	(36.6)
Impairments and Other income	2.8	0.9	3.7
Operating income	11.3	22.3	33.6
Financial income	1.5	0.5	1.9
Financial expenses	(1.1)	(0.3)	(1.5)
Rest of financial income and expenses	(0.6)	(0.2)	(0.8)
Profit before tax	11.0	22.2	33.2
Income tax	(2.7)	(5.6)	(8.3)
Consolidated profit for the period	8.3	16.6	24.9

<i>(€ million, unless otherwise indicated)</i>	As of and for the year ended December 31, 2018		
	FTL	Groupage	Total
Revenue	298.5	74.2	372.7
Procurements and Contract work carried out by other companies	(111.4)	(27.7)	(139.1)
Personal expenses	(100.1)	(11.2)	(111.3)
Other operating expenses and Other profit/loss	(55.5)	(7.1)	(62.6)
Depreciation and amortization	(25.9)	(7.0)	(32.9)
Impairments and Other income	1.7	0.4	2.2
Operating income	7.3	21.6	28.9
Financial income	0.7	0.2	0.9
Financial expenses	(1.2)	(0.3)	(1.5)
Rest of financial income and expenses	(0.4)	(0.1)	(0.5)
Profit before tax	6.4	21.4	27.8
Income tax	(4.3)	(8.1)	(12.3)
Consolidated profit for the period	2.1	13.3	15.4

	As of and for the three months ended March 31, 2021		
	FTL	Groupage	Total
<i>(€ million, unless otherwise indicated)</i>			
Revenue	101.1	40.8	141.9
Procurements and Contract work carried out by other companies	(32.9)	(11.9)	(44.8)
Personal expenses	(30.6)	(8.8)	(39.5)
Other operating expenses and Other profit/loss	(16.5)	(5.2)	(21.7)
Depreciation and amortization	(7.7)	(3.5)	(11.2)
Impairments and Other income	1.3	0.5	1.9
Operating income	14.6	12.0	26.6
Financial income	0.2	0.1	0.3
Financial expenses	(0.7)	(0.2)	(0.9)
Rest of financial income and expenses	-	-	0.1
Profit before tax	14.2	11.8	26.1
Income tax	(3.5)	(3.0)	(6.5)
Consolidated profit for the period	10.7	8.9	19.6

	As of and for the three months ended March 31, 2020		
	FTL	Groupage	Total
<i>(€ million, unless otherwise indicated)</i>			
Revenue	91.3	35.2	126.5
Procurements and Contract work carried out by other companies	(29.5)	(13.2)	(42.8)
Personal expenses	(28.6)	(5.6)	(34.2)
Other operating expenses and Other profit/loss	(14.9)	(3.4)	(18.3)
Depreciation and amortization	(6.9)	(3.0)	(9.9)
Impairments and Other income	0.7	0.3	1.0
Operating income	12.1	10.2	22.2
Financial income	-	-	-
Financial expenses	(0.3)	(0.1)	(0.4)
Rest of financial income and expenses	-	-	(0.1)
Profit before tax	11.8	10.0	21.8
Income tax	(2.9)	(2.5)	(5.4)
Consolidated profit for the period	8.9	(7.6)	16.4

Other Information by Segments

	As of December 31, 2020		
	FTL	Groupage	Total
<i>(€ million, unless otherwise indicated)</i>			
Property, plant and equipment and Other intangible assets	22.8	32.4	55.2
Right-of-use assets	61.0	18.8	79.8
Long term lease liabilities	(35.3)	(10.9)	(46.1)
Short term lease liabilities	(26.7)	(8.2)	(35.0)
Trade receivables for services	55.7	13.4	69.1

	As of December 31, 2019		
	FTL	Groupage	Total
<i>(€ million, unless otherwise indicated)</i>			
Property, plant and equipment and Other intangible assets	21.8	31.2	53.1
Right-of-use assets	54.6	16.8	71.4
Long term lease liabilities	(31.6)	(9.7)	(41.3)
Short term lease liabilities	(23.8)	(7.3)	(31.1)
Trade receivables for services	46.7	13.7	60.4

<i>(€ million, unless otherwise indicated)</i>	As of December 31, 2018		
	FTL	Groupage	Total
Property, plant and equipment and Other intangible assets	17.8	27.6	45.4
Right-of-use assets	54.2	13.5	67.7
Long term lease liabilities	(30.4)	(7.6)	(38.0)
Short term lease liabilities	(24.2)	(6.0)	(30.2)
Trade and other receivables	51.3	11.1	62.4

<i>(€ million, unless otherwise indicated)</i>	As of March 31, 2021		
	FTL	Groupage	Total
Property, plant and equipment and Other intangible assets	18.9	31.6	50.5
Right-of-use assets	53.4	21.6	75.0
Long term lease liabilities	(30.3)	(12.3)	(42.6)
Short term lease liabilities	(24.0)	(9.7)	(33.7)
Trade and other receivables	70.1	4.9	74.9

<i>(€ million, unless otherwise indicated)</i>	As of March 31, 2020		
	FTL	Groupage	Total
Property, plant and equipment and Other intangible assets	22.9	33.3	55.2
Right-of-use assets	61.0	18.8	79.8
Long term lease liabilities	(35.3)	(10.9)	(46.1)
Short term lease liabilities	(26.8)	(8.2)	(35.0)
Trade and other receivables	55.7	13.4	69.1

OPERATING AND FINANCIAL REVIEW

This section includes a discussion of our financial condition and results of operations for the three-month periods ended March 31, 2021 and 2020 and for the financial years ended December 31, 2020, 2019 and 2018. Prospective investors should read the following discussion, together with "Risk Factors", "Selected Financial Information" and the Consolidated Financial Statements and their related notes included elsewhere in this Prospectus. The Consolidated Financial Statements have been audited or reviewed, as applicable, by the Company's independent auditors as stated in their reports appearing therein.

Financial overview

The Selling Shareholder formed the Company on November 11, 2020. On December 9, 2020, the Selling Shareholder made an in-kind contribution to the Company of 100% of the shares of the companies in the Group. As a result, the Company became the Parent Company of an existing subgroup of Krone-Mur Servifrio Group, with no change to the economic substance of the composition of the Group. The sole director of the Company determined that the Group is the result of a reorganization of a pre-existing group because it did not result in a change of controlling shareholder. For the preparation for the Audited Consolidated Financial Statements, the new Group is considered a continuation of the operations of the pre-existing group and satisfies the definition of a transaction under common control. See "*Presentation of Financial Information and Other Important Notices*".

The historical consolidated financial information presented and discussed below related to the years ended December 31, 2020, 2019 and 2018 is derived from the Audited Consolidated Financial Statements, and the information related to the three-month periods ended March 31, 2021 and 2020 is derived from the Q1 2021 Unaudited Condensed Consolidated Interim Financial Statements.

Overview

We are the leader by revenue in temperature-controlled road freight transport of fruit and vegetables in Spain, according to SABI, Alimarket and E-informa, and the European leader by revenue in fruit and vegetables road freight transportation, according to publicly disclosed revenue of our competitors and the Mordor Intelligence market report (see "*Industry Overview—Our operations involve three road freight transport markets*"). We have built up our business over 15 years since our founding in 2007.

We operate mainly through two operating segments, Full Truckload (FTL) and Groupage services.

Our FTL segment focuses on transporting full truckloads of goods from origin to destination (i.e. loading the trailer with the same products for one single client), while our Groupage segment consists of picking up goods at different points of origin, consolidating the pallets in our temperature-controlled warehouses and shipping them in a single truck to the same customer in different destinations or different customers (i.e. loading the trailer with different products for the same client or different clients).

We further break down our business into five business activities:

- exports FTL, our core business line which consists of the transportation of products (mainly fruit and vegetables) from Spain and Portugal to other European countries;
- imports FTL, which consists of the transportation of products such as food, retail, pharma and high value products as well as other products from European countries to Spain or Portugal;
- national FTL, which consists of the transportation of products such as fruits and vegetables, retail and high value products as well as other products within the Iberian Peninsula;
- exports and national Groupage, which consist of performing Groupage services either from Iberian Peninsula to other European countries (Export) or within the Iberian Peninsula (National); and
- others, which mainly consists of income generated for the fees charged to third parties for the use of our leased trucks through short-term sub-leases (contracts are arranged by entire months).

In addition to these activities, we also carry out research, take part in both technological joint ventures and health and safety initiatives and provide development training with the aim of further establishing ourselves as a highly sustainable and efficient player in the market. Our mission is to provide efficient solutions to temperature-controlled logistics needs, and to offer clients a comprehensive, bespoke, environmentally friendly and high quality service. We incorporate technological developments into our trucks and our logistics platforms, thereby improving the quality of client service, reducing our emissions and costs, as well as increasing the safety of our processes

We are specialised in providing the highest quality temperature-controlled freight services from the main fruit and vegetable production areas located in Spain and Portugal to 25 European consumer markets. We have a solid and

loyal customer base, represented by established European retailers, transportation agencies and Spanish fruit and vegetable producers.

We have a diverse geographical footprint, providing logistics and transport services in 25 countries in Europe, with Germany, Spain and the UK representing the majority of our revenue, by destination of cargo, in 2020 (35%, 24% and 9%, respectively).

We also have a diverse product focus, serving clients from different industries and adapting to their needs. Although the Groupage and FTL logistics of Food products is our main business activity by product type, representing in 2020 75% of our revenue, we have a large customer base in the logistics solutions of other products such as retail products, high value products and pharma and other products, which represented in 2020 15%, 4% and 6% of our revenue, respectively. In summary, our Imports FTL business is focused on transporting any type of product that can be loaded in a trailer, to avoid empty kilometres of our trucks in their way back from the different European destinations, which helps us maximize our profitability.

Our headquarters are located in Murcia, on the south-eastern coast of Spain, which is one of the largest fruit and vegetable producing regions in Europe. The logistics centres we operate have c.26,915 sqm of warehouse capacity in Spain with additional c. 1,300 sqm under construction in Lepe and c.37,000 sqm of warehouse capacity in Portugal (which works are expected to start in the next month). Thanks to our European partnerships with other logistics providers, we have access to 36 cross docking platforms and 16 logistics centres in France with 200,000 sqm of warehousing capacity, and to five logistics platforms in Germany, which we mainly use for crossdocking.

We have an asset-light business model, leasing 100% of our fleet of over 2,300 trucks from established OEMs (Original Equipment Manufacturers) and almost 2,400 trailers from financial institutions. This business model enables us to continuously renew our fleet and operate one of the youngest fleets in the industry, with an average truck age of just 1.4 years. Our extensive and dense fleet network across Europe, with trucks every 50 kilometres on average on the routes we operate, has created a strong competitive advantage for our company in an industry where the role of reliability is decisive to attract and retain customers. This route concentration strategy, with proximity of trucks on route, provides us with the flexibility and the capacity to react quickly to changing client demands, as well as to ensure swift responses to any potential operational issues. As of December 31, 2020, we had 4,104 employees, including 3,776 drivers and 328 other employees (mainly warehouse personnel working in our logistics and operational activities).

We have formed several strategic partnerships with top European logistics providers to increase our presence in strategically important geographies and diversify our business activities. These include Primavera, a partnership with Réseau Primever to increase our presence in the French market, which grants Primafrio access to 36 cross docking platforms and 16 logistics centres in France, and Primavia, a Joint Venture with SNCF to operate intermodal transportation combining refrigerated road and rail transport of perishable goods from Spain to Central Europe and the UK.

We also strive to be an industry reference in sustainability, leading the transition of the sector towards a zero-carbon emissions target which we committed to achieve by 2030. We plan to achieve our target through the incorporation of technological improvements in our trucks, logistics centres, IT, training and other processes. We have an internal R&D department of over 20 dedicated professionals, who have already developed and implemented over 10 innovative projects since 2017 and have reached several cooperation agreements with different OEMs, universities and technological centres for the development of new projects, with over 30 projects currently under development. The main objective of these projects is to increase our operational efficiency and to reduce our fuel consumption each year and move us closer to achieving our 2030 objective of zero CO₂ emissions. We estimate that these initiatives have already reduced our trucks' CO₂ emissions by approximately 14,000 tonnes in 2020 compared to 2019. As part of our net carbon emissions target, we are also actively involved in various carbon compensation initiatives, such as reforestation activities in collaboration with BPM (Biodiversity Partnership Mesoamérica).

In 2020, Group subsidiary Primafrio, S.L. entered into a note purchase and private shelf deed with the Prudential Insurance Company of America and certain companies of its group, and issued a €25 million Green bond under the agreement, aimed at green capital expenditure as well as work on energy transition and logistics transformations.

In the three months period ended March 31, 2021, we generated revenue of €141.9 million, EBITDA^{APM} of €37.9 million and EBIT of €26.6 million, compared with revenue of €126.5 million, EBITDA^{APM} of €32.2 million and EBIT of €22.2 million in the three months period ended March 31, 2020. Consequently, we had a 12.2% growth in revenues in the three months period ended March 31, 2021 compared to the same period ended March 31, 2020. In 2020, we generated revenue of €458 million, EBITDA^{APM} of €118 million and EBIT of €81 million with a compound average growth rate since 2018 of 10.8%, 37.6% and 67.8%, respectively, and a strong EBITDA conversion^{APM} profile of 96.1% in 2020. We achieved EBIT Margin^{APM} of 17.8 and 18.8% in 2020 and in the three months period ended March 31, 2021 and EBITDA^{APM}, EBIT Margin^{APM} and Cash conversion^{APM} are APMs. For additional information on APMs, see "*Operating and Financial Review–Additional Information–Alternative Performance*

Measures" and "*Presentation of Financial Information and Other Important Notices–Alternative Performance Measures*".

Our vision is to be the leading company in our sector, anticipating our customers' demands and offering quality-driven, highly technological and sustainable logistics services. We also intend to be the market consolidators, as we anticipate this evolution will primarily benefit logistics operators with scale. Finally, we contribute to social development and progress through a highly skilled team and our environmentally sustainable solutions.

Business and Geographical Segments

We operate our business in two segments:

- Full Truckload (FTL) which engages in the transport of food, mainly fruits and vegetables, and other consumer-packaged goods that require a temperature-controlled or insulated environment for individual customers' requirements. This segment carries full loads directly from the customer to the destination using an enclosed vehicle, specialized equipment, or intermodal transportation, on railroad flatcars whenever necessary, as well as using tractors and contracted carriers when these are most suitable for the task at hand; and
- Groupage services, which focuses on transportation and storage primarily of fresh food, providing a more complex value-added solution for the storage, handling and transportation of these materials for the food and industrial products markets. In this process we pick up goods at different points of origin, consolidate the pallets in our temperature-controlled warehouses and ship them in a single truck to the same customer in different destinations or different customers, to improve our profitability and offer flexibility to our clients.

We further categorize our results within FTL into three business activities: (i) FTL-Exports, (ii) FTL-Imports and (iii) FTL-National. We categorize Groupage services as either (i) Exports or (ii) National Groupage activities.

We have a presence in Spain and 24 other countries within the rest of Europe. Geographically, we distinguish results from Spain and Portugal (Iberian Peninsula) on the one hand, the rest of Europe on the other. Revenues in the Iberian Peninsula relate to FTL and Groupage services with a final destination inside this area, which represented 31%, 33% and 32% of total revenues in 2020, 2019 and 2018, respectively. Revenues in the rest of Europe relate to the amounts invoiced to customers for FTL and Groupage services with the destination being any European country outside of the Iberian Peninsula. The share of our revenues by destination in the rest of Europe has remained practically stable at nearly 70% in 2020, 2019 and 2018, with Germany within the range of 34%-35% of total revenues over the three years period 2018 to 2020, the UK within the range of 9%-11%, and France within the range of 5%-6%.

Key Factors Affecting Results of Operations

The key factors affecting our business and the comparability of our financial conditions and results of operations are as follows.

Change in business mix

Due to having started offering Groupage services in 2015, our Groupage segment has been a major factor in the development of our business in recent years. We have developed strong capabilities and know-how in Groupage services since then, and we have positioned ourselves as the leader in fruit and vegetable groupage services in Spain, based on capacity of temperature-controlled logistics platforms, which are required in the provision of this type of service (source: Alimarket).

The revenue generated from our Groupage segment amounted to €107.7 million in 2020, €97.6 million in 2019 and €74.2 million in 2018, which represents a 20.1% compound annual growth rate from 2018 to 2020. Such increase has also resulted in the growth of our Groupage segment, from 20% of total revenues in 2018 to 24% in 2020 and 2019, facilitated by the completion of our logistics platform in Alhama in 2018.

We achieved a Groupage contribution margin^{APM} of €47 million in 2020, €37 million in 2019 and €33 million in 2018, with Contribution margin over revenues^{APM} of 43.7% in 2020, significantly higher than the comparable magnitudes in our FTL segment (FTL Contribution margin^{APM} of 26.3% in 2020) due to the value added services offered. See "*–Additional Information–Alternative Performance Measures*" below and "*Selected Financial Information*" for further information on consolidated information by segments).

Our Groupage segment has allowed us to diversify into more complex value-added services, which involves more flexibility, frequency and rightsizing of the service offering for our clients. These services also represent a high growth opportunity for us. This operational segment has experienced strong growth in recent years, driven by strategic decisions such as the alliance with Primever in 2017 to enter the French logistics market through access to 36 logistics platforms located in France and our new logistics platform in Alhama de Murcia, an investment of

€48 million (€45.2 million corresponding to land and building and the rest related to furniture, machinery, and other assets) in a state-of-the-art logistics facility, including a single section, refrigerated, cross-docking platform of 15,000 sqm and 106 loading and unloading docks that have been essential to boosting our Groupage services. We sold the company owning this facility (Primafrío Huelva, S.L.) in May 2021 to a related party to the Selling Shareholder (Ondina Capital, S.L.) and leased it back through a 10-year rental agreement, aligned with our asset-light strategy. See “Material contracts” section for further information on this transaction.

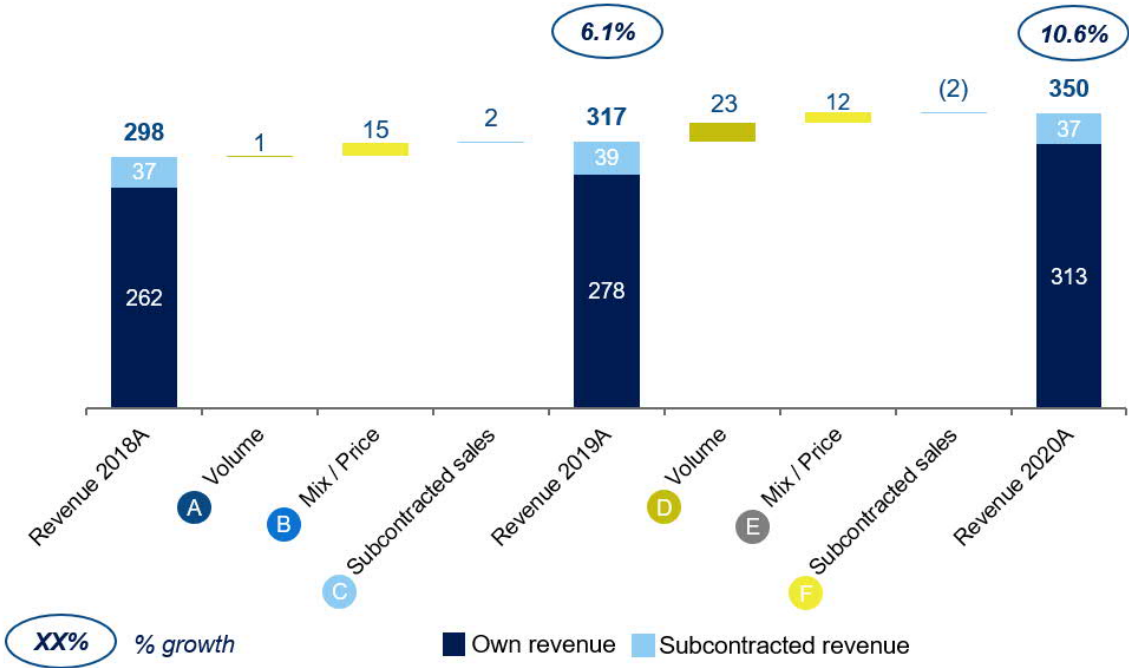
Continued revenue growth expansion

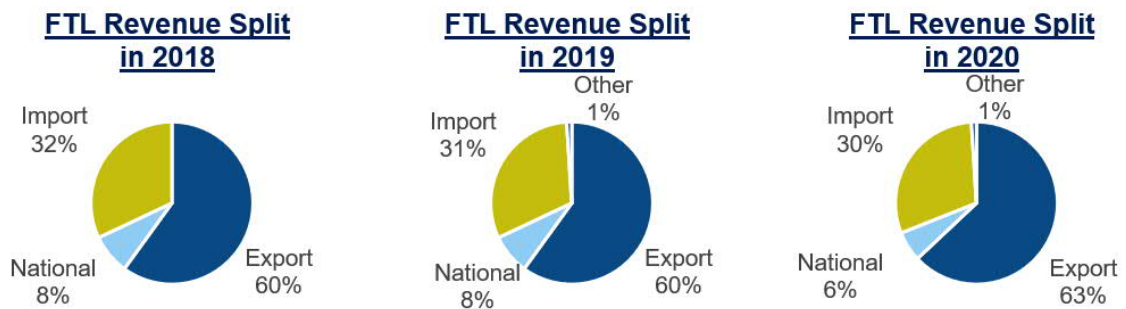
We have experienced a continued growth in revenues in the last two years, with a 10.8% compound annual growth rate from 2018 to 2020. As explained above, this growth has specially been higher in our Groupage segment, where we experienced 20.1% compound annual growth rate from 2018 to 2020.

The consolidated accounts under Spanish GAAP for Krone-Mur (which was substantially similar in scope to the current Primafrío Group) for the years 2016-2018 show revenue CAGR of c. 10%. In 2018, revenues for the Primafrío Group under IFRS were €372.6 million, compared to 2018 revenues for Krone-Mur Group under Spanish GAAP of €372.9 million.

The evolution of revenue growth by key components of each of the segments is summarized in the following graphs.

FTL Revenue Growth driven by both volume and price effects





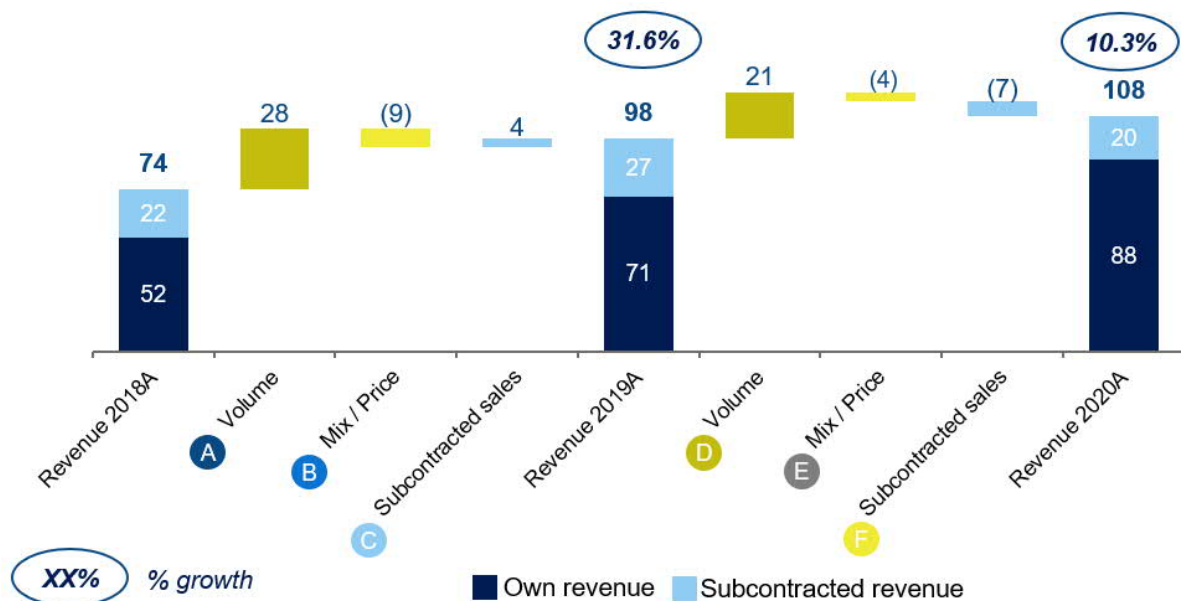
2019 increase of € 18 million (6%) in FTL's revenues is due to:

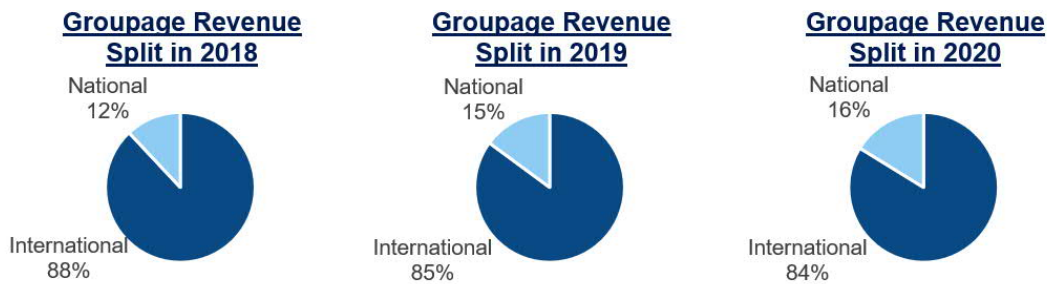
- A** Flat volumes given the incremental focus on groupage service (transfer of activity from existing clients from FTL to Groupage).
- B** Incremental market demand allowing for a price increase.
- C** Subcontracted revenue grew in order to capture market demand that could not be met with our own fleet.

2020 increase of € 33 million (11%) in FTL's revenues is due to:

- D** Strong increase in volumes mainly because of winning new customers and increasing kms with existing customers.
- F** Mix / price increase due to mix shift towards higher prices (more exports than imports drives better prices as imports have lower unitary prices), as the exports unitary price per km is 137% higher than national (import 11% higher than national).
- E** Subcontracted revenue down due to better utilization of own fleet.

Groupage Revenue Growth due to Strong Increase in Volumes Partially Offset by Mix Effect and Reduction of Subcontracted Revenue





2019 - Increase of €23MM (32%) in Groupage's revenues is due to:

- A** Shifted services from FTL to Groupage and won new clients.
- B** Mix / price decrease due to increasing mix of National Groupage at lower unitary price partially offset by price increases. International Groupage unitary prices are 53% higher than National Groupage unitary prices, although the profitability of the services is similar, due to higher direct costs per kilometre required for international services (double drivers, tolls, etc.).
- C** Increase of subcontracted revenues to meet the large increase in volumes.

2020 - Increase of €10MM (10%) in Groupage's revenues:

- D** Increase in volumes due to winning new customers and increasing kms with existing customers.
- E** Mix / price decrease due to increasing mix of National Groupage at lower unitary price partially offset by price increases.
- F** Decrease of subcontracted revenues due to shift towards the incremental use of our own fleet (with higher embedded margins).

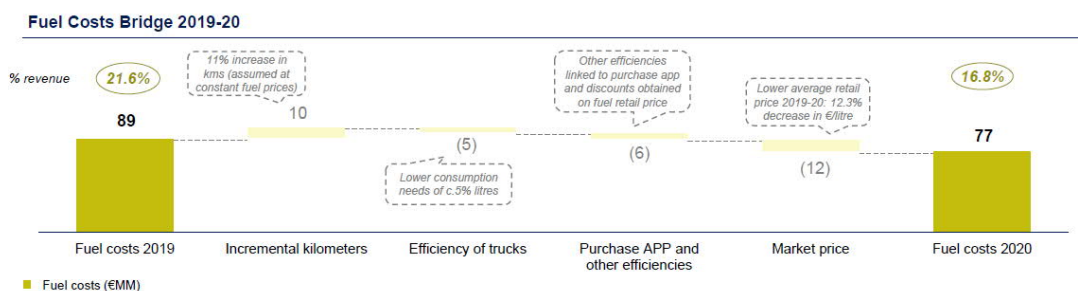
Fuel oil costs

Fuel consumption of our transport fleet is essential for our activity. Our fuel expenses amounted to €77.0 million in 2020, €89.4 million in 2019 and €83.2 million in 2018, constituting 20%, 23% and 24% of our total operating expenses in those years, respectively.

Our fuel oil costs are a function of the distance driven and fuel consumption (litres per km) of our transport fleet and the price of fuel oil in the markets where we operate. Fluctuations in the price of fuel directly affect our cost of operations and thus our profitability. For example, in 2020, despite the fact that volume driven increased by 11% compared to 2019, we benefitted from the reduction in the Spanish market prices of fuel by 13%. In addition, our annual fleet renewal program, and all the internal innovation activities which we are implementing ("smart truck innovations"), linked to our ambition to meet our sustainability goals, reducing nitrogen oxide (NOx) emissions by 80% and particulate pollutant emissions by 66% by using Euro VI engines, has reduced our fuel consumption in 2020 by 5% compared to 2019.

In addition, we have internally developed a fuel tender application to activate competition on prices for the purchase of fuel from different suppliers. The application consists of a daily tender by geographical area, in which registered fuel suppliers include their best price, taking prices offered by other competitors as a reference. At close of business each day, each driver automatically receives instructions of where to refuel, which optimised purchase costs by approximately 5% in 2020 compared to 2019. Additional efficiencies in fuel costs were achieved to meet an additional 2% decrease impact in 2020 compared to 2019, to get to the total 7% savings due to internal efficiencies achieved in 2020 compared to 2019.

The above-mentioned evolution is summarized in the following chart, including the Fuel costs bridge in 2020 compared to 2019:



As a result of both exogenous and endogenous factors described above impacting fuel prices, our fuels costs have fluctuated over the period from 2018 to 2020 as follows:

Year on year key drivers of our fuel costs evolution:	2020 vs 2019	2019 vs 2018
European Brent in Euros ⁽¹⁾	-34%	-6%
Breakdown of impacts for the Group per period:		
Market price ⁽²⁾	-13%	+2%
Volume in km (Growth) ⁽³⁾	+11%	+5%
Litres consumption per 100 km ⁽⁴⁾	-5%	-2%
Other internal efficiencies (such as Fuel prices App) or volume discounts ⁽⁵⁾	-7%	+2%
Total Fuel cost variation YoY⁽⁶⁾	-14%	+7%

- (1) European Brent price in Euros evolution year on year is calculated as the variation of the average daily prices of European Brent in USD from Reuters converted into Euros at the daily exchange rate. It is only considered as a reference for the purposes of this analysis.
- (2) Market price evolution is calculated as the variation of annual average diesel prices for end customers (including direct taxes), based on the official prices published by the Spanish Ministry for Ecological Transition.
- (3) Volume in km is calculated as the variation of total kilometres driven by our fleet per year.
- (4) Litres consumption per 100 km is calculated as the variation of annual average consumption of litres per 100 km and per truck. Reductions are achieved due to investments in more efficient trucks as well as in tires, and other internal measures such as training delivered to drivers.
- (5) Other internal efficiencies are calculated as the year on year variation of additional discounts achieved in price versus market prices (these efficiencies in 2020 are mainly related to the launch of our internally developed Fuel Tender App in that year, which allows us to achieve greater discounts than the average market prices). Evolution in 2019 relate to lower volume discounts obtained in 2019 compared to 2018.
- (6) Total Fuel cost variation year on year is the sum of the aggregated impacts described above, which have impacted the evolution of this magnitude annually compared to the prior year.

As an illustration of how an increase in Brent price could potentially impact our fuel costs (assuming constant kms to isolate price impact only), we consider that an increase in Brent price of c.20% (broadly 10\$/bbl increase) would in principle translate into a c.8% increase in the diesel retail price due to the fixed taxes per litre applicable in Spain. We have different options to protect our margins in the event of an increase in fuel price:

1. partially passing-through to end customers the increase in fuel market prices such that our revenues increase in the same amount as costs. This is done via: (i) long term contracts with clauses including automatic price revision linked to fluctuations in fuel market prices, (ii) as well as the ability to establish prices charged to customers in line with fuel spot prices in most situations for contracts when tariffs are negotiated in the short term (monthly, quarterly, etc.) to protect margins,
2. controlling subcontracted transport prices, which we can use instead of our own fleet, in cases when the profitability could be higher by using subcontracted fleet than doing the route with our own fleet (the fuel cost control mechanisms described in 1 and 2 reduce our exposure to fuel price increases in business activities generating around 1/3 of our total revenues); and
3. efficiently acquiring diesel through our Diesel Tender application. By using this application, we can get price quotes from different suppliers and they compete to offer us the best price, including significant discounts. This allows us to obtain fuel prices which are below the average retail price. In case of fluctuations of market prices, we can get greater discounts which partially would offset such increases.

Based on the above, the impact of such a 20% change in Brent price would potentially translate to an increase of only c.3-4% in our fuel costs (assuming constant kms). On top of that, our expected increase in truck efficiencies (with lower consumption needs –litres per 100km-) and the shift toward a more premium division (groupage) should allow us to protect our margins despite a Brent price increase. Our business plan and EBIT margin guidance already factor in a potential increase in diesel prices.

The fuel costs recorded in Note 11 of the Audited Consolidated Financial Statements amounted to €76 million in 2020, €89.3 million in 2019 and €81.2 million in 2018, due to an incorrect allocation of certain discounts which should have been allocated to Other procurements. The financial statements have not been restated as the amount is considered immaterial, however, for the purposes of the presentation in this Prospectus, and in order to reflect the most accurate financial information, the correct amount of fuel costs and Other procurements have been considered across this section.

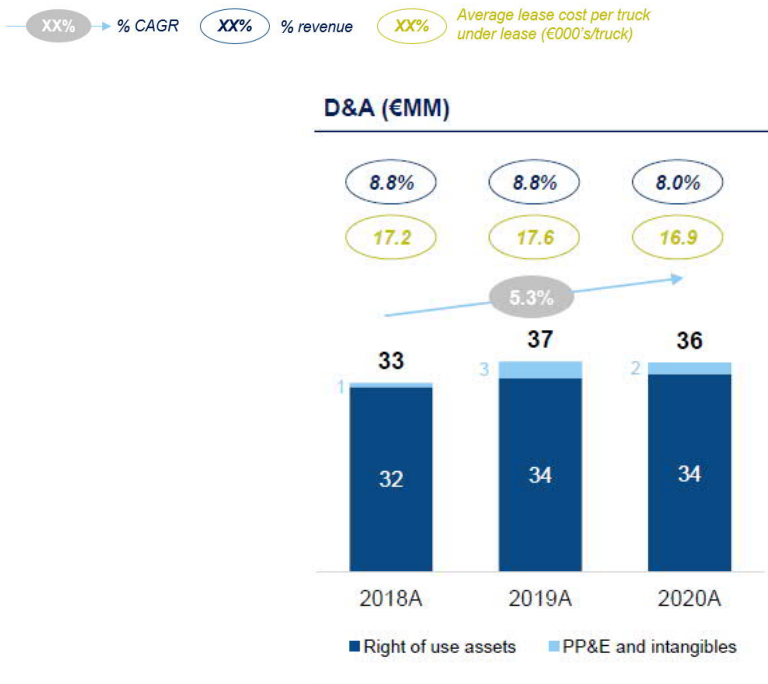
Lease Agreements

All of our fleet is financed through lease contracts. At December 31, 2020 our fleet consisted of over 2,300 trucks and almost 2,400 trailers, which were financed through lease contracts, with an average truck age of 1.4 years. This relatively short average age of our leasing contracts reflects our strategy of regular rotation in order to have a fleet with the latest technological innovations.

In addition, we also rent the six logistics facilities we operate in the Iberian Peninsula to different related parties, after the sale and lease-back agreement of the company owning our facility in Alhama in May 2021, which was previously registered as Property, plant and equipment, due to having been built in recent years. We have different types of rental contracts for those facilities, varying from 1 to 10 years in duration.

The application of IFRS 16 'Leases' as from January 1, 2018, has an impact on how expenditures are reported in the income statement, how assets and liabilities are reported on the balance sheet, and how cash flows are classified in the cash flow statement. See Notes 3-c and 3-h to the Audited Consolidated Financial Statements.

At the lease start date, we recognize a right-of-use asset, and these assets amounted to €79.8 million, €71.4 million and €67.7 million at December 31, 2020, 2019 and 2018, respectively. These assets are amortized on a straight-line basis from the start date of the lease, generating a depreciation and amortization expense in our income statement of €34.3 million in 2020, €33.7 million in 2019 and €32.1 million in 2018 (see graph evolution below, including also the rest of depreciation and amortization related to PPE and Other intangibles):



At the same time, on the lease start date, we recognize the lease liability at the present value of the lease payments to be made over the lease term, discounted using the interest rate implicit in the lease or, if this cannot be easily determined, and our incremental financing rate. This incremental rate is equivalent to the interest rate of the European Central Bank plus a margin of between 1.5% and 2%. We recognized lease liabilities for €81.1 million, €72.4 million and €68.2 million at December 31, 2020, 2019 and 2018, which generated financial costs recorded in our income statement of €1.4 million in 2020, €1.3 million in 2019 and €1.3 million in 2018. Prior to the application of IFRS 16, the rental cost was recorded as an operating expense in the profit and loss account. (For further information with respect to the lease payments, see "–Liquidity and Capital Resources" below).

Lease contracts for the warehouses have been assessed for IFRS 16, and we have concluded that only the contracts for Portugal and Alava facilities should be accounted under this standard representing €1.1 million of the total right-of-use asset and lease liability as of December 31, 2020. The rest of the facilities under lease (Huelva, Murcia and Girona), have been considered excluded from IFRS 16, and are recorded as rental expenses, amounting €0.4 million per year. In the case of Alhama facility, after the sale and lease-back transaction executed on May 2021, the new lease contract signed includes almost €2.3 million of annual rental fee, and 10 years duration, a right-of-use asset and lease liability amounting €20 million have been recorded in accordance with IFRS 16 which will be reflected in our financial information presented for the half year 2021.

Contract work carried out by other companies

Our revenues increased year over year by 11% in 2020 and 2019 and amounted to €457.7 million, €414.2 million and €372.7 million in 2020, 2019 and 2018. We have responded to the market demand and our customers' needs not only through our own capabilities, but also partially through external resources. Thus, in recent years, in addition to optimising our trucks, increasing the distance driven per truck and expanding our fleet, we have subcontracted certain services to other transport providers, when the significant increase in demand could not be absorbed by our own fleet.

The total expenses under Contract work carried out by other parties amounted to €56.3 million, €64.6 million and €55.4 million in 2020, 2019 and 2018, of which €51.8 million, €59.9 million and €51.3 million respectively related to subcontracted works to third party transportation companies. The rest of the expenses relate to the amounts paid in Eurotunnel tolls and ferries subcontracted to cover part of the routes.

In relation to the evolution of subcontracted works, these represented 11.3%, 14.5% and 13.8% of total revenues in 2020, 2019 and 2018 respectively. Although we keep low levels of subcontracting works compared to the majority of our competitors, the percentage over revenues increased in 2019, as we experienced a significant increase in revenues without expanding our fleet, and therefore, we had to meet demand by increasing subcontracting. By contrast, in 2020, our dependence on external resources decreased due to our strategy of maintaining low levels of subcontracted works, and increasing the utilization of our own fleet, by increasing our fleet, and also increasing our trucks' utilisation rate, increasing the kilometres driven per truck year each year.

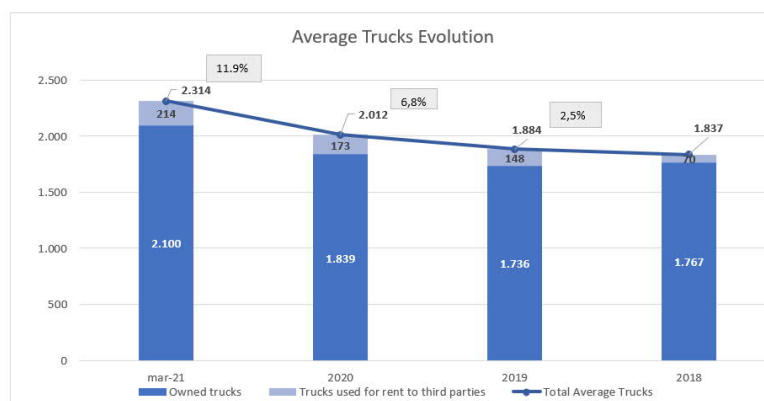
In addition to the above, we are also improving our analysis of the profitability of each route, in order to enable us to determine which routes offer greater profitability if subcontracted, and which routes we should cover with our own fleet. This improvement in our management of subcontracted costs has already impacted our profitability in 2020, and we expect to continue doing so in the future.

Drivers and Trucks

As of December 31, 2020, 3,776 of our 4,104 employees are drivers who play an essential role in each of the services we offer and are the brand image of our business. These drivers are directly employed by us and are not service suppliers. Our personnel expenses amounted to €39.4 million in the first quarter of 2021, €135.4 million in 2020, €123.1 million in 2019 and €111.3 million in 2018, of which 93% corresponded to direct personnel costs in each of those periods and other 7% corresponded to fixed personnel costs that do not derive directly with the activity.

Our direct personnel expenses increased by 9% in 2020 compared to 2019 and 11% in 2019 compared to 2018. The 2020 increase was directly linked to the additional drivers hired in 2020 compared to 2019 (+16%) as a consequence of the expansion of our number of trucks (+14% in 2020 compared to 2019) due to the growth of our business (revenue increased by 11% in 2020 compared to 2019). In 2019, we responded to increased demand (revenue increased by 11% in 2019 compared to 2018) by keeping our drivers and fleet largely stable and subcontracting the transportation services to other companies to a greater extent than in 2018. However, in 2020, we chose to both expand our pool of drivers and our truck fleet to meet the greater demand and also to decrease the level of subcontracted cost, enabling us to achieve higher margins.

The evolution of our average number of trucks for the years 2020, 2019 and 2018 and the total trucks and total drivers as of December 31 of each year has been as follows:



Figures at the end of period	Mar-21	Dec-20	Dec-19	Dec-18
Total Drivers end of period	3,813	3,776	3,268	3,102
Total Trucks end of period	2,314	2,315	2,037	2,032
Own use trucks	2,100	2,100	1,869	1,940
Rented-out trucks	214	215	166	92
Average fleet age	1.6	1.4	1.3	1.3
Average drivers per own use truck	1.8	1.8	1.8	1.7
Drivers evolution	13%	16%	5%	n.a
Trucks evolution	14%	14%	0%	n.a

Average figures per period	Mar-21	Dec-20	Dec-19	Dec-18
Total average trucks	2,314	2,012	1,884	1,836
Total average own use trucks	2,100	1,839	1,736	1,767
Total average rented trucks	214	173	148	70

The increase in drivers grew in parallel with the increase in the number of trucks in order to maintain a uniform number of drivers per truck, independently of the increase in distance travelled per truck. Therefore, the average number of drivers per own use truck was 1.8 in March 2021, in 2020 and in 2019, and was 1.7 in 2018, as the number of total trucks per own use increased to 2,100 at the end of March 2021 and 2020 from 1,869 at the end of 2019, similar to 1,940 at the end of 2018. Drivers' regulations forced us to increase the workforce at a similar pace as distance driven per truck. The ratio of drivers per truck remained constant due to our commitment to offering double-manned services.

The trucks we use to be rented to third parties for short term periods generated additional revenues of €1.9 million in 2020, €2.1 millions in 2019, and €1.3 million in 2018, which are recorded under the heading Other operating income (see Note 11 "Revenues and expenses" of the Audited Consolidated Financial Statements" for further detail of Other operating income).

We have achieved a significant reduction in our direct costs by improving the utilization of our own use fleet, as well as decreasing the consumption of fuel per kilometre. Key savings related to that are summarized as follows:

- we decreased fuel consumption of our fleet by 0.6 l/100 km on average in 2019 compared to 2018 (2% decrease) and by an additional 1.5 l/100 km in average in 2020 (5% decrease). We have estimated that this reduction has brought us savings of €1.6 million in 2019 and €4.8 million in 2020. See "Business—Our Key Strengths—ESG leader in temperature-controlled logistics"; and
- we increased the average kilometres of usage of our own fleet by more than 7% in 2019 compared to 2018 (based on number of kilometres driven per truck per year) and an additional 9% in 2020 compared to 2019. We estimate that this increase has brought us significant savings, and especially in 2020 has been one of the key drivers that allowed us to decrease subcontracted transport, which has lower margins than transport we perform with our own fleet (total subcontracted costs decreased by €8 million in 2020 in spite of revenue growth of 11%).

Seasonality

Our activity is subject to seasonal fluctuation, especially due to the type of products we transport.

The food sector, especially fruits and vegetables, is affected by seasonality, with our drivers moving across the Iberian Peninsula according to the fruit and vegetable season for each production area or product.

Given the high volume of our business that fruit and vegetable logistics services represent for us, seasonality has an impact on our revenue and profits. Revenue amounted to €126.4 million in the first quarter of 2020 (peak strawberry season), €132.9 million in the second quarter, €60.9 million in the third quarter and €137.4 million in the fourth quarter (season in which the movement of citrus fruits is especially high).

The drop in third quarter revenue is due to reduced production of high value-added fruit and vegetable products (such as berries) during that part of the year. In addition, the third quarter coincides with the summer season in Europe, which is the most agriculturally productive period as a result of the warm weather. In general terms, during the summer months, European countries increase their domestic fruit and vegetable production, reducing demand for imported products from Spain. The wide variety of products we move, and the seasonal character associated with them, especially fruits and vegetables, mean that we must pay close attention to optimising asset utilization.

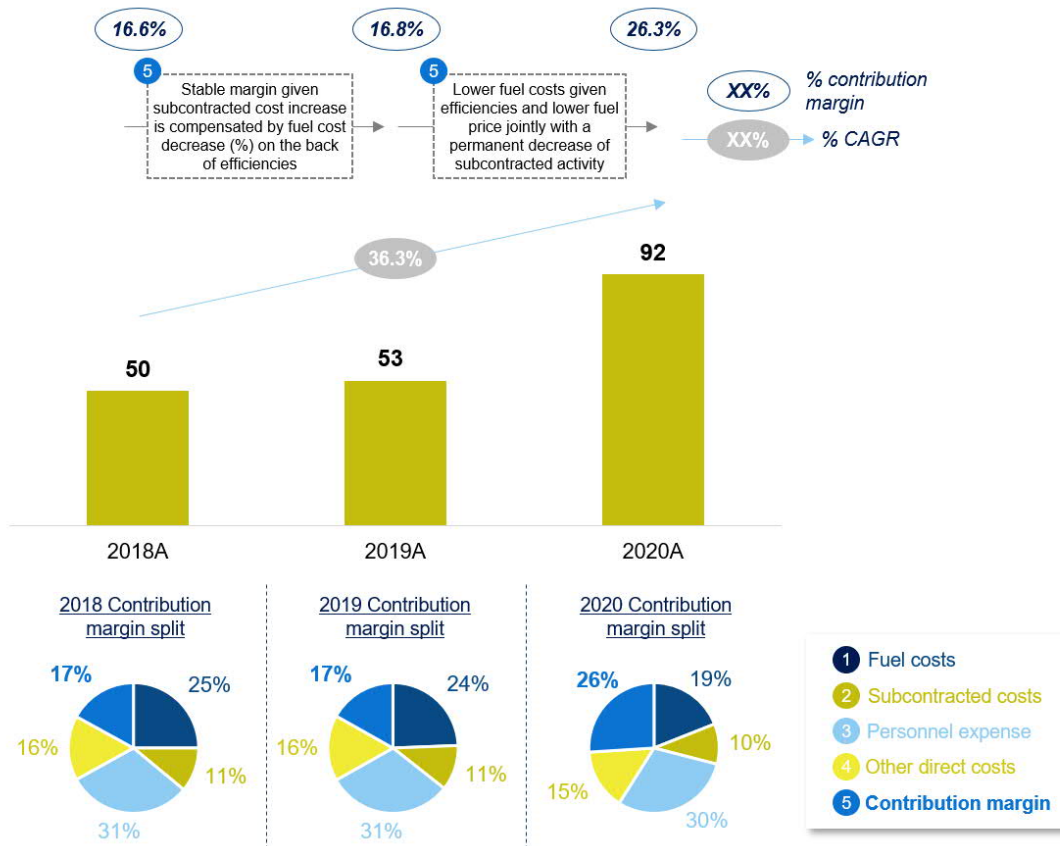
Contribution Margin^{APM} and Contribution Margin over revenues^{APM} evolution

Our Contribution Margin^{APM} has undergone a positive evolution to €139.1 million in 2020, up from €90.3 million in 2019 and €82.2 million in 2018. Our Contribution Margin over revenues^{APM} has significantly increased in 2020 to 30.4%, from 21.8% in 2019 and 22.1% in 2018. Our Contribution Margin over revenues^{APM} in the first quarter of 2021 has been in line with the one achieved in 2020, representing 30.4%.

We believe that the Contribution Margins^{APM} achieved in 2020 and Q1 2021 are sustainable, as they are based on: (i) our significant increase in revenues, which we expect to continue in the future, and in particular our shift to higher value-added services such as Groupage, which has a Contribution Margin^{APM} significantly higher than the FTL segment, and (ii) our strategy of increasing efficiencies in our cost structure, through permanent monitoring of all our drivers of key costs, in order to increase profitability and lower our dependency on third parties (for example in terms of subcontracted costs and fuel market prices).

In order to provide a more in-depth insight into the evolution of the Contribution Margin^{APM} as monitored by us, we have prepared a breakdown of the key magnitudes impacting this magnitude by Segment, over the three-year period analyzed:

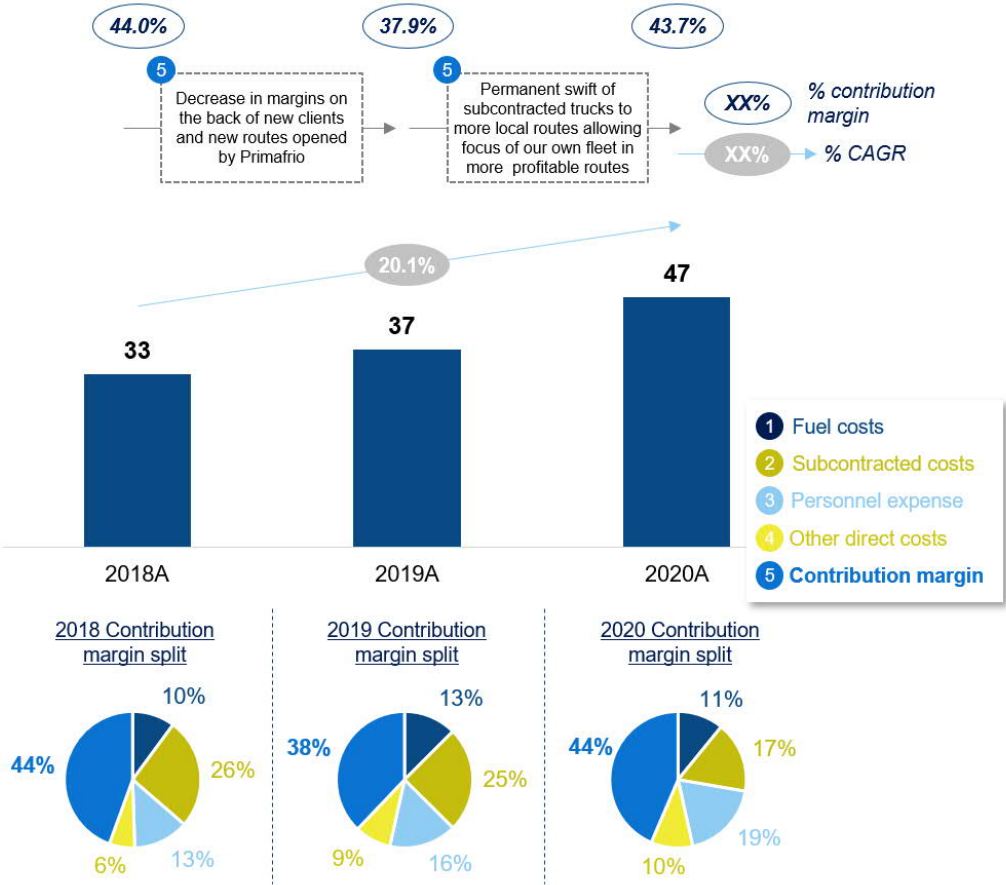
FTL Contribution Margin^{APM} (€million)



FTL Contribution Margin^{APM} expanded significantly to 26.3% mainly due to:

1. Lower **fuel costs** over revenue on the back of more efficient trucks and fuel tender app technology (c.6% contribution margin expansion on the back of fuel costs);
2. A permanent decrease in the use of **subcontracted work** with lower embedded margins than the use of our own fleet positively impacting the contribution margin by c.2%;
3. Stable **personnel expense** mostly linked to activity: incremental kms and drivers required; and
4. **Other direct costs** are mainly linked to activity of the business and are mostly composed of toll road costs.

Groupage Contribution Margin^{APM} (€million)



Groupage Contribution Margin^{APM} remained stable in 2018 and 2020, at almost 44%, which demonstrates the higher value-added service that Groupage logistics represent compared to FTL, the Contribution Margin^{APM} of which is significantly lower. The groupage contribution margin decreased in 2019 to c.38% mainly due to:

1. Incremental **fuel costs** due to increased kms (partially compensated by efficiencies achieved) linked to the incremental activity of our own fleet and limited use of subcontracted works to initially cover new routes;
2. The opening of new routes with new clients that initially required the use of our own use fleet for short local routes (from the origin of goods to Alhama). These local routes with lower embedded margins were subsequently **subcontracted** to local players in the following year; and
3. An increase in **personnel** and **other direct costs** also due to the incremental use of our own fleet to open new routes with new clients. Production area routes (from product origin to Alhama) were initially explored by our own drivers to ensure appropriate logistics and client retention (and were subsequently subcontracted to local players given lesser profitability).

Consequently, some of the above impacts in 2019 are considered to be non-recurrent, and we expect our contribution margin to be in line with the 2020 levels. Our Groupage contribution margin at premium to FTL at c.44% in 2020 was mainly due to:

1. The positive impact of **fuel costs** on the back of efficiencies and retail price reduction (c.2% margin expansion);
2. Main driver of recovery of margins to sustainable levels was the permanent switch to **subcontracted works** (c.7% contribution margin expansion) in local routes (with goods originating in the Alhama facility) allowing for more profitable use of our own use fleet;
3. An increase in **personnel expense** given reduction of subcontracted activity through use of our own fleet/drivers; and

4. Other **direct costs** linked to activity of the business, mostly composed of toll road costs.

Our assessments of the sustainability of Contribution Margin^{APM}, Contribution Margin over revenues^{APM}, FTL Contribution Margin^{APM} and Groupage Contribution Margin^{APM} are based on future events that we expect to occur, including certain assumptions about trends in macroeconomic factors and resulting developments described above. As these assessments are based on future events and management actions, they are subject to inherent risks and significant uncertainties, especially in terms of the risk that the forecasted events and actions may not take place or may take place at a different time or to a different extent than anticipated, as well as the fact that certain events and actions cannot be predicted or quantified at the time these assessments are made. See "*Forward Looking Statements*" and "*Risk Factors*" for an explanation of some of the risks that could affect the accuracy of our assessments.

Recent Developments

Capital Increase

On March 4, 2021, Primafrío carried out a capital increase with a charge to freely distributable reserves, setting its capital at €14 million, represented by 140,000,000 registered shares of €0.10 nominal value each. The sole shareholder of the Company Krone-Mur Servifrio, S.L fully subscribed and paid up the 139,400,000 new registered shares created by the capital increase.

Employees transferred from Krone-Mur Servifrio, S.L. to Primafrío

In March 2021, in order to provide the Group with its own operating structure, Primafrío incorporated into its workforce 56 workers who were previously employees of the Selling Shareholder, Krone-Mur Servifrio, S.L. and who provided administrative and management services to the Group that were invoiced annually by Krone-Mur Servifrio, S. L. Additionally, in June, 2021, 10 employees have been transferred to Primafrío. These workers have been subrogated with all their pre-existing rights and obligations (seniority, salary, etc.) and since that time they have become, for all purposes, employees of Primafrío and provide administrative and management services to the Group. The impact of this in the consolidated income statements will be almost nil, as it will only imply a reclassification from operating expenses, where management fees were recorded, by the amounts invoiced by the Selling shareholder in relation to the services that those employees were rendering, to personnel expenses by a similar amount, as the margin calculated in the management fees was not relevant.

Combiterminal Intermodal Infrastructure

On March 22, 2021 the Selling Shareholder acquired for €0.2 million a 11% stake in CTC, a joint venture that has other eight other partners (BASF Española S.L.U., Contank S.A., Hoyer España, S.A., Tradilo Inversiones, S.L., Schmidt Holding GmbH, Kombiverkehr Deutsche Gesellschaft Für Kombinerten Güterverkehr Mbh & Co. Kg, Salvat Logística S.A.U. and Logística Suardiaz, S.L.). This 11% stake in CTC will be transferred by the Selling Shareholder to the Company by virtue of a contract of sale granted by both parties on June 8, 2021, which is subject to the condition (*condición suspensiva*) that the general shareholders meeting of CTC to be held on June 14, 2021 authorises such transfer. This 11% stake in CTC will be transferred by the Selling Shareholder to the Company for €0.4 million (the €0.2 million initially paid plus €0.2 million contributed to the net equity of CTC by the Selling Shareholder on April 15, 2021), therefore, no gain or loss will arise.

Through this agreement, we intend to create a major railroad connection between Spain and Germany. Linked to this new route, a freight rail station will be built in Tarragona, requiring us to make an investment of approximately €40 million over the next few years until the second quarter of 2024 (as the expected date of finalisation of the construction). We expect to finance our contribution with the cash generated from our activities, without further financing. This train terminal will offer the possibility to change from the Spanish to the European gauge, connecting Tarragona via train line with Belgium, Italy and Germany as well as offering a train connection all the way to China. Within Spain, this terminal will be the connection with the Mediterranean Corridor, Madrid, Algeciras, and Portugal (see *Business*, subsection *Our Strategy-Increasing our Groupage offering*).

Sale and lease-back of Alhama facility

The facility of Alhama was initially owned by our subsidiary Primafrío, S.L. On February 18, 2021, the facility was contributed by Primafrío, S.L. to its fully owned subsidiary Primafrío Huelva, S.L. by means of a capital increase of the latter paid through the in-kind contribution consisting on the facility. As a consequence of the referred in-kind contribution (and an additional cash contribution that was simultaneously executed), Primafrío Huelva, S.L. increased its share capital in the total amount of €54.7 million (€45.2 million -the fair market value of the facility as per a third-party appraisal- plus €9.5 million in cash) and Primafrío Huelva, S.L. (which had no activity or fixed assets prior to that date) acquired the ownership of Alhama, with the facility being its only fixed asset.

On May 6, 2021, Primafrio, S.L. sold 100% of the shares of Primafrio Huelva, S.L. to a party related to the Selling Shareholder (Ondina Capital, S.L.). As a consequence of the sale, both Primafrio Huelva, S.L. and, indirectly, its only fixed asset (the facility of Alhama) were transferred to the related party. In exchange, Primafrio, S.L. received €54.7 million in cash, as the consideration for the sale, corresponding to the fair market value for the transferred company (€54.7 million corresponding to the above capital increase plus €3 thousand corresponding to the value of the net equity of the company -share capital-). This sale will be treated for accounting purposes as a sale of assets, as the company was inactive, and only had the Alhama facility as its only fixed asset.

In connection with the above, Primafrio, S.L. entered into a lease contract with Primafrio Huelva, S.L. for the leasing of the Alhama facility on February 18, 2021 with a duration of 10 years and an annual rent of almost €2.3 million (as per a third-party appraisal). The total amount for the annual rent determined by a third-party appraisal was €2.3 million. Nevertheless, other companies (the Selling Shareholder or related parties to the Selling Shareholder) also rent a minimal part of the spaces (workshop and offices) to Primafrio Huelva, S.L. in Alhama facility, in exchange of an annual payment of 32 thousand Euros, so the total rent received by the lessor equals the total value of the third-party appraisal (€2.3 million).

The sale and leaseback of Alhama facility is an expressly permitted transaction under the terms and conditions of the Pricoa Notes Agreement.

In connection with the sale €50.0 million was distributed as an extraordinary dividend out of available reserves from Primafrio, S.L. to its parent company Primafrio, and then from Primafrio to the Selling Shareholder, this dividend was partially settled with the intercompany loan receivable granted to the Selling Shareholder as of March 31, 2021 (amounting to €28 million).

With respect to the statement of financial position, the impact related to the above-mentioned subsequent events on the different headings of the statement of financial position is as follows:

	Millions of Euros					
	Property, Plant and Equipment	Right-of-Use-Assets	Other Financial Assets	Cash	Lease Liabilities	Equity
Sale of logistics facilities and lease-back (incl. VAT)	(45.0)	20.0	-	45.2	(20.0)	0.2
Distribution of dividends	-	-	(28.0)	(22.0)	-	(50.0)
Total	(45.0)	20.0	(28.0)	23.2	(20.0)	(49.8)

The impact of these subsequent events on future cash flows has been positive in the amount of EUR 23.0 million. However, considering the amount of the loan granted to the Sole Shareholder and which will be cancelled through the dividend distribution detailed above, the aggregate impact on the Group's cash flow has been negative in the amount of EUR 4.8 million.

The impact of subsequent events has only been €0.2 million of gains on the disposal of non-current assets, which has been considered not material for deferral purposes, as it is considered a sale and leaseback transaction. In subsequent years, the only impact on the income statement will be an additional €0.3 million of annual interest, since the depreciation expense will continue to be €2 million per year, before and after the transaction. As for maintenance expenses, according to the Lease Law in Spain, the lessor will cover the improvements to the property and the lessee will cover the expenses derived from the use of the facilities. Fees and taxes shall also be borne by the lessee, in accordance with such law.

See "*Material Contracts—Sale and lease-back of Alhama facility*".

Change of the Company's corporate name

On May 20, 2021, we have adopted the decision to change our corporate name from PRIMAFRIO TOPCO, S.A. to PRIMAFRIO CORPORACION, S.A. and subsequently approved an amendment of the article 1 of our By-Laws.

Principal Consolidated Income Statement Line Items

The following is a summary description of the principal line items of our consolidated income statement included in the Audited Consolidated Financial Statements and in the Q1 2021 Unaudited Condensed Consolidated Interim Financial Statements.

Operating income

Operating income is broken down into Revenues and Other operating income.

Revenues

We substantially generate all of our revenues through our FTL and Groupage operating segments. Generally, we are paid by the kilometres and volume agreed for our services, although prices vary depending of the type of goods being transported and the service level requirements arranged for each service (i.e. non-stop transportation, double-manned service, etc.).

Other operating income

Other operating income principally consists of income from short term rental of our trucks to third parties and jointly controlled companies in their logistics activities.

Procurement

Procurement includes the purchase of raw materials and merchandise, expenses mainly related to the consumption of fuel. Other minor costs recorded under this heading are related to tires, and the purchase of pallets for the storage of merchandise. This line item also includes the variation in inventory of raw materials and other consumables.

Contract work carried out by other companies

Contract work carried out by other companies consists mainly of subcontracted works to third party transportation companies, that we require to manage peaks of demand from our customers or to cover specific routes offered at more competitive prices than would be obtained with our own fleet. To a lesser extent, the amounts paid in Eurotunnel tolls and ferries used to cover part of the routes, are also included under this heading.

Personnel expenses

Personnel expenses primarily relate to wages and salaries, social security charges, termination and other social contributions for our employees, including personnel dedicated to logistics and operational activities, truck drivers and the rest of our employees.

Other operating expenses

Other operating expenses consist of costs related to external services, which mainly include tolls and also other direct costs such as truck insurance, repair and maintenance costs, commissions, communication services costs and other professional services such as legal advice and consulting services. The majority of our maintenance costs are covered by the OEMs, as part of the lease contract for our trucks and trailers.

Taxes other than income tax

This line item relates mainly to road tax expenses and other local taxes.

Changes in provisions

Changes in provisions include losses, impairment and variation of provisions for commercial operations.

Depreciation and amortization

Depreciation and amortization include the depreciation of fixed assets: intangible assets, property, plant and equipment, and right-of-use assets.

Impairment and gains on the disposal of non-current assets

Impairment and gains on the disposal of non-current assets include impairment and results from disposals of fixed assets.

Other results

Other results include income derived from insurance claims.

Financial income

Financial income is mainly derived from the tax benefit generated by Economic Interest Groupings ("E.I.G."). As tax loss carry-forwards are allocated to the E.I.G. partners, the result of the cancellation of the tax credits (previously recognized as a consequence of the ownership in the E.I.G), and the derecognition of financial assets due to our ownership in the E.I.G, will be recorded as financial income (See Note 3 (*Significant accounting policies- Economic Interest Groupings*) to the Audited Consolidated Financial Statements).

Financial costs

Financial expenses are generated mainly from lease expenses related to the rental of the truck fleet due to the adoption of IFRS 16 from January 1, 2018. From December 2020, our financial expenses include a 2.15% interest rate over the €75 million of notes issued under the Pricoa Notes Agreement (see “*Material Contracts*” for further information).

Ordinary results of companies accounted for using the equity method.

The amount recorded in the consolidated income statement under this heading corresponds to the result for the period of companies accounted for using the equity method, according to the percentage of participation we hold in these entities.

Changes in the fair value of financial instruments

Changes in the fair value of financial instruments record the difference between the fair value of financial instruments at the end of the prior period and at the end of the current period.

Income tax

This line item consists of current and deferred taxes, calculated in accordance with the relevant tax laws in force in the jurisdictions in which we operate. As of December 31, 2020, the corporate tax rate in Spain was 25% and the tax rate applicable in Portugal was 21%; there is also a municipal surcharge in Portugal with marginal rates ranging between 1.5% and 9% depending on the applicable tax range.

Results of Operations

The tables below set out selected consolidated financial information as well as the income statements and the cash flow statements extracted from the Audited Consolidated Financial Statements, for the periods indicated.

In addition, we have included the selected consolidated financial information, the income statement and the cash flow statement for the three-month period ended March 31, 2021 compared with the three-month period ended March 31, 2020, extracted from the Q1 2021 Unaudited Condensed Consolidated Interim Financial Statements.

Consolidated Income statement

Q1 2021 compared with Q1 2020

<i>(€ million, unless otherwise indicated)</i>	For the three months ended March 31		2021-2020 % change
	2021 ⁽¹⁾	2020 ⁽¹⁾	
Operating income	143.7	127.5	13%
Revenues	141.8	126.5	12%
Other operating income	1.9	1.0	90%
Operating expenses	(117.1)	(105.2)	11%
Procurements	(26.3)	(24.7)	6%
Contract work carried out by other companies	(18.4)	(18.2)	1%
Personal expenses	(39.5)	(34.2)	15%
Operating Expenses	(21.9)	(20.4)	7%
Taxes other than income tax	(0.1)	(0.1)	0%
Depreciation and amortization	(11.2)	(9.9)	13%
Other results	0.3	2.2	(86%)
Consolidated operating profit	26.6	22.2	20%
Financial income	0.3	-	200%
Financial costs	(0.9)	(0.4)	125%
Consolidated finance income/ (loss)	(0.6)	(0.4)	50%
Consolidated before tax	26.1	21.8	20%
Income tax	(6.4)	(5.4)	19%
Consolidated profit for the period from continued operations	19.6	16.4	20%
Consolidated profit for the period from discontinued operations	-	-	-
Consolidated profit for the period	19.6	16.4	20%

⁽¹⁾ We prepared the Q1 2021 and Q1 2020 interim condensed consolidated financial statements in accordance with IAS 34 and consistently with the Audited Consolidated Financial Statements. An ISRE 2410 has been performed on such interim financial statements by the auditor."

Revenues

Revenues increased by 13% to €143.7 million in the three months ended March 31, 2021 from €127.5 million in the three months ended March 31, 2020, due to both the increase of 10.8% in FTL revenues, and the increase of 16.0% in Groupage revenues. The increase in FTL revenue amounting to €10 million was due to a 4% increase in volumes of kilometres performed by our own use fleet, impacting € 3 million, and also a shift of services to higher weight of exports, which have higher unitary prices, impacting € 2 million. The additional € 5 million increase relates to the increase of subcontracted revenues required to capture incremental market demand. The increase in Groupage revenues amounting to € 6 million was due mainly to an increase in volume of kilometres performed by our own fleet of 58%, impacting €14 million, net of a unitary prices decrease impacting € 4 million, due to a slight shift to national groupage versus international groupage, which implies lower unitary prices, although not lower profitability. The additional € 5 million decrease relates to the variation of subcontracted revenues due to the shift towards the incremental use of our own fleet (with higher embedded margins).

Other Operating Income

Other operating income increased by 90% to €1.9 million in the three months ended March 31, 2021 from €1.0 million in the three months ended March 31, 2020. This is due mainly to the higher utilization of the Renta Frio fleet required in Q1 2020 to supply our own demand, compared to Q1 2021, which resulted in a decrease in third party rental revenue for Q1 2020 compared to the same period in 2021.

Procurements

Procurements mainly consisted of costs of fuel (representing 96% of total procurements in the first three months in 2021 and 2020) and the remaining balance related to purchases of other materials such as tires and pallets.

Fuel costs, which represented 18% and 19% of total revenue in the three months ended March 31, 2021 and 2020 respectively, increased by 7% to €25.2 million in the three months ended March 31, 2021 from €23.5 million in the three months ended March 31, 2020, principally due to the net impact of:

- A 4% decrease in fuel cost given efficiencies and retail market price evolution, and our effort to optimise fuel purchase costs through certain innovations implemented, such as our tender fuel application, exerting a further impact of -1%; and
- A 12% increase of fuel consumption due to the greater distance driven by our fleet in the first three months of 2021 compared to the first three months of 2020, in line with an increase in revenues.

Contract work carried out by other companies

Contract work carried out by other companies increased by 1% to €18.4 million in the three months ended March 31, 2021 from €18.2 million in the three months ended March 31, 2020 and represented 16% of total operating expenses in the three months ended March 31, 2021.

These costs mainly consisted of expenses incurred in subcontracting transportation services to a third party to respond to strong demand especially in certain seasonal periods. During the three months ended March 31, 2021 our revenues increased by 12% compared to the first quarter of the previous year. We met our customers' increasing demand mainly through increasing the size and performance of our own use fleet, which resulted in higher profitability.

In the three months ended March 31, 2021 we increased our fleet by 14% compared to the first three months of 2020 and we also increased the average distance driven by our own use trucks. The slight increase of subcontracted costs is only due to new routes to Eastern European destinations, with the decision to subcontract such routes forming part of our strategy to increase profitability per route.

Personnel expenses

Personnel expenses increased by 15% to €39.5 million in the three months ended March 31, 2021 from €34.2 million in the three months ended March 31, 2020, in line with the growth of the business during the first quarter of 2021, as 93% of total personnel expenses corresponded to direct personnel costs in the three months ended March 31, 2021, which mainly included employee expenses related to our drivers.

Our direct personnel expenses, also increased by 15% (from €31.7 million in the three months ended March 31, 2020 to €36.5 million in the three months ended March 31, 2021), were directly linked to the additional drivers hired in the first quarter of 2021 compared to the first quarter of 2020 (13% increase in the number of drivers) as a consequence of the expansion of our average fleet to cover the growth of our business (revenue increased by 12% in the three months ended March 31, 2021 compared to the three months ended March 31, 2020).

Other Operating Expenses

Other operating expenses increased by 7% to €21.9 million in the three months ended March 31, 2021 from €20.4 million in the three months ended March 31, 2020, principally due to an increase in tolls in line with the increase in kilometres and the increase in revenues in the respective periods.

Taxes other than income tax

Taxes other than income tax remained unchanged at €0.1 million in the three months ended March 31, 2021 and 2020.

Depreciation and amortization

Depreciation and amortization increased by 13% to €11.2 million in the three months ended March 31, 2021 compared to €9.9 million in the three months ended March 31, 2020, principally due to an increase of impairment and gains on the disposal of non-current assets due to the de-recognition during the last months of 2020 of fully depreciated items that were withdrawn from normal use, recorded under the sub-heading "Technical installations and other fixed assets".

Other results

Other results decreased by 86% to €0.3 million in the three months ended March 31, 2021 from €2.2 million in the three months ended March 31, 2020 due to lower income derived from insurance claims in the earlier period.

Financial income

Net financial income increased to €0.3 million in the three months ended March 31, 2021 compared to the three months ended March 31, 2020 due to an increase mainly of the financial income recorded in relation to the Economic Interest Groupings in 2020, which we did not have in the first quarter of 2021.

Financial costs

Financial costs increased to €0.9 million in the three months ended March 31, 2021 from €0.4 million in the three months ended March 31, 2020 and these refer to the implicit interests calculated over the lease contracts. Increase is mainly due to the additional €0.5 million related to the interest accrued in relation to the Pricoa Notes Agreement.

Income tax

Income tax increased by 19%, from €6.4 million in the three months ended March 31, 2021 to €5.4 million in the three months ended March 31, 2020. Income tax expense for both years was in line with increase in profit before tax. Our effective cash tax rate (calculated as income tax net of financial income divided by consolidated profit before income tax) was 25% in the three months ended March 31, 2021, aligned to 25% in the three months ended March 31, 2020. We expect this effective cash tax rate to decrease down to around 20% by the end of the year, once we apply tax savings related to R&D projects of our investments in Economic Interest Groupings. As part of our tax strategy, we participate in certain Economic Interest Groupings to get certain tax savings linked to R&D projects. The positive impact of these investments is recorded as financial income, so we consider that in order to calculate our real effective tax rates, we should also consider the amounts recorded under this heading (see section "Economic Interest Groupings" for further details on how these structures work)

Consolidated Income statement

2020 compared with 2019

The following table sets forth our consolidated income statements for the years ended December 31, 2020 and 2019:

(€ million, unless otherwise indicated)	For the year ended December 31		2020 - 2019
	2020 ⁽¹⁾	2019 ⁽¹⁾	% change
Operating income	461.6	418.0	10%
Revenue	457.7	414.2	11%
Other operating income	4.0	3.8	3%
Operating expenses	(380.3)	(384.4)	(1)%
Procurements	(80.0)	(93.0)	(14)%
Contract work carried out by other companies	(56.3)	(64.6)	(13)%
Personnel expenses	(135.4)	(123.1)	10%
Other operating expenses	(74.8)	(70.0)	7%
Taxes other than income tax	(1.9)	(1.4)	33%
Changes in provisions	(0.6)	(0.6)	5%
Depreciation and amortization	(36.5)	(36.5)	0%
Impairment and gains on the disposal of non-current assets	(0.3)	(0.2)	52%
Other results	5.4	5.0	9%
Consolidated operating profit	81.4	33.6	142%
Financial income	4.8	1.9	147%
Financial costs	(1.4)	(1.5)	(6)%
Exchange differences	-	-	22%
Ordinary results of companies accounted for using the equity method	(0.2)	(0.9)	(79)%
Changes in the fair value of financial instruments	(0.1)	-	(261)%
Consolidated finance income / (loss)	3.1	(0.4)	-985%
Consolidated profit before tax	84.5	33.2	154%
Income tax	(21.0)	(8.3)	153%
Consolidated profit for the period from continued operations	63.5	24.9	155%
Consolidated profit for the period from discontinued operations	-	-	-

<i>(€ million, unless otherwise indicated)</i>	For the year ended December 31		2020 - 2019
	2020 ⁽¹⁾	2019 ⁽¹⁾	% change
Consolidated profit for the period	63.5	24.9	155%

⁽¹⁾ For the purposes of the Audited Consolidated Financial Statements, we adopted IFRS 16 'Leases' as of January 1, 2018. IFRS 16 has no cash flow or economic impact on us, but does have an impact on the way that expenditure is reported in the income statement, together with how assets and liabilities are reported on the balance sheet and how cash flows are classified in the cash flow statement. See "*Presentation of Financial Information and Other Important Notices*".

Revenue

Revenue increased by 11% to €457.7 million in the 2020 from €414.2 million in 2019, mainly as a result of growth in the temperature-controlled groupage market for food products, which has been boosted by the COVID-19 pandemic. The food products consumption increase by households in 2020 was partly offset by reduced revenue from some Retail and Distribution customers because of the pandemic, as some of the sectors associated with retail products transported by us, such as shoes and clothes, suffered a significant decrease in 2020.

The following table shows the distribution of our total revenue for each of our business activities:

	2020	2019	% change
FTL - Export	219.2	190.2	15%
FTL - Import	104.5	98.0	7%
FTL - National	21.9	24.0	(9)%
Total FTL	350.0	316.6	11%
Groupage	107.7	97.6	10%
Other	4.4	4.4	-
Total	457.7	414.2	11%

In 2020, we saw an increase in (i) FTL – Export revenue of 15% to €219.2 million for the year ended December 31, 2020 from €190.2 million for the year ended December 31, 2019 and, (ii) Groupage revenue by 10% to €107.7 million for the year ended December 31, 2020 from €97.6 million for the year ended December 31, 2019. Both FTL – Export and Groupage growth have also influenced the growth of FTL – Import by 7%, as there were more trucks travelling to Europe that the company could use to secure additional import revenue.

The revenue by segment reflected an increase of (i) 11%, in revenue from FTL activities, to €350.0 million for the year ended December 31, 2020 from €316.6 million for the year ended December 31, 2019 and (ii) 10%, in revenue from the Groupage segment, to €107.7 million for the year ended December 31, 2020 from €97.6 million for the year ended December 31, 2019. Overall, the increase in FTL revenue of €33 million was due to the following factors:

- €23 million increase in volumes (representing an 8% increase in kilometres driven by our own fleet)
- €12 million increase in prices (representing a 2% increase in unit prices)
- €2 million decrease in subcontracted revenue. Total subcontracted revenue decreased by 5% in line with our strategy of increasing the utilization of our own resources, resulting in better margins.

The increase in Groupage revenue of €10 million was due to the mix of the following factors:

- €21 million increase in volumes (representing a significant increase of volume of 29% kilometres driven by our own fleet)
- €4 million decrease due to a different mix of services, mainly due to a shift to higher National Groupage (16% of total Groupage in 2020 compared to 15% in 2019) which led to lower unit prices.
- €7 million decrease in subcontracted revenue to €19.9 million (€26.7 million in 2019), which represented 18% of total Groupage revenue in 2020, compared to 27% in 2019.

We also track changes in revenue by looking at the two main segments of our operations by product type:

<i>(€ million, except percentages)</i>	2020			2019			% change Total by Product
	FTL	Groupage	Total	FTL	Groupage	Total	
Food products	241.6	100.5	342.1	204.1	91.4	295.6	16%

(€ million, except percentages)	2020			2019			% change Total by Product
	FTL	Groupage	Total	FTL	Groupage	Total	
High value	17.1	1.1	18.2	18.1	1.0	19.0	(4)%
Retail	69.0	1.4	70.3	79.9	1.0	81.0	(13)%
Others (including Pharma)	22.3	4.7	27.0	14.4	4.2	18.6	46%
Grand Total	350.0	107.7	457.7	316.6	97.6	414.2	11%

The revenue per product breakdown reflected a higher relative weight of food products revenue, which increased 16% to €342.1 million for the year ended December 31, 2020 from €295.6 million in the year ended December 31, 2019 principally due to an increase in demand from agricultural industries, especially in northern European countries, and also an increase in demand of European households due to the COVID-19 pandemic.

There was also an increase in our market share with our main existing customers, due to the high level of service that we managed to provide during lockdown periods, especially for fruit and vegetable products, for which Spain represented 36% of the total European exports, according to Eurostat, Mercasa and Transporte XXI sources.

Other products (including pharma) increased 46% to €27.0 million for the year ended December 31, 2020 from €18.6 million for the year ended December 31, 2019, mainly due to better prices in contracts to transport pharma's product given the higher service standards needed when handling these products. See section *Continued revenue growth expansion* above for further information about revenues evolution.

In 2020, 67% of our business was concentrated within our top ten customers. Top-ten customers' revenue increased by 15% to €306.8 million in 2020 from €266.2 million in 2019, mainly due to their growth in fruits and vegetables revenue and a greater collaboration with Primafrio given their satisfaction with the quality of the service provided.

Other Operating Income

Other operating income increased by 3% to €4.0 million in 2020 from €3.8 million in 2019. Further detail on "Other operating revenue" of the consolidated income statement in 2020 and 2019 is as follows:

(€ million)	2020	2019
Lease agreements	1.9	2.1
Miscellaneous services	1.9	1.7
Operating grants	0.1	0.1
Total	4.0	3.8

During financial years 2020 and 2019, we leased tractor and trailer heads to third parties mainly through our subsidiary Renta Frio. Revenue for this type of services slightly decreased due mainly to the higher utilization of the Renta Frio fleet required to supply our own demand, which resulted in a decrease in third party revenue, as shown.

Procurements

Procurements mainly consisted of costs of fuel (representing 96% of total procurements in 2020 and 2019) and the remaining balance related to purchases of other materials such as tires and pallets.

Fuel costs, which represented 17% and 22% of total revenue in 2020 and 2019 respectively, decreased by 14% to €77.0 million in 2020 from €89.4 million in 2019, principally due to the net impact of:

- The decrease in prices, which reduced expense by 14% in 2020 compared to 2019 (€12.4 million), due to fluctuations in fuel prices (-13%), and our effort to optimise fuel purchase costs (-7%) through certain innovations implemented, such as our web application to tender fuel prices and our mobile app to indicate to drivers where to refuel; and
- An increase of fuel consumption due to the greater distance driven by our fleet in 2020 compared to 2019, which increased expense by 11% (€9.9 million), in line with the growth of the business in 2020, partially offset by the decrease in our consumption due to our measures to optimise efficiency (optimisation of routes, Smart Truck, etc.) which reduced expense by 5%.

Contract work carried out by other companies

Contract work carried out by other companies decreased by 13% to €56.3 million in 2020 from €64.6 million in 2019 and represented 15% of total operating expenses in 2020.

These costs mainly consisted of expenses incurred in subcontracting services to a third party to respond to strong demand, especially during periods of peaks in demand. In 2020 our revenues increased by 11% compared to the previous year, and we met this increasing customer demand mainly through the size and performance of our own use fleet. In 2020 we increased the average of own use trucks by 6% (from 1,736 trucks to 1,839 trucks each year on average) compared to 2019 and the average distance driven by our own use trucks also increased by 5% (kilometres per truck) in 2020 compared to 2019.

Personnel expenses

Personnel expenses increased by 10% to €135.4 million in 2020 from €123.1 million in 2019, in line with the growth of the business in 2020, as 93% of total personnel expenses corresponded to direct personnel costs in 2020, which mainly included employee expenses related to our drivers.

Our direct personnel expenses, which also increased by 10% (from €114.5 million in 2019 to 125.7 million in 2020), were directly linked to the additional drivers hired in 2020 compared to 2019 (+11%) as a consequence of the expansion of our average fleet due to the growth of our business (revenue increased by 11% in 2020 compared to 2019).

Other Operating Expenses

Other operating expenses increased by 7% to €74.8 million in 2020 from €70 million in 2019, principally due to an increase of €4.5 million in other services and an increase of €0.8 million related to independent professional services, offset by minor decreases in other operating costs (insurance premiums, supplies, etc.).

Other services increased by 10% in 2020 compared to 2019 mainly driven by tolls, which represent 83% of Other services and 53% of Other operating expenses. In 2020 toll costs increased €4.8 million mainly due to freight volumes (with a positive impact of €3.5 million or 11% aligned with the business growth) and to a lesser extent changes in the price of tolls (with a positive impact of €1.2 million or 3%). In addition, independent professional services increased by €0.8 million in 2020 compared to 2019, mainly due to certain external costs directly related to business growth (such as management fees charged by the Selling Shareholder and other fleet assistance services), and other legal and consulting services connected to the Pricoa Notes Agreement (see "*Contractual Obligations*" for further information with respect to this agreement).

Taxes other than income tax

Taxes other than income tax increased by 33% to €1.9 million in 2020 from €1.4 million in 2019, principally due to the road tax recorded based on when the vehicle registration number is obtained. The variation of this tax is not directly related to the variation of the fleet, in the sense that road tax recorded in 2020 might apply to vehicles purchased 2019 for which the registration numbers were obtained in 2020 (unlike under Spanish tax law, under Portuguese law these taxes cannot be accrued/deferred).

Changes in provisions

Changes in provisions remained unchanged at €0.6 million in 2020 and 2019.

Depreciation and amortization

Depreciation and amortization remained flat to €36.5 million in 2020 compared to €36.6 million in 2019.

Impairment and gains on the disposal of non-current assets

Impairment and gains on the disposal of non-current assets increased by 52% to €0.3 million in 2020 from €0.2 million in 2019, principally due to the de-recognition in 2020 of fully depreciated items that were withdrawn from normal use, recorded under the sub-heading "Technical installations and other fixed assets".

Other results

Other results increased by 9% to €5.4 million in 2020 from €5.0 million in 2019 due to income derived from insurance claims.

Financial income

Financial income increased by 147% to €4.8 million in 2020 from €1.9 million in 2019 due to an increase mainly of the financial income derived from the financial income generated by Economic Interest Groupings (E.I.G.), which

relate to the difference between the amounts initially paid to participate in those vehicles, and the tax benefits used by us in each case.

Financial costs

Financial costs decreased by 6% to €1.4 million in 2020 from €1.5 million in 2019. These amounts relate to the implicit interests calculated over the lease contracts.

Ordinary results of companies accounted for using the equity method

Ordinary results of companies accounted for using the equity method costs decreased by 79% to €0.2 million in 2020 from €0.9 million in 2019 driven by an improvement in the result of Primavera France and Primavera Europe in 2020 (losses amounted to €0.4 million) compared to 2019 (losses amounted to €1.7 million). We hold to 50% ownership in these entities.

Income tax

Income tax increased from €8.3 million in 2019 to €21.0 million in 2020. Income tax expense for both years was in line with increase in profit before tax. Our effective cash tax rate (calculated as income tax net of financial income divided by consolidated profit before income tax) was 19% in 2020, aligned to 19% in 2019. As part of our tax strategy, we participate in certain Economic Interest Groupings to get certain tax savings linked to R&D projects. The positive impact of these investments is recorded as financial income, so we consider that in order to calculate our real effective cash tax rates, we should also consider the amounts recorded under this heading (see section "Economic Interest Groupings" for further details on how these structures work).

Consolidated Income statement

2019 compared with 2018

<i>(€ million, except percentages)</i>	For the year ended December 31		2019-2018
	2019⁽¹⁾	2018⁽¹⁾	% change
Operating income	418.0	375.5	11%
Revenue	414.2	372.7	11%
Other operating income	3.8	2.8	37%
Operating expenses	(384.4)	(346.6)	11%
Procurements	(93.0)	(83.8)	11%
Contract work carried out by other companies	(64.6)	(55.4)	17%
Personnel expenses	(123.1)	(111.3)	11%
Other operating expenses	(70.0)	(66.4)	5%
Taxes other than income tax	(1.4)	(1.7)	(17)%
Changes in provisions	(0.6)	(0.8)	(24)%
Depreciation and amortization	(36.6)	(32.9)	11%
Impairment and gains on the disposal of non-current assets	(0.2)	(0.6)	(70)%
Other results	5.0	6.2	(20)%
Consolidated operating profit	33.6	28.9	16%
Financial income	1.9	0.9	122%
Financial costs	(1.5)	(1.5)	(2)%
Exchange differences	-	-	(67)%
Ordinary results of companies accounted for using the equity method	(0.9)	(0.4)	93%
Changes in the fair value of financial instruments	-	-	-
Consolidated finance income / (loss)	(0.4)	(1.1)	(68)%
Consolidated profit before tax	33.2	27.8	20%
Income tax	(8.3)	(12.3)	(32)%
Consolidated profit for the period from continued operations	24.9	15.4	61%
Consolidated profit for the period from discontinued operations	-	-	-
Consolidated profit for the period	24.9	15.4	61%

(1) For the purposes of the Audited Consolidated Financial Statements, we adopted IFRS 16 'Leases' as of January 1, 2018. IFRS 16 has no cash flow or economic impact on us, but does have an impact on the way that expenditure is reported in the income statement, together with how assets and liabilities are reported on the balance sheet and how cash flows are classified in the cash flow statement. See "*Presentation of Financial Information and Other Important Notices*".

Revenue

Revenue increased by 11% to €414.2 million in 2019 from €372.7 million in 2018 mainly as a result of growth in the temperature-controlled groupage market for food products, which rose after the completion of our Groupage facility in Alhama (Murcia), which included a 15,000 sqm temperature-controlled warehouse used exclusively for Groupage business.

The following table shows the distribution of our total operating income per for each of our business activities:

	2019	2018	% change
FTL – Export	190.2	178.0	7%
FTL - Import	98.0	95.4	3%
FTL - National	24.0	22.7	6%
Total FTL	<u>316.6</u>	<u>298.5</u>	<u>6%</u>
Groupage	97.6	74.2	32%
Other	4.4	2.4	83%
Total	414.2	372.7	11%

The revenue by segment breakdown reflected an increase of (i) 6% in revenue of FTL Total activities, to €316.6 million for the year ended December 31, 2019 from €298.5 million for the year ended December 31, 2018 and (ii) 32%, in revenue from the Groupage segment, to €97.6 million for the year ended December 31, 2019 from €74.2 million for the year ended December 31, 2018.

Overall, the increase in FTL revenue of €18 million was due to the following factors:

- €1 million increase in volumes (kilometres driven by our own fleet remained largely stable)
- €15 million increase in prices (representing a 6% increase in unit prices, due to a different mixed of services and products, as well as increases in our prices achieved with certain customers)
- €2 million increase in subcontracted revenue (increased by 5%) which was required to absorb the incremental growth and could not be met by our own resources.

The increase in Groupage revenue of €23 million was due to the following factors:

- €28 million increase in volumes (representing a 37% increase in volume of kilometres driven by our own use trucks)
- €9 million decrease due to a different mix of services, mainly due to a shift to higher National Groupage (15% of total Groupage in 2019 compared to 12% in 2018) which led to lower unitary prices
- €4 million increase of subcontracted revenue to €26.7 million (€22.4 million in 2018), which was required to meet the large increase in volumes.

We also track changes in revenue by looking at the two main segments of our operations by product type:

	2019			2018			% change Total by Product
	FTL	Groupage	Total	FTL	Groupage	Total	
Food products	204.1	91.4	295.6	193.3	69.2	262.5	13%
High value	18.1	1.0	19.0	19.8	0.9	20.6	(8)%
Retail	79.9	1.0	81.0	79.1	2.6	81.7	(1)%
Others (including Pharma)	14.4	4.2	18.6	6.3	1.5	7.8	137%
Grand Total	316.6	97.6	414.2	298.5	74.2	372.7	11%

The revenue per product breakdown reflects a higher relative weight of Food products revenue, which increased 13% to €295.6 million in the year ended December 31, 2019 from €262.5 million in the year ended December 31, 2018 principally due by two factors (i) increasing fruits and vegetables prices, boosting the margin of those products and (ii) an increase in demand from agricultural industries, especially in northern European countries, and an increase in the production in the southern countries. Other's products (including pharma) increased 137% to €18.6 million for the year ended December 31, 2019 from €7.8 million for the year ended December 31, 2018, this increase was due mainly to the expansion to new clients and new products, in order to maximize the utilization of own resources (especially in Imports and National transport while returning from Europe to the Iberian Peninsula). See section *Continued revenue growth expansion* above for further information about revenues evolution.

In 2019 64% of our business was concentrated with our top-ten customers, Top-ten revenue increased by 12% to €266.2 million in 2019 from €238.4 million in 2018, due mainly to increase in fruits and vegetables revenue.

Other Operating Income

Other operating income increased by 37% to €3.8 million in 2019 from €2.8 million in 2018. The detail regarding the heading "Other operating revenue" for 2019 and 2018 was as follows:

	Millions of Euros	
	2019	2018
Lease agreements	2.1	1.3
Miscellaneous services	1.7	1.2
Operating grants	0.1	0.3
Total	3.8	2.8

During 2019 and 2018, we provided short term rental services of trucks and trailers to third parties mainly through our subsidiary Renta Frio. Revenue for this type of services increased in 2019 compared to 2018 in line with the fleet increase for this type of services, from 70 to 148 trucks on average per year.

Procurements

Procurements costs increased by 11% to €93.0 million in 2019 from €83.8 million in 2018 and mainly consisted of costs of fuel (representing 96% of total procurements in 2019 and 99% in 2018). The remaining balance related to purchases of other materials such as tires and pallets.

Fuel costs represented 22% of total revenue in both 2019 and 2018. These costs increased by 8% to €89.4 million in 2019 from €83.2 million in 2018, principally due to (i) the increase in fuel market prices, which increased expense by 2.2% (€1.9 million) and (ii) the increase of fuel consumption, which increased the expense by 5.4% (€4.5 million) due to the increase in the distance driven by our own use fleet in 2019 compared to 2018 in line with the revenue increase.

Contract work carried out by other companies

Contract work carried out by other companies increased by 17% to €64.6 million in 2019 from €55.4 million in 2018 and represented 17% of total operating expenses in 2019 and 2018.

These costs mainly consisted of expenses incurred in subcontracting services to a third party to respond to strong demand, especially during periods of peaks in demand. In 2019 our business increased by 11% compared to the previous year, but we kept our fleet practically unchanged. In order to meet such increase in demand, we responded through our own and external resources by optimising the capacity of our fleet, as we increased the distance driven per truck by 7.3% in 2019 compared to 2018 (kilometres per truck), working with practically the same number of trucks in 2019 as in 2018 which allowed us to satisfy 7% of the increase in the market demand and by subcontracting work to third parties (+17% in 2019 compared to 2018), which represented an impact of 3% in the response to market demand.

Personnel expenses

Personnel expenses increased by 11% to €123.1 million in 2019 from €111.3 million in 2018, in line with the growth of the business in 2019, as 93% of the total personnel expenses corresponded to direct personnel costs in 2019, which mainly included employee expenses related to the drivers.

Our direct personnel expenses, which also increased by 11% from €103.5 million in 2018 to €114.5 million in 2019), were directly linked to the additional drivers hired in 2019 compared to 2018 (+2%) due to the growth of our business (revenue increased by 11% in 2019 compared to 2018). Our drivers per truck represented 1.6 in 2019 compared to

1.5 in 2018 and our direct personnel expenses over total revenue remained constant in 2019 and 2018 at 27.6% and 27.8%, respectively.

Other operating expenses

Other operating expenses increased by 5% to €70.0 million in 2019 from €66.4 million in 2018, principally due to an increase of €2.7 million in other services, an increase in insurance premiums of €0.4 million, an increase of €0.3 million of independent professional services and an increase of €0.4 million of supplies, offset by minor decreases in other operating costs (advertising and publicity, etc.).

Other services increased by 7% in 2019 compared to 2018, mainly driven by toll expenses, which represented 81% of Other services and 50% of Other operating expenses. In 2019 toll costs increased €1.4 million mainly due to freight volumes (with a positive impact of €2.2 million or 6%) offset by changes in the price of tolls (with a negative impact of €0.8 million or (2%)).

Taxes other than income tax

Taxes other than income tax decreased by 17% to €1.4 million in 2019 from €1.7 million in 2018 principally due to the road tax recorded based on when the vehicle registration number is obtained.

Changes in provisions

Changes in provisions decreased by 24% to €0.6 million in 2019, from €0.8 million in 2018.

Depreciation and amortization

Depreciation and amortization increased by 11% to €36.6 million in 2019, from €32.9 million in 2018, driven by the additions in 2019 of €5.9 million of technical installations and other tangible assets (€1.2 million in 2018) and the additions of €5.6 million of buildings in 2019. The amortization of the right-of-use assets associated with transport elements with which the Group carries out its distribution activity is also recorded under this line item.

Impairment and gains on the disposal of non-current assets

Impairment and gains on the disposal of non-current assets decreased by 70% to €0.2 million in 2019 from €0.7 million in 2018

Other results

Other results decreased by 20% to €5.0 million in 2019 from €6.2 million in 2018 due to a decrease in income derived from insurance claims.

Financial income

Financial income increased by 122% to €1.9 million in 2019 from €0.9 million in 2018, due to an increase mainly of the financial income derived from the tax benefit generated by Economic Interest Groups (E.I.G.) During fiscal years 2019 and 2018, the Group, as a partner of the E.I.G., recognized the compensation of tax loss and tax deductions that correspond to these entities (€1.9 and €2.7 million in fiscal year 2019 and €2.3 and €1.2 million in fiscal year 2018). This recognition is made through the cancellation of the tax credits previously recognized as a consequence of the ownership in the E.I.G. as well as through the de-recognition of financial assets (indicated as acquisition investment value), recognizing a financial income for the tax benefit of the operation, the amount of which in 2019 was €1.7 million in the 2019 (€0.5 million in 2018).

Financial costs

Net financial costs remained unchanged and amounted to €1.5 million in 2019 and 2018 and these mainly refer to the implicit interests calculated over the lease contracts.

Ordinary results of companies accounted for using the equity method

Ordinary results of companies accounted for using the equity method costs increased by 93% to €0.9 million in 2019 from €0.4 million in 2018 driven by an increase in the losses of Primaver France and Primavia Europe, in which we hold a 50% ownership, to €1.7 million in 2019 (losses amounted) compared to €0.9 million in 2018.

Income tax

Income tax decreased by 32%, to €8.3 million in 2019 from €12.3 million in 2018. Income tax expense for both years was in line with the tax expense at the tax rate, except for a consolidation adjustment recorded in 2018 of €4 million, which corresponded to an accounting adjustment made in the consolidation process in connection with the closings of individual companies, for which no associated deferred tax asset was recorded. Our effective cash tax rate (calculated as income tax net of financial income divided by consolidated profit before income tax) was 19% in

2019, compared to 27% in 2018 (excluding the consolidation adjustment mentioned above). As part of our tax strategy, we participate in certain Economic Interest Groupings to get certain tax savings linked to R&D projects. The positive impact of these investments is recorded as financial income, so we consider that in order to calculate our real effective cash tax rates, we should also consider the amounts recorded under this heading (see section “Economic Interest Groupings” for further details on how these structures work).

EBIT (Operating Profit) and EBIT margin^{APM} evolution

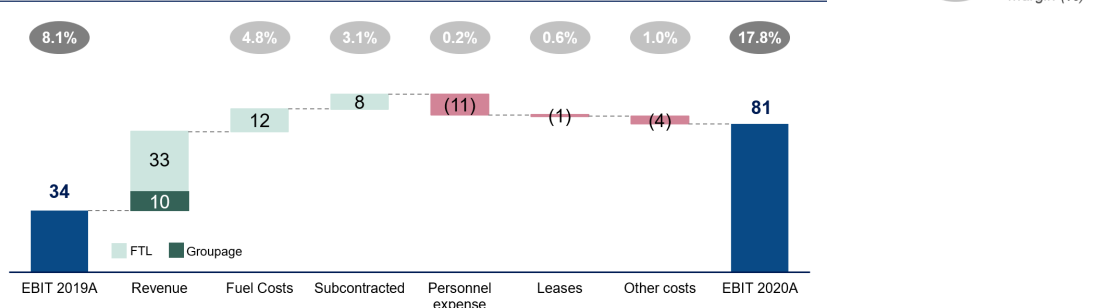
We define EBIT as earnings before interest and tax, which corresponds to the consolidated Operating Profit for the period as presented in the Audited Consolidated Financial Statements prepared under IFRS. EBIT margin^{APM} is calculated as % that EBIT represents over revenues (see definition of this magnitude within APMs section below).

We include below a chart showing the evolution of EBIT (consolidated operating profit) during the years 2018 – 2020.

2018 – 2019 EBIT Bridge (€MM)



2019 – 2020 EBIT Bridge (€MM)



The main impacts on the above bridge evolution are summarized as follows:

- Driver of margin expansion in 2020 linked to top line growth, fuel costs (efficiencies and lower prices) and permanent switch of lower subcontracted activities;
- Lease costs additionally positively impacting margins due to lower average lease cost per truck and more efficient use (7% and 5% km increase per truck in 2019 and 2020 respectively); and
- Other fixed costs such as overheads provide additional operational leverage to the group.

In 2020 EBIT (consolidated operating profit) increased to €81 million, from €34 million in 2019 and €29 million in 2018, which implies a compound average growth rate of 67.8% for the period 2018-2020, principally due to:

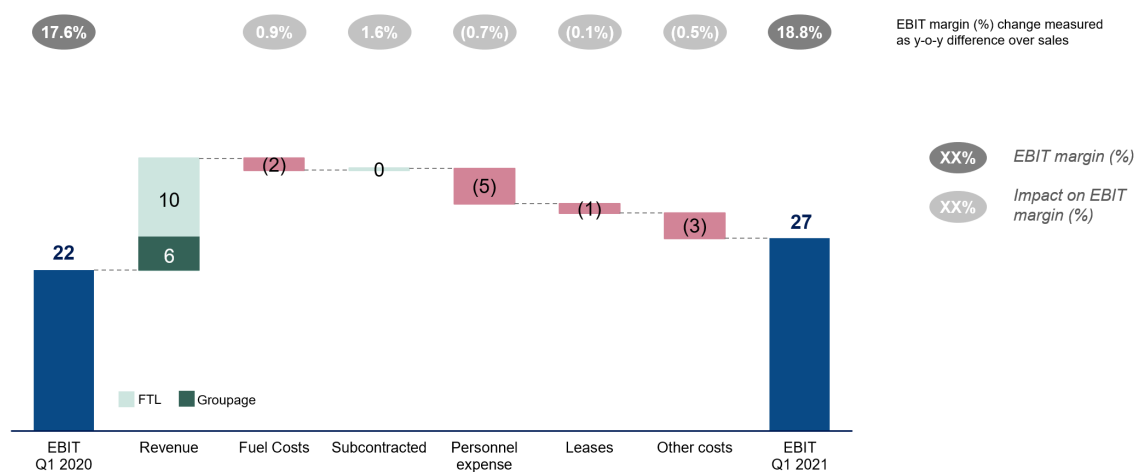
- Revenue growth (10.8% CAGR since 2018 to 2020) consistently at double-digit levels, driven by the incremental capacity of our Alhama warehouse facility and our continued commercial progress with existing and new customers.
- Fuel costs reduction impacted by incremental kilometres driven partially offset by more efficient trucks with lower consumption per kilometre.
- Reduction of subcontracted costs due to incremental use of our own fleet (with higher margins)

- (iv) Increase of direct costs, driven mainly by truck driver expenses, which are highly dependent on incremental activity of the group
- (v) Increase of other costs, driven mainly by other direct costs directly dependant on incremental activity (such as other operating costs as tolls) and depreciation and amortization costs.

EBIT Margin^{APM} (margin of consolidated operating profit) increased from 7.8% in 2018 to 17.8% in 2020, mainly driven by (i) revenue growth not offset by cost base reduction, (ii) own fleet use lowering subcontracted costs (that have lower margins) and (iii) fuel cost reduction.

Additionally, we include below a chart showing the evolution of EBIT (consolidated operating profit) for the three-month period ended March 2021 compared to the corresponding period in the prior year:

Q1 2020 – Q1 2021 EBIT Bridge (€MM)



In the three-month period ended March 31, 2021, EBIT increased to €27 million from €22 million is mainly due to:

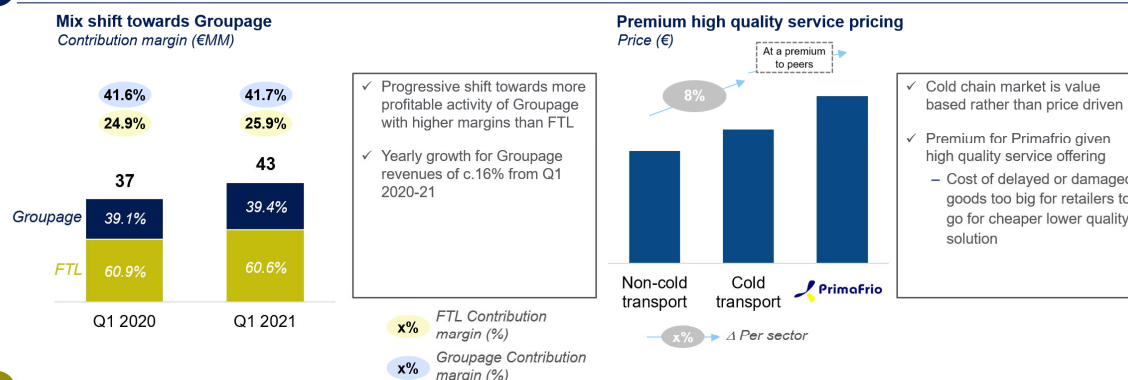
- (i) Proven business model with continued trend of EBIT increase and sustainable EBIT margins
- (ii) Main drivers of EBIT margin levels achieved continue to be the strategic shift to subcontracted activity for less profitable routes allowing for a more profitable use of our own fleet and active management of the fuel costs (through efficiencies and capacity to pass-through); and
- (iii) An increase in our Groupage services which have higher profitability.
- (iv) Other costs such as drivers or leases are mainly related to the activity of the group and increased on the back of a more active use of our own fleet for profitable routes.

Sustainability of our margins

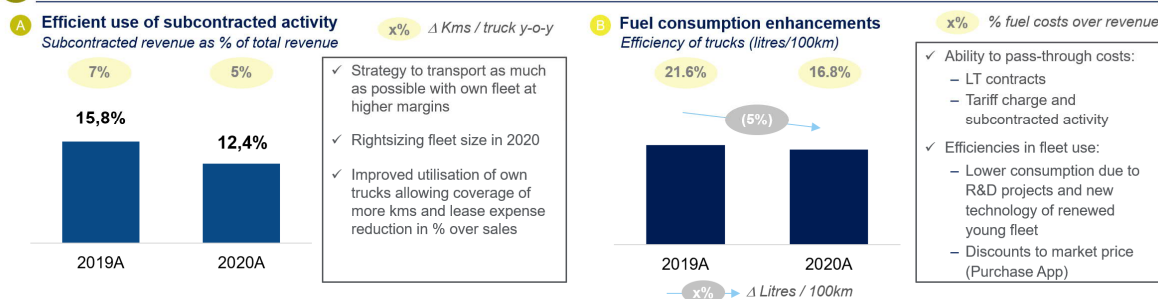
We consider our EBIT Margin^{APM} achieved in 2020 to be sustainable, in line with our mid-term guidance provided, which has also been indicated in our EBIT Margin^{APM} achieved in Q1 2021. Our firm commitment to this target is supported by the fact that the increase in margins achieved in the past is based on internal operational excellence, which we expect to continue developing.

In the following chart, we summarize the two key aspects that we believe will support the sustainability of our margins:

1 Continued Increase of Our Highly Profitable Groupage Activity



2 Proven Cost Optimisation Strategy



Liquidity and Capital Resources

Liquidity

Our principal liquidity and capital requirements consist of costs relating to the operations of our business, including working capital^{APM}, which is primarily used for raw materials and merchandise purchases. Historically, we have financed our liquidity and capital requirements primarily through internally generated cash flows.

Historical cash flows

The following tables set forth our cash flow information for the periods indicated:

(€ million, unless otherwise indicated)	For the three months ended March 31		For the year ended December 31		
	2021	2020	2020	2019	2018
Cash flows from operating activities (I)	36.8	30.0	102.4	60.6	54.3
Cash flows from/used in investment activities (II)	(24.2)	(4.8)	(33.1)	(14.0)	4.3
Cash flows from/used in financing activities (III)	(11.2)	(9.2)	(51.2)	(44.4)	(57.8)
Net increase/(decrease) of cash and cash equivalents (I+II+III)	1.4	16.0	18.2	2.2	0.8
Cash and cash equivalents at beginning of the year	30.3	12.1	12.1	9.9	9.1
Cash and cash equivalents at end of the year	31.6	28.0	30.3	12.1	9.9

Cash flows from operating activities

Cash flows from operating activities increased to €102.4 million in 2020 compared with cash flows from operating activities of €60.6 million in 2019 and €54.3 million in 2018.

The change in cash flows from operating activities was principally due to changes in profit before tax, which increased to €34.5 million in 2020 from €33.2 million in 2019, and €28.0 million in 2018.

In addition, cash flows from operating activities increased to €36.8 million in the three months ended March 31, 2021 compared with cash flows from operating activities of €30.0 million in the three months ended March 31, 2020.

The change in cash flows from operating activities was principally due to changes in profit before tax which increased to €26.0 million in the three months ended March 31, 2021 from €21.8 million in the three months ended March 31, 2020.

Cash flows used in investment activities

Cash flows used in investment activities were €33.1 million in 2020 compared with cash flows used in investment activities of €14.0 million in 2019 and cash flows from investment activities of €4.3 million in 2018.

The changes were in part related to the acquisition of other financial assets of €28.0 million in 2020, €4.7 million in financial year 2019 and €6.0 million in financial year 2018. These financial assets include short-term bank deposits held with recognized financial institutions and that accrue a market interest rate.

In addition, we purchased several machines and tools for our operations with payments of €4.6 million in 2020, €11.6 in 2019 and €12.8 in 2018, corresponding mainly to various extensions and improvements of our headquarters and warehouses, as well as the acquisition of facilities and furniture for the logistics centres.

Moreover, during 2018 we finalized the investment in our new logistics centre located in Alhama de Murcia, which serves as our headquarters and which has been our most relevant investment within the last three years.

Cash inflow from divestments recorded during 2020, associated with these financial assets amounted to €0.4 million in 2020, €1.6 million in 2019 and €19.9 million in 2018.

On the other hand, cash flows used in investment activities were €24.2 million in the three months ended March 31, 2021 compared with cash flows used in investment activities of €4.8 million in the three months ended March 31, 2020.

The changes were in part related to the related-party transactions in Q1 2021 amounting to €32 million cash outflow related to:

- (i) €4 million of corporate tax payments advances for the year ended December 31, 2021 (tax global consolidation with reference shareholder: Krone-mur); and
- (ii) €28 million of intercompany loan with the reference shareholder expected to be cancelled ahead of the Offering with a portion of the €50 million extraordinary dividend distribution (out of which €22 million was paid in Q2, 2021). This dividend payment to reference shareholders in April 29, 2021 was partially compensated by the cash received from the reference shareholder through the sale to it of the Alhama facility (corresponding to a net amount of €45.2 million, to be received in cash -€54.7 million of the total price of the sale minus €9.5 million VAT paid to the Selling Shareholder as part of the VAT consolidated Group-).

Cash flows used in financing activities

Cash flows used in financing activities increased to €51.2 million for 2020 from €44.4 million for 2019, which represented a decrease from €57.8 million in 2018. Cash flows from financing activities in 2020 included €75 million cash inflow related to the proceeds of notes issued pursuant to the Pricoa Notes Agreement, offsetting cash used for dividend distributions.

On December 9, 2020, we entered into the Pricoa Notes Agreement. As of December 31, 2020 we had €75 million of notes outstanding under the agreement (€50 million in aggregate principal amount of Series A Guaranteed Senior Notes and €25 million in aggregate principal amount of Series B Green Guaranteed Senior Notes, both at an annual interest rate of 2.15% payable semi-annually with a final maturity date of December 11, 2032), (see "*Contractual Obligations*" and "*Material Contracts*" for further information with respect to this agreement).

As of March 31, 2021, the financial liability related to this facility remained unchanged.

In addition, due to the shareholder remuneration policy, dividends were distributed by the Group's subsidiaries to the Sole Shareholder of €89.3 million in 2020, €15.0 million 2019 and €27.0 million in 2018. From the amount of €15 million registered in financial year 2019, €3.5 million was paid (cash outflow) during financial year 2020 along with €89.3 million of distribution of dividends for the 2020 financial year, resulting in total payments of €92.8 million in 2020.

Finally, cash flows used in financing activities include expenses associated with lease contracts, which corresponded to the fleet with which we carry out our distribution activity. Financial expenses in connection with leases were €34.0 million in 2020, €33.2 million in 2019 and €31.6 million in 2018.

Cash flows used in financing activities increased to €11.2 million for the first three months of 2021 from €9.2 million for the first three months of 2020, due to increases in the lease payments related to the higher number of leased vehicles.

Trade and Other Payables

Our trade and other payables, which amounted to €43.6 million as of December 31, 2020, consisted of suppliers amounting to €14.3 million, and other payables amounting to €29.2 million. Our trade and other payables, which amounted to €39.5 million as of December 31, 2019, consisted of suppliers amounting to €13.6 million and other payables amounting to €25.9 million and our trade and other payables. Our trade and other payables which amounted to €43.3 million as of December 31, 2018, consisted of suppliers amounting to €17.2 million and other payables amounting to €26.1 million. Trade and Other Payables consisted of suppliers and accounts payable mainly to creditors (related to professional services and other external services) and remuneration payable to employees. The upward evolution in this line item over the last three years was mainly due to (i) an increase in the number of drivers and consequently an increase in our personnel expenses and (ii) an increase in our commercial debt with creditors, both necessary to meet the growing demand of our business.

Our trade and other payables, which amounted to €51.2 million for the three months ended March 31, 2021, consisted of suppliers amounting to €15.7 million and other payables amounting to €35.5 million.

Capital Expenditures (Maintenance and Expansion Capex^{APM})

Capital expenditures include amounts invested in purchasing long-lived assets used in our business. Capital expenditures are capitalized depending on their nature as either intangible fixed assets or property, plant and equipment.

The following table sets forth our capital expenditures in property, plant and equipment for the period ended March 31, 2021 and 2020 and for the year ended December 31, 2020, 2019 and 2018:

<i>(€ million, unless otherwise indicated)</i>	For the period ended		For the year		
	March 31,		ended December 31,		
	2021	2020	2020	2019	2018
Capital expenditures in Intangible fixed assets	-	-	-	0.2	0.2
Capital expenditures in Property, plant and equipment	0.4	0.9	4.6	11.6	12.8

A breakdown of capital expenditures between maintenance and expansion is not considered relevant, as the majority of the capital expenditures over the analyzed period relate to expansion capex, as they are related to the finalization of the Alhama facility.

During financial year 2018 we finalized construction of our new logistics centre located in Alhama de Murcia, which acts as our headquarters and has been our most significant investment in the last three years. We completed most of the investment in this logistics centre in 2018, and most of the capital expenditures recorded in 2020 and 2019 related to additional technical installations and the acquisition of furniture for the Alhama site and other extensions of this warehouse, which were considered expansion capital expenditures as well. We sold this facility in April 2021 and leased it back to a related party (see "Material Contracts" section for further information about the transaction).

Our expansion capital expenditures are not recurring since our expansion capex was principally linked to the development of the Alhama Logistics Centre that is now fully completed and operational for us. In addition, we do not foresee further expansion capex in the medium term given existing facilities in place to operate the business, which we lease.

Contractual obligations

The following table presents a breakdown of our contractual obligations as of March 31, 2021 and as of December 31, 2020, 2019 and 2018:

<i>(€ million, unless otherwise indicated)</i>	As of March	As of December 31,		
	31,	2020	2019	2018
	2021			
Loans with credit institutions ⁽¹⁾	0.6	0.3	0.6	-
Lease liabilities ⁽²⁾	76.3	81.1	72.4	68.2
Other financial liabilities ⁽³⁾	76.5	76.6	4.5	1.3
Total	153.4	158.1	77.5	69.5

- (1) Including Short-term loans with credit institutions
- (2) Including Short and Long terms lease liabilities
- (3) Other long-term liabilities plus other financial liabilities (short term)

Lease liabilities

Lease liabilities are primarily related to our lease agreements for our trucks and trailers that we use to carry out our logistics activity. We have a fleet of over 2,300 trucks and almost 2,400 trailers as of December 31, 2020, which are financed through lease contracts and with an average truck age of 1.4 years. We finance our trailers with contracts of between 3 and 7 years duration. The short period of leases in our trucks, which usually are between 1 and 3 years, is aligned to our strategy of maintaining the youngest fleet in the market to take advantage of the most recent technologies, which allow us lowering fuel consumption and decreasing carbon emissions. The innovation and technology offered by trailers manufacturers is not that relevant, and their obsolescence is slower, as there are much less complex vehicles, so the duration of the lease contracts for trailers is longer than the lease contracts for trucks. We regularly enter into new lease agreements in order to maintain the size of our fleet, as we do not extend any of the lease contracts at expiration.

The application of IFRS 16 to our fleet and warehouses as of January 1, 2018 had an impact on the way that expenditure is reported in our income statement, as well as how assets and liabilities are reported on our balance sheet and how cash flows are classified in our cash flow statement (See Notes 3-c and 3-h to the Audited Consolidated Financial Statements).

Lease contracts for the warehouses were assessed for IFRS 16, and we concluded that only the contracts for the Portugal and Alava facilities should be accounted under this standard, representing €1.1 million of the total right-of-use asset and lease liability as of December 31, 2020. The rest of the facilities under lease (Huelva, Murcia and Gerona), have been considered excluded from IFRS 16, and are recorded as rental expenses, amounting to €0.4 million per year. In the case of the Alhama facility, after the sale and lease-back transaction executed on May 2021, the new lease contract signed includes almost €2.3 million of annual rental fee, and 10 years in duration, a right-of-use asset and lease liability amounting to €20 million has been recorded in accordance with IFRS 16, which will be reflected in our financial information presented for the 2021 half year.

We recognize a lease liability at the present value of the lease payments to be made over the lease term, discounted using the interest rate implicit in the lease or, if this cannot be easily determined, and our incremental financing rate. The discount rate used by us is 2% and is calculated considering the incremental financing rate. To obtain this rate, we have considered the interest rate required by financial institutions in Spain and Portugal to obtain financing for a term similar to the average term of the lease contracts (between 3 and 5 years).

We recognized lease liabilities on the balance sheet of €81.1 million, €72.4 million and €68.2 million as of December 31, 2020, 2019 and 2018, respectively and we recorded lease liabilities of €76.3 million for the three months ended March 31, 2021. The increase of lease liabilities for the three last years was due to our preference to change trucks in the short term to renew our fleet with the latest market innovations and thus increasing the size of our fleet to cover our increasing customer demands. The following table presents the details of our lease liabilities by maturity as of December 31, 2020:

<i>(€ million)</i>	2021	2022	2023	2024	2025 and Subsequent years	Total
Lease liabilities	35.0	22.4	14.4	5.3	4.1	81.1
Total payments	35.0	22.4	14.4	5.3	4.1	81.1

As these leases expire, we will sign new lease contracts. This relatively short average age of our leasing contracts (1-3 years on average for trucks) reflects our strategy of regular rotation in order to have a fleet with the latest technological innovations.

Other Financial Liabilities

Other financial liabilities relate to the Pricoa Notes Agreement withdrawn by us during December 2020, which include the two following tranches:

- €50 million 2.15% Series A Guaranteed Senior Notes on which the interest is payable semi-annually and maturing on December 11, 2032; and

- €25 million 2.15% Series B Green Guaranteed Senior Notes ("green bonds") on which the interest is payable semi-annually and maturing on December 11, 2032. This tranche fulfills the "Green Loan Principles" published by the Loan Market Association in May 2020.

No additional tranches have been withdrawn as of the date of the Prospectus.

In addition, during the three years from the date of the Pricoa Note Agreement, Primafrío, S.L. may make requests to the note purchasers for the purchase of additional senior promissory notes (shelf notes), up to a maximum aggregate amount of \$61.0 million (approximately €50 million at current exchange rates). The shelf notes would bear interest at a rate agreed by the parties and would have a maximum maturity of 12 years and 6 months. The note purchasers do not have any obligation to purchase the shelf notes, and no interest is accrued if no utilized. (See "Material Contracts" for further information with respect this agreement).

The maturity schedule of these notes as of December 31, 2020 was as follows:

(€ million)	2028	2029	2030	2031	2032	Total
Series A Notes	10.0	10.0	10.0	10.0	10.0	50.0
Series B Notes	5.0	5.0	5.0	5.0	5.0	25.0
Total payments	15.0	15.0	15.0	15.0	15.0	75.0

The amortization of outstanding principal is due every December 11 from 2028 until December 11, 2032. The presentation of this financing contract is registered under the heading "Long-term debts" of the consolidated statement of financial position.

The Pricoa Notes Agreement contains financial and other covenants that are customary for this type of financing contract. We were in compliance with these covenants as of December 31, 2020 and March 31, 2021. The debt is guaranteed by the Company, Primafrío, S.L., Doctrans Transportes Rodoviaros De Mercadoria, Lda and Lamision Sociedad De Transporte, Lda. See "Material Contracts" section and note 7 to the Audited Consolidated Financial Statements for additional information about this financing.

Taxes

All of our subsidiaries are registered in Spain and Portugal, where we pay our income taxes based on the taxable profit for each period.

In order to optimize our effective tax rate, we act as private investor in different Economic Interest Group entities (EIG) (*Agrupaciones de Interés Económico*), which are a form of entrepreneurial cooperation contemplated by the EU legal system, under which a corporate legal entity is created with the aim of performing/aiding to perform certain Research and Development projects (R&D) linked to the economic activity of its shareholders. Such EIGs operate via the following mechanism:

- The R&D Promoter delivers the license for the EIG to develop the R&D project.
- The R&D Promoter usually provides between 60-65% of the required financing of the R&D project through loans.
- The private investor provides the remainder, usually between 35-40% of the required financing, subscribing 100% of the Equity in the EIG.
- The private investor benefits from 100% of (i) the NOLs generated in the EIG and (ii) the tax deductions generated by investment in R&D.
- In exchange, the private investor gives up any potential benefit from the development of the R&D project, which stays with the R&D Promoter.

As of December 31, 2020, the Group held interests in four of these entities, all of them registered in Spain and whose activity consists of the development of research activities. Information regarding these entities (percentage of ownership and investment value) is as follows (see Note 3.f to the Audited Consolidated Financial Statements for information regarding interests held in 2019 and 2018):

	% of Ownership	Investment Value (Thousands of Euros)	
		Acquisition	31/12/2020
Angerman Investigaciones, A.I.E.	99.9952%	2,109	-
Balch Investigaciones, A.I.E.	99.9918%	1,213	-
Geim Investigaciones, A.I.E.	99.9946%	1,990	-
Lule Investigaciones, A.I.E.	99.9950%	2,002	-

During fiscal years 2020, 2019 and 2018, the Group, as a partner of the Economic Interest Groups, made investments in those entities of €7.3 million, €2.9 million and €3 million respectively, which are initially recognized as Other current financial assets and tax credits. The compensation of tax losses and tax deductions that correspond to these entities for the years 2020, 2019 and 2018 amounted to €5.0 million and €6.9 million in 2020, €1.9 million and €2.7 million in 2019 and €2.3 million and €1.2 million in fiscal year 2018. This recognition is made through the cancellation of the tax credits previously recognized as a consequence of the ownership in the EIG as well as through the derecognition of financial assets (indicated as acquisition investment value), recognizing a financial income for the tax benefit of the operation, the amount of which in 2020 was €4.6 million (€1.7 million in 2019 and €0.5 million in 2018).

As a consequence of the above, our effective tax rate in 2020 amounted to 19%, which is calculated as the net impact of the income tax expense and the financial income recognized as a consequence of the EIG investments. We expect to continue investing in similar projects, as part of our tax planning.

Critical Accounting Policies

IFRS 16 Aggregated financial information

As per Note 2.5 to the Audited Consolidated Financial Statements, we have elected to apply the retrospective approach on transition to IFRS 16, applying IFRS 16 from January 1, 2018, the date on which the right of initial use of the asset has been measured for an amount equal to the lease liability.

Therefore, a lease liability has been recognized on the date of initial application for the leases previously classified as an operating lease using IAS 17 for an amount of €59.6 million, measured in accordance with the present value of the remaining lease payments, discounted using at an appropriate rate to our financing cost, as indicated in Note 3-h to the Audited Consolidated Financial Statements. Likewise, right-of-use assets have been recognized for the same amount.

Additional Information – Alternative Performance Measures

We prepare our Audited Consolidated Financial Statements in accordance with IFRS-EU and our Q1 2021 Unaudited Condensed Consolidated Interim Financial Statements in accordance with IAS 34. Additionally, we present some Alternative Performance Measures ("APMs") to provide additional information that we believe assists in the comparability and understanding of our financial information and facilitates decision-making and evaluation of our performance.

By facilitating comparisons of relative performance, the measures aid management to detect and evaluate trends, to forecast operating and financial performance and to compare actual performance to forecast expectations. We use these measures as internal measures to evaluate and compare our performance. However, these measures are not defined, or used as measures of performance, under IFRS.

The APMs have not been audited or reviewed, do not represent our revenue, margins, and results of operations or cash flows for the relevant periods and should not be regarded as alternatives to revenue, cash flows or net income for the relevant periods or other measures of performance as defined by IFRS. You should consider the APMs only as complements to, and not substitutes for or superior to, the financial information presented in the Audited Consolidated Financial Statements in accordance with IFRS-EU and the Q1 2021 Unaudited Interim Condensed Consolidated Financial Statements in accordance with IAS 34.

You are cautioned not place undue reliance on these measures, which should not be considered in isolation, and which may differ significantly from similarly titled information reported by other companies and may not always be comparable. The financial information used to calculate these APMs as of and for the three months ended March 31, 2021 and the comparable information as of and for the three months ended March 31, 2020 has been derived from our Q1 2021 Unaudited Interim Condensed Consolidated Financial Statements, while the financial information as of and for the financial years ended December 31, 2020, 2019 and 2018 has been derived from our Audited Consolidated Financial Statements. For additional information, see "*Presentation of Financial Information and Other Important Notices*".

We use the following APMs: *Gross Margin^{APM}*, *Gross Margin over revenue^{APM}*, *Gross Margin by Segment^{APM}*, *Gross Margin over revenue by Segment^{APM}*, *Contribution Margin^{APM}*, *Contribution Margin over revenue^{APM}*, *Contribution Margin by Segment^{APM}*, *Contribution Margin over revenue by Segment^{APM}*, *EBITDA^{APM}*, *EBITDA by Segment^{APM}*, *EBITDA Margin^{APM}*, *EBIT Margin^{APM}*, *Net Financial Debt^{APM}*, *Net Financial Debt^{APM} to EBITDA^{APM}*, *Return on Invested Capital (ROIC)^{APM}*, *Working Capital^{APM}*, *Working Capital over Revenue^{APM}*, *Trade Working Capital^{APM}* and *Trade Working Capital over Revenue^{APM}*, *EBITDA Conversion^{APM}*, *Free Operating Cash Flow^{APM}*, *Cash conversion^{APM}* and *Maintenance and Expansion Capex^{APM}*. Definitions of each measure as well as explanations of their evolution over the historical periods covered in this Prospectus are disclosed below.

Gross Margin^{APM} & Gross Margin over revenue^{APM}

Gross Margin^{APM} corresponds to revenue less cost of goods sold, which is disclosed as Subcontracted works, Fuel cost and Other COGS; and Gross Margin over revenue^{APM} corresponds to gross margin^{APM} divided by revenue.

The table below sets forth the reconciliation of this APM for the relevant periods:

(€ million)	31/03/2021	31/03/2020	31/12/2020	31/12/2019	31/12/2018
Revenue	141.9	126.5	457.7	414.2	372.7
Subcontracted works	(16.5)	(16.8)	(51.8)	(59.9)	(51.3)
Fuel cost	(25.2)	(23.5)	(77.0)	(89.4)	(83.2)
Other COGS ⁽¹⁾	(3.1)	(2.5)	(7.5)	(8.3)	(4.7)
Gross Margin^{APM}	97.1	83.7	321.3	256.6	233.5
Gross Margin over revenue^{APM}	68.4%	66.2%	70.1%	62.0%	62.7%

⁽¹⁾ Other COGS cost of goods sold includes Other contract work carried out by other companies other than Subcontracted works (mainly Eurotunnel and Ferrys) and Other Procurements other than Fuel costs (mainly tires and pallets).

The table below sets forth the breakdown of this APM by segments, for the relevant periods, based on the breakdown of costs included in Gross margin (see table above).

(€ million)	31/03/2021		31/03/2020		31/12/2020		31/12/2019		31/12/2018	
	FTL	Groupage	FTL	Groupage	FTL	Groupage	FTL	Groupage	FTL	Groupage
Revenue	101.1	40.8	91.3	35.2	350.0	107.7	316.6	97.6	298.5	74.2
Subcontracted works	(10.8)	(5.7)	(7.7)	(9.1)	(33.7)	(18.1)	(35.5)	(24.4)	(32.0)	(19.4)
Fuel cost	(19.7)	(5.5)	(19.9)	(3.7)	(64.8)	(12.2)	(77.2)	(12.2)	(75.4)	(7.8)
Other COGS ⁽¹⁾	(2.5)	(0.6)	(2.0)	(0.5)	(6.1)	(1.3)	(6.8)	(1.5)	(4.0)	(0.6)
Gross margin^{APM}	68.2	28.9	61.8	21.9	245.3	76.0	197.0	59.6	187.1	46.4
Gross margin over revenue^{APM}	67%	71%	68%	62%	70%	71%	62%	61%	63%	63%

⁽¹⁾ Other COGS cost of goods sold includes Other contract work carried out by other companies other than Subcontracted works (mainly Eurotunnel and Ferrys) and Other Procurements other than Fuel costs (mainly tires and pallets).

Gross margin^{APM} explanation of the use: We believe gross margin^{APM} to be a useful measure of the performance of our activity, since it provides information of revenues minus its costs of goods sold (COGS). In our case, we disclose Fuel costs and Subcontracted costs as part of the analysis of this magnitude, as they are the most relevant cost items in our business. We use this APM to assess the profitability of our operations.

Evolution: Gross margin^{APM} increased 16% to €97.1 (68.2 FTL and 28.9 Groupage) million for the three months ended March 31, 2021 from €83.7 (61.8 FTL and 21.9 Groupage) million in the three months ended March 31, 2020, principally due to the increase in Revenues (12.2%) to €141.9 million for the three months period ended March 31, 2021 (101.1 FTL and 40.8 Groupage) from €126.5 million for the three months period ended March 31, 2020, and the optimization of the cost structure specially in our Groupage segment, which increases to 70.9% in Q1 2021 from 62.4% in Q1 2020, mainly due to the lower level of subcontracted costs used (partially netted by the

increased of personnel costs and other direct costs which are considered in the Contribution Margin^{APM}. See evolution of this APM in the section below).

Gross margin^{APM} increased 25% to €321.3 (245.3 FTL and 76.0 Groupage) million in 2020 from €256.6 (197.0 FTL and 59.6 Groupage) million in 2019, principally due to the efficiencies we achieved in fuel costs and subcontracted costs (as described in "Results of Operations" above).

Gross margin^{APM} over revenue explanation of the use: we consider Gross margin over revenue^{APM} to be a useful measure of the performance of our activity, since it provides information on the percentage contribution that such margin represents on the amount of revenue. This contribution allows for comparative analyses to be carried out on the performance of the margin of our projects.

Evolution: Gross margin over revenue^{APM} increased 2.2 p.p. to 68.4% in the three months ended March 31, 2021 from 66.2% in the three months ended March 31, 2020 principally due the Gross margin over revenue^{APM} Groupage increase 9% to 71% March 31, 2021 from 62%. Gross margin over revenue^{APM} increased to 70% in 2020 from 62% in 2019 principally due to the increase in gross margin (25%) and a significant increase in our business activity compared to 2018, which resulted in an increase in revenue (11%) in 2019.

Contribution Margin^{APM}

Contribution Margin corresponds to gross margin less direct costs included in other direct costs (OPEX and Personnel Expenses). The table below sets forth the breakdown of this APM for the relevant periods:

	Millions of Euros				
	31/03/2021	31/03/2020	31/12/2020	31/12/2019	31/12/2018
Gross margin ^{APM}	97.1	83.7	321.3	256.6	233.5
Gross margin over revenue ^{APM}	68.4%	66%	70%	62%	63%
Direct costs ⁽²⁾	(53.9)	(46.3)	(182.2)	(166.3)	(151.3)
Contribution Margin ^{APM}	43.2	37.4	139.1	90.3	82.2
Contribution Margin over Revenue ^{APM}	30.4%	29.6%	30.4%	21.8%	22.1%

⁽²⁾ Direct cost corresponds to the sum of direct cost included in Personnel Expenses, Other operating expenses and Taxes and other income tax and other results. The distribution of direct and indirect cost is prepared by management based on the nature of the expenses (see reconciliation below).

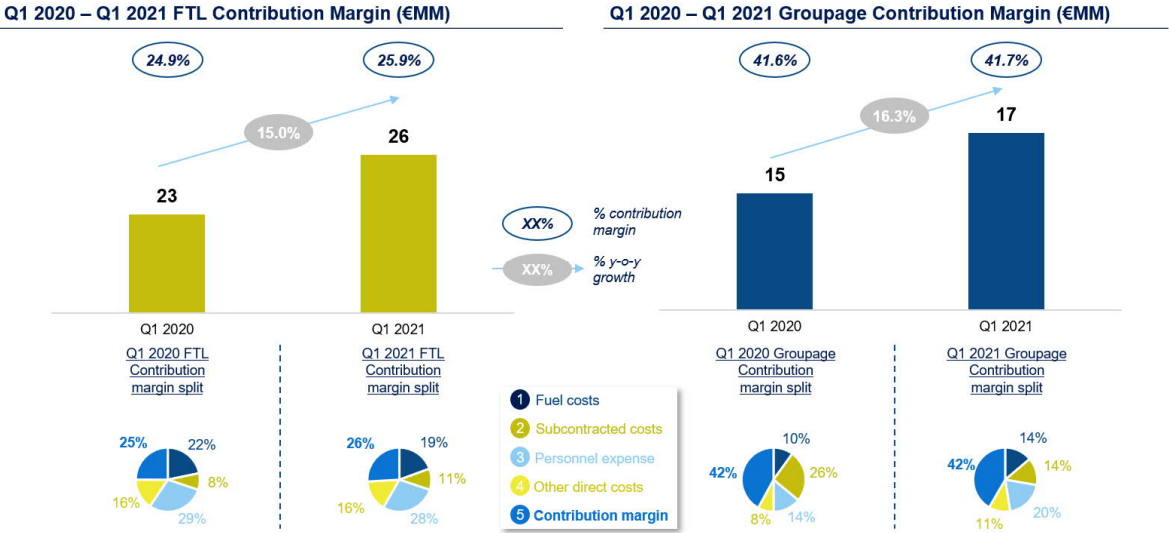
The table below sets forth the breakdown of this APM by segments, for the relevant periods, based on the total Gross margin^{APM} (see table above).

	Millions of Euros									
	31/03/2021		31/03/2020		31/12/2020		31/12/2019		31/12/2018	
	FTL	Groupage	FTL	Groupage	FTL	Groupage	FTL	Groupage	FTL	Groupage
Gross margin ^{APM}	68.2	28.9	61.8	22.0	245.3	76.0	197.0	59.6	187.1	46.4
Gross margin over revenue ^{APM}	67%	71%	68%	62%	70%	71%	62%	61%	63%	63%
Direct costs ⁽²⁾	(42.0)	(11.9)	(39.0)	(7.3)	(153.2)	(29.0)	(143.7)	(22.6)	(137.5)	(13.8)
Contribution Margin^{APM}	26.2	17.0	22.7	14.6	92.1	47.0	53.3	37.0	49.6	32.6
Contribution Margin over revenue^{APM}	25.9%	41.7%	24.9%	41.6%	26.3%	43.7%	16.8%	37.9%	16.6%	44.0%

⁽²⁾ Direct cost corresponds to the sum of Direct cost included in Personnel Expenses, Other operating expenses and Taxes and other income tax and other results. The distribution of direct and indirect cost is prepared by management based on the nature of the expenses (see reconciliation for all the periods presented provided below).

Explanation of use: we consider this measure of the performance of our activity to be useful as it provides information on the Contribution Margin^{APM} of the operations after considering all attributable direct costs during the period.

Evolution: Contribution Margin^{APM} increased to €43.2 million (€26.2 million FTL and €17.0 million Groupage) in the three months ended March 31, 2021 from €37.4 million (€22.7 million FTL and €14.6 million Groupage) in the three months ended March 31, 2020, principally due to the increase in Gross Margin^{APM} FTL to €68.2 million in the three months ended March 31, 2021 from €61.8 million in the three months ended March 31, 2020, and the increase in Gross Margin^{APM} Groupage to €28.9 million in the three months ended March 31, 2021 from €22.0 million in the three months ended March 31, 2020. The following bridge includes the key drivers of the Contribution Margin^{APM} and Contribution Margin over revenue^{APM} per segment for these periods:



FTL contribution margin expanded on the back of similar drivers impacting 2020 margins:

- 1 Decrease fuel cost given efficiencies and retail market price evolution.
- 2 Slight increase of subcontracted costs due to new routes to Eastern Europe destinations that are subcontracted as less profitable use of our own fleet.

Groupage contribution margin remained stable:

- 2 Reconfirming the trend of lowering subcontracted cost and increasing the use of our own fleet to focus on more profitable routes.
- 1 3 4 Increase in fuel, personnel and other direct costs linked to this strategic move of incremental use of our own fleet vs. subcontracted activity.

Contribution Margin^{APM} increased 54% to €139.1 (92.1 FTL and 47.0 Groupage) million in 2020 from €90.3 (53.3 FTL and 37.0 Groupage) million in 2019 principally due to our increase in revenue and efficiencies we achieved in fuel costs and subcontracted costs (for further details about this evolution, see in section "Contribution Margin^{APM} and Contribution Margin over revenues^{APM} evolution" above).

In order to allow reconciliation of each cost category as per considered for analytical purposes by the Company, with the presentation in the Audited Consolidated Financial Statements, we show the distribution of direct and indirect costs per category and by segments, prepared by management based on the nature of the expenses, for the relevant periods:

Three months period ended March 2021 (millions of Euros)

			Total direct cost			Total indirect cost	Total costs
	FTL	Groupage		FTL	Groupage		
Personal Expenses	(28.5)	(8)	(36.5)	(2)	(0.8)	(2.8)	(39.4)
Operating Expenses	(13.6)	(4)	(17.6)	(3.1)	(1.2)	(4.3)	(21.9)
Taxes and other income tax	(0.1)	-	(0.1)	-	-	-	(0.1)
Other Results	0.3	-	0.3	-	-	-	0.3
Total	(42.0)	(12.0)	(53.9)	(5.1)	(2.0)	(7.1)	(61.1)

Three months period ended March 2020 (millions of Euros)

			Total direct cost			Total indirect cost	Total costs
	FTL	Groupage		FTL	Groupage		
Personal Expenses	(26.8)	(4.9)	(31.7)	(1.8)	(0.7)	(2.5)	(34.2)
Operating Expenses	(14)	(2.7)	(16.7)	(2.7)	(1)	(3.7)	(20.4)
Taxes and other income tax	-	-	-	-	-	-	-
Other Results	1.8	0.3	2.2	-	-	-	2.2
Total	(38.9)	(7.3)	(46.2)	(4.5)	(1.7)	(6.2)	(52.5)

Year ended December 2020 (millions of Euros)

			Total direct cost			Total indirect cost	Total costs
	FTL	Groupage		FTL	Groupage		
Personal Expenses	(105.7)	(20)	(125.7)	(7.4)	(2.3)	(9.7)	(135.4)
Operating Expenses	(50.7)	(9.6)	(60.3)	(11)	(3.4)	(14.4)	(74.8)
Taxes and other income tax	(1.4)	(0.3)	(1.6)	(0.2)	(0.1)	(0.2)	(1.9)
Other Results	4.6	0.9	5.4	-	-	-	5.4
Total	(153,2)	(29)	(182,2)	(18,6)	(5,7)	(24,3)	(206,6)

Year ended December 2019 (millions of Euros)

			Total direct cost			Total indirect cost	Total costs
	FTL	Groupage		FTL	Groupage		
Personal Expenses	(98.9)	(15.6)	(114.5)	(6.6)	(2)	(8.6)	(123.1)
Operating Expenses	(47.7)	(8)	(55.6)	(11)	(3.4)	(14.3)	(70)
Taxes and other income tax	(1)	(0.2)	(1.2)	(0.2)	(0.1)	(0.2)	(1.4)
Other Results	3.8	1.2	5	-	-	-	5
Total	(143.7)	(22.6)	(166.3)	(17.7)	(5.5)	(23.2)	(189.5)

Year ended December 2018 (millions of Euros)

	FTL	Groupage	Total direct cost	FTL	Groupage	Total indirect cost	Total costs
Personal Expenses	(93.8)	(9.6)	(103.5)	(6.2)	(1.6)	(7.8)	(111.3)
Operating Expenses	(47.3)	(5.2)	(52.5)	(11.1)	(2.7)	(13.8)	(66.3)
Taxes and other income tax	(1.3)	(0.1)	(1.4)	(0.2)	-	(0.2)	(1.7)
Other Results	4.9	1.2	6.1	-	-	-	6.1
Total	(137.5)	(13.8)	(151.3)	(17.5)	(4.3)	(21.8)	(173.1)

EBITDA^{APM}, EBITDA by segment^{APM}, EBITDA margin^{APM}, EBIT by segment^{APM}, EBIT Margin^{APM} and EBIT Margin by segment^{APM}

EBITDA^{APM} and EBITDA by segment^{APM} correspond to consolidated operating profit, less depreciation and amortization and less impairment and gains on the disposal of non-current assets.

EBIT margin^{APM} corresponds to the percentage of EBIT over Revenue. EBITDA margin^{APM} corresponds to the percentage of EBITDA over Revenue.

The table below sets forth the reconciliation of EBITDA^{APM} for the relevant periods.

Millions of Euros

	LTM 31/03/2021 (1)	31/03/2021	31/03/2020	31/12/2020	31/12/2019	31/12/2018
	Total	Total	Total	Total	Total	Total
Consolidated operating profit ("EBIT")	85.8	26.6	22.2	81.4	33.6	28.9
Depreciation and amortization	(37.8)	(11.2)	(9.9)	(36.5)	(36.5)	(32.9)
Impairment and gains on the disposal of non-current assets	(0.3)	-	-	(0.3)	(0.2)	(0.6)
EBITDA ^{APM}	123.8	37.9	32.2	118.1	70.3	62.4

(1) The unaudited financial information included in this Prospectus for the twelve months ended March 31, 2021, is calculated by taking the results of operations for the three-month period ended March 31, 2021 and adding it to the difference between the results of operations for the year ended December 31, 2020 and the three-month period ended March 31, 2020.

The table below sets forth the breakdown of EBIT^{APM} by segments and the reconciliation of EBITDA^{APM} by segments for the relevant periods.

Millions of Euros

	31/03/2021		31/03/2020		31/12/2020		31/12/2019		31/12/2018	
	FTL	Groupage	FTL	Groupage	FTL	Groupage	FTL	Groupage	FTL	Groupage
Consolidated operating profit (EBIT)	14.6	12.0	12.1	10.2	48.9	32.5	11.2	22.4	7.3	21.6
Depreciation and amortization	(7.7)	(3.5)	(6.9)	(3.0)	(26.9)	(9.6)	(26.6)	(10.0)	(25.9)	(6.9)
Impairment and gains on the disposal of non-current assets	-	-	-	-	(0.2)	(0.1)	(0.1)	-	(0.5)	(0.1)
EBITDA by segment ^{APM}	22.4	15.5	19.0	13.2	76.0	42.1	38.0	32.4	33.7	28.7

Explanation of use: we consider EBITDA^{APM} and EBITDA by segment^{APM} to be a useful measure of the cash generation performance of our activity, as a whole, and by each of our segments, as it provides an analysis on the profit/loss of the year (excluding interest and taxes as well as amortization and depreciation). Additionally, it is a magnitude widely used by investors when assessing companies, as well as by rating agencies and creditors to assess the level of indebtedness compared to the capacity to meet debt obligations through cash generation (refer to Net financial debt^{APM} APM reconciliation below).

Evolution:

EBITDA^{APM} increased 17.7% to €37.9 million in the three months ended March 31, 2021 from €32.2 million in the three months ended March 31, 2020, principally due to the increase in the contribution margin^{APM} explained above. EBITDA increased 68% to €118.1 million in 2020 from €70.3 million in 2019 principally due to the increase in the contribution margin^{APM} explained above (for further details about this evolution, see in section "Contribution Margin^{APM} and Contribution Margin over revenues^{APM} evolution" above).

EBITDA by segment^{APM} has increased in FTL segment by 100% to €76.0 million in 2020 from €38.0 million in 2019. This is principally due to the increase in revenue (both volumes and prices) and the efficiencies achieved in costs. EBITDA^{APM} in Groupage has increased by 30% to €42.1 million in 2020 from €32.3 million in 2019, due to the increase in contribution margin, similarly, to significant increase in revenues, which we have managed to provide at the same time that containing our direct costs, impacting the increase of our contribution (for further details about this evolution, see in section "Contribution Margin^{APM} and Contribution Margin over revenues^{APM} evolution" above).

The tables below set forth the reconciliation of EBIT Margin^{APM} and EBITDA margin^{APM} for the relevant periods.

	Millions of Euros				
	31/03/2021	31/03/2020	31/12/2020	31/12/2019	31/12/2018
	Total	Total	Total	Total	Total
Revenue	141.9	126.5	457.7	414.2	372.7
EBIT	26.6	22.2	81.4	33.6	28.9
EBIT margin ^{APM}	18.8%	17.6%	17.8%	8.1%	7.8%
EBITDA ^{APM}	37.9	32.2	118.1	70.4	62.4
EBITDA margin ^{APM}	27%	25%	26%	17%	17%

The table below set forth the reconciliation of the EBIT margin by segments^{APM} and EBITDA margin by segments^{APM} for the relevant periods.

	Millions of Euros							
	31/03/2021		31/12/2020		31/12/2019		31/12/2018	
	FTL	Groupage	FTL	Groupage	FTL	Groupage	FTL	Groupage
Revenue	101.1	40.8	350.0	107.7	316.6	97.6	298.5	74.2
EBIT by segment ^{APM}	14.6	12.0	48.9	32.5	11.3	22.3	7.3	21.6
EBIT margin by segment ^{APM}	14.5%	29.4%	14.0%	30.1%	3.6%	22.8%	2.4%	29.1%
EBITDA by segment ^{APM}	22.4	15.5	76.0	42.1	38.1	32.3	33.7	28.7
EBITDA margin by segment ^{APM}	22%	38%	22%	39%	12%	33%	11%	39%

Explanation of use: we use EBIT margin^{APM} as a measure of the performance of our activity compared to revenues. We use EBITDA margin^{APM} as a measure of cash generation performance of our activity, calculated as the profit/loss generated in the period (excluding interest and taxes as well as amortization and depreciation) compared to revenues.

Evolution:

The significant increase in EBITDA^{APM} and EBITDA margin^{APM} in 2020 compared to prior periods was mainly due to the efficiencies obtained in fuel costs and subcontracted costs, which did not increase in line with revenue increase, which resulted in significantly higher contribution margins. The evolution has been similar in both FTL and Groupage segments, although margins for Groupage are higher than FTL margins, as it is considered a higher value service for customers, and consequently, unit prices charged and margins are higher (for further explanations about contribution margin see section).

EBIT margin^{APM} in Q1 2021 increased slightly compared to the same magnitude for the same period of the preceding year. Slight increase is linked with the 12% increase in activity, and continuing cost optimization strategy. The significant increase in EBIT margin^{APM} in 2020 compared to prior periods was mainly due to the efficiencies obtained in our cost structure, mainly in fuel costs and subcontracted costs, as well as to our move to higher value-added services such as Groupage (see further explanations in "EBIT (Operating Profit) and EBIT margin^{APM} evolution" section above).

Net Financial Debt^{APM}

Net Financial Debt^{APM} corresponds to Short Term and Long-term debt and lease liabilities less Current financial assets and cash and cash equivalents. The table below sets forth the reconciliation of this APM as of the date presented.

	31/03/2021	31/12/2020	31/12/2019	31/12/2018
Current Financial Assets	(17.4)	(20.5)	(1.0)	(0.9)
Cash and cash equivalents	(31.6)	(30.3)	(12.1)	(9.9)
Short term debt (excluding IFRS 16 liabilities)	0.6	0.7	4.3	12.5
IFRS 16 sort term lease liabilities	33.7	35.0	31.1	30.2
Long term debt (excluding IFRS 16 liabilities)	76.5	76.5	0.8	1.1
IFRS 16 long term lease liabilities	42.6	46.1	41.3	38.0
Net Financial debt^{APM}	104.4	107.6	64.5	71.0

Explanation of use: Net Financial Debt^{APM} is a financial magnitude that measures our leverage net of our cash and cash equivalents or liquid assets. Additionally, it is a magnitude widely used by investors when assessing the net financial leverage of companies, as well as by rating agencies and creditors to assess the level of net indebtedness.

Evolution: Net Financial Debt^{APM} decreased 3.0% to €104.4million as of March 31, 2021 from €107.6 million as of December 31, 2020, principally due to a decrease in lease liabilities, net of a decrease in cash and current financial assets. The decrease in lease liabilities is only due to the period of expiration of the leases related to the fleet, which are concentrated more in the second half of the year, and hence, the new contracts have a higher impact at year end every period compared to March and June quarters.

Net Financial Debt^{APM} increased by 67% to €107.6 million as of December 31, 2020 from €64.4 million as of December 31, 2019, mainly due to the following:

- an increase of €75.0 million in Long term debt related to the issuance of two series of notes under the Pricoa Notes Agreement.
- an increase of €8.7 million in total lease liabilities (long term and short term) as of December 31, 2020 compared to prior year respectively in line with the increase in vehicle fleet (see "–Our fleet" for further details).
- an increase of €19.6 million in Current financial assets and €18.2 million in Cash and cash equivalents as of December 31, 2020 compared to the prior year due to the additional cash obtained from the financing facility as well as increase in the operating cash flow, which partially offset the previous increases in Net financial debt^{APM}.

Net Financial Debt to EBITDA^{APM}

Net Financial Debt to EBITDA^{APM} corresponds to Net Financial Debt^{APM} divided by EBITDA^{APM}. The APMs is expressed as a multiple. The table below sets forth the reconciliation of these APM as of the relevant period.

	LTM			
	31/03/2021 ⁽¹⁾	31/12/2020	31/12/2019	31/12/2018
Net Financial debt ^{APM}	(104.4)	(107.6)	(64.5)	(71.0)
EBITDA ^{APM}	123.8	118.1	70.4	62.4
Net financial debt to EBITDA^{APM}	0.8x	0.9x	0.9x	1.1x

(1) EBITDA for the twelve months ended March 31, 2021, is calculated by taking the EBITDA for the three-month period ended March 31, 2021 and adding it to the difference between the EBITDA for the year ended December 31, 2020 and the three-month period ended March 31, 2020.

Explanation of use: Net Financial Debt to EBITDA^{APM} is a financial magnitude calculated on an annual basis that provides us with a general understanding of our capacity to repay our indebtedness and aids in measuring how many years we would need to repay our debt if Net Financial Debt^{APM} and EBITDA^{APM} remained unchanged.

Evolution: Net Financial Debt to EBITDA^{APM} remained largely constant as of March 31, 2021 (based on LTM EBITDA), December 31, 2020, 2019 and 2018, at 0.8x-1.1x as we adapt our indebtedness capacity to the organic growth of our operations.

Return on Invested Capital (ROIC)^{APM}

Return on Invested Capital (ROIC)^{APM} corresponds to Consolidated Operating Income after tax (NOPAT) divided by the sum of Equity and Total debt less Cash and cash equivalents and Current Financial Assets, expressed as a percentage.

The table below sets forth a reconciliation of this APM as of the relevant period.

	Millions of Euros			
	31/03/2021	31/12/2020	31/12/2019	31/12/2018
Consolidated operating Income	85.8 ⁽¹⁾	81.4	33.6	28.9
Effective cash tax rate ⁽²⁾	19%	19%	19%	19%
NOPAT (operating profit after tax)	69.5	65.9	27.4	23.4
Equity	109.4	89.8	115.8	105.1
Net financial debt	104.4	107.6	64.5	71.0
Invested capital (Equity + Net Financial Debt)	213.8	197.4	180.2	176.1
Return on Invested Capital ^{APM}	33%	33%	15%	13%

(1) This data (€85.8 million) is the Consolidated operating Income for the last 12 month period.

(2) Our consolidated management report accompanying the Audited Consolidated Financial Statements reflected an Effective cash tax rate of 25% in the calculation of this APM, which was considered based on the marginal tax rate in Spain (calculated as income tax net of financial income divided by consolidated profit before income tax). However, after the presentation of these financial statements, we have modified the Effective cash tax rate to be 19%, which is the effective tax rate applicable to us over the historical annual periods. For the three-month period ended March 31, 2021, our effective cash tax rate was 25%. However, for the purposes of the presentation of this APM, we have considered 19% as it is the expected effective cash tax rate that would apply by the end of the year, once we apply tax savings related to R&D projects of our investments in Economic Interest Groupings.

Explanation of use: We monitor return on invested capital (ROIC)^{APM} as it gives an indication of our capital efficiency relative to the capital invested as well as the ability to fund growth and to pay dividends.

Evolution: Return on Invested Capital (ROIC)^{APM} increased to 33% as of March 31, 2021 and December 31, 2020 from 15% as of December 31, 2019 and 13% as of December 31, 2018, due to the significant increase in consolidated operating profit (142% in 2020 compared to 2019), which exceeded the increase in Invested capital.

Working Capital^{APM}, Trade Working Capital^{APM}, Working Capital over revenues^{APM} and Trade Working Capital over revenues^{APM}

Working Capital^{APM} corresponds to our total current assets minus the amount of our total current liabilities and the Trade working Capital^{APM} corresponds to our total Trade Receivables plus inventories minus the amount of our Trade Payables.

Working Capital over revenues^{APM} and Trade working Capital over revenues^{APM} corresponds to the Working capital and Trade working capital magnitudes respectively, as a percentage over revenues^{APM}.

The table below sets forth a reconciliation of these APMs as of the date presented.

	Millions of Euros			
	31/03/2021	31/12/2020	31/12/2019	31/12/2018
Current Assets	193.8	159.5	112.3	124.6
Current liabilities	96.3	84.1	78.3	93.2
Working Capital ^{APM}	97.5	75.4	34.0	31.3

	Millions of Euros			
	31/03/2021	31/12/2020	31/12/2019	31/12/2018
Inventories	2.8	2.7	2.5	2.8
Trade receivables	82.3	76.6	69.2	70.8
Trade and other payables	(51.2)	(43.6)	(39.5)	(43.3)
Trade Working Capital ^{APM}	33.9	35.7	32.3	30.4
Working Capital over Revenues ^{APM}	20.6% ⁽¹⁾	16.5%	8.2%	8.4%
Trade Working Capital over Revenues ^{APM}	7.2% ⁽¹⁾	7.8%	7.8%	8.2%

(1) Calculation considering Revenue for the twelve months ended March 31, 2021, which is calculated by taking the Revenue for the three-month period ended March 31, 2021 and adding it to the difference between the Revenue for the year ended December 31, 2020 and the three-month period ended March 31, 2020.

The ratio of Working Capital over Revenues^{APM} was higher in 2018 and 2020 compared to 2019 due to excesses in cash existing at the end of the respective annual periods that were not distributed at dividends. Our Trade Working Capital over Revenues^{APM}, however, remained constant at 8% over the three annual periods as we had a stable customer profile with average collection periods achieved with our customers of approximately two months.

Working capital variation in 2020 increased by €9.6 million compared to 2019 as per the Consolidated cash flow statement, but this includes €6 million increase in VAT receivables as well as €1 million prepayments increase that are considered variances that could be reduced to nil if we would have had a more efficient working capital strategy, leaving our working capital variation to €2.6 million in 2020, which is the level of working capital we consider adequate for our business.

Working Capital over Revenues^{APM} as of March 31, 2021 was 20.6%, higher than 16.5% ratio as of December 31, 2020, due to the increasing cash generated in Q1 2021. Trade Working Capital over Revenues remained stable, with a slight decrease, due to better management of the trade payables and receivables.

Our average payment period depends on third party activity, which can increase trade payables balances during a specific period, linked to peaks in activity required from customers due to seasonal campaigns, which require us to subcontract the transport to other logistics operators in order to meet customer demand.

We believe that our Working capital^{APM} currently available is sufficient to meet our operational ongoing needs for the 12 months following the date of this Prospectus. Other than as disclosed in this Prospectus and in the Q1 2021 Unaudited Condensed Consolidated Interim Financial Statements and the Audited Consolidated Financial Statements, no significant change in our financial or trading position has occurred since March 31, 2021.

EBITDA conversion^{APM}

EBITDA conversion^{APM} rate corresponds to our total EBITDA adjusted by capex divided by EBITDA^{APM}.

The table below sets forth a reconciliation of these APMs as of the years presented.

	Millions of Euros			
	LTM			
	31/03/2021	31/12/2020	31/12/2019	31/12/2018
EBITDA ^{APM(1)}	123.8	118.1	70.4	62.4
Capex ^{APM(1)}	(4.1)	(4.6)	(11.8)	(12.9)
EBITDA conversion rate ^{APM}	96.7%	96.1%	83.2%	79.3%

(1) EBITDA^{APM} and Capex^{APM} for the twelve months ended March 31, 2021, are calculated by taking the EBITDA and Capex for the three-month period ended March 31, 2021 and adding it to the difference between the EBITDA and Capex for the year ended December 31, 2020 and the three-month period ended March 31, 2020.

Explanation of use: We monitor EBITDA conversion^{APM} rate as it gives an indication of our cash generation and the capacity to fund growth and to pay dividends, based on the EBITDA^{APM} less capex^{APM} investments divided by total EBITDA^{APM} generated in the period.

Evolution: EBITDA conversion^{APM} rates were high for the periods presented, improving from 79.3% in 2018 to 96.7% in Q1 2021 (based on LTM figures as of March 31, 2021), mainly related to the increase in our EBITDA^{APM} figures,

which did not require an equivalent increase in capital expenditures, as this is an asset-light business (100% of the fleet and logistics centres are leased).

Free Operating Cash Flow^{APM} and Cash conversion^{APM}

Free Operating Cash Flow^{APM} corresponds to our Operating Cash Flow as presented in our Audited Consolidated Financial Statements minus Maintenance capex minus Lease repayment. Our Cash conversion^{APM} rate corresponds to our Free Operating Cash Flow divided by EBIT.

The table below sets forth a reconciliation of these APMs as of the years presented.

	Millions of Euros			
	31/03/2021	31/12/2020	31/12/2019	31/12/2018
Operating Cash Flow	36.8	102.4	60.6	54.3
Lease repayments	10.5	34.0	33.2	31.6
Free Operating Cash Flow^{APM}	26.2	68.4	27.4	22.7
EBIT	26.6	81.4	33.6	28.9
Cash conversion ^{APM} rate	98.3%	84.1%	81.7%	78.7%

Explanation of use: We monitor cash conversion^{APM} rate as it gives an indication of our cash generation from our operating activities compared to our results for each period, to give an indicator of the capacity to fund growth and to pay dividends.

Evolution: Cash conversion^{APM} rates were high for the periods presenting, improving from 78.7% in 2018 to 98.3% in Q1 2021, mainly related to the incremental cash generated as a consequence of higher Free Operating cash flow generated by the increase in our activities, which due to our asset-light business model, grew in higher proportion than our EBIT. During the years 2018, 2019, 2020 and Q1 2021 we did not incur any relevant maintenance capex.

Maintenance and Expansion Capex^{APM}

Maintenance and Expansion Capex^{APM} corresponds to our Intangible assets plus our Tangible assets as presented in our Audited Consolidated Financial Statements.

The table below sets out a reconciliation of this APM as of the periods presented.

	Million Euros					
	LTM					
	31/03/2020 ⁽¹⁾	31/03/2021	31/03/2020	31/12/2020	31/12/2019	31/12/2018
Intangible Capex	-	-	-	-	0.2	0.2
Tangible Capex	4.1	0.4	0.9	4.6	11.6	12.8
Total Expansion Capex^{APM}	4.1	0.4	0.9	4.6	11.8	12.9

⁽¹⁾ Capex for the twelve months ended March 31, 2021, are calculated by taking the Capex for the three-month period ended March 31, 2021 and adding it to the difference between the Capex for the year ended December 31, 2020 and the three-month period ended March 31, 2020.

Explanation of use: We monitor Total Expansion Capex^{APM} to distinguish between Capex used for maintaining operations and capex used for expanding capacities.

Evolution: Capex incurred during the periods presented is totally related to expansion Capex. This expansion Capex is linked to the development of the Alhama Logistics Center since 2018, which is now fully completed and operational. The new temperature-controlled warehouse has been created, as well as the rest of the facilities for the future expected increase of the logistics business.

Financial Targets

As part of our strategy, we have established a series of medium-term financial and operating targets.

Our targets with respect to our income statement include maintaining annual organic revenue growth in the low double digits, in line with the c.11% growth rate recorded from 2018 to 2020 and 12% for Q1 2021 compared to Q1 2020, with Groupage continuing to grow as a percentage of total revenue. We are targeting stable EBIT margins^{APM},

with room for improvement, with margin expansion from our higher margin Groupage segment outgrowing the Group, partially offset by potential increases in fuel, toll and personnel costs. Overall, our mid-term target is for EBIT margins^{APM} to stay in line with 2020 and Q1 2021 results.

Regarding cash flow, we intend to maintain our asset-light approach, with capital expenditures continuing to remain in the low single digit millions of euros. We target leases as a percentage of revenue remaining stable at c.7-8%, in line with 2018-2020 levels and declining slightly over time (actual figures represented 7% for Q1 2021 and 2020 and 8% for 2019 and 2018). We expect that our effective income tax rate will be in the region of 20%, in line with our effective tax rate over the 2018-2020 period, which is based on the Spanish marginal tax rate of 25% offset by R&D tax credits. We expect working capital^{APM} variation to remain stable in the low single digit millions of euro per year.

In terms of our capital structure, we target a net debt/EBITDA^{APM} level of 0 to 1.5x, in line to our historical levels of 0.9x in 2020. We do not expect to increase leverage from current levels unless the right inorganic growth opportunity arises.

We expect our dividends pay-out ratio considered as dividends/Net income to be exceeding 60%, being in the high end range target of our industry, aligned to our positioning as one of the top performers and with higher cash conversion ratios in the market.

These targets are based on future events that we expect to occur, including certain assumptions about trends in macroeconomic factors and resulting developments described above. As these targets are based on future events and management actions, they are subject to inherent risks and significant uncertainties, especially in terms of the risk that the forecasted events and actions may not take place or may take place at a different time or to a different extent than anticipated, as well as the fact that certain events and actions cannot be predicted or quantified at the time these targets are established. We have adopted these targets taking into account our assessment of macroeconomic conditions affecting our operations. Consequently, our ability to achieve these targets cannot be assured. See "*Forward Looking Statements*" and "*Risk Factors*" for an explanation of some of the risks that could affect our ability to achieve our targets.

EBITDA margin^{APM}, EBIT margin^{APM} and net debt/EBITDA^{APM} are APMs. For additional information on APMs, see "*Operating and Financial Review—Additional Information—Alternative Performance Measures*" and "*Presentation of Financial Information—Alternative Performance Measures*".

TAXATION

Spanish Tax Considerations

The following section is a general description of the tax regime applicable to the acquisition, ownership and, as the case may be, subsequent disposition of the Shares. The information provided below does not intend to be a complete summary of tax law and practice currently applicable in the Kingdom of Spain and is subject to any changes in law and its interpretation and application.

This analysis does not address all tax considerations that may be relevant to all categories of potential investors, some of whom may be subject to special rules (such as financial institutions, collective investment undertakings, pension funds cooperatives and look-through entities, etc.). In addition, this description does not consider regional tax regimes in force applicable in the Historical Territories of the Basque Country and the Historical Autonomous Region of Navarre ("**Concierto**" and "**Convenio Económico**", respectively) or the regulations adopted by the different Spanish Autonomous Regions (*Comunidades Autónomas*) that may apply to investors regarding particular taxes.

In particular, the applicable rules are set forth in: (i) Law 35/2006 of November 28 on the Personal Income Tax and on the partial amendment of the Corporate Income Tax, Non-resident Income Tax and Wealth Tax Law (the "**PIT Law**") and its implementing regulations, as approved by Royal Decree 439/2007 of March 30; (ii) the amended consolidated text of the Non-resident Income Tax Law (the "**NRIT Law**") approved by Royal Legislative Decree 5/2004 of March 5 and its implementing regulations, as approved by Royal Decree 1776/2004 of July 30; (iii) Law 27/2014 of November 27 on Corporate Income Tax (the "**CIT Law**"); and (iv) Royal Decree 634/2015 of July 10 approving the regulations for the CIT Law.

The description of Spanish tax laws set forth below is based on law currently in effect in Spain as of the date of this Prospectus, and on the administrative interpretations thereof made public to date. As a result, this description is subject to any changes in such laws or interpretations occurring after the date hereof, including changes having retroactive effect.

Potential investors should consult their own tax advisors concerning the specific Spanish, state, regional and local tax consequences of the acquisition, ownership and disposition of our Shares in light of their particular circumstances as well as any consequences arising under the laws of any other taxing jurisdiction.

Indirect Taxation on the Acquisition and Disposition of the Shares

The purchase and, as the case may be, subsequent disposition of the Shares is exempt from Transfer Tax, Stamp Duty and Value Added Tax in Spain.

Direct Taxation on the Ownership and Subsequent Disposition of the Shares

Shareholders resident in Spanish territory

This section describes the tax treatment applicable to investors deemed resident in the Spanish territory for tax purposes. In general, and without prejudice to the provisions of the Double Taxation Treaties entered into by Spain, investors considered to be resident in Spain for these purposes include entities resident in Spain pursuant to Article 8 of the CIT Law and individuals resident in Spain, according to any of the circumstances defined in Article 9.1 of the PIT Law, together with those resident abroad who are members of Spanish diplomatic missions, Spanish Consuls and other official bodies, as set down in Article 10.1 thereof. Pursuant to Article 8.2 of the PIT Law, investors considered resident in Spain for tax purposes also include individuals with Spanish nationality who cease to be tax residents in Spain pursuant to the criteria above and start holding their new tax residency in a country or jurisdiction deemed as a tax haven for Spanish tax purposes, during the tax period in which the change of residence takes place and the following four periods.

Individuals who acquire tax residency in Spain as a result of moving to Spanish territory will be subject to Personal Income Tax ("**PIT**"). However, those individuals will be entitled to apply for a special PIT regime based on the Non-resident Income Tax ("**NRIT**") during the period in which the change of residency takes place, and the five subsequent years, provided that they meet the requirements set forth in Article 93 of the PIT Law.

- I. *Spanish resident individuals*
 - (i) Personal income tax
 - (a) Capital income

Pursuant to Article 25 of the PIT Law, capital income shall be considered to include dividends, consideration paid for attending general meetings of shareholders, income from the creation or assignment of rights of use or enjoyment of the Shares and, in general, participation in the Company's profits, and any other income received by a Spanish tax resident individual from the entity in his or her position as shareholder of the Company.

Administration and custody expenses shall be deducted from capital income obtained by the shareholder as a result of ownership of the Shares. However, discretionary or individualized portfolio management expenses shall not be offset against capital income. The amount net of administration and custody expenses shall be deducted from the savings taxable base of the year in which it is due. The savings taxable base is then taxed at a fixed rate of 19% (for the first EUR 6,000 of capital income obtained by the individual), 21% (for income of between EUR 6,000.01 and EUR 50,000), 23% (for income of between EUR 50,000.01 and 200.000) and 26% (for income in excess of EUR 200.000).

In addition, shareholders shall, in general, be liable for a PIT withholding at a rate of 19% on the full amount of profit distributed in the 2021 tax year. This withholding shall be creditable from the PIT payable. If the amount of PIT payable is less than the PIT withholding, it shall give rise to the refund provided for in Article 103 of the PIT Law.

(b) Capital gains and losses

Gains or losses generated by a Spanish tax resident individual as a result of the transfer of the Shares qualify for the purposes of the PIT Law as capital gains or losses and are subject to taxation according to the general rules applicable to capital gains. The amount of capital gains or losses shall be calculated as the negative or positive difference between the acquisition value of the securities and their transfer value, determined by: (i) the listed value of the shares as of the transfer date; or (ii) the agreed transfer price, when this exceeds the listed value of the shares.

Where the PIT taxpayer owns other securities of the same kind, the acquisition price of the transferred shares is based on the principle that those acquired first are sold first (FIFO).

Both the acquisition and transfer values are increased or reduced, respectively, by the costs and taxes inherent to such transactions borne by the acquirer or transferor, respectively.

Capital gains or losses derived from the transfer of the Shares shall be included and offset in the savings taxable base of the tax period in which the transfer takes place, being taxed in the 2021 tax year at a rate of 19% (for the first EUR 6,000 of capital income obtained by the individual), 21% (for income of between EUR 6,000.01 and EUR 50,000), 23% (for income of between EUR 50,000.01 and 200.000) and 26% (for income in excess of EUR 200.000).

Capital gains derived from the transfer of the Shares are not subject to withholding tax on account of PIT. Finally, certain losses derived from the transfer of the Shares will not be treated as capital losses when identical securities are acquired during the two months prior or subsequent to the transfer date which originated that loss. In such cases, capital losses shall be included in the taxable based upon the transfer of the remaining shares of the taxpayer.

(c) Pre-emptive Subscription Rights

Distributions to Spanish shareholders of pre-emptive subscription rights to subscribe for new Shares ("**Pre-emptive Subscription Rights**") made with respect to the Shares are not treated as income under Spanish tax law. The exercise of Pre-emptive Subscription Rights is not considered a taxable event under Spanish law.

The proceeds obtained from the transfer of Pre-emptive Subscription Rights of the Shares received by a Company's shareholder shall be regarded as capital gains for the transferor corresponding to the tax period in which the transfer takes place (in the manner described under "*Capital gains and losses*" above).

The amount received in the transfer of Pre-emptive Subscription Rights will be subject to withholding on account of PIT at the current rate of 19%. This withholding on account of PIT is levied by the depository entity or, in the absence thereof, by the financial intermediary or notary public that intervenes in the transfer.

(d) Share premium distributions

The amount obtained through the distribution of the issue premium for shares admitted to trading on any of the regulated securities markets defined in MiFID II (EU Directive 2014/65/EU on markets in financial instruments, as amended, such as the Shares) shall reduce, until cancellation, the acquisition value of the specific shares. The excess over that acquisition value will be taxed as capital income in the manner described under "*Capital income*" above. As an exception, PIT withholding is not applied on distributions of share premium.

(ii) Wealth Tax

Spanish tax resident individuals shall be subject to Wealth Tax on their total net wealth at December 31, irrespective of where their assets might be located or rights might be exercised.

This taxation shall be imposed pursuant to Law 19/1991 of June 6 on Wealth Tax (the "**Wealth Tax Law**") which, for these purposes, sets a minimum tax-free allowance of EUR 700,000, in accordance with a tax scale with marginal rates ranging between 0.2% and 3.5%, without prejudice to specific rules that may have been approved by the Spanish Autonomous Regions.

Spanish tax resident individuals who acquire the Shares and who are required to file Wealth Tax returns must declare the Shares they hold at December 31 of each year. For these purposes, the Shares shall be valued using the average trading price in the last quarter of the year. The Ministry of Finance publishes annually this average trading price for the Wealth Tax purposes.

As of the date of this Prospectus, all these provisions corresponding to Spanish Wealth Tax will remain applicable to tax year 2021. However, pursuant to Article 3 of Royal Decree- Law 18/2019 of December 27, as from year 2021, a full exemption on Spanish Wealth Tax would apply (*bonificación del 100%*), and therefore from year 2021 and onwards, individuals resident in Spain are released from formal and filing obligations in relation to Wealth Tax unless the application of this full exemption is postponed or revoked.

(iii) Inheritance and Gift Tax

The transfer of shares by inheritance or gift in favour of individuals who are resident in Spain is subject to Inheritance and Gift Tax ("**IGT**") in accordance with Law 29/1987, of December 18 ("**IGT Law**"), without prejudice to the specific legislation applicable in each Spanish Autonomous Region. The acquirer of the securities is liable for this tax as taxpayer. According to IGT Law, the applicable general tax rates range between 7.65% and 34%. However, after applying all relevant factors (such as the specific regulations imposed by each Spanish Autonomous Region, the amount of the pre-existing assets of the taxpayer and the degree of kinship with the deceased or donor), the final effective tax rate may range from 0% to 81.6%.

II. *Corporate resident shareholders*

(i) Corporate income tax

(a) Dividends

CIT taxpayers and NRIT taxpayers who act in Spain for these purposes through permanent establishments shall include the gross amount of dividends or interest in profits received as a result of ownership of the Shares, and the costs inherent to this interest, in their taxable base, in accordance with Article 10 and onwards of the CIT Law. The general tax rate applicable to this income is 25%.

However, as a general rule, dividends and interests in the profits of a company could be entitled to an exemption from CIT, pursuant to Article 21 of the CIT Law, if certain requirements are met:

- a. The percentage of the direct or indirect participation in the capital or equity of the entity is at least 5%;

- b. The participation must be held uninterrupted during the year prior to the day on which the dividend is distributed, or otherwise be held for the time needed to complete this period (and provided that other requirements that need to be analyzed on a case-by-case basis are fulfilled); and
- c. Should the Company obtain dividends, interest in the profits of a company or income arising from the disposition of securities representing the capital or equity of entities comprising more than 70% of its income, the application of this exemption is conditional on the compliance with complex requirements which, in essence, require the CIT-payer holder of the shares to have an indirect holding of at least 5% of the share capital of those entities, unless these subsidiaries meet the conditions referred to in Article 42 of Royal Decree of 22 August publishing the Commercial Code (the "Spanish Commercial Code") to form part of the same group of companies of the direct subsidiary, and they prepare consolidated financial statements. Investors are advised to consult their tax advisors or lawyers to determine the compliance with the requirements to apply this exemption.

As from FY2021, the above-mentioned exemption for dividends and capital gains from domestic and foreign subsidiaries is limited to 95% of the income. This 5% reduction is achieved by treating 5% of the income as non-deductible expenses.

Given that the standard Corporate Income Tax (CIT) rate in Spain is set at 25%, the effective tax rate on dividends derived by Spanish companies would be 1.25% (1.50% for financial entities). The tax cost of this proposed tax measure would not be eliminated within a Spanish tax unity.

In addition, CIT taxpayers shall be subject to a withholding tax of 19% on the total profit distributed, unless any of the withholding exemptions set forth in prevailing regulations apply, in which case, no withholding tax shall be made. The distribution of share premium is not subject to withholding on account of CIT.

This withholding shall be creditable from the CIT payable and, should the latter be insufficient, it shall give rise to the refund provided for in Article 127 of the CIT Law.

(b) Income derived from transfers of the Shares

Any gain or loss derived from the transfer of the Shares, whether for valuable consideration or not, shall be included in the taxable base of CIT (or of NRIT for those taxpayers acting, for these purposes, through a permanent establishment in Spain) in accordance with Article 10 and onwards of the CIT Law. The general tax rate applicable to this income is 25%.

However, the deductibility of any losses that may be originated by the transfer of the Shares may be subject to temporary or permanent restrictions (for instance, if the capital gains potentially obtained on such transfer would have been entitled to benefit from the CIT exemption, pursuant to Article 21 of the CIT Law, indicated below), pursuant to Royal Decree Law 3/2016 of December. Investors are advised to consult their tax advisors or lawyers about the application of such restrictions in their particular case.

Capital gains derived from the transfer of the Shares shall not be subject to CIT withholding.

As a general rule, capital gains derived from the transfer of an interest in an entity may be entitled to a CIT exemption, pursuant to Article 21 of the CIT Law, provided that:

- a. The direct and indirect participation in the capital or equity of the entity is, at least, 5%;
- b. Such participation is held uninterrupted for the year prior to the day on which the transfer takes place;
- c. Should the Company obtain dividends, interest in profits of a company or income arising from the disposition of securities representing the capital or equity of entities comprising more than 70% of its income, the application of this exemption is conditional on the compliance with complex requirements which, in essence, require the holder of the shares to have an indirect holding

of at least 5% of the share capital of those entities for at least one year, unless these subsidiaries meet the conditions referred to in Article 42 of the Spanish Commercial Code to form part of the same group of companies of the direct subsidiary, and they prepare consolidated financial statements; and

- d. The capital gain exemption is not applicable to gains derived from the transfer of shares of passive companies ("**sociedad patrimonial**"). In this case the exemption will apply only to undistributed reserves (not latent gains).

- (c) Pre-emptive Subscription Rights

The allocation of Pre-emptive Subscription Rights and their subscription as Shares will not generate any income for CIT purposes.

However, if these Pre-emptive Subscription Rights are transferred by a CIT taxpayer, any accounting income that may arise from the transfer will be subject to the general CIT tax rate, currently 25%. Shareholders who are CIT taxpayers must consult their tax advisors regarding the possibility of applying the CIT exemption, pursuant to Article 21 of the CIT Law, on this income. However, as set out in Article 21.10 of the CIT Law, this exemption has been reduced by 5% from January 1, 2021; consequently, the amount to be exempted would be 95% of such income.

- (d) Share premium distribution

A distribution of share premium will not in itself constitute taxable income but will instead reduce the acquisition value of the Shares. If the amount of the share premium received exceeds the acquisition value of the Shares held by a CIT taxpayer, such excess would constitute a taxable income, generally subject to the general CIT tax rate of 25%. Shareholders who are CIT taxpayers must consult their tax advisors regarding the possibility to apply the CIT exemption, pursuant to Article 21 of the CIT Law, on this income.

However, as set out in Article 21.10 of the CIT Law, this exemption has been reduced by 5% as from January 1, 2021; consequently, the amount to be exempted would be 95% of such excess. In any event, no withholding would be applicable upon such distribution.

- (ii) Wealth Tax

CIT taxpayers are not subject to Wealth Tax.

- (iii) Inheritance and Gift Tax

CIT taxpayers are not subject to IGT, and income obtained through a gift is taxed pursuant to CIT rules.

Shareholders non-resident in Spanish territory

This section analyzes the tax treatment applicable to shareholders who are non-resident in Spanish territory and are beneficial owners of the Shares. Non-resident shareholders are individuals who are not PIT taxpayers and entities which are non-resident in Spanish territory, pursuant to Article 6 of the NRIT Law.

The tax regime described herein is general in nature, and the specific circumstances of each taxpayer should be considered in the light of the applicable Double Taxation Treaties.

- I. *Non-resident tax: Non-resident shareholders acting through a permanent establishment in Spain*

Ownership of the Shares by investors who are non-resident for tax purposes in Spain will not in itself create the existence of a permanent establishment in Spain.

If the Shares form part of the assets allocated to a permanent establishment in Spain of a person or legal entity who is non-resident in Spain for tax purposes, the NRIT rules applicable to income deriving from such Shares are the same as those for Spanish CIT taxpayers (set out above).

- II. *Non-resident tax: Non-resident shareholders not acting through a permanent establishment in Spain*

- (i) Capital income

Dividends paid to non-Spanish tax resident shareholders not acting through a permanent establishment in Spain are subject to Spanish NRIT, at the general withholding tax rate of 19%.

This taxation can be eliminated or reduced as per the application of (i) the Spanish NRIT exemption implementing the EU Parent-Subsidiary Directive (the "**PSD**") or (ii) the benefits of a convention for the avoidance of Double Taxation ("**Double Taxation Treaty**").

Under the Spanish NRIT exemption, no Spanish withholding taxes should be levied on the dividends distributed by subsidiaries resident in the Spanish territory to their parent companies resident in other EU member states or the permanent establishment of these located in other EU member states, to the extent that the following requirements are met.

- a. The EU resident parent has held at least 5% of the share capital of the Spanish entity;
- b. This interest must have been held uninterrupted during the year prior to the date on which the profit has been distributed or becomes payable or, otherwise, the participation must continue to be held for the period needed to complete one year. In the latter case, Spanish withholding taxes (at the applicable rate) would be levied on the dividend at the time it is paid out, and the NRIT-payer and parent company should request a reimbursement from the Spanish tax authorities when the one year period is met. Investors are advised to consult their tax advisors or lawyers about the procedure to request this refund from the Spanish tax authorities;
- c. Both companies are subject to, and not exempt from, any of the taxes levied on legal entities in member states of the EU, according to Article 1(c) of Directive 2011/96/EU of the Council of November 30, 2011, with regard to the regime applicable to parent companies and subsidiaries in different member states, and the permanent establishments are subject to, and not exempt from, taxation in the state in which they are located;
- d. The distribution of profits is not due to the liquidation of the subsidiary company;
- e. Both companies are incorporated under the laws of an EU member state, under one of the corporate forms set forth in the Annex to Directive 2011/96/EU of the Council of November 30, 2011 on the common system of taxation applicable in the case of parent companies and subsidiaries of different member states, as amended by Directive 2014/86/EU of the Council of July 8, 2014;

This exemption shall also apply to profits distributed by subsidiaries resident in the Spanish territory to parent companies resident in member states of the EEA, and the permanent establishments of such parent companies located in other member states, provided that the requirements set forth in the NRIT Law are met.

This exemption does not apply if the dividend is obtained through a territory which qualifies as a tax haven. The exemption does not apply either if the majority of the voting rights in the parent company are held, directly or indirectly, by individuals or entities not resident in the EU or the EEA with which Spain has an effective exchange of taxation information, pursuant to section 4 of the first additional provision of Law 36/2006 of November 29 on measures for the prevention of fiscal fraud, except when the constitution and operation of such parent company is due to valid economic reasons and substantive business purposes.

The amount of exempt dividend income under the Spanish domestic implementation of the EU Parent-Subsidiary Directive is 100%.

As a general rule, the Company will apply NRIT withholding of 19% on dividend payments.

However, when a Double Taxation Treaty applies based on the tax residency of the recipient, the exemption or reduced tax rate established in the Double Taxation Treaty for such income shall apply, upon the taxpayer's evidence of their tax residency, in the form established in the corresponding legislation. For this purpose, a special procedure approved by Order of the Ministry of Finance and Treasury on April 13, 2000 is applicable to make any withholding at the corresponding rate for non-resident shareholders, and for the exclusion of the withholding, when the payment procedure involves financial entities domiciled, resident or represented in Spain that are depositaries or which manage the collection of income from such securities.

Pursuant to this regulation, upon distribution of the dividend, the Company will withhold on the gross income of the dividend a rate of 19% in 2021 and transfer the resulting net amount to the depositary which gives to the issuer (as received from the corresponding investors) evidence in the established form of the right to the entitlement to the application of

reduced rates or exclusion of withholding from the non-resident shareholders shall immediately receive the excess amount withheld, for subsequent distribution to the investors. To this end, the non-resident shareholders must provide the depository with a certificate of tax residency issued by the relevant tax authority of their country of residence, stating that the investor is resident in such country in the terms defined in the relevant Double Taxation Treaty. In cases in which a reduced tax rate is provided by a Double Taxation Treaty pursuant to an Order establishing the use of a specific form, this form must be delivered instead of the certificate. Such tax residency certificates are generally valid for one year from the date of issue for these purposes, and if they refer to a specific period, they will only be valid for that period.

When an exemption or reduced withholding tax rate under a Double Taxation Treaty is applicable, and the shareholder does not give evidence of its tax residency in a timely manner, the shareholder may request from the Spanish tax authorities a refund of the amount withheld in excess, following the procedure and using the form stipulated in Spanish Order EHA/3316/2010 of December 17, 2010.

In any case, if the NRIT withholding has been already made or the entitlement to the exemption has been recognized, non-resident shareholders are not required to file a tax return for NRIT purposes in Spain.

Investors are advised to consult their tax advisors or lawyers about the procedure to request any refund from the Spanish tax authorities.

(ii) Capital gains and losses

Pursuant to the NRIT Law, capital gains derived from transfer of the Shares, or any other capital gain related to such securities by legal entities or individuals who do not act through a permanent establishment in Spain shall be subject to NRIT, being the tax payable calculated, generally, in accordance with the rules set forth in PIT Law. In particular, capital gains derived from transfer of the Shares shall be subject to NRIT at the rate of 19%, unless a domestic exemption or a Double Taxation Treaty applies, in which case the provisions of the Double Taxation Treaty shall prevail.

Under Spanish tax law, the following capital gains will be exempt:

- a. Capital gains derived from the transfer of the Shares in official secondary markets for Spanish securities which have not been obtained through a permanent establishment in Spain by individuals and entities resident in a jurisdiction that has signed a Double Taxation Treaty with Spain including an information-exchange clause (which applies to these individuals and entities), to the extent that they have not been obtained through countries or jurisdictions officially defined as a tax haven.
- b. Capital gains derived from the transfer of the Shares which have not been obtained through a permanent establishment in Spain by individuals and entities resident for tax purposes in other member states of the EU or of the EEA, or permanent establishments of these resident in another EU member state (other than Spain) or in a EEA state, provided that they have not been obtained through countries or jurisdictions officially qualifying as tax havens. This exemption does not apply to capital gains resulting from the transfer of shares or rights of an entity: (i) when the assets of that entity comprise, mainly, real estate property located in the Spanish territory, whether directly or indirectly; (ii) in the case that the transferor is a non-resident individual and has held an interest, directly or indirectly, of at least 25% of the capital or equity of the company at any time during the twelve months prior to the transfer; or (iii) in the case that the transferor is a non-resident company, when the transfer does not meet the requirements for application of the exemption set down in Article 21 of the CIT Law.

The amount of exempt capital gain is 100% of the capital gain.

The capital gain or loss shall be calculated and taxed separately for each transfer. Offsetting of gains and losses from different transfers is not permitted. The tax shall be calculated applying the rules set out in Article 24 of the NRIT Law.

Pursuant to the NRIT Law, capital gains obtained by non-residents who do not act through a permanent establishment are not subject to withholding on account of NRIT.

Non-resident shareholders are required to file a tax return (currently, Form 210), calculating and paying, as applicable, the resulting NRIT due. This tax return may also be filed, and the NRIT

paid, by the taxpayer's tax representative in Spain, the depository or the manager of the shares, applying the procedure and the tax return set out in Order EHA/3316/2010 of December 17, 2010.

In the event that an exemption applies, whether under Spanish law or through a Double Taxation Treaty, the non-resident investor must provide evidence of his/her/its right by providing a certificate of tax residency in a timely manner duly issued by the tax authorities of his/her/its country of residence (which must state, as the case may be, that the investor is resident in that country within the meaning of the applicable Double Taxation Treaty) or the form stipulated in the Order implementing the applicable Double Taxation Treaty. Such tax residency certificates are generally valid for one year from the date of issue for these purposes, and if they refer to a specific period, they will only be valid for that period.

(iii) Pre-emptive Subscription Rights

Distributions to non-Spanish tax resident shareholders of the Pre-emptive Subscription Rights to subscribe the Shares are not treated as income under Spanish NRIT Law. The exercise of such pre-emptive rights is not considered a taxable event under Spanish NRIT Law.

The proceeds derived from a transfer of pre-emptive rights by a NRIT taxpayer (without permanent establishment in Spain) will be regarded as a capital gain and subject to Spanish NRIT in the manner described under "*Capital gains and losses*" above.

(iv) Share premium distributions

A distribution of dividends out of the share premium will not in itself constitute taxable income but will instead reduce the acquisition value of the Shares for shares admitted to trading on any of the regulated securities markets defined in MiFID II (such as the Shares). If the amount of the share premium received exceeds the acquisition value of the Shares held by a non-resident shareholder, such excess would constitute a taxable income subject to NRIT at a flat rate of 19%, unless otherwise provided by a Double Taxation Treaty (although this income would not be subject to withholding tax on account of NRIT in Spain).

I. *Wealth Tax*

Individuals who are not resident for tax purposes in Spain pursuant to Article 9 of the PIT Law, and who own assets and rights that can be exercised or have to be met in Spanish territory on December 31 of each year shall be subject to Wealth Tax on the value of the assets and rights that can be exercised or have to be met in Spanish territory. However, taxpayers may deduct the minimum allowance of EUR 700,000, in accordance with a tax scale with marginal rates ranging between 0.2% and 3.5% in 2021.

The Spanish tax authorities consider that the shares of Spanish companies are assets located in Spain for tax purposes.

In addition, the Wealth Tax Law provides for an exemption of securities whose income are exempt from taxation under NRIT rules.

The value of the shares admitted to trading on an official Spanish secondary market owned by non-resident natural persons shall be calculated using the average trading price in the last quarter of each year. The Ministry of Finance publishes annually this average trading price for the Wealth Tax purposes.

As of the date of this Prospectus, all these provisions corresponding to Spanish Wealth Tax will remain applicable to tax year 2021. However, pursuant to Article 3 of Royal Decree-Law 18/2019 of December 27, as from year 2021, a full exemption on Spanish Wealth Tax would apply (*bonificación del 100%*), and therefore from year 2021 and onwards, individuals resident in Spain are released from formal and filing obligations in relation to Wealth Tax unless the application of this full exemption is postponed or revoked.

Individuals resident in a member state of the EU or the EEA shall be entitled to apply the specific rules adopted by the Spanish Autonomous Region in which the assets or rights with more value and subject to the tax are located. Investors are advised to consult their tax advisors or lawyers to determine the effects of these rules.

Finally, entities that are non-resident in Spain are not subject to this tax.

II. *Inheritance and Gift Tax*

Without prejudice to the provisions of Double Taxation Treaties, acquisitions obtained through inheritance or by gift by individuals who are non-resident in Spain, irrespective of the residency of the transferor, shall

be subject to IGT when the acquisition involves assets located in Spanish territory or rights that can be exercised or have to be complied with in Spanish territory.

The Spanish tax authorities consider that the shares of Spanish companies are assets located in Spain for tax purposes.

Generally, non-Spanish tax resident individuals are subject to Spanish IGT in accordance with the rules set forth in the state IGT law. However, if either the deceased or the donee is resident in an EU or EEA Member state, the applicable rules will be those corresponding to the relevant Autonomous Regions in accordance with the law. As such, prospective investors should consult their tax advisors. Likewise, in its judgments of February 19, March 21 and March 22, 2018, the Spanish Supreme Court, based on the European right to the free movement of capital, has declared that the application of the regional rules corresponding to the relevant Autonomous Region according to the law should be extended in some circumstances to deceased heirs or donees who are resident outside of the EU or the EEA.

Investors are advised to consult their tax advisors or lawyers.

Companies that are non-resident in Spain are not subject to this tax. The income they obtain by gifts is generally taxed as capital gains, pursuant to the NRIT Law previously described, without prejudice to any applicable Double Taxation Treaty.

Non-resident shareholders are advised to consult their tax advisors about the terms in which IGT applies in each case.

Spanish financial transactions tax

The Spanish law which implements the Spanish tax on financial transactions (the "**Spanish FTT**") was approved on October 7, 2020 and published in the State Official Gazette on October 16, 2020. Spanish FTT will charge a 0.2% rate on specific acquisitions of listed shares issued by Spanish companies whose market capitalization exceeds EUR 1 billion (EUR 1,000,000,000), regardless of the jurisdiction of residence of the parties involved in the transaction.

The Spanish FTT would not apply in relation to the present Offering since transactions in the primary market are exempt from this tax but it may apply to other transactions involving the acquisition of the Shares in the future depending on the market capitalization of the Company and other factors.

Prospective investors are advised to seek their own professional advice in relation to the Spanish FTT.

US Tax Considerations²

The following is a description of certain U.S. federal income tax consequences to the U.S. Holders described below of the ownership and disposition of the Shares, but it does not set out to be a comprehensive description of all tax considerations that may be relevant to a particular person's decision to acquire the Shares. This discussion applies only to U.S. Holders that acquire Shares in this Offering and hold them as capital assets. In addition, this discussion does not describe all of the tax consequences that may be relevant in light of a U.S. Holder's particular circumstances, including alternative minimum tax consequences, any aspect of the Medicare contribution tax on "net investment income" and tax consequences applicable to U.S. Holders subject to special rules, such as:

- certain financial institutions;
- dealers or certain traders in securities;
- persons holding Shares as part of a straddle or integrated transaction;
- persons whose functional currency for U.S. federal income tax purposes is not the U.S. dollar;
- entities classified as partnerships for U.S. federal income tax purposes;
- tax-exempt entities, individual retirement accounts, or "Roth IRAs";
- our employees or executives;
- persons that own or are deemed to own 10% or more of the Company's stock by vote or value; or
- persons holding Shares in connection with a trade or business outside the United States.

² NTD: under review.

If you are a partnership for U.S. federal income tax purposes, the U.S. federal income tax treatment of you and your partners generally will depend on the status of the partners and your activities. If you are a partnership owning Shares or a partner in such partnership, you should consult your tax adviser as to your particular U.S. federal income tax consequences of owning and disposing of the Shares.

This discussion is based on the Internal Revenue Code of 1986, as amended (the "**Code**"), administrative pronouncements, judicial decisions, final, temporary and proposed Treasury regulations, and the income tax treaty between Spain and the United States (the "**Treaty**"), all as of the date hereof. These laws are subject to change, possibly with retroactive effect.

You are a "**U.S. Holder**" for purposes of this discussion if you are, for U.S. federal income tax purposes, a beneficial owner of Shares and:

- a citizen or individual resident of the United States;
- a corporation, or other entity taxable as a corporation, created or organized in or under the laws of the United States, any state therein or the District of Columbia; or
- an estate or trust the income of which is subject to U.S. federal income taxation regardless of its source.

This discussion does not address the effects of any state, local or non-U.S. tax laws, or any U.S. federal taxes other than income taxes (such as U.S. federal estate or gift tax consequences). You should consult your tax adviser regarding the application of the U.S. federal tax laws to your particular situation, as well as any tax consequences arising under the laws of any state, local or non-U.S. taxing jurisdiction.

Taxation of Distributions

This discussion is subject to the discussion under "*Passive Foreign Investment Company Rules*" below.

Distributions received on our Shares, including the amount of any Spanish taxes withheld, other than certain pro rata distributions of ordinary shares to all shareholders, will constitute foreign-source dividend income to the extent paid out of our current or accumulated earnings and profits (as determined for U.S. federal income tax purposes). Because we do not maintain calculations of our earnings and profits under U.S. federal income tax principles, it is expected that distributions generally will be reported to you as dividends. The amount of any dividend paid in euros that you will be required to include in income will equal the U.S. dollar value of the distributed euros, calculated by reference to the exchange rate in effect on the date the payment is received, regardless of whether the payment is converted into U.S. dollars on the date of receipt. If the dividend is converted into U.S. dollars on the date of receipt, you will generally not be required to recognize foreign currency gain or loss in respect of the dividend income. You may have foreign currency gain or loss if the dividend is converted into U.S. dollars after the date of its receipt. Dividends will not be eligible for the dividends-received deduction generally available to U.S. corporations under the Code. Subject to applicable limitations, dividends received by certain non-corporate U.S. Holders may be taxable at a preferential rate, provided that we are not a passive foreign investment company ("**PFIC**") for the taxable year in which the dividend is paid or the preceding taxable year. If you are a non-corporate U.S. Holder you should consult your tax adviser regarding the availability of, and applicable limitations with respect to, the preferential tax rate on dividends.

Spanish taxes withheld from dividends on Shares at a rate not in excess of any applicable Treaty rate will generally be creditable against your U.S. federal income tax liability, subject to applicable limitations that vary depending upon your circumstances. Spanish taxes withheld in excess of any applicable rate under the Treaty will not be eligible for credit against your U.S. federal income tax liability (see "*Taxation—Spanish Tax Considerations—Direct taxation on the Ownership and Subsequent Disposition of the Shares—Shareholders Non-Resident in Spanish Territory*" for a discussion of how to obtain the Treaty rate). The rules governing foreign tax credits are complex, and you should consult your tax adviser regarding the creditability of Spanish taxes in your particular circumstances. Subject to applicable limitations, in lieu of claiming a foreign tax credit, you may elect to deduct foreign taxes, including Spanish taxes, in computing your taxable income. An election to deduct foreign taxes instead of claiming foreign tax credits applies to all foreign taxes paid or accrued in the relevant taxable year.

Sale or Other Taxable Disposition of Shares

This discussion is subject to the discussion under "*Passive Foreign Investment Company Rules*" below.

You generally will recognize capital gain or loss on a sale or other taxable disposition of Shares. Such gain or loss will be long-term capital gain or loss if at the time of sale or disposition the Shares have been held for more than one year. The amount of gain or loss will be equal to the difference between the amount realized on the sale or disposition and your tax basis in the Shares, each as determined in U.S. dollars. Any gain or loss will generally be U.S.-source for foreign tax credit purposes. The deductibility of capital losses is subject to limitations.

As described above under "*Taxation - Spanish Tax Considerations*," gains on the sale of Shares may be subject to Spanish taxes. You are generally entitled to use foreign tax credits to offset only the portion of your U.S. federal income tax liability that is attributable to foreign-source income. Because capital gains are generally treated as U.S.-source income, this limitation may preclude you from claiming a credit for all or a portion of any Spanish taxes imposed on any such gains. In addition, if you are entitled to an exemption from Spanish taxation on disposition gains under either Spanish domestic law or the Treaty, you will not be able to claim foreign tax credits in respect of any Spanish taxes on such gains. You should consult your tax advisers regarding your eligibility for an exemption from Spanish taxation on gains and the creditability of any Spanish tax on gains as a result of a sale or other disposition of Shares in your particular circumstances.

Passive Foreign Investment Company Rules

In general, a non-U.S. corporation will be a PFIC for any taxable year in which (i) 75% or more of its gross income consists of passive income or (ii) 50% or more of the value of its assets (generally determined on a quarterly average basis) consists of assets that produce, or are held for the production of, passive income. For purposes of the above calculations, a non-U.S. corporation that directly or indirectly owns at least 25% by value of the equity interests of another corporation or partnership is treated as if it held its proportionate share of the assets of the other corporation or partnership and received directly its proportionate share of the income of the other corporation or partnership. Passive income generally includes interest, investment income and gains from commodities transactions (other than certain active business commodities gains). Goodwill is treated as an active asset under the PFIC rules to the extent attributable to activities that produce active income. Cash is a passive asset.

Based on the expected composition of our income and assets, we do not expect to be a PFIC for our current taxable year. However, our PFIC status for the current or any other taxable year is subject to substantial uncertainties. For example, a company's PFIC status is an annual factual determination that can be made only after the end of each taxable year and the Company's PFIC status for each taxable year will depend on the composition of its income and assets and the value of its assets from time to time (which may be determined by reference to the market value of the Shares, which may be volatile). Therefore, the Company may be a PFIC for any taxable year if its market capitalization declines while it holds a substantial amount of cash (including cash raised in this Offering). Accordingly, we cannot assure that we will not be a PFIC for the current or any future taxable year.

If we are a PFIC for any taxable year and any entity in which we own or are deemed to own equity interests is also a PFIC (any such entity, a "**Lower-tier PFIC**"), you will be deemed to own a proportionate amount (by value) of the shares of each such Lower-tier PFIC and will be subject to U.S. federal income tax according to the rules described in the next paragraph on (i) certain distributions by a Lower-tier PFIC and (ii) dispositions of shares of Lower-tier PFICs, in each case as if you held such shares directly, even though you did not receive any proceeds of those distributions or dispositions.

Generally, if we are a PFIC for any taxable year during which you own the Shares, gains recognized upon a disposition (including, under certain circumstances, a pledge) of the Shares by you will be allocated ratably over your holding period for such Shares. The amounts allocated to the taxable year of disposition and to years before we became a PFIC will be taxed as ordinary income. The amount allocated to each other taxable year will be subject to tax at the highest rate in effect for that taxable year for individuals or corporations, as appropriate, and an interest charge will be imposed on the resulting tax liability for each taxable year. Further, to the extent that any distribution you receive on your Shares exceeds 125% of the average of the annual distributions on such Shares received during the preceding three years or your holding period, whichever is shorter, that distribution will be subject to taxation in the same manner. If we are a PFIC for any year during which you owned Shares, we will generally continue to be treated as a PFIC with respect to you for all succeeding years during which you own the Shares, even if we cease to meet the threshold requirements for PFIC status.

Alternatively, if we are a PFIC for any taxable year and if the Shares are "regularly traded" on a "qualified exchange," you could make a mark-to-market election with respect to the Shares that would result in tax treatment different from the general tax treatment for PFICs described above. The Shares will be treated as "regularly traded" in any calendar year in which more than a de minimis quantity of the Ordinary Shares is traded on a qualified exchange on at least 15 days during each calendar quarter. A non-U.S. exchange is a "**qualified exchange**" if it is regulated by a governmental authority in the jurisdiction in which the exchange is located and with respect to which certain other requirements are met. The Internal Revenue Service has not identified specific non-U.S. exchanges that are "qualified" for this purpose. Generally, under the mark-to-market election you will recognize at the end of each taxable year (i) ordinary income in respect of any excess of the fair market value of the Shares over their adjusted tax basis or (ii) ordinary loss in respect of any excess of the adjusted tax basis of the Shares over their fair market value (but only to the extent of the net amount of income previously included as a result of the mark-to-market election). If you make the election, your tax basis in the Shares will be adjusted to reflect these income or loss amounts. Any gain recognized on the sale or other disposition of Shares in a year when we are a PFIC will be

treated as ordinary income and any loss will be treated as an ordinary loss (but only to the extent of the net amount of income previously included as a result of the mark-to-market election, with any excess treated as capital loss). If you make a timely mark-to-market election, distributions paid on ordinary shares will be treated as discussed under "- *Taxation of Distributions*" above but subject to the discussion in the immediately succeeding paragraph. You should consult your tax advisers regarding the availability and advisability of making a mark-to-market election in your particular circumstances. In particular, you should consider carefully the impact of a mark-to-market election with respect to the Shares given that we may have Lower-tier PFICs and that there is no provision in the Code, Treasury regulations or any administrative guidance that would permit making a mark-to-market election with respect to any Lower-tier PFIC the shares of which are not "regularly traded" as described above.

In addition, if we are a PFIC for the taxable year in which we pay a dividend or for the prior taxable year, the preferential tax rate discussed above with respect to dividends paid to certain non-corporate U.S. Holders will not apply.

If you own Shares during any year in which we are a PFIC, you generally will be required to file annual reports together with your U.S. federal income tax returns, subject to certain exceptions.

You should consult your tax adviser regarding whether we are a PFIC for any taxable year and the potential application of the PFIC rules to your ownership of Shares.

Backup Withholding and Information Reporting

Payments of dividends and revenue proceeds that are made within the United States or through U.S. or certain U.S.-related financial intermediaries will generally be subject to information reporting and backup withholding, unless (i) you are an exempt recipient or (ii) in the case of backup withholding, you provide a correct taxpayer identification number and certify that you are not subject to backup withholding. Any amounts withheld under the backup withholding rules will be allowed as a refund or a credit against your U.S. federal income tax liability, provided that the required information is timely furnished to the Internal Revenue Service.

Certain U.S. Holders who are individuals (or certain specified entities) may be required to report information relating to their ownership of Shares, or non-U.S. accounts through which Shares are held. You should consult your tax adviser regarding your reporting obligations with respect to the Shares.

BOARD OF DIRECTORS AND MANAGEMENT

Spanish corporate law is mainly regulated by the consolidated text of the Spanish Companies Act approved by Royal Legislative Decree 1/2010 (*Real Decreto Legislativo 1/2010, de 2 de julio, por el que se aprueba el texto refundido de la Ley de Sociedades de Capital*) (the "**Spanish Companies Act**"), which has been recently amended by the Law 5/2021 of 12 April 2021 in order to transpose into the Spanish legal system the Directive (EU) 2017/828 of the European Parliament and of the Council of 17 May 2017 amending Directive 2007/36/EC on the encouragement of long-term shareholder engagement in listed companies (*Ley 5/2021, de 12 de abril, por la que se modifica el texto refundido de la Ley de Sociedades de Capital, aprobado por el Real Decreto Legislativo 1/2010, de 2 de julio, y otras normas financieras, en lo que respecta al fomento de la implicación a largo plazo de los accionistas en las sociedades cotizadas*) and is the principal corporate legislation under which we operate (the "**Amendments to the Spanish Companies Act**").

The Company corporate governance structure has been adapted (i) to the provisions of the Spanish Companies Act applicable to issuers of shares listed on the Spanish Stock Exchanges, (ii) to the applicable corporate governance recommendations, such as the Code of Good Corporate Governance approved by the board of the CNMV on February 18, 2015, as revised in June 2020 (the "**Corporate Governance Code**") and (iii) to the best practices of listed companies. On May 31, 2021 our sole shareholder, approved (i) a new and restated text of the Company By-Laws (the "**By-Laws**"), and (ii) the rules and regulations that govern the General Shareholders' Meeting ("**General Shareholders' Meeting**") (the "**General Shareholders' Meeting Regulations**"). Our board of directors (the "**Board of Directors**" or the "**Board**"), at its meeting held on May 31, 2021, approved (i) the rules and regulations that govern the Board of Directors (the "**Board of Directors Regulations**") and (ii) the Internal Code of Conduct in the Securities Markets (*Reglamento Interno de Conducta en los Mercados de Valores*) ("**Securities Markets Code of Conduct**"). Likewise, on June 9, 2021 the sole shareholder of the Company acknowledged the approval of the Board of Directors Regulations and of the Securities Markets Code of Conduct.

Board of Directors

Spanish corporate law provides that the board of directors of a Spanish incorporated company is responsible for the management, administration and representation of the company in all matters concerning its business, subject to the provisions of By-Laws, except for those matters expressly reserved for the general meetings of shareholders.

The By-Laws and Board of Directors Regulations provide for a Board of Directors that consists of between seven (7) and fifteen (15) members. The Board of Directors currently consists of nine (9) members in accordance with the resolution passed by the sole shareholder, on May 31, 2021.

According to the By-Laws and the Board of Directors Regulations, the directors are elected by the General Shareholders' Meeting. Directors are elected to serve for a maximum term of four years and may be re-elected to serve for an unlimited number of terms of the same duration. If a director does not serve out his or her term, the Board of Directors may provisionally appoint (the so-called *cooptación*) an alternate director until the next General Shareholders' Meeting, at which his appointment should be ratified or revoked. Likewise, shareholders have the right to appoint a number of directors in proportion to their shareholding in the Company provided that vacancies exist or that any directors are standing for re-election (*derecho de representación proporcional*).

Any natural, other than those specifically declared ineligible by applicable law, the by-laws or the Board of Directors Regulations, may serve on the Board of Directors. A director may be removed from office by the General Shareholders' Meeting, even if such removal is not included on the agenda for that General Shareholders' Meeting.

The Board of Directors is responsible for the management of the Company and establishes, among other things, the strategic, accounting, organizational and financing policies of the Company. In addition, and further to any other matters as may be provided by law, the By-Laws or the Board of Directors Regulations, pursuant to Article 249 bis and Article 529 ter of the Spanish Companies Act (applicable upon Admission) and Board of Directors Regulations, the following matters cannot be delegated under any circumstances by the Board of Directors:

- a. With respect to the policies and strategies of the Company and of the Group and the corporate and governance structure thereof:
 - (i) Designing, evaluating and reviewing, on an ongoing basis, the corporate governance system and the Group's purpose and values.
 - (ii) Determining the Company's general policies and strategies and those of the Group of which it is the parent company. In particular, approving the strategic or business plan, annual management goals and budget, investment and finance policies, the Company's tax strategy, corporate social responsibility or sustainable policy and the dividends policy.

- (iii) Establishing the risk control and management policy, including tax risks, and supervising the internal information and control systems.
 - (iv) Defining the corporate governance policy of the Company and the Group of which it is the parent company.
 - (v) Defining the structure of the Group of companies of which the Company is the parent entity.
 - (vi) Approving all types of investments and transactions that, due to their high value or special characteristics, are of a strategic nature or have special tax risk, unless their approval falls under the authority of the General Shareholders' Meeting.
 - (vii) Executing the policy regarding the Company's own shares as authorized by the General Shareholders' Meeting.
 - (viii) Approving the creation or acquisition of shares in special purpose entities or registered in countries or territories considered tax havens, in addition to any other transaction or operation of a similar nature that, due to its complexity, may undermine the transparency of the Company and its Group.
 - (ix) Issuing its opinion and recommendation on any takeover bid for securities issued by the Company.
- b. With respect to the General Shareholders' Meeting and the engagement of the shareholders in corporate life:
- (i) Leading the strategy of shareholder involvement in social life and communication with investors and other stakeholders.
 - (ii) Calling the General Shareholders' Meeting, setting the agenda for the meeting and publishing the notices of the call, formulating the corresponding proposed resolutions regarding each of the items on said agenda and approving the rules for the implementation of the governance provisions relating to the General Shareholders Meeting.
 - (iii) Proposing, prior report from the Appointments and Remunerations Committee (as defined below) to the General Shareholders' Meeting, where appropriate, the shareholder remuneration policy and proposing to the General Shareholders' Meeting the decisions it deems most appropriate on the allocation of earnings and the dividend distribution, as well as agreeing, where appropriate, on the payment of interim dividends (*dividendos a cuenta*). The Board of Directors may also propose other forms of shareholder remuneration.
- c. With respect to the organization of the Board of Directors, directors and senior managers:
- (i) Defining its organization and functioning and, in particular, the approval and amendment of its own regulations.
 - (ii) Defining the structure of general powers to be granted by the Board of Directors or by the delegated management decision-making bodies and the general rules governing the powers-of-attorney granted by the companies of the Group.
 - (iii) Supervising the effective operation of any committees established or the performance of any delegated bodies or managers nominated by it.
 - (iv) Appointing and renewing the Board of Directors' internal positions and appointing and renewing Board of Directors' committee members and positions.
 - (v) Authorizing or releasing directors from the obligations arising from the duty of loyalty in accordance with the provisions of Article 230 of the Spanish Companies Act.
 - (vi) Establishing the conditions of the contracts of executive directors, including their remuneration.
 - (vii) Making the decisions relating to directors' remuneration, within the statutory framework and, when relevant, the remuneration policy approved by the General Shareholders' Meeting.
 - (viii) Appointing or removing the members of the senior management directly dependent on the Board of Directors or on some of its members, as well as establishing the basic conditions of their contracts, including remuneration.

- d. With respect to the information to be provided by the Company:
- (i) Supervising the process of preparation and presentation of the financial information and the management report (*informe de gestión*), and the mandatory non-financial information (when applicable).
 - (ii) Preparing the annual accounts, the consolidated management report and the proposed allocation of the Company's results, as well as the consolidated annual accounts and the consolidated management report.
 - (iii) Approving the financial information that, pursuant to its listed nature, the Company must periodically make public, ensuring that such documents show a true and fair view of the Company's net worth, financial position and results, in accordance with the provisions of the Law and presenting such information to the General Shareholders' Meeting.
 - (iv) Preparing the annual corporate governance report and the annual director remuneration report.
 - (v) Preparing any type of report required from the Board of Directors by law, assuming that it cannot be delegated.
- e. Approving, prior report from the Audit Committee (as defined below), any transactions the Company or companies in the Group perform with related parties, pursuant to the provisions of the Spanish Companies Act.
- f. Carrying out any other powers that the General Shareholders' Meeting has vested the Board of Directors with, unless the Board has been explicitly authorized to sub-delegate them.
- g. Any other matter that the By-Laws or any other law reserve for the knowledge of the Board.

According to Article 529 ter 2 of the Spanish Companies Act, under urgent and duly justified circumstances, decisions relating to the previous matters may be adopted by the delegated bodies or persons, which must be ratified in the first meeting of the Board of Directors held after the adoption of the decision.

According to Spanish law, the By-Laws and the Board of Directors Regulations, the Chair of the Board of Directors and, where appropriate, the Vice-Chair, who acts as Chair in the event of the Chair's absence or incapacity, shall be elected by the Board of Directors from among its members, following a report by the Appointments and Remunerations Committee (as defined below).

Pursuant to Article 529 septies of the Spanish Companies Act, applicable upon Admission, and to the Board of Directors Regulations, if the Chair is an executive director, a lead independent director (*consejero independiente coordinador*) shall be appointed from among the independent directors, provided that executive directors shall abstain from voting. The lead independent director shall have the power to request the call of the meetings of the Board of Directors and the inclusion of new items on the agenda of the meetings, to coordinate and meet with the non-executive directors and gather their concerns, to chair the Board in the absence of the Chair and the Vice-Chair, to lead the regular evaluation of the Chair of the Board of Directors and to coordinate his or her succession plan. In addition, the lead independent director shall be responsible for liaising with investors and shareholders to understand their points of view to form an opinion on their concerns, in particular, the ones related to the corporate governance of the Company.

The secretary of the Board of Directors and, where appropriate, the vice-secretary, who acts as secretary in the event of the secretary's absence or incapacity, shall be elected by the Board of Directors, following a report by the Appointments and Remunerations Committee (as defined below). The Secretary and, where appropriate, the vice-secretary of the Board of Directors do not need to be directors.

The By-Laws and Board of Directors Regulations provide that the Chair of the Board of Directors may call a meeting whenever he or she decides it. The Chair of the Board of Directors is also required to call a meeting when so requested by at least one-quarter of the directors of the Board of Directors or, if applicable, if so requested by the lead independent director. Pursuant to the Board of Directors Regulations and in compliance with the Corporate Governance Code recommendations, the Board of Directors shall meet at least eight times per year.

The By-Laws and the Board of Directors Regulations provide that the absolute majority of the members of the Board of Directors (present in person or represented by proxy by another member of the Board of Directors), that is, at least five (5) directors, shall be present or represented in order to constitute a quorum.

Except as otherwise provided by law, resolutions of the Board of Directors shall be passed by an absolute majority of the directors attending a meeting whether present in person or represented by proxy. The By-Laws and the Board of Directors Regulations do not contain any special majorities to pass any resolution different from those that are

established by the legislation in force as of the date of this Prospectus. In case of a tie, the Chair shall have a casting vote.

When so decided by the Chair of the Board of Directors in view of circumstances that make it advisable, the meeting may be called to be held electronically or in hybrid form through systems that: (i) allow the attendees to be recognized and identified by the Secretary; (ii) uninterrupted communication between the participants; and (iii) the attendees to speak and vote, all in real time. The attendees, regardless of their venue, will be considered attendees of the same meeting for all purposes relating to the board of directors. In addition, Board resolutions can also be passed in writing in lieu of meeting (*por escrito y sin sesión*), provided that no director objects to this procedure and that the requirements established in the law for such cases are complied with.

According to the Spanish Companies Act, directors may contest resolutions passed by the Board of Directors or by any other management body, within 30 days of their adoption. Similarly, such agreements may be contested by any shareholder or shareholders who represent, in the case of listed companies, 0.1% of the share capital, within 30 days of becoming aware of such resolutions and provided not more than one year has elapsed since their adoption. The causes, processing and effects of these challenges shall be subject to the same as those established for challenges to resolutions passed at the General Shareholders' Meeting except that they may be based on a breach of the Board of Directors Regulations.

Board of Directors Regulations

The Board of Directors is governed by the By-Laws and the Board of Directors Regulations, which were adopted by the Board of Directors on May 31, 2021 and are registered with the Commercial Registry of Murcia. The Board of Directors Regulations develop the By-Laws and establish the principles for the functioning of the Board of Directors, including the basic rules for its composition, structure and functions and the standards of conduct of the Board of Directors members. In matters relating to the Securities Markets, the rules of conduct of members shall be governed by the provisions of the Securities Markets Code of Conduct (as defined below) approved by the Board of Directors.

Directors who give up their position before their tenure expires, through resignation or resolution of the General Shareholders' Meeting, should state the reasons for this decision, or in the case of non-executive directors, their opinion of the reasons for the General Shareholders' Meeting resolution, in a letter to be sent to all members of the Board. This should all be reported in the annual corporate governance report, and if it is relevant for investors, the Company should publish an announcement of the departure as rapidly as possible, with sufficient reference to the reasons or circumstances provided by the director.

Pursuant to the Board of Directors Regulations, directors must tender their resignation to the Board of Directors and formally resign from their position, among others, if the Board of Directors, following a report by the Appointments and Remunerations Committee (as defined below), deems it fit, in those cases in which they may adversely affect the operation of the Board or the credit or reputation of the Company or if they are involved in any of the circumstances of incompatibility or prohibition provided by applicable law. Likewise, directors must resign from their position when they have been seriously reprimanded by the Board for having breached any of their obligations or duties as directors.

Directors

Our Board of Directors is currently composed of nine (9) members: two (2) executive directors, two (2) proprietary directors and five (5) independent directors, one of which is a lead independent director. The lead independent director has the powers attributed under Spanish law and recommendations.

The following table sets forth, as of the date of this Prospectus, the current composition of the Board of Directors, and is followed by a summary of professional background of each such member.

Name	Position/ Title	Date of first appointment	Term Expires	Shareholder represented	Category/ status
Mr. Juan Ignacio Conesa Alcaraz	Chairman	May 31, 2021	May 31, 2025	N/A	Executive
Mr. José Esteban Conesa Alcaraz	Chief Executive Officer	May 31, 2021	May 31, 2025	N/A	Executive
Ms. Carmen Panadero Reyes	Director	May 31, 2021	May 31, 2025	Selling Shareholder	Proprietary

Name	Position/ Title	Date of first appointment	Term Expires	Shareholder represented	Category/ status
Mr. Gerard van Kesteren	Director	May 31, 2021	May 31, 2025	Selling Shareholder	Proprietary
Mr. Enrique Pérez-Hernández y Ruiz-Falcó	Vice-Chairman and Lead Independent Director	May 31, 2021	May 31, 2025	N/A	Independent
Ms. Carmen Fernández Rozado	Director	May 31, 2021	May 31, 2025	N/A	Independent
Ms. Isabel García Tejerina	Director	May 31, 2021	May 31, 2025	N/A	Independent
Mr. Dirk Reich	Director	May 31, 2021	May 31, 2025	N/A	Independent
Ms. Carmen del Río Novo	Secretary	May 31, 2021	May 31, 2025	N/A	Independent

All the appointments have been approved by the General Shareholders' Meeting of the Company held on May 31, 2021. As of the date of this Prospectus, all the directors have accepted their appointment, which is immediately effective and has been registered with the Commercial Registry. The categories of directors have been determined pursuant to the definitions set forth in the Spanish Companies Act. Directors are responsible for all the matters established in the Spanish Companies Act, the By-Laws and the Board of Directors Regulations.

All members of the Board of Directors have designated our registered address as their professional address for the purpose of this Prospectus.

The secretary of the Board is Ms. Carmen del Río Novo, who is also the secretary of the three Committees.

The Board of Directors, at its meeting held on May 31, 2021, has appointed Mr. Domingo Camacho Lara as the nondirector Vice-Secretary of the Board of Directors.

Biographical information

Biographical information for each of the current members of the Board of Directors, including a brief description of each Director's business experience and education, is presented below.

Mr. Juan Ignacio Conesa Alcaraz is Primafrío's co-founder and managing director since foundation of the Group in 2007. Mr. Conesa received his degree in Economics from Complutense University of Madrid and an MBA from the University of Berkeley, United States.

Mr. Conesa has extensive experience in the transport industry. After finishing his studies, he started his career as a Chief Financial Officer in Paconsa, the predecessor company of Primafrío, in 1994. After the foundation of Primafrío he has been focused on leading the Company's business strategy. He is currently the Chief Strategy Officer and Head of Corporate Development of Primafrío.

He has been the Chairman of the Primafrío Foundation since 2018.

Mr. José Esteban Conesa Alcaraz is Primafrío's co-founder and has been the head of operations and commercial exports since foundation of the Group in 2007. He holds a degree in Law from the Universidad Pontificia de Comillas, specializing in E-1, Legal Adviser to Companies.

He has a demonstrated history of working in the transport industry. Mr. Conesa worked in Paconsa, the predecessor company of Primafrío, as Head of Operations.

Jointly with his position as Chief Executive Officer of Primafrío, he is the Chairman of Primavera, a company in which Primafrío holds a 50% shareholding with Primever, the leading French refrigerated transport company. He is also member of the Board of Directors of Primavia, a company in which Primafrío holds a 50% shareholding alongside the entity Viia, a French subsidiary of SNCF (French state-owned railway company), as well as member of the Board of Directors of Atrfie, the Spanish Association of Managed Temperature Transport Businesses.

Ms. Carmen Panadero Reyes is a professional with 19 years' experience in the real estate sector where she gained a broad vision of the real estate market and she has expertise in strategic, technical and operational advice.

She has been involved in advising on transactional processes (investment / divestment) and change strategies (good governance / ESG sustainability / digitalization). She has been able to combine executive positions with relevant positions in the governance of leading associations and bodies in the sector such as WIRES, ULI, WAS or IE. She graduated as a senior architect from ETSAM (Escuela Técnica Superior de Arquitectura de Madrid) in 2002, and has additional training in finance, risk management, governance and team management (Harvard Business School, IE, ESADE and IESE); she is a MRICS accredited professional and is currently pursuing her PhD at ETSAM.

From 2005 to 2013, she worked as Head of expansion of the company Estudio Lamela in Spain. From 2013 to 2017 she worked at CBRE, as Head of Strategic Accounts in Spain and Head of Office Development Services. Since 2018 she has been working at DCN (Distrito Castellana Norte) as a Business Development Manager. Ms. Panadero is currently Chairman and Founder of the association WIRES (Woman in Real Estate Spain), Executive Committee of ULI (Urban Land Institute), Founding partner of WAS (Woman Action Sustainability) and member of the Advisory Committee of MRED (Master's in real estate development) at IE University. She teaches on various masters' courses at business schools and universities such as the IE Business School, the IE University as well as in the Polytechnic University of Madrid (Spain). In 2020 she was nominated for the Top 100 Women Leaders of Spain. She obtained two scholarships from the Rafael del Pino Foundation, the most recent in 2020 to attend the "Workshop in Global Leadership" at Harvard Business School and participated in 2020 in the Committee of Experts of the Madrid City Council to seek solutions for economic activation from the field of architecture and urban planning to overcome the crisis due to COVID-19.

Mr. Gerard van Kesteren is a chartered accountant and a financial specialist with experience in the global logistics sector and an extensive international experience and financial management capabilities. He has been a non-executive director in a number of companies. He received his degree in Economics and Accountancy from the Hogeschool Arnhem. He was awarded the CFO of the Year 2010 and was appointed Chairman of the CFO Circle (Switzerland) 2014- 2019.

He started his career in 1972 at Sara Lee Corporation where he held leading finance positions. During his 17 years with Sara Lee, he served six years as Financial Director in the UK, two years in Spain, and two years as Director of Financial Planning and Analysis in Holland. He then joined Kuehne + Nagel in 1989 where he has developed his professional career for a total of 25 years as a Chief Financial Officer and a member of the Management Board until July 2014, having been highly influential in the development of the Kuehne + Nagel Group. He has been member of the Supervisory Board and Chairman of the Audit Committee of Gategroup (Switzerland) from 2015 to 2017 and Chairman of the Board and Chairman of the Nomination and Compensation Committee Waberer's Group (Hungary) from 2016 to April 2021.

At the present he is member of the Supervisory Boards of Raben Group NV (Netherlands) and Planzer Holding AG (Switzerland), member of the Board and Chairman of the Audit Committee of CTP NV (Netherlands) and member of the Board, member of the Nomination and Compensation Committee and Chairman of the Audit Committee of Janel Corporation (USA). He is also the founder and board member of the van Kesteren Foundation, which extends aid and youth programs across developing countries, and he works as a senior advisor with McKinsey & Company.

Mr. Enrique Pérez-Hernández y Ruiz-Falcó has worked in international banking and business banking for 35 years. He holds a degree in Law from the Complutense University of Madrid and a PhD in International Institutions from the University of Geneva.

Enrique has been Deputy General Manager - Head of Global Corporate Banking of Banco Santander Central Hispano between 1999 and 2002, managing the relationships with the top 500 Global clients of the bank. Prior to this, he worked in Banco Hispanoamericano and Banco Central Hispano, specializing in International Financing, Treasury and Capital Markets and Global Corporate Banking. He has been Board Member of Marina Dor, Endesa Italia, Compañía Española de Seguros de Crédito a la Exportación, Attijariwafa Bank, and other financial institutions, as well as Chairman of Greentech Energy Systems – Spain, Chairman of Eurocofin (Madrid) and Chief Executive Officer of CHEIC (Pekin) (China Europe Investment Consulting).

He is a lecturer on Macroeconomy and International Capital Markets and a Professor at the Instituto de Estudios Bursátiles (IEB) in Madrid. He is also currently Member of the Advisory Board-Senior Advisor of Morrow Sodali (Proxy Solicitation and advice on corporate governance), Independent Lead Director of Santander Investment, Board Member of de IASE (International Association for Sustainable Economy - London) and Vice-chairman of IASE SPAIN. **Ms. Carmen Fernández Rozado** is a State Tax Inspector and account auditor with more than 30 years of experience in tax, energy markets, sustainable development, economic and financial instruments. She holds a degree in Economics and Business Studies, Universidad Complutense de Madrid (UCM), a degree in Political Science and Sociology, Universidad Complutense de Madrid (UCM), a PhD in Public Finance, Universidad

Complutense de Madrid and completed the 2004/2005 PADE Senior Management Programme at the IESE Business School (University of Navarra).

From 1983 to 1986, Ms. Fernández worked in the Ministry of Economy and Finance of Spain, having been a Chief Inspector from 1985 to 1986. After that she joined the Madrid Special Tax Inspection Office from 1986 to 1990 and then the State Tax Inspection Office until 1999. After her tax experience as Head of the State Tax Inspection Office, she joined the Board of the Spanish National Energy Commission as a member until 2011. Since then, she has been an international consultant for the development and execution of business plans in the fields of Energy and Infrastructure business plans in different countries in Latin America and Asia. In 2012 and 2013, she joined the Advisory Board of EY. Likewise, since April 2015, she is Member of the General and Supervisory Board and Audit Committee of EDP (*Energías de Portugal*) in Lisbon and since February 2017 and November 2020, member of the Board and President of the Audit Committee of ACS Group in Madrid and Member of the Executive Committee of ACS Group in Madrid, respectively.

Ms. Isabel García Tejerina, former Minister of Agriculture, Fisheries and Food of Spain, is currently an Independent Director of Avanza Mutual de Seguros y Reaseguros, S.A., an Independent Director of Neoenergía, S.A., a subsidiary of Iberdrola, S.A. as well as member of the Appointments and Remunerations Committee, member of the Audit Committee and Chairman of the Sustainability Committee of the said subsidiary. She also works as Senior Consultant at Ernst&Young. Ms. García received her degree in Agricultural Engineering from Politécnica University of Madrid and her degree in Law from University of Valladolid. Likewise, she holds two master's degrees, one in European Communities from Politécnica University of Madrid, and the other in Agricultural Economics from University of California. Furthermore, she has also attended a Global Senior Management Program at the University of Chicago.

In 1996 she started her professional career as Head of Agriculture at the Office of Junta de Castilla y León in Brussels, and in 1998 she moved to the Department of Community Agricultural Affairs of the Regional Ministry of Agriculture at Junta de Castilla y León. She held different positions at the Minister of Agriculture and Fisheries and Food. First, she started working as executive advisor, responsible for EU and international affairs. After that, she held the position of General Secretary of Agriculture. From 2000 to 2004, she also held the position of Member of the Governing Board of State Ports and Director of Sociedad Estatal de Infraestructuras Agrarias del Norte S. A.

From 2005 to 2012 she has worked as Director of an Algerian fertilizer manufacturing company (Fertial, S.P.A), combining this office with her position as Director of Strategic Planning at Fertiberia, S.A. From 2014 to 2018, she was appointed Minister of Agriculture, Fisheries and Food. In 2018 she changed her position to General Vice-Secretary for Sectoral Policy of the Partido Popular, being Member of Parliament of Spain from 2015 to 2018.

Mr. Dirk Reich has a demonstrated history of working in the transport and logistics sectors. He studied at the Institut d' Administration des Enterprises in France. He received an MBA-Program from the University of California at Berkely (Haas School of Business) and a Master of Science in Business Administration from WHU-Otto Beisheim School of Management (Germany).

He started his professional carrier in 1983 in Airline Management (Lufthansa, Germany Airlines AG). From 1986 to 1992, he worked as Route Manager, Station Manager and Sales Representative at German Cargo Services GmbH. During 1993 he worked as Manager Controlling, Evaluation of Acquisitions in area of Transport and Logistics, Build-Up of a strategic portfolio of participations, market and company analyses at VIAG AG (Germany). After that, he joined Kühne & Nagel group in Switzerland as Vice President Corporate Development, building up expertise in E-Commerce & Marketing. He also held the position of member of the Management Board, responsible for the business unit Contract and Lead Logistics, acquisition and integration of US and European Logistics companies. From 2014 to 2016 he was appointed President and CEO of Cargolux Airlines International S.A (Luxembourg); Chairman of Cargolux (Italia); Member of the Board of Directors Champ Cargosystems and Member of the Board of China-Lux Chamber of Commerce. He is Ex-Board Member of Panalpina, Basel; part of sale of Panalpina to DSV, Copenhagen. He is currently Board Member and member of the audit committee of DFDS (Copenhagen), Deputy Chairman of Skycell AG (Zürich), Board member of Imperial Logistics, JNB, Chairman of Log-hub AG (Zug) and Chairman of Instafreight (Berlin).

Ms. Carmen del Río Novo is a legal professional with extensive experience in managing legal affairs of multinational groups of companies, interacting at a high level in management bodies of which she has been a member as a director and representing shareholder interests in various joint venture. She holds a degree in Law - Universidad Complutense de Madrid (San Pablo CEU), a Master-Course in Community Law (Centro de Estudios Europeos de la Universidad de Alcalá de Henares) and completed the Program of Instruction for Lawyers Harvard University (Instituto de Empresa).

She has a broad experienced in M&A processes, restructuring operations, mergers, negotiation and documentation of all types of financing (syndicated loans, securitisations with or without ad hoc vehicles, bond issues in the USA, granting and cancellation of guarantees, High Yield, etc.).

She started her professional career in 1988 at Ferrovial Agromán as a lawyer in the legal department and in 1996 she joined the Group URALITA (now, COEMAC) where she has been the head of the legal department, as well as director and secretary of the board of directors, of several companies of the group. She is currently the Chief Compliance Officer, General Counsel and Secretary of the Board of Directors of COEMAC, S.A., which is listed on the Automated Quotation System, as well as of the subsidiaries of its group of companies, with direct contact with the Spanish Securities Market Commission and other control bodies such as the Spanish and foreign Competition Authorities.

Directors' managerial positions and shareholdings

The following table sets out all entities, except Group companies, in which the members of the Board of Directors have been appointed as members of administrative, management or supervisory bodies, or in which they have held partnership positions at any time during the five-year period preceding the date of this Prospectus, indicating whether or not each person is still a member of any such bodies or holds any shares in any such entities.

Director	Company	Position/ Title	Sector	In office	Shareholding
Mr. José Esteban Conesa Alcaraz	Asociación Española de Empresarios de Transporte Bajo Temperatura Dirigida	Board Member	Transportation	Yes	No
Mr. Enrique Pérez-Hernández y Ruiz-Falcó	Morrow Sodali Global LLC	Member of the Advisory Board-Senior Advisor	Legal	Yes	No
Mr. Enrique Pérez-Hernández y Ruiz-Falcó	Santander Investment, S.A.	Independent Lead Director and Chairman of the Audit and Risks Committee and Appointments and Remunerations Committee	Bank	Yes	No
Mr. Enrique Pérez-Hernández y Ruiz-Falcó	IASE (International Association for Sustainable Economy - London)	Board Member	Certifying institution	Yes	No
Mr. Enrique Pérez-Hernández y Ruiz-Falcó	IASE SPAIN	Vice-chairman	Certifying institution	Yes	No
Mr. Enrique Pérez-Hernández y Ruiz-Falcó	EUROCONFIN	Chairman	Consulting	No	No
Mr. Enrique Pérez-Hernández y Ruiz-Falcó	CESCE (Compañía Española de Seguros de Crédito a la Exportación)	Lead Independent Director	Insurance	No	No

Director	Company	Position/ Title	Sector	In office	Shareholding
Ms. Carmen del Río Novo	COEMAC, S.A. (CORPORACION EMPRESARIAL DE MATERIALES DE CONSTRUCCION, S.A.)	Secretary	Construction	Yes	No
Ms. Carmen Fernández Rozado	ACS, Actividades de Construcción y Servicios, S.A.	Member of the Executive Committee	Construction	Yes	Yes
Ms. Carmen Fernández Rozado	ACS, Actividades de Construcción y Servicios, S.A.	Member of the Board and member of the Audit Committee	Construction	Yes	Yes
Ms. Carmen Fernández Rozado	EDP (Energías de Portugal)	Member of the General and Supervisory Board and Audit Committee Board Member	Energy	Yes	No
Mr. Gerard Van Kesteren	Raben Group NV	Member of the Supervisory Board	Logistics	Yes	No
Mr. Gerard Van Kesteren	Planzer Holding AG	Member of the Supervisory Board	Transportation	Yes	No
Mr. Gerard Van Kesteren	Janel Corporation	Member of the Board, Chairman of the Audit Committee and Member of the Nomination and Compensation Committee	Logistics, Manufacturing, and Life Sciences	Yes	Yes
Mr. Gerard Van Kesteren	CTP NV	Member of the Board and Chairman of the Audit Committee	Real Estate	Yes	Yes
Mr. Gerard Van Kesteren	Gategroup	Member of the Supervisory Board and Chairman of the Audit Committee	Airline catering and retail-on-board	No	No
Mr. Gerard Van Kesteren	Waberer's Group	Member of the Board and Chairman of the Audit Committee	Transportation	No	Yes
Ms. Carmen Panadero Reyes	WIRES (Women in Real Estate Spain)	Chairman and founder of the association	Real Estate	Yes	Yes
Ms. Carmen Panadero Reyes	ULI (Urban Land Institute)	Member of the Executive Committee	Real Estate	Yes	No
Ms. Carmen Panadero Reyes	WAS (Women Action Sustainability)	Founding partner	Association dedicated to promoting sustainability	No	Yes

Director	Company	Position/ Title	Sector	In office	Shareholding
Ms. Isabel García Tejerina	Avanza Mutual de Seguros y Reaseguros, S.A.	Member of the Board	Insurance	Yes	No
Ms. Isabel García Tejerina	Neoenergia, S.A.	Member of the Board of Directors, member of the Appointments and Remunerations Committee, member of the Audit Committee and Chairman of the Sustainability Committee	Energy	Yes	Yes
Mr. Dirk Reich	DFDS AS	Member of the Board and member of the Audit Committee	Ferry and logistics services	Yes	No
Mr. Dirk Reich	Skycell AG	Deputy Chairman of the Board	Pharmaceutical supply chains	Yes	No
Mr. Dirk Reich	Imperial Logistics (PTY) Ltd	Member of the Board	Market access and logistics solutions	Yes	No
Mr. Dirk Reich	Log-Hub AG	Chairman of the Board	Supply chain apps	Yes	Yes
Mr. Dirk Reich	Instafreight, GmbH	Chairman of the Board	Transportation and Logistics	Yes	Yes
Mr. Dirk Reich	R+R International Aviation AG (private consultancy company)	Founder and Chairman	Aviation, Logistics and Digital Logistics.	Yes	Yes
Mr. Dirk Reich	R+R Holding AG (private holding)	Chairman	Aviation	Yes	Yes
Mr. Dirk Reich	Panalpina	Member of the Board	Transportation and Logistics	No	Yes

Board Committees

In compliance with the By-Laws and the Board of Directors Regulations, the Board of Directors, at its meeting held on May 31, 2021, approved the creation of an audit committee (the "**Audit Committee**"), an appointments and remunerations committee (the "**Appointments and Remunerations Committee**") and a sustainability committee ("**Innovation and Sustainability Committee**"), which are governed by the By-Laws and the Board of Directors Regulations. The following is a brief description of the principal characteristics of the committees of the Board of Directors.

Audit Committee

The composition, responsibilities and rules of the Audit Committee are governed by the By-Laws and the Board of Directors Regulations.

The Audit Committee shall have at least three members, with a maximum of five members, all of whom must be non-executive directors appointed by the Board of Directors, of whom the majority must be independent directors.

The Audit Committee currently consists of three members, the majority independent directors, in accordance with the resolution passed by the Board of Directors on May 31, 2021. Each member shall be appointed on the basis of his or her knowledge and expertise in accounting, audit or risk management or a combination thereof. As a group,

the members of the Audit Committee shall have relevant technical knowledge relating to the industry to which we belong.

The directors who form part of the Audit Committee will hold this position as long as their appointment as directors of the Company remains in force, unless the Board of Directors agrees otherwise.

The Chair of the Audit Committee is selected and appointed by the Board of Directors from among its independent members. The Chair of the Audit Committee shall be replaced every four years and may be re-elected after a year has elapsed since the removal. The secretary of the Audit Committee shall be selected and appointed by the Board of Directors with no need to be a director or a member of the Audit Committee.

The members of the Audit Committee are as follows:

Name	Date of appointment	Category	Title
Ms. Carmen Fernández Rozado	May 31, 2021	Independent	Chair
Ms. Isabel García Tejerina	May 31, 2021	Independent	Member
Mr. Gerard Van Kesteren	May 31, 2021	Proprietary	Member

The Secretary of the Audit Committee is Ms. Carmen del Río Novo.

The Audit Committee will be responsible for the following matters (together with any others that may be attributed to the Audit Committee by law, the By-Laws and the Board of Directors Regulations):

- a. Reporting to the General Shareholders' Meeting (i) with respect to matters raised therein by shareholders regarding its powers and, in particular, regarding the result of the audit, explaining how such audit has contributed to the integrity of the financial information and the role that the Audit Committee has performed in the process; and (ii) if applicable, with respect to the opinion of the Audit Committee regarding the content and scope of any qualification included by the external auditor, making a summary of said opinion available to the shareholders at the time of publication of the call to the General Shareholders' Meeting.
- b. Supervising the process of preparation and the integrity of the financial information of the Company and, if applicable, of the Group, verifying compliance with legal provisions, the accurate demarcation of the scope of consolidation and the correct application of accounting principles, and submitting recommendations or proposals to the Board of Directors, aimed at safeguarding its integrity, as well as the internal financial information control systems.
- c. With respect to internal control and reporting systems:
 - (i) Supervising the effectiveness of the Company and its group's internal control, internal audit and the risk management systems, financial and non-financial (including operational, technological, legal, social, environmental, political and reputational or corruption-related), and discussing with the external auditor any significant weaknesses detected in the internal control system during the audit, all without violating its independence. For such purposes, if applicable, the Audit Committee may submit recommendations or proposals to the Board of Directors and set the corresponding period for compliance with them.
 - (ii) Establishing and supervising a mechanism whereby employees or other persons related to the Company, can report, confidentially, any irregularities they detect in the course of their duties, in particular financial or accounting irregularities, with potentially serious implications for the Company. Such mechanism should ensure confidentiality by allowing for anonymous communication, in the respect of the rights of both the complainant and the person reported.
 - (iii) Ensuring that the policies and systems established for internal control are effectively applied in practice.
- d. With respect to internal audit:
 - (i) Ensuring the independence of the unit that assumes the internal audit function.
 - (ii) Proposing the selection, appointment, re-election and removal of the head of the internal audit service.
 - (iii) Proposing the budget for this function.

- (iv) Approving or proposing approval to the Board of the orientation and annual work plan of the internal audit, ensuring that its activity is focused primarily on relevant risks, including reputational risks.
 - (v) Supervising the internal audit activity of the Company, its internal audit plan and verifying that the main areas of risk, both financial and non-financial, of the business have been considered.
- e. With respect to the external auditor:
- (i) Defining the selection process of the auditor, taking into account, among others, factors such as the scope of the audit, the qualifications, experience and resources of the auditor or audit firm, the fees, as well as the auditor's independence and the effectiveness and quality of the audit services to be provided.
 - (ii) Proposing to the Board of Directors the selection, appointment, re-election and replacement of the external auditor, in accordance with applicable law, as well as the terms of its engagement.
 - (iii) If applicable, investigating the circumstances giving rise to the resignation of the external auditor.
 - (iv) Ensuring that the Company reports any change of auditor, together with a statement of, any disagreements arising with the outgoing auditor and the reasons for the same.
 - (v) Establishing appropriate relations with the external auditor to receive information on those issues that might entail a threat to its independence, for examination by the Audit Committee, and on any other issues relating to the financial statements audit process, and, when applicable, the authorization of services other than those which are prohibited, as established in the law applicable to the activity of the audit of accounts, as well as maintaining such other communication as is provided for therein. In addition, serving as a channel of communication between the Board and the external auditor, evaluating the results of each audit and the management team's responses to its recommendations, and mediating in cases of discrepancies between them in relation to the principles and criteria applicable in the preparation of the financial statements. In particular, ensuring that the financial statements finally prepared by the Board are presented to the General Shareholders' Meeting without reservations or qualifications.
 - (vi) Ensuring that the external auditor has a yearly meeting with the Board of Directors in full to inform it of the work undertaken and developments in the Company's situation.
 - (vii) Ensuring that the remuneration of the external auditor does not compromise its quality or independence.
 - (viii) Supervising compliance with the audit contract, ensuring that the opinion on the annual accounts and the main contents of the audit report are drafted clearly and accurately.
 - (ix) Ensuring that the Company and the external auditor adhere to current regulations on the provision of non-audit services, limits on the concentration of the auditor's business and other requirements concerning auditor independence.
 - (x) Verifying that the senior management and the Board take into account the conclusions and recommendations of its reports.
 - (xi) Making a final assessment of the auditor's performance and how it has contributed to the integrity of the financial information, including, among other parameters, its knowledge of the business, the frequency and quality of its communications, the opinion that key persons in the Company's management have of it, especially the internal audit area, the public results of the auditor's quality controls as well as the transparency reports, and, if applicable, informing the Board of Directors of any relevant aspects of that assessment.
 - (xii) Issuing, on an annual basis and prior to the issuance of the auditor's report, a report stating an opinion on whether the independence of the external auditor is compromised. The report shall, in all cases, contain a reasoned assessment of the provision of each and every one of the additional services mentioned in subsection (ix) above, considered individually and as a whole, other than of legal audit and in relation to the rules on independence or to the law on the activity of audit of accounts.
- f. Reporting in advance to the Board of Directors regarding all the matters established by the applicable law, the By-Laws and the Board of Directors Regulations, and in particular regarding:
- (i) The financial and non-financial information that the Company must publish from time to time;

- (ii) The creation or acquisition of shares in special purpose entities or companies which registered office is located in tax haven countries or territories; and
- (iii) Related party transactions.
- g. Analyzing the structural and corporate modification operations that the Company plans to carry out and issuing a prior report to the Board of Directors on their economic conditions and their accounting impact and, in particular, if applicable, on the proposed exchange ratio.
- h. Reviewing that the financial information published on the Company's corporate website is constantly updated and consistent with information prepared by the management.
- i. Evaluating periodically the need for an independent area for risk control and management.
- j. Evaluating, at least once a year, its performance and the quality of its work.
- k. Participating in any updates of the Board of Directors Regulations in relation to matters within its competence.
- l. Addressing any other matter assigned to it by the Board of Directors and documented in the Board of Directors Regulations.

The Audit Committee shall meet at least four times per year and, in any case, upon the request of any of its members and whenever convened by its Chair. Likewise, the Chairperson shall call a meeting whenever the Board of Directors or its Chair requests the issuance of a report or the adoption of proposals and, in any case, whenever it is convenient for the proper performance of the Committee's duties.

Meetings of the Audit Committee shall be validly held when the majority of its members are present in person or by proxy. Resolutions of the Audit Committee are passed by an absolute majority of the members attending a meeting whether present in person or represented by proxy. In the event of a tie, the Chair of the Committee has a casting vote.

Appointments and Remunerations Committee

The composition, responsibilities and rules of the Appointments and Remunerations Committee are governed by the By-Laws and the Board of Directors Regulations.

The members of the Appointments and Remunerations Committee are elected by the Board of Directors among its members. The Appointments and Remunerations Committee consists of between three and five members, all of whom must be non-executive directors and the majority must be independent directors.

The Appointments and Remunerations Committee currently consists of three members, the majority independent directors, in accordance with the resolution passed by the Board of Directors on May 31, 2021. Each member shall be appointed on the basis of his or her knowledge and expertise.

The Chair of the Appointments and Remunerations Committee must be selected and appointed by the Board of Directors from among its independent members. The Secretary of the committee shall also be selected and appointed by the Board of Directors with no need to be a director or a member of the Appointments and Remunerations Committee.

The members of the Appointments and Remunerations Committee are as follows:

Name	Date of appointment	Category	Title
Mr. Enrique Pérez- Hernández y Ruiz-Falcó	May 31, 2021	Independent	Chair
Ms. Carmen Fernández Rozado	May 31, 2021	Independent	Member
Mr. Gerard Van Kesteren	May 31, 2021	Proprietary	Member

The Secretary of the Appointments and Remunerations Committee is Ms. Carmen del Río Novo.

The primary purpose of this committee is to assist, inform and submit proposals to our Board of Directors in relation to the matters attributed to it by law, the By-Laws, or the Board of Directors.

The Appointments and Remunerations Committee will be responsible for the following matters, together with any others that may be attributed to the Appointments and Remunerations Committee by law, the By-Laws and the Board of Directors Regulations:

- (a) With respect to the evaluation and selection of Board members and senior managers:
 - (i) Evaluating the skills, knowledge and experience required on the Board of Directors.
 - (ii) Analyzing the rest of the occupations of each director of the Company, ensuring that the directors dedicate enough time in practice and, if not, propose appropriate measures.
 - (iii) Reviewing the classification of directors on an annual basis.
 - (iv) Proposing to the Board of Directors a policy for the selection of directors and senior management.
 - (v) Evaluating the fulfilment of the selection policy for directors and ensuring that, when new vacancies are filled, the selection procedures do not suffer from implicit biases that could imply any discrimination.
 - (vi) Verifying the consistent of the selection and remuneration policy applicable to directors, senior management and the rest of employees with the Company's specific circumstances and its strategy and consider its impact on the sustainable and long-term performance of the Company and in terms of risk-taking.
 - (vii) Establishing a representation objective for the less represented gender on the Board of Directors and developing guidance on how to achieve this objective.
 - (viii) Supervising the selection process of candidates to become members of the Company's senior management.
- (b) With respect to the appointment, re-election and removal of directors and appointment and removal of senior managers:
 - (i) Submitting to the Board of Directors the proposals for appointment of independent directors to be appointed on an interim basis (*cooptación*) or for submission to the decision of the General Shareholders' Meeting, as well as the proposals for re-election or removal of such directors by the General Shareholders' Meeting.
 - (ii) Reporting on proposals for appointment of other directors on an interim basis (*cooptación*) or for submission to the decision of the General Shareholders' Meeting, as well as proposals for re-election or removal of appointments by the General Shareholders' Meeting.
 - (iii) Reporting on proposals for appointment and removal of members of the senior management and the basic conditions of their contracts.
- (c) With respect to the appointment, re-election and removal of Board positions and Committees' members:
 - (i) Reporting on the appointment of the Chair of the Board of Directors prior to his/her appointment by the Board.
 - (ii) Reporting on the proposed appointment and removal of the Secretary of the Board.
 - (iii) Proposing to the Board of Directors the members that should be part of each of the Board Committees.
 - (iv) If appropriate, proposing the appointment of the lead independent director from among the independent directors forming part of the Board.
- (d) With respect to the remuneration of directors and senior management:
 - (i) Recommending to the Board of Directors the remuneration policy for directors and senior managers or of those who perform their duties as management personnel reporting directly to the Board of Directors, executive committees or chief executive officers, as well as the individual remuneration and other contractual conditions of executive directors and ensuring compliance therewith.
 - (ii) Proposing to the Board of Directors the system and amount of the annual remuneration of the directors, as well as the individual remuneration of the executive directors and the other basic conditions of their contracts.

- (iii) Reporting and submitting to the Board of Directors the proposals of the chief executive of the Company with respect to the remuneration structure of the members of senior management and the basic conditions of their contracts.
 - (iv) Reviewing periodically the remuneration programs, including share-based remuneration systems and their application, and ensuring that their individual compensation is proportionate to the amounts paid to other directors and senior executives.
 - (v) Supervising compliance with the Company's remuneration policy and reporting on the documents to be approved by the Board of Directors for general disclosure regarding information on remuneration, including the Annual Report on Directors' Remuneration and the corresponding sections of the Annual Corporate Governance Report of the Company.
- (e) Evaluating and organizing the succession of the Chair of the Board of Directors and the Company's chief executive and, if appropriate, making proposals to the Board of Directors in order for such succession to occur in an orderly and planned manner, consulting with the Chair of the Board of Directors for such purpose, and involving the lead independent director, if any, and provided that he/she is not a member of the Appointments and Remunerations Committee.
 - (f) Leading, with the participation, if appropriate, of the lead independent director, the evaluation of the Board of Directors and its Committees, and submitting to the plenary session the results of such evaluation together with a proposal for an action plan or recommendations to correct any deficiencies detected or to improve the functioning of the Board of Directors or its Committees.
 - (g) Ensuring that any potential conflicts of interests do not affect the independence of the external advice furnished to the Committee.
 - (h) Monitor compliance with the rules of corporate governance and the internal codes of conduct of the Company, ensuring that the corporate culture is in line with its purpose and values.
 - (i) Periodically evaluate and review the effectiveness of the Company's corporate governance system to confirm that it is fulfilling its mission to promote the corporate interest and taking into account, as appropriate, the legitimate interests of the other stakeholders.
 - (j) Report on, prior to its approval, the Company's annual corporate governance report obtaining for such purpose any necessary reports from the Audit Committee and the Innovation and Sustainability Committee in relation to these sections of this report that are within their competence.
 - (k) Report on the proposals to amend the regulation of the Board of Directors and the internal codes of conduct of the Company.
 - (l) Participating in any updates of the Board of Directors regulations in relation to the matters within its competence.
 - (m) Evaluating, at least once a year, its performance and the quality of its work.
 - (n) Addressing any other matter assigned to it by the Board of Directors and documented in the Board of Directors Regulations.

The Appointments and Remunerations Committee shall meet as a minimum four times a year and in any case upon the request of any of its members and whenever convened by its Chair, who must do so each time the Board of Directors or its Chair requests a report or the adoption of proposals and, in any case, whenever advisable for the proper performance of its functions.

The Appointments and Remunerations Committee shall be validly formed when the majority of its members are present in person or by proxy. Resolutions shall be adopted by an absolute majority of the members present or represented. In the event of a tie, the Chair of the Committee has a casting vote.

Innovation and Sustainability Committee

The composition, responsibilities and rules of the Innovation and Sustainability Committee are governed by the By-Laws and the Board of Directors Regulations.

The members of the Innovation and Sustainability Committee are elected by the Board of Directors among its members. The Innovation and Sustainability Committee consists of between three and five members, all of whom must be non-executive directors and the majority must be independent directors.

The Innovation and Sustainability Committee currently consists of three members, the majority independent directors, in accordance with the resolution passed by the Board of Directors on May 31, 2021.

The Chair of the Innovation and Sustainability Committee must be selected and appointed by the Board of Directors from among its independent members. The Secretary of the committee shall also be selected and appointed by the Board of Directors with no need to be a director or a member of the Innovation and Sustainability Committee.

The members of the Innovation and Sustainability Committee are as follows:

Name	Date of appointment	Category	Title
Ms. Isabel García Tejerina	May 31, 2021	Independent	Chair
Ms. Carmen Panadero Reyes	May 31, 2021	Proprietary	Member
Mr. Dirk Reich	May 31, 2021	Independent	Member

The Secretary of the Innovation and Sustainability Committee is Ms. Carmen del Río Novo.

The primary purpose of this committee is to assist, inform and submit proposals to our Board of Directors in relation to the matters attributed to it by law, the By-Laws or the Board of Directors.

The Innovation and Sustainability Committee will be responsible for the following matters, together with any others that may be attributed to the Sustainability Committee by law, the By-Laws and the Board of Directors Regulations.

The Innovation and Sustainability Committee shall meet as a minimum four times a year and in any case upon the request of any of its members and whenever convened by its Chair, who must do so each time the Board of Directors or its Chair requests a report or the adoption of proposals and, in any case, whenever advisable for the proper performance of its functions.

The Innovation and Sustainability Committee shall be validly formed when the majority of its members are present in person or by proxy. Resolutions shall be adopted by an absolute majority of the members present or represented. In the event of a tie, the Chair of the committee has a casting vote.

The Innovation and Sustainability Committee's responsibilities include:

- (a) Supervise the application of the general policy regarding the communication of economic financial, non-financial and corporate information, as well as communication with shareholders and investors, proxy advisors and other stakeholders. It will also oversee the way in which the Company communicates and relates to small- and medium-sized shareholders.
- (b) Periodically evaluate and review the effectiveness of the policy on environmental and social matters, to confirm that it is fulfilling its mission to promote the corporate interest and taking into account, as appropriate, the legitimate interests of the other stakeholders.
- (c) Monitor and evaluate the Company's interaction with its stakeholders.
- (d) Monitor the Company's performance with regard to corporate reputation and report on such performance to the Board of Directors when appropriate.
- (e) Report on, prior to its approval, the Company's non-financial information statement, obtaining for such purpose any necessary reports from the Audit Committee and the Appointments and Remunerations Committee in relation to these sections of this report that are within their competence.
- (f) Issue the reports and carry out any actions that correspond thereto, in its field of competence and in accordance with the corporate governance system, or that are requested by the Board of Directors or its Chair.
- (g) Monitor the Company's sustainable development strategies.
- (h) Supervise that the Company's actions relating to sustainability and corporate social responsibility are in line with the strategy and policy established.
- (i) Assess and review the Company's plans implementing the sustainable development policies and monitor the level of compliance therewith.

- (j) Addressing any other matter assigned to it by the Board of Directors and documented in the Board of Directors Regulations.

Senior Management

Our senior management comprises our Chief Executive Officer, our Chief Strategy Officer and Head of Corporate Development, our Chief Marketing Officer and Head of Sales, our Chief Financial Officer, our Head of R&D and ESG, our Chief Operating Officer and Head of Exports, our Head of Imports, our Head of National, our Head of Internal Audit, our Head of Investor Relations, our Head of Human Resources and our Legal Counsel collectively, the "**Senior Management**").

The following table lists the members of our Senior Management as of the date of this Prospectus and is followed by a summary of biographical information of each such member with the exception of those members who also serve on our Board of Directors. For biographical information on the members of our Board of Directors, see "**Directors**".

Name	Title	Member of Management since (1)	Year of incorporation to the Group
Mr. José Esteban Conesa Alcaraz	Chief Executive Officer	2021	2007
Mr. Juan Ignacio Conesa Alcaraz	Chief Strategy Officer and Head of Corporate Development	2021	2007
Ms. Marina Regina Förch	Chief Marketing Officer and Head of Sales	2021	2016
Ms. Laura Vera Abellán	Chief Financial Officer	2021	2014
Mr. Adrián Valverde Mateo	Head of R&D & ESG	2021	2017
Mr. Andrés Valverde Villafaña	Chief Operating Officer and Head of Exports	2021	2018
Mr. Nicolas Thierry Pierre Rene Leroy	Head of Imports	2021	2010
Mr. Francisco García Almela	Head of National	2021	2007
Mr. Francisco Javier Alarcón Saura	Head of Internal Audit	2021	2018
Ms. Marta Gómez de Salazar Catarineu	Head of Investor Relations	2021	2021
Mr. Francisco Torres Manzanera	Head of Human Resources	2021	2007
Mr. Domingo Camacho Lara	Legal Counsel	2021	2019

- (1) The Company's deed of incorporation was granted on November 11, 2020 and was registered with the Commercial Registry of Murcia on December 2, 2020. Members of the Senior Management indicated above (except for Ms. Marta Gómez de Salazar Catarineu, who has joined us on May 2021) have been transferred from the Selling Shareholder to Primafrio in 2021 prior to the Offering. However, as indicated in the description of the qualifications and professional experience of the members of the Senior Management, all of them have previous experience within the Group.

Below is a brief description of the qualifications and professional experience of the members of the Senior Management who do not serve on the Board of Directors.

Marina Regina Förch

Ms. Marina Regina Förch is the Chief Marketing Officer and Head of Sales with more than ten years' experience in the commercial sector in different areas such as revenue, business development or account management.

Ms. Förch received her bachelor's degree in International Business Administration from the University Centre Cesar Ritz, Switzerland and afterwards she received her Post-Graduate in Management Training in Baltimore, United States of America. From November 2011 to June 2014, she started her professional career as Event and Sales Manager in St. Pancras Renaissance Hotel in London, United Kingdom. In 2013 she decided to combine her work with a Global Master's degree in Business Administration at the reputable London School of Business & Finance. After two years working at the Hilton on Park Lane in London as Conference and Event Sales Manager, she joined

Primafrío in February 2016 as Chief Marketing Officer and Head of Sales of the Company. As a result, she now has more than five years of experience in the transport sector.

Her main functions in Primafrío are to foster relationships with our clients by maintaining weekly direct contact with our main clients, to manage and plan tenders, to develop and identify new business opportunities, to analyze and recognize companies with collaboration and joint venture possibilities, to liaise with the German Chamber of Commerce for Spain and internal training of new sales representatives.

Laura Vera Abellán

Ms. Laura Vera Abellán is the Chief Financial Officer with a financial experience in the transport sector among which the last seven years she has been working at Primafrío.

Ms. Vera received her degree in Business Administration from the University of Murcia and a master's in financial management from the ENAE Business School. After finishing her studies and prior to joining Primafrío, she started her professional career in La Seda Asesores, S.L. as accounting assistant for six months.

Her main functions in Primafrío are the control of the administration department including accounting, billing, and customer service department. She daily controls the financial area, and the operational part of each department. She is also in charge of the improvements of the administration department in terms of processes, automation and optimization of the personnel.

Adrián Valverde Mateo

Mr. Adrián Valverde Mateo is the Head of R&D & ESG. Mr. Valverde, graduated in Engineering with specialization in industrial, civil and telecommunication engineering, and he has a huge experience managing agreements with technology partners and with financial fund raisers and venture capital investors.

He is the project manager of several projects and he manages the funds received from the European Commission where there is a development of collaborations with more than one hundred European partners and more than thirty European universities in which the transfer and generation of knowledge is promoted. He is also director of reputed international organizations such as BPM (Biodiversity Partnership Mesoamérica) and director in the company Intelligent Delivery, S.A., as well as secretary of the Board of Directors of Hydrogen Association of Murcia (AHMUR).

His work in Primafrío is focused in logistics infrastructures, industrial automation and advanced connectivity, (actively assisting in the development of the truck of the future capable of neutralizing the carbon footprint so that its activity has zero emissions), in the process optimization and in predictive modelling which contributes to adding value and to promoting the transformation of the sector. Mr. Valverde is also proactively helping to develop the strategy of the Company.

Andrés Valverde Villafaña

Mr. Andres Valverde Villafaña is the Chief Operating Officer and Head of Exports and he has a proven experience of more than thirty-five years in the transport sector.

Mr. Valverde received his degree in Mathematics and Physics from the University of Lyon in France. After finishing this degree, he started his professional career in the National Ministry of Education of France until 1985. After that, he joined the company Transportes J. Carrion S.A. where he carried out different functions, including his position as Head of Imports and, from 1996, Head of Strategy, a role which involved deciding how the company was going, setting objectives and allocating resources. In his last years in this company he held the position of Operations and Sales Manager.

Mr. Valverde has extensive experience in setting up and managing French and German subsidiaries in setting up and implementing driver and tractor reliefs to comply with new driving and rest time regulations, in recruitment of freelancers, drivers, operational staff, revenue staff and branch staff, in export and import matters and management and commercial support for Carrión Logística, S.L. (perfume, bicycle assembly, hazardous chemicals, etc.).

His main functions in Primafrío are the daily control of operations such as traffic, warehousing, base control, in the main operational departments, the provision of direct support to the CEO, the management and organization and training of the staff in the operational departments, the fostering of our relationship with customers by effectively addressing their problems, as well as the improvement of our processes. He is in charge of the coordination and relationship with strategic alliances and he is involved in the decision-making process especially with respect to our medium and long-term strategy.

Nicolás Thierry Pierre René Leroy

Mr. Nicolas Thierry Pierre René Leroy is the Head of Imports with more than fifteen years of proven experience in the transport sector and he is specialized in the road transport import market from Europe to the Iberian Peninsula.

Mr. Leroy received his degree in Economics from the Hogeschool Voor Economische Studies de Rotterdam (H.E.S) and l'European Business Programme (E.B.P – *Escuela Superior de Comercio De Burdeos*). After finishing his degree in 1999, he started his professional career as Import manager in the company Oeste Europa Castillo Trans, S.A until 2006. From 2006 to 2010, he worked in the Real Estate Developer PEINSA S.A. and after this experience, he joined Primafrio in 2010 as Import Manager.

His main functions in Primafrio are the organization of the return of the Company's fleet to the Iberian Peninsula in the shortest possible time (returns/imports) and the maximizing its profitability, to encourage and manage the commercial team by indicating the needs of loads in the short ("daily"/weekly), medium (according to the campaigns throughout the year) and long term (new export markets, Ireland and Latvia this year), pricing return loads according to market, telegraphic areas, needs and itme of year, to continuously map and identify potential new customers to expand the import portfolio and the follow-up and maintenance of the existing client portfolio through customer service.

Francisco García Almela

Mr. Francisco García Almela is the Head of National. With more than thirty years of experience in the sector of transport, Mr. García began his professional career at a cannery performing functions such as determining the cost and selling price of canned vegetables, applying for aid from the European Economic Community for the processing of agricultural products and managing the activities in the traffic department of a transport company.

From 1977 to 2000, he worked as an administrative assistant at the well-known cannery Maximino Moreno, S.A. After this period, he joined Primafrio as Head of National.

He is responsible for the travel management and control department in the Iberian Peninsula, where he controls loads and follow-ups. He performs sales functions, attracting clients and managing the available staff to improve efficiency.

Francisco Javier Alarcón Saura

Mr. Francisco Javier Alarcón Saura is the **Controller** of Primafrio. He is the responsible for the monthly closings and he reports to the Chief Executive Officer. He has more than eleven years of experience as administration manager.

Mr. Alarcón holds an MBA from the University of Murcia, and MBA from European Business School and a master's in financial management from ENAE Business School. He has worked from September 2007 to March 2014 in the company Vías y Construcciones, S.A. After this experience, he worked at the entity Roura Cevasa S.A for four years and he joined Primafrio in 2018.

He is responsible for the internal financial and operational auditing of the Company, carrying out specific reviews and identifying areas that require improvement, as well as end-of-month reviews and supervising the state of the accounts of all Group companies.

Marta Gómez de Salazar Catarineu

Ms. Marta Gómez De Salazar Catarineu has 25 years of experience in finance and more than 18 years in senior positions. She received her degree in Economics from the University of Murcia, completing her education with a Master of Business Administration (MBA) from the Manchester Business School. She has developed her career in corporate finance, project finance and investor relations. Significant activity with the largest investment funds in the US and Europe.

After finishing her studies, she started her professional career as a financial analyst (European Financial Service Centre) at Kellogg's in Manchester, specializing in treasury, accounting and acting as an internal consultant. After that, she joined the ACS Group in Madrid, working as an investment analyst (General Corporate Management), where she specializes in project finance, mergers, acquisitions and investor relations. From 2001 to 2006, she held the position of Head of Concessions in the infrastructure division at Técnicas Reunidas Madrid, a department she created herself. In this position, Ms. Gómez was responsible for concession projects or BOT (Build, Operate and Transfer), study and assessment of potential opportunities for the purchase of companies.

Finally, from 2006 to 2021, she continued working at Técnicas Reunidas Madrid as Head of Investor Relations, a department also created by her, since the company's IPO in 2006. The said department was voted best Investor Relations Department and Ms. Gómez was named best professional in her sector in Europe by the American magazine "Institutional Investors" in 2015 and 2016. She is a specialist in the preparation of business case, reviewing valuation models, organizing and participating in roadshows, seeking new communication channels to

bring investors closer to the company and preparing strategies and competitive studies reports on capital markets for the management team.

Francisco Torres Manzanera

Mr. Francisco Torres Manzanera is the Head of Human Resources. Mr. Torres, a technical accounting specialist, has thirty years of experience in the sector and in particular in Primafrío and Paconsa and has been part of multiple teams within the Company.

For the first five years he worked in the vehicle operation department, and for the next five years until 1997, in addition to the operation of vehicles, he managed the control and means of payment of vehicles for their journeys around Europe, tolls, diesel and supplies. For the last 20 years of his career, he has worked in staff recruitment, managing and liaising with the labor consultancy on issues such as the registration and deregistration of employees, recruitment and new hires, occupational risk prevention and training.

He is responsible for personnel selection and recruitment, staff planning, management and coordination of the Human Resources department, liaising with the labour consultancy for the management of all legal-administrative personnel processes, coordination of occupational risk prevention, as well as planning and organization of training courses.

Domingo Camacho Lara

Mr. Domingo Camacho Lara is the legal counsel of Primafrío Group since 2019, with previous experience in the field of labor law. Mr. Camacho received his degree in law at the Catholic University of Murcia and has a Master degree in lawyering (*Máster en Acceso al Ejercicio de la Abogacía*). Prior to joining Primafrío he developed his professional law career for nine months in Auren Abogados and a year and a half of preparation for the examination of labour sub-inspector.

Among his main functions in Primafrío are the analysis of contracts, agreements, offers, and all kinds of legal documents of the Company. Likewise, he manages external legal counsels, controls judicial and administrative procedures, and monitors the compliance with legal procedures. He also performs coordination activities together with the Human Resources department.

Senior Management positions and shareholdings

The following table sets out all entities³, except Group companies, in which the members of the Senior Management have been appointed as members of the administrative, management or supervisory bodies or in which they have held shareholdings⁴ at any time during the five year period preceding the date of this document, indicating whether each person is still a member of such bodies or holds any shares in any such entities, with the exception of those members who also serve on our Board of Directors. Regarding positions and shareholdings information on the members of our Board of Directors, see "*–Directors*".

Manager	Company	Position/Title	Sector	In office	Shareholding
Mr. Adrián Valverde Mateo	Biodiversity Partnership Mesoamérica (BPM)	Director	Biodiversity association	Yes	No
Mr. Adrián Valverde Mateo	Intelligent Delivery, S.A.	Director	Logistics	Yes	No
Mr. Adrián Valverde Mateo	Hydrogen Association of Murcia (AHMUR)	Secretary of the Board of Directors	Renewable energy association	Yes	No
Ms. Marina Regina Förch	Nafimar Deutschland GmbH	Director	Transportation	Yes	No
Ms. Marta Gómez de	Start2021	Director	Finance	Yes	No

³ The Company considers, to this effect, that the term "entity" includes all corporations that do not have an exclusive property, asset holding or family related purpose.

⁴ The Company considers that the term "partnership" excludes all shareholdings in publicly traded listed companies that are not considered significant under applicable laws.

Manager	Company	Position/Title	Sector	In office	Shareholding
Salazar Catarineu					

As of the date of this Prospectus, other than Mr. José Esteban Conesa Alcaraz and Mr. Juan Ignacio Conesa Alcaraz, none of the senior managers mentioned above or members of our administrative, supervisory or management bodies hold any shares of the Company.

Compensation

Directors Compensation

From November 2020 until May 31, 2021 the Company has been managed by a sole director who has not received any compensation. On May 31, 2021, the Board of Directors has been appointed and its members will be compensated according to the current By-Laws and the remuneration policy approved by the Selling Shareholder on May 31, 2021 that will be in force from Admission and during the current financial year 2021 and the following three financial years (i.e. 2022, 2023 and 2024) (the "**Remuneration Policy**").

According to the By-Laws, all directors will receive compensation for being directors and those executive directors will receive an additional specific remuneration for the performance of executive duties. The Remuneration Policy has established that the remuneration of each director will depend on each director's dedication, qualification and responsibility, without any interferences in each directors' independence. As of the date of this Prospectus, the Remuneration Policy has been ratified by the Appointments and Remunerations Committee.

Following Admission, the maximum annual aggregate compensation amount that we will annually pay to all the directors will be determined by the General Shareholders' Meeting and it will remain unchanged until the shareholders decide otherwise. Nevertheless, the Board of Directors may reduce the amount in each relevant fiscal year if it deems appropriate.

Following Admission, the Board of Directors shall determine, following a proposal from the Appointments and Remunerations Committee, the exact amount to be paid within the limit approved by the General Shareholders' Meeting and the distribution thereof among the directors, taking into account the duties and responsibilities assigned to each director, the position held by each of them on the Board, their membership and attendance at the meetings of the Board committees within the Board of Directors and other objective circumstances which may be deemed relevant.

Following Admission, the director's remuneration policy shall be set within the compensation system provided for in the By-Laws and shall be approved by the General Shareholders' Meeting at least every three years as a separate item on the agenda. The Board of Directors' proposal for the remuneration policy shall be motivated and must be accompanied by a specific report from the Appointments and Remunerations Committee. Both documents shall be made available to the shareholders through our website when the General Shareholders' Meeting is called.

The Remuneration Policy must be adequate, comply with best practices and regulations in accordance with the national and international trends of listed companies and the prevailing conditions in the market, and, in relation to the executive directors only, it must be in accordance with the performance of their executive powers and duties.

1. Remuneration by reason of the office as director

In accordance with the By-Laws, the maximum annual aggregate amount payable to all directors for being a director shall not exceed €395,000 pursuant to the resolution passed by the sole shareholder of the Company on May 31, 2021. Such amount has been ratified by the Appointments and Remunerations Committee.

Such amount may be reduced by the Board of Directors in any applicable fiscal year if it deems it appropriate.

The estimated aggregate compensation payable to all of our directors by reason of their office as a director for the period comprised between May 31, 2021 and December 31, 2021, is approximately €230,500. Notwithstanding the foregoing, these directors will receive, unless expressly modified, €395,000 in fiscal year 2022.

The foregoing amounts do not include the remuneration that, as additional fixed amount, variable remuneration, or in any other concept related to the executive director's remuneration, for holding executive powers and duties.

The Board of Directors has determined at its meeting held on May 31, 2021, within the aforementioned overall limit previously decided by the sole shareholder of the Company, the precise amounts to be paid to each director, taking into account the duties and responsibilities assigned to each of them, their membership of board committees and other objective circumstances that it deemed relevant.

Such amounts have been ratified by the Appointments and Remunerations Committee.

All directors will receive, where appropriate, in accordance with the above, the following fixed annual amounts as compensation for the responsibility and time commitment required by such office:

- (a) A fixed annual allowance for the performance of duties within the Board of Directors, as follows:
 - o Chairman: €30,000.
 - o Vice-Chairman and lead independent director: €30,000 for his position as member of the Board and an additionally €10,000 for his position as Vice-Chairman and lead independent director.
 - o Secretary: €30,000 for her position as member of the Board and an additionally €10,000 for her position as secretary.
 - o Ordinary members: €30,000.
- (b) An additional annual fixed allowance in the event of belonging to any of the existing Committees, as follows:
 - o Chairman of each Committee: €15,000.
 - o Ordinary members of each Committee: €10,000.

II. Remuneration for the performance of executive duties

Our Chief Executive Officer, Mr. José Esteban Conesa Alcaraz, has entered into a services agreement with the Company on May 31, 2021 governing the terms of the performance of his duties as executive director and to agree with the different components of his compensation. The terms of the contract were approved by more than two thirds of the Board of Directors on May 31, 2021, without his deliberation and voting, and have been ratified by the Appointments and Remunerations Committee.

Likewise, our Executive Chairman, Mr. Juan Ignacio Conesa Alcaraz, has entered into a services agreement with the Company on May 31, 2021 governing the terms of the performance of his duties as executive director and providing for the different components of his compensation. The terms of the contract were approved by more than two thirds of the Board of Directors on May 31, 2021, without his deliberation and voting, and have been ratified by the Appointments and Remunerations Committee.

The remuneration package for the executive directors, within the framework of the Remuneration Policy, is structured as follows:

- (a) Fixed annual remuneration: the fixed remuneration takes into account the executive duties assigned to the executive directors, the level of responsibility, the experience, the contribution to the office and the remuneration which is paid by comparable companies;
- (b) Annual variable remuneration linked to the company performance and the directors' individual performance, as well as any other metric.
- (c) Long-term incentive plans under which the executives directors may be entitled to receive shares of the company in case of compliance with pre-established objectives;
- (d) Remuneration in kind;
- (e) Other concepts: appropriate insurance and welfare systems; severance payments; or, as appropriate, post-contractual non-competition agreements.

The remuneration package for our Chief Executive Officer set forth in the services agreement approved on May 31, 2021 by our Board of Directors is as follows:

- (a) a fixed annual amount of €300,000;
- (b) an annual variable remuneration equivalent to 50% of the fixed remuneration in the event of 100% of the objectives achievement (target achievement) which would be equivalent to €150,000, and 60% in case of over-compliance, which would be equivalent to €180,000. For the year 2021, target achievement and over-compliance are defined below (see *Annual variable remuneration for executive directors details*);

- (c) the Chief Executive Officer will participate in the long-term management incentive plan in the Company. Based on the conditions described below (see Long Term Incentive chapter), the Chief Executive Officer will be entitled to maximum number of shares that will be equal to the result of dividing €1,080,000 by the price of each share of the Company on Admission at the market opening price.
- (d) remuneration in kind such as vehicle and health insurance;
- (e) other concepts: appropriate insurance and welfare systems; severance payments; or, as appropriate, post-contractual non-competition agreements.

The remuneration package for our Executive Chairman set forth in the services agreement approved on May 31, 2021 by our Board of Directors is as follows:

- (a) a fixed annual amount of €300,000;
- (b) an annual variable remuneration equivalent to 50% of the fixed remuneration in the event of target achievement which would be equivalent to €150,000, and 60% in case of over-compliance, which would be equivalent to €180,000. For the year 2021, target achievement and over-compliance are defined below (see *Annual variable remuneration for executive directors details*);
- (c) the Executive Chairman will participate in the long-term management incentive plan in the Company. Based on the conditions described below (see *Long Term Incentive* chapter), the Chief Executive Officer will be entitled to maximum number of shares that will be equal to the result of dividing €1,080,000 by the price of each share of the Company on Admission at the market opening price.
- (d) remuneration in kind such as vehicle and health insurance;
- (e) other concepts: appropriate insurance and welfare systems; severance payments; or, as appropriate, post-contractual non-competition agreements.

The directors do not receive any remuneration, benefits, compensation, etc. other than those detailed in this section.

Annual variable remuneration for executive directors details

Variable remuneration is linked to the achievement of certain objectives related to the Company's Strategic Plan, which are approved annually by the Board of Directors, on a proposal from the Appointments and Remuneration Committee, for each executive director.

For the fiscal year 2021, the amount to be delivered to each executive director corresponding to the annual variable remuneration shall be equal to 100% of the target amount granted to such executive director (described above) multiplied by a rate (the "Global Allocation Rate") equal to the weighted average of the "Standardized EBIT Allocation Rate" (for 50%) and the "Net revenue" (for 50%), in accordance with the rules set forth below.

Taking into account all the above, for the fiscal year 2021 the amount of the variable remuneration will depend on the following performance criteria:

- "Standardized EBIT": defined as earnings before interest and tax, this is, operating profit as reported in the annual accounts plus tax expense and interest expense (net of revenue).

At the end of the fiscal year 2021, the Standardized EBIT will be calculated and the Board of Directors will determine the Standardized EBIT Allocation Rate corresponding to the Standardized EBIT achievement, as follows:

Standardized EBIT	Standardized EBIT Allocation Rate
If Standardized EBIT less than €73,600,000	0%
If Standardized EBIT is equal to €73,600,000	80%
If Standardized EBIT is equal to €92,000,000	100%
If Standardized EBIT is equal to or above €110,400,000	120%

The values between the tranches shall be calculated by linear interpolation.

- **Net revenue:** defined as the revenue from sales and services plus the amount of other revenue, as reported in the annual accounts for each financial year.

At the end of the fiscal year 2021, the Net revenue will be calculated and the Board of Directors will determine the Net revenue Allocation Rate corresponding to the Net revenue achievement, as follows:

Net revenue	Net revenue Allocation Rate
If Net revenue less than €400,000,000	0%
If Net revenue is equal to €400,000,000	80%
If Net revenue is equal to €500,000,000	100%
If Net revenue is equal to or above €600,000,000	120%

The values between the tranches shall be calculated by linear interpolation.

In addition, the annual variable remuneration system includes specific clauses that allow the Company not to pay part or all of the accrued variable remuneration when certain circumstances determined by the Board of Directors occur.

Termination payments and post-contractual non-compete clauses for executive directors

Executive directors' agreements may be terminated for the following reasons:

- Extinction by mutual agreement.
- Extinction by unilateral decision of the executive director.
- Extinction of the Company of its free will for any reason, including those established in the Bylaws, without referring to seriously intentional and guilty conduct in the exercise of the functions of the executive director.
- Extinction by decision of the Company as a result of seriously intentional and guilty conduct in the exercise of the functions of the executive director.
- Extinction by change of control.

Termination of the executive directors' agreement for the reasons set out in item (c) above shall entitle executive directors to receive compensation equivalent to one (1) year's salary of their last total remuneration.

Termination of the executive directors' contract for the reasons set out in item (e) above shall entitle executive directors to receive compensation equivalent to two (2) annuities of their last total remuneration.

Finally, a post-contractual non-compete clause applicable during the next twelve (12) months from the date of termination of the relationship has been established for the executive directors. This non competition agreement will be compensated with a remuneration of fifty (50) per cent of their fixed remuneration.

Senior Management Compensation

In 2020 and until June 1, 2021, certain members of the Senior Management were employed by the Selling Shareholder for which we paid management fees. As of the date of the Prospectus, all members of the Senior Management are directly employed by the Company, except for our two executive directors who, in accordance with Spanish applicable law, are self-employed persons, and for our head of Investor Relations who provide services under a services agreement basis).

The summary table below outlines all remunerations received by our Senior Management for their role as such in 2020.

Accordingly, the estimated annual compensation payable to our Senior Management for 2021 will amount to €416.424,64 and for 2020 amounted to €416.424,64, not including directors' remuneration. The annual compensation of Senior Management is not linked to the market price of the Shares.

	2021	2020

Total salary	€416.424,64 (expected)	€416.424,64
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At the date of this Prospectus, there are no specific termination payments agreed with the Senior Management.

Long Term Incentive Plan for executive directors and key employees

The Long-Term Incentive Plan (the “LTIP”, the “Plan” or the “Incentive”) was approved by the sole shareholder on May 31, 2021. As of the date of this Prospectus, the Plan has been ratified by the Appointments and Remunerations Committee.

The LTIP is linked to the achievement of certain strategic objectives and aimed at the Company's executive directors and key employees, including all the senior managers of the Company. The Plan is contingent on the Admission taking place.

Beneficiaries: the LTIP is aimed at members of the Company who, due to their level of responsibility or their position in the Company, contribute decisively to the achievement of the Company's objectives (the "Beneficiaries"). In particular, the Beneficiaries would include certain key employees appointed by the Board of Directors at the proposal of the Appointments and Remuneration Committee, including Company's executive directors and senior management. At the time of publication of this prospectus, these Beneficiaries have not been determined but, the Incentive shares are awarded to a maximum of 40 designated persons.

Description of the LTIP: At the beginning of the Plan, the Company will allocate a certain amount to each Beneficiary, which will serve as a basis, in turn, to grant a certain number of “theoretical shares” that will serve as a reference to determine the number of shares to be delivered to each Beneficiary based on the degree of achievement of the Company's strategic objectives established for the Plan.

The number of “theoretical shares” granted to each Beneficiary at the beginning of the Plan will be calculated by dividing the amount allocated to each Beneficiary by the price of each share of the Company on Admission at the market opening price.

The measurement period of the Plan will be for the period from the date of Admission to listing and December 31, 2023 (the “Measurement Period”).

Performance conditions: The number of shares of the Company to be actually delivered to each Beneficiary at the end of the Plan shall depend on the fulfillment of the achievement of the corporate objectives to which the LTIP is linked: the “Total Shareholder Return” and the “Company's position in the ESG Risk Rating” (defined hereafter), calculated over a period comprising from the Admission to December 31, 2023 (the “Measurement Period”).

The number of Incentive Shares to be actually delivered to each Beneficiary at the end of each Measurement Period shall be equal to 100% of the target Incentive Shares granted to such Beneficiary on each Measurement Period at the date of approval of the LTIP multiplied by a rate (the “Global Allocation Rate”) equal to the weighted average of the “Total Shareholder Return Allocation Rate” (for 70%) and the “Company's position in the ESG Risk Rating in relation to the established comparison group” (for 30%), in accordance with the rules set forth below.

Taking into account all above, the amount of the Incentive will depend on the following performance criteria:

- **Total Shareholder Return:** is the return to shareholders for a given Measurement Period (as defined below) is equivalent to the sum of (i) the change in the closing price of the Company's ordinary shares on the Spanish Stock Exchanges at close of trading of the Company's shares at the date of beginning and end of the applicable Measurement Period less the net proceeds of any issuance of ordinary shares during such Measurement Period; and (ii) the total dividends (or any other form of remuneration or distribution to the shareholders) that are paid in such Measurement Period (the combined total of (i) and (ii)).

At the end of the Plan, the TSR will be calculated and the Board of Directors will determine the Total Shareholder Return Allocation Rate corresponding to such TSR Achievement Rate, as follows:

TSR	Total Shareholder Return Allocation Rate
If TSR less than 8%	0%
If TSR is equal to 8%	80%
If TSR is equal to 10%	100%
If TSR is equal to or above 12%	120%

The values between the tranches shall be calculated by linear interpolation.

- Company's position in the ESG Risk Rating in relation to the established comparison group: is the position resulting from the ESG Risk Analysis, which refers to the extent to which the Company is exposed to different material ESG issues and to how well the Company is managing its relevant ESG issues. The Company's exposure score takes into consideration subindustry and company-specific factors such as its business model.

At the end of the Plan, the Company's position in the ESG Risk Rating Rate will be reviewed by the Board of Directors and will determine the Company's position in the ESG Risk Rating Allocation Rate corresponding to such position in the ESG Risk Rating Rate, as follows:

ESG Achievement Rate	ESG Allocation Rate
Position 4 or 5	0%
Position 3	80%
Position 2	100%
Position 1	120%

Maximum number of shares: The Plan may not exceed the delivery of a maximum number of shares that will be calculated based on the share value at Admission. For these purposes, the maximum number of shares to be delivered to all the Beneficiaries of the Plan (including executive directors) will be equal to five (5) million euros divided by the value of the share at the time of Admission.

The shares granted to the Beneficiaries under the Plan could be newly issued shares or shares acquired by the Company.

Deferral: at least fifty (50) per cent of the Shares of the Company shall be delivered on a deferred basis during the next fiscal year following that in which the remaining percentage was delivered (to be delivered during the three months following the end of the measurement period). This deferral calendar will apply at least for executive directors.

Others: the shares delivered may not be transferred for a period of at least three (3) years after their delivery, except in the case where the executive director maintains at the time of the transfer, a net economic exposure to the variation in the price of the shares for a market value equivalent to an amount of at least twice his annual fixed remuneration through the ownership of shares, options or other financial instruments.

Ex post adjustments: the Plan regulations will contain "malus" clauses, which allow the partial or total cancellation of the delivery of the shares pending payment, and "clawback" clauses, which allow the total or partial recovery of the shares delivered, when certain exceptional circumstances affecting the Company's results, or arising from inappropriate conduct by the Beneficiary, occur.

D&O Insurance Policy

As of the date of this Prospectus we maintain a directors and officers ("**D&O**") insurance policy that protects the members of the Board of Directors of the Company and management bodies of the subsidiaries from liabilities incurred as a result of actions taken in their official capacity as administrators. In accordance with the terms and conditions of this policy, coverage is limited to €9,000,000 in aggregate. However, we review the terms and conditions of this policy each year in order to adapt them as the Company grows.

Share ownership

The table below sets out our shares directly or indirectly held by members of the Boards of Directors and Senior Management as of the date of this Prospectus.

Director	Pre-Offering		Over-allotment option not exercised		Over-allotment option exercised in full	
	Number of shares	%	Number of shares	%	Number of shares	%
Mr. José Esteban Conesa Alcaraz	140,000,000	100 ⁽¹⁾	105,000,000	75	101,500,000	72.5

⁽¹⁾ Through the indirect control of Krone-Mur Servifrio, S.L. in which he is the ultimate owner with a 50.22% (0.26% directly held and 49.96% indirectly held through Ondina Capital, S.L.)

Corporate Governance Recommendations

The Spanish Companies Act sets out certain legal provisions related to corporate governance mandatorily applicable to Spanish listed companies on the Spanish Stock Exchanges. As of the date of this Prospectus, we comply with the requirements of the Spanish Companies Act.

Additionally, the CNMV Good Governance Code of Listed Companies (the "**Corporate Governance Code**") sets out certain non-binding recommendations on corporate governance to be considered (on a "comply or explain" basis) by the companies listed on the Spanish Stock Exchanges.

In particular, as of the date of this Prospectus, we comply with recommendations 1, 12, 13, 15, 16, 17, 22, 25, 29, 34, 39, 42, 43, 47, 50, 52, 53, 54 and 56 of the Corporate Governance Code.

Upon Admission, the Company will comply with recommendations 2, 3, 5, 6, 7, 8, 10, 18, 19, 20, 21, 23, 24, 26, 27, 28, 30, 31, 32, 33, 35, 36, 41, 44, 49, 51, 55, 57, 58, 59, 60, 61, 62, 63 and 64.

Additionally, we have to highlight certain aspects regarding the following recommendations:

- recommendation 4: as of the date of this Prospectus, we have a limited number of shareholders, and thus has not discussed the convenience to have a policy of communication and contacts with shareholders, proxy advisors and institutional investors or a policy of communication of economic-financial, non-financial and corporate information. However, once the ordinary shares of the Company are admitted to trading, the Company will consider as a priority the approval and implementation of a policy of communication and contacts with shareholders, proxy advisors and institutional investors and a policy of communication of economic-financial, non-financial and corporate information under the principles of transparency and respect to all parties. The Board of Directors will approve these policies within a reasonable timeframe and will subsequently make them available on our website together with information related to how they are put in practice;
- recommendation 9: according to our internal regulations, the Company will make public on its website on a permanent basis, before the first General Shareholders' Meeting, the requirements and procedures it will accept to prove the ownership of shares, the right to attend the General Shareholders' Meeting and the exercise or delegation of voting rights. Such requirements and procedures shall facilitate attendance and the exercise of their rights by shareholders and shall be applied in a non-discriminatory manner;
- recommendation 11: as of the date of this Prospectus, the Company does not, and does not foresee to, pay attendance bonus (*primas de asistencia*) to its shareholders for attendance at the General Shareholding Meeting. Consequently, we have not approved, and does not foresee to approve in the near future, an attendance bonus policy. Nevertheless, if the Company decides to start paying attendance bonus (*primas de asistencia*) to its shareholders, the Board of Directors will approve a general and stable attendance bonus policy beforehand;
- recommendation 14: as of the date of this Prospectus, the Board of Directors has not approved a policy for selecting its members. The Company intends to approve this policy before December 31, 2021; and
- recommendation 45 and 46: as of the date of this Prospectus, the Board of Directors has not approved a risk control and management policy or a risk control and management function yet.
- however, we intend to develop and approve a risk control policy before October 31, 2021 that will identify the Group's strategic, operational, financial, legal compliance and ESG (Environmental, Social and corporate Governance) risks and categorize them based on their potential impact on our businesses and activities, identifying the adequate measures to mitigate the impact of those risks that could materialize; and
- likewise, we intend to adopt policies and develop procedures and systems to implement the best practices taking into consideration the recommendations and procedures regarding the control of financial information set by the CNMV in terms of Internal Control over Financial Reporting System (*Sistema de Control Interno sobre la Información Financiera*) ("**SCIIF**"). These procedures and system are expected to be in place before October 31, 2021. They shall ensure the reliability and integrity of the Group's financial information and be compliant with all the relevant accounting regulations. Following the CNMV recommendations, we are designing an internal control system capable of: 1) ensuring an adequate control environment, 2) identifying our critical risks and key controls for the reliability of our financial information, 3) anticipating corrective measures in the event of possible changes in the organization in terms of processes, systems, etc. with impact on the financial information, 4) being efficient and effective, and 5)

promoting a culture, control awareness and the quality of financial information throughout the organization; establishing and monitoring procedures to ensure compliance with the principles of ethics and professional integrity and correcting deviations from these values within our organization.

The following recommendations are not applicable to the Company: 19, 37, 38 and 48.

Other Corporate Governance Commitments

In terms of tax provisions, upon Admission, the Company intends to:

- (a) Design and document a tax strategy approved by the Board of Directors, which shall have a global nature and establish our tax principles of action.
- (b) Design and document a tax risk control and management process, approved by the Board of Directors, where our principles of action regarding tax risks shall be set out.

Following the Spanish Companies Act's provisions, the Board of Directors will prepare an annual corporate governance report and such report will be submitted to the shareholders for information purposes. The report will be reproduced in the consolidated management report (*informe de gestión*) of our individual and consolidated audited financial statements.

Upon Admission, our corporate website (www.primafrio.com) will meet the requirements imposed by the Spanish securities market regulations. In accordance with Article 539 of the Spanish Companies Act, Order ECC/461/2013 of March 20 and CNMV's Circular 3/2015 of June 23, our website shall include, among other information, the following:

- a. By-Laws;
- b. The latest individual and consolidated (where applicable) financial statements and the annual reports of last five years;
- c. Certain non-financial information that must be mandatorily disclosed;
- d. General Shareholders' Meeting Regulations;
- e. Board of Directors Regulations;
- f. Annual reports on corporate governance;
- g. Information on the exercise of voting rights by the shareholders as well as documents with respect to the General Shareholders' Meeting and its developments;
- h. Electronic forum for shareholders to be used for the purpose of facilitating communication among shareholders prior to the General Shareholders' Meeting;
- i. Inside information notices (*comunicación de información privilegiada*) and other relevant information notices (*comunicación de otra información relevante*);
- j. Shareholders agreements, if any;
- k. Reporting of significant stakes (*comunicación de participaciones significativas*);
- l. Average period of payment to suppliers; and
- m. Contact and communication channels with shareholders and mechanism to allow voting.

Conflicts of Interest

Pursuant to Article 21 of the Board of Directors Regulations, directors will face a conflict of interest when the interests of the director, whether for their own account or for the account of others, collide, directly or indirectly, with the interests of the Company or of the companies belonging to its Group and with his duties towards the Company. There is a personal interest of a director in a matter when the matter affects him or a person related to him or, in the case of a proprietary director, in addition, the shareholder or shareholders who proposed or made his appointment or persons directly or indirectly related to them.

There will be an interest of the director when the matter affects him/ her or a person connected with him/ her or, in the case of a proprietary director, in addition, the shareholder or shareholders who proposed or made his/ her appointment or persons related directly or indirectly to him/ her.

In particular, pursuant to Article 229 of the Spanish Companies Act, the directors (and related parties to directors) should refrain from:

- a. Conducting transactions with the Company, except for ordinary transactions made in standard conditions for clients with slight relevance, with such transactions defined as those that do not need to be reported to faithfully reflect the Company's assets, financial situation and results.
- b. Using the name of the Company or their capacity as director to unduly influence private transactions.
- c. Using corporate assets, including confidential information on the Company, for private purposes.
- d. Taking advantage of business opportunities of the Company.
- e. Obtaining advantages or remunerations from third parties other than the Company and its Group that were associated with holding their position, except in the case of service provided merely as a courtesy.
- f. Conducting activities on their own behalf or on behalf of others that would entail effectively competing with the Company at the present time or in the future, or which in any way might place them in permanent conflict with the Company's interests.

The above provisions will also apply if the beneficiary of the prohibited acts or activities indicated in the preceding paragraphs is a person connected to the director in accordance with the Law.

Each member of the Board of Directors is required to report to the Board of Directors any circumstances that may give rise to a conflict of interest, direct or indirect, with the Company. In all events, the situations of conflict in which our Directors are involved shall be reported in the notes to the financial statements and in the annual corporate governance report.

Members of the Board of Directors shall abstain from participating in the debate and voting on resolutions or decisions in connection with which such directors or any person related to them are affected by a conflict of interest, whether direct or indirect. According to the Amendments to the Spanish Companies Act, the new article 529 vices et seq of the Spanish Companies Act contemplates a specific disclosure and approval procedure that should be complied with when our directors engage in related party transactions (see "*Related Party Transactions*").

Additionally, directors should abstain from engaging in commercial or professional transactions which may give rise to a conflict of interest, without having first informed and received approval from the Company.

During the financial years 2020, 2019 and 2018, the former Sole Director has complied with the obligation set forth in article 228 of the Spanish Companies Act and avoided conflicts of interest. Both he and the persons related to him have restrained from activities that could be considered conflict of interest under article 229 of the Spanish Companies Act, except in those cases in which the relevant authorisation has been obtained.

To the best of our knowledge, as of the date of this Prospectus, there are no actual or potential conflicts of interest between our directors or our Senior Management and us, and none are engaged in self-dealing or personally engaged in any business that could be deemed as part of our operations.

Finally, our Audit Committee will review conflicts of interest situations following the approval of this Prospectus.

Securities Markets Code of Conduct

Although it is no longer mandatory pursuant to the reform of the Securities Market Act enacted by Royal-Decree-Law 19/2018 (*Real Decreto-ley 19/2018, de 23 de noviembre, de servicios de pago y otras medidas urgentes en materia financiera*), in order to comply with market abuse regulations, we have implemented and defined a transparent set of the rules and regulations, which is compliant with Market Abuse Regulations.

On May 31, 2021 the Board of Directors approved the Securities Market Code of Conduct (*Reglamento Interno de Conducta en los Mercados de Valores*) which will be effective upon Admission. The Securities Market Code of Conduct applies to, among other persons, all members of the Board of Directors, Senior Management and employees who have regular access to inside information, as defined under the Securities Markets Code of Conduct. It regulates their conduct in respect of matters such as inside information, market manipulation and conflicts of interest.

Compliance Internal Policies

The Group has put in place a Code of Ethics requiring both internal mandatory compliance and third party compliance. Third parties also sign an agreement to comply with labour risk prevention, protection of the environment, compliance agreement, etc. The Company also has in place a catalogue of forbidden conducts.

Upon Admission we have the intention to implement internal compliance policies to manage risks in accordance with our basic principles of anti-corruption, SOS communication channels, and criminal compliance protocols. Such internal compliance policies consist of a set of substantive rules, formal procedures and material actions aimed at guaranteeing compliance with ethical principles and applicable legal provisions and preventing, avoiding and mitigating risks resulting from irregular, unethical or illegal behaviors from the Company's professionals.

Family Relationships

Mr. Jose Esteban Conesa Alcaraz and Mr. Juan Ignacio Conesa Alcaraz are brothers and co-founders of Primafrio. Other than their relationship, there are no family relationships or "close relatives" (as this term is defined in applicable regulations for related party transactions and, in particular, in Order EHA/3050/2004 of September 15, 2004 on information to be disclosed by listed companies regarding related party transactions) among the directors, the directors and other members of our Senior Management or the members of our Senior Management.

No Convictions and Other Negative Statements

None of our directors or members of our Senior Management has, in the five years preceding the date of this Prospectus: (i) been convicted in relation to fraudulent offenses; (ii) acted as members of the board of directors of entities affected by bankruptcy, receivership or liquidation; (iii) been publicly incriminated and/or sanctioned by statutory or regulatory authorities (including designated professional bodies); or (iv) been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer of securities or from acting in the management or conduct of the affairs of any issuer.

PRINCIPAL AND SELLING SHAREHOLDER

As of the date of this Prospectus, our issued share capital amounts to 14,000,000, divided into 140,000,000 ordinary shares, each with a par value of €0.10 and belonging to a single class. Each of our ordinary shares entitles the holder to one vote and there is no limit as to the maximum number of voting rights that may be held by individual shareholders or by companies of the same group.

As of the date of this Prospectus, our sole shareholder is the Selling Shareholder with corporate domicile at Autovía A7 direction to Alhama De Murcia – Exit 596, Paraje las Ramblillas, 30840 – Alhama De Murcia (Murcia), Spain. The Selling Shareholder share capital is split between (i) Ondina Capital, S.L. (owner of 49.96% of the share capital); (ii) Azahar Global Capital, S.L. (owner of 49.78% of the share capital); and (iii) Mr. Jose Esteban Conesa Alcaraz (owner of 0.26 % of the share capital). Ondina Capital, S.L. is owned by Jose Esteban Conesa Alcaraz in 99.99% and Azahar Global Capital, S.L. is owned by Juan Ignacio Conesa Alcaraz (93.68%) and his wife (6.32%). Therefore, for the purposes of article 42 of the Spanish Commercial Code by remission of article 5 of the Securities Market Act, the Selling Shareholder is ultimately controlled by Jose Esteban Conesa Alcaraz. Neither shareholders agreements are in place nor are there concerted actions between them. Decisions in Krone-Mur Servifrio, S.L., Ondina Capital, S.L. and Azahar Global Capital, S.L. are adopted according to the majorities set forth in the Spanish applicable legislation for S.L. companies. Given that the Company has a controlling shareholder, the Board of Directors has been configured with a majority of independent directors, as a counterbalancing mechanism to prevent abuse of control.

The following table sets forth the shareholding and voting rights in the Company by Primafrio's sole shareholder immediately (i) prior to the Offering; and (ii) after the Offering, together with the expected shareholding and voting rights in the Company of the free float, upon completion of the Offering.

Shareholder	Pre-Offering		Offering		Post-Offering			
	Number of shares	%	Number of Shares offered in the Offering ⁽¹⁾	Number of Shares subject to the Over-Allotment Option	Number of Shares owned assuming no exercise of Over-allotment Option	%	Number of Shares owned assuming full exercise of Over-allotment Option exercised in full	%
Krone-Mur Servifrio, S.L.	140,000,000	100 ⁽²⁾	35,000,000	3,500,000	105,000,000	75	101,500,000	72.5
Free float	-	-	-	-	35,000,000	25	38,500,000	27.5

⁽¹⁾ All of our shares have the same voting rights attached to each of them.

⁽²⁾ Krone-Mur Servifrio, S.L. is ultimately controlled by Mr. Jose Esteban Conesa Alcaraz with a 50.22% (0.26% directly held and 49.96% indirectly held through Ondina Capital, S.L.)

Shareholders' Agreements

As of the date of this Prospectus there are no shareholders' agreements in force among our shareholders.

Change of Control of the Company

The Company is not aware of any arrangements that would result in a change of control in the Company at a subsequent date.

Lock-up Arrangements

For a discussion of certain lock-up arrangements, see "*Plan of Distribution–Lock-up*".

RELATED PARTY TRANSACTIONS

General Information

We enter into transactions with certain related parties or their affiliates from time to time and in the ordinary course of business. These related party transactions are performed on an arm's length basis and transfer prices are adequately supported based on the requirements established by current tax regulations. Thus, although prices have not been assessed by a third party, (except for the Sale and lease-back of Alhama facility which was assessed by an independent expert- see "Material Contracts"), we consider that there are no material risks in this respect that might give rise to significant liabilities in the future.

For IFRS-EU purposes, a "**related party**" is a person or entity that is related to the entity that is preparing its financial statements. We are required to report all related party transactions, as defined in International Accounting Standard 24 "Related Party Transactions", in accordance with IFRS-EU.

Prior to the Offering, the Company considered related parties the following:

- our affiliates and Group companies;
- the Selling Shareholder;
- members of the Board of Directors;
- senior Managers;
- persons or entities related to the Selling Shareholder; and
- directors and managers of Group companies.

Following Admission, related party transactions will be considered according to the Spanish Companies Act as, transactions performed by the Company or its subsidiaries with directors, shareholders that own 10% or more of voting rights or shareholders which can appoint directors of the Company, or any other persons considered related parties according to international accounting applicable rules. However, as an exception to these listed transactions, the following are not considered related party transactions and therefore would not be subject to the disclosure and approval procedure detailed below: (a) transactions entered between us and our wholly owned subsidiaries; (b) the approval by the Board of Directors of the delegation contracts to be entered into between us and our executive directors, including our Chief Executive Officer or our senior managers performing executive duties, save for the obligation of each relevant executive director to not participate in such meeting of the Board of Directors that will deliberate on his or her delegating contract; and (c) transactions entered into between us and our subsidiaries as long as no other related party to us has any interests in said subsidiaries.

According to the Spanish Companies Act, related party transactions must be approved and disclosed as follows:

- a. The General Shareholders' Meeting shall approve the transactions if their value is higher than 10% of the total assets according to the last approved annual balance sheet of the Company. The relevant shareholder affected by the related party transaction shall not vote at the General Shareholders' Meeting, except where the proposed resolution has been approved by the Board of Directors without the majority of independent directors voting against it.

The Board of Directors shall have the authority to approve the rest of the related party transactions. The conflicted director or the director representing or related to the conflicted shareholder must abstain from participating in the deliberation and voting of the corresponding resolution. However, directors who represent or are related to the holding company in our Board of Directors may vote, in which case, if the decision or vote of such Directors is decisive for the approval of such transaction, it shall be up to such director to prove that the decision was in the best interest of the company.

Regardless of the value of the transactions or the governing body that approves them, a prior report of the Audit Committee is required. The Audit Committee, without the participation of the affected directors, shall evaluate whether such transactions are fair and reasonable from the Company's perspective and from the perspective of the shareholders that are not party to the relevant transaction, if any. The Audit Committee's report shall not be required in the following cases:

- i. Transactions among companies of the same group, performed in their ordinary course of business and at arm's length;
- ii. Transactions performed under contracts whose conditions are standardized and applied to a large number of clients generally, performed at prices or rates generally established by the supplier of the relevant goods or services and whose amount is not higher than 0.5% of the net revenue of the company.

The Board of Directors may delegate in certain circumstances the authority to approve related party transactions, such as ordinary transactions entered into in the ordinary course of business and at arms-length, and transactions entered into pursuant to an agreement with standard conditions and applied to a large number of clients. Related party transactions approved under the delegation granted by the Board of Directors shall not require the Audit Committee prior report, but the Board of Directors shall have in place an internal procedure for information and monitoring, where the Audit Committee must be involved, in order to supervise that all the applicable requirements mentioned are complied with.

- b. Related party transactions performed by the Company or the Group shall be disclosed at the moment of their execution, at the latest, provided that they represent at least:
- i. 5% of the total assets of the relevant company; or
 - ii. 2.5% of the annual revenue of the relevant company.

The announcement shall be inserted in an easily accessible place on the corporate website and communicated to the CNMV for its public disclosure.

We do not enter into transactions with related parties on terms more favourable to them than those which we would offer to third parties. We believe that the prices and terms and conditions set forth in the below-mentioned transactions are comparable to those that would be obtained at arm's-length with unrelated parties, which, in turn, comply with applicable transfer pricing regulations. Moreover, we believe that we have complied and are in compliance in all material respects with the requirements of the relevant provisions of the Spanish laws governing related party transactions with respect to all of our transactions with related parties.

Following Admission, the Audit Committee, within the following three months, will review these related party transactions and submit them for their approval by the Board of Directors or the General Shareholders' Meeting if that is the case.

Balances with related parties

The detail of the balance with related parties for the three-month period ended March 31, 2021 and the years ended December 31, 2020, 2019 and 2018 is as follows:

As of March 31, 2021	Trade and other receivables	Other payables⁽²⁾	Other current financial assets	Other non-current financial assets⁽¹⁾	Other current financial liabilities
	<i>(in thousands of euros)</i>				
- Selling Shareholders	1,499	(56)	28,162	-	-
- Affiliates and Other group companies	-	-	83	-	-
- Jointly controlled companies	1,102	(1,063)	-	-	-
- Other related parties	1,332	(76)	-	945	-
Total	3,933	(1,195)	28,245	945	-
As of December 31, 2020	Trade and other receivables	Other payables⁽²⁾	Other current financial assets	Other non-current financial assets⁽¹⁾	Other current financial liabilities
	<i>(in thousands of euros)</i>				
- Selling Shareholders	88	(333)	1	-	(221)
- Affiliates and Other Group Companies	-	-	1	-	-
- Jointly controlled companies	1,034	(677)	-	-	-
- Other related parties	1,332	(157)	1	945	-
Total	2,454	(1,167)	3	945	(221)

- (1) Our Consolidated Financial Statements reflected a balance with Primafrio US LLC of €0.9 million in "Other non-current financial assets with other Group companies" as of the three-month period ended March 31, 2021 and as of the year ended December 31, 2020. However, after the presentation of these financial statements, we have reclassified the balance to "Other non-current financial assets with other related parties" since Primafrio US LLC is a fully owned subsidiary of the Selling Shareholder.

As of December 31, 2019	Trade and other receivables	Other payables ⁽²⁾	Other current financial assets	Other current financial liabilities	Dividend payable
<i>(in thousands of euros)</i>					
- Selling Shareholders	91	(603)	-	-	(3,500)
- Affiliates and Other group Companies	1	-	31	-	-
- Jointly controlled companies	1,105	(1,221)	-	(2)	-
- Other related parties	1,927	(286)	1	-	-
Total	3,124	(2,110)	32	(2)	(3,500)

As of December 31, 2018	Trade and other receivables	Other payables ⁽²⁾	Other current financial assets	Other non-current assets	Other current financial liabilities
<i>(in thousands of euros)</i>					
- Selling Shareholders	7	(1,605)	-	-	-
- Affiliates and Other group Companies	3	-	-	-	-
- Jointly controlled companies	674	(905)	-	-	-
- Other related parties	2,332	(351)	13,097	-	(12,293)
Total	3,016	(2,861)	13,097	-	(12,293)

- (2) Our Consolidated Financial Statements reflected balances with Transportes Nafimar, S.L. of €0.1 million and €0.1 million, €0.3 million and €0.4 million in "Other payables with other Group companies" as of the three-month period ended March 31, 2021 and as of the years ended December 31, 2020, 2019 and 2018, respectively. However, after the presentation of these financial statements, we have reclassified the balances to "Other payables with other related parties" since Transportes Nafimar, S.L. is a fully owned subsidiary of the Selling Shareholder.

During the first quarter of the 2021 financial year, we granted a loan amounting to €28 million to the Selling Shareholder (*Other current financial assets*), which has been settled during the second quarter of the year as partial distribution of the total €50 million dividend distribution agreed in April 2021. In addition, during 2020 we granted a credit line up to €2 million to a related party, Primafrio US LLC (a fully owned subsidiary of the Selling Shareholder), for which the balance drawn as of March 31, 2021 and December 31, 2020 amounted to €0.945 million (*Other non-current financial assets*). This credit line has a duration of five years with an interest rate of 1% per annum payable annually commencing on March 18, 2020. This credit line was granted for the event that Primafrio US LLC needed to undertake some investment, but it remains unused at the current time. Additionally, *Trade and other receivables* with the Selling Shareholder (€1.4 million) mainly correspond to the cost that we beared for certain investments in leased properties which were subsequently billed to the Selling Shareholder. This has been a punctual circumstance, as investments in leased logistic centers are performed by our Selling shareholder or other related parties.

The balances of *Other current financial assets* and *Other current financial liabilities* with Other related parties as of December 31, 2018 relate basically to contributions made to the Economic Interest Groupings and amounts to be returned to them that were pending cancellation at the end of 2018 and which were cancelled during 2019, once the interest in the aforementioned EIGs are disposed of, without generating any results or a relevant net effect on the Group's cash flows.

The balances of *Trade and other receivables* from Jointly controlled companies correspond to the accounts receivable in relation to transportation services, as well as to the leasing of tractors and trailers provided by us to Primavia Europe, S.L. and Primavera and the balances of *Trade and other receivables* from Other related parties mainly correspond to the accounts receivables with Yosemite Holding, SGPS, LDA, (99.97% owned by Juan Ignacio Conesa Alcaraz) which balance is expected to be settled in the next two years.

Other payables balances from Jointly controlled companies mainly correspond to the accounts payables to Primavia in connection to road and intermodal transportation services subcontracted to Primavia, as well as services billed by Primavera due to the use of the logistic sites. The balances of Other payables from Other related parties mainly correspond to fleet management services provided and billed by Transportes Nafimar, S.L., a company under the control of the Selling Shareholder, to Primafrio, S.L., Doctrans Transportes, Lda and Lamision, Lda for a fee of €36 per managed truck. As of April 2021, 20 employees in charge of fleet management service have been transferred to Primafrio. These workers have been subrogated with all their pre-existing rights and obligations (seniority, salary, etc.) and since that time they have become, for all purposes, employees of Primafrio and provide administrative and management services to the Group. Thus, at the date of this Prospectus, these related party transactions between Transportes Nafimar, S.L. and us in connection to the fleet management services are no longer posted.

Transactions with Related Parties

During 2020, all related party transactions were coordinated by the operational and administrative heads, subject to prior approval of the Group companies' administrative bodies.

The breakdown of material related party transactions entered into during the periods covered by the Consolidated Financial Statements is set out below. All of our related party transactions are carried out at arms' length.

	Revenues and services rendered	Supplies and services received⁽³⁾	Current leases	Sale of fixed assets	Financing granted
<i>(in thousands of euros)</i>					
For the three-month period ended March 31, 2021					
Selling Shareholder	286	(719)	-	1,238	28,000
Affiliates and Other group companies	4	-	(17)	-	-
Jointly controlled companies	660	(2,698)	-	-	-
Other related parties	-	(535)	(87)	3,375	-
Total	950	(3,952)	(104)	4,613	28,000
<i>(in thousands of euros)</i>					
For the year ended December 31, 2020					
- Selling Shareholder	135	(3,454)	-		
- Affiliates and Other group companies	23	-	(67)		
- Jointly controlled companies	2,849	(7,997)	-		
- Other related parties	12	(806)	(350)		
Total	3,019	(12,257)	(417)		
For the year ended December 31, 2019					
- Selling Shareholder	152	(3,084)	-		
- Affiliates and Other group companies	24	-	(67)		

- Jointly controlled companies	3,072	(6,272)	-
- Other related parties	12	(2,251)	(350)
Total	3,260	(11,607)	(417)
For the year ended December 31, 2018			
- Selling Shareholder	20	(2,853)	-
- Affiliates and Other group companies	8	-	(67)
- Jointly controlled companies	855	(1,019)	-
- Other related parties	-	(2,121)	(350)
Total	883	(5,993)	(417)

(3) Our Consolidated Financial Statements reflected transactions with Transportes Nafimar, S.L. of €0.2 million and €0.8 million, €0.5 million and €0.7 million in "Supplies and services received with other Group companies" as of the three-month period ended March 31, 2021 and as of the years ended December 31, 2020, 2019 and 2018, respectively. However, after the presentation of these financial statements, we have reclassified the balances to "Supplies and services received with other related parties" since Transportes Nafimar, S.L. is a fully owned subsidiary of the Selling Shareholder.

The detail regarding our main related party transactions indicated in the table above is as follows:

- Sale of *fixed assets* in the first quarter of 2021 mainly relate to the investments in leased properties that has been subsequently billed to the Selling Shareholder (€1.2 million). This has been a punctual circumstance, as investments in leased logistic centers are performed by our Selling shareholder. In addition, during 2020 we sold other fixed assets amounting to €3.4 million (painting and certain pieces of art acquired by us in 2019) to Other related parties (Azahar Global Capital, S.L.) at the acquisition price and thus no profit was recorded as a result of the sale.
- *Sale of Financing* granted correspond to the loan amounting to €28 million that we granted to the Selling Shareholder ("*Other current financial assets*") during the first quarter of 2021, which has been settled during the second quarter of the year as partial distribution of the total €50 million dividend distribution agreed in April 2021.
- *Revenues and services rendered* from Jointly controlled entities, amounted to €0.7 million in the first quarter of 2021 and €2.8 million, €3.1 million and €0.9 million in the years ended 2020, 2019 and 2018, respectively, mainly correspond to transportation services, as well as to the leasing of tractors and trailers provided by Group companies (mainly Doctrans) to Primavia, as it does not have enough fleet to attend pics of demand. The *Supplies and services received* from Jointly controlled companies, amounted to €2.7 million in the first quarter of 2021 and €3.0 million, €6.3 million and €1.0 million in the years ended 2020, 2019 and 2018, respectively, correspond mainly to provision of intermodal transportation services subcontracted to Primavia (amounted €7.3 million in 2020) as well as services billed by Primavera due to the use of the logistic sites (amounted €0.7 million in 2020) (see Note 12 to the Audited Consolidated Financial Statements).
- *Supplies and services received* from Affiliates and Group Companies mainly correspond to fleet management services provided by Transportes Nafimar, S.L., a company under the control of the Selling Shareholder, for a fee of €36 per managed truck. As of April 2021, 20 employees in charge of fleet management service have been transferred to Primafrio. These workers have been subrogated with all their pre-existing rights and obligations (seniority, salary, etc.) and since that time they have become, for all purposes, employees of Primafrio and provide administrative and management services to the Group.
- *Supplies and services received* from the Selling Shareholder mainly relate to loan operating expenses of €3.1 million in 2020 (€2.9 million in 2019 and €2.3 million in 2018) with respect to management fees (which include both Senior Manager and Administration, and operational charges) charged by the Selling Shareholder to the Group, as the majority of the personnel providing managing and administrative functions for the whole Group were employees of the Selling Shareholder until the end of 2020, when we started a reorganization of the Group. In 2021, as indicated in Note 17 to the Audited Consolidated Financial Statements, the majority of this personnel has been transferred to the Company, in order to provide the Group with its own operational structure, Primafrio has incorporated 56 employees in March and 10 employees in June 2021 into its workforce who were previously employees of the Selling Shareholder and who provided administration and management services to the Group that were invoiced annually by the Selling Shareholder to the Company. These workers have been subrogated with all their

pre-existing rights and obligations (seniority, salary, etc.) and since said month they are to all intents and purposes employees of Primafrio and will provide administration and management services to the Group. Consequently, only a group of 16 persons currently remain as employees of the Selling Shareholder providing services to Primafrio and other companies of the Group. The agreement envisages the provision by the Selling Shareholder to the Company and other beneficiary Group companies (Primafrio, S.L., Green Express Line, S.L., Primavia Europe, S.L., Renta Frio Truck and Trailer, S.L., and Amodo Mio Logist Cargo, S.L.) of managing and administrative the following services: insurance management, quality management and workplace risk prevention, labour advice, IT services and other minor administrative services. In consideration for the services provided by the Selling Shareholder, the beneficiaries of the services must pay to the Selling Shareholder as a fee approximately 39 thousand euros per month.

- Finally, in 2020, we paid rental fees of €0.6 million per year to the Selling Shareholder and other related parties for the right to use five of our six operational sites in Spain and Portugal (since the Group owned its logistics platform site in Alhama (Murcia) until March 31, 2021):
 - (i) in relation to our two logistics centers, in Álava and Lisboa, rented from the Selling Shareholder, we recorded a rental cost of €0.2 million in annual rent fees (similar amounts were paid in 2019 and 2018).
 - (ii) in relation to annual rents paid to related parties to the Selling Shareholder that own the logistics centers used for our operations in Lepe (Huelva) and in Polígono Industrial de la Serreta (Molina de Segura, Murcia) and annual rents paid to a company dependent on the Selling Shareholder for the use of the logistic site in Gerona, we recorded a rental cost of €0.4 million in 2020 (similar amounts in 2019 and 2018).

As for our sixth operational site in Alhama (Murcia), this was initially owned by our subsidiary Primafrio, S.L., on February 18, 2021, the facility was contributed by Primafrio, S.L. to its fully owned subsidiary Primafrio Huelva, S.L. On May 6, 2021, Primafrio, S.L. sold 100% of the shares of Primafrio Huelva, S.L. to a party related to the Selling Shareholder (Ondina Capital, S.L.). In connection with this sale and lease-back transaction, we have entered on February 18, 2021 with Primafrio Huelva, S.L. a lease contract for 10 years (without automatic extension) and an annual rent of almost €2.3 million (as per a third-party appraisal). The total amount for the annual rent determined by a third-party appraisal was €2.3 million. Nevertheless, other companies (the Selling Shareholder or related parties to the Selling Shareholder) also rent a minimal part of the spaces (workshop and offices) to Primafrio Huelva, S.L. in Alhama facility, in exchange of an annual payment of 32 thousand Euros, so the total rent received by the lessor equals the total value of the third-party appraisal (€2.3 million). See "*Material Contracts*" for further information regarding this transaction.

As part of the implementation of IFRS 16, the contracts in relation to Álava and Lisboa logistics centres with our Selling Shareholder have been classified as a right of use of an asset and a lease liability, for the total amount expected to be paid over the contract, discounted at net present value, which amounts €1 million respectively as of December 31, 2020. Such assets are depreciated over the contract period, which in both cases currently finalizes in 2026. Depreciation charge for the periods related to these contracts is similar to the annual payments made to the owner in relation to the rents. The rest of the contracts for the sites in Gerona, Lepe and Molina de Segura are annually renewed and the Company believes that are easily replaceable by other facilities, as the investment made by the Group in those is minimal, so the Company has considered that they should be excluded of IFRS 16. The new rental agreement in relation to Alhama sale and lease back transaction will generate a right of use and lease liability of €20 million in the second quarter of 2021.

- On March 1, 2021 Primafrio, S.L. entered into a workshop service contract with the Selling Shareholder for the provision of trailer maintenance and repair services for a five-year period (see "*Related Party Transactions*"). These services are provided on an ad hoc basis and are ancillary to the maintenance services that are included in the contracts held with the OEMs. In consideration for the services provided by the Selling Shareholder, Primafrio, S.L. must pay to the Selling Shareholder as a fee approximately 33.4 thousand euros per month.

Prices for related party transactions are determined based on an analysis of comparable market prices performed by management and a subsequent approval of the administration body of the corresponding company (except for the Sale and lease-back of Alhama facility which was assessed by an independent expert- see "*Material Contracts*").

We believe that our related party transactions have been entered into on an arm's length basis. See Note 12 to the Audited Consolidated Financial Statements for further detail.

Additionally, the 11% stake in CTC that the Selling Shareholder acquired for €0.2 million on March 22, 2021, will be transferred by the Selling Shareholder to the Company by virtue of a contract of sale granted by both parties on June 8, 2021, which is subject to the condition (*condición suspensiva*) that the general shareholders meeting of CTC to be held on June 14, 2021 authorises such transfer. This 11% stake in CTC will be transferred by the Selling Shareholder to the Company for €0.4 million (the €0.2 million initially paid plus €0.2 million contributed to the net equity of CTC by the Selling Shareholder on April 15, 2021), therefore, no gain or loss will arise.

We will also enter into other related party transactions regarding the incrementation of the logistics capacity in some of our logistics centres we currently operate (works are planned in our centres located in Lepe and Azambuja (both in Spain) to increase our logistics capacity in 1,300 sqm and 37,000 sqm respectively) and the construction in the mid-term of two new logistics centres located: one in Algeciras and the other in the north of France, near the German border. These investments will be performed similarly as we did in our current logistics centres, where the investment is performed by the Selling Shareholder or other related parties, who will own the centres and will subsequently lease them to us, in exchange of an annual rental calculated on arm's length conditions.

Remuneration paid to members of the Board of Directors

For the years ended December 31, 2020, 2019 and 2018, Mr. Jose Esteban Conesa Alcaraz, as CEO, and Mr. Juan Ignacio Conesa Alcaraz, as general manager, received remuneration from the Selling Shareholder, which was billed to us through the management fees mentioned above.

The office of Sole Director of the Company held by Mr. Juan Ignacio Conesa Alcaraz, was not remunerated.

No contributions have been made to pension funds or plans in favour of the Sole Director of the Company and no obligations have been incurred towards such pensions during this year. Furthermore, no civil liability insurance premiums have been paid in favour of the Sole Director.

Remuneration paid to Senior Managers

In 2020, 2019 and 2018 Senior Managers' tasks have been carried out by executives of the Selling Shareholder, which was billed to us through the management fees mentioned above.

DESCRIPTION OF SHARE CAPITAL

The following summary provides information concerning our share capital and briefly describes certain significant provisions of our By-Laws (*estatutos sociales*), the Spanish Companies Act, the Spanish Market Securities Act and Royal Decree 878/2015 of October 2 on registry, clearing and settlement of negotiable securities in book-entry form, on the legal regime of central securities depositories and central counterparty institutions and transparency requirements for issuers of securities admitted to trading on an official secondary market (*Real Decreto 878/2015, de 2 de octubre, sobre registro, compensación y liquidación de valores negociables representados mediante anotaciones en cuenta, sobre el régimen jurídico de los depositarios centrales de valores y de las entidades de contrapartida central y sobre requisitos de transparencia de los emisores de valores admitidos a negociación en un mercado secundario oficial*) ("**Royal Decree 878/2015**")

This summary does not intend to be complete and is qualified in its entirety by reference to the By-Laws, the Spanish Companies Act and other applicable laws and regulations. Copies of the By-Laws are available (in Spanish) at the Commercial Registry of Murcia; and (in Spanish and English) at our principal headquarters located at Autovía A7 direction to Alhama De Murcia - Exit 596, Paraje las Ramblillas, 30840 - Alhama De Murcia (Murcia), Spain, on our website at (www.primafrio.com) and, following Admission, at the CNMV's offices.

On May 31, 2021 the General Shareholders' Meeting Regulations, the Board of Directors Regulations and the Securities Markets Code of Conduct were approved. Copies of these documents are available on our website (www.primafrio.com) and on the CNMV's website at www.cnmv.es.

General

We are a public limited company (*sociedad anónima*) registered with the Commercial Registry of Murcia, under volume 3474, sheet 31, page MU-102877, holder of Spanish tax identification number (NIF) A-02801629 and with LEI code 959800YYLF3T6GLDC089, incorporated by the Selling Shareholder, as its sole shareholder, for an unlimited period of time pursuant to a public deed of incorporation granted before the public notary of Murcia, Mr. José Antonio Pellicer Ballester on 11 November 2020, under number 2070 of his notarial records, having our registered office in Autovía A7 direction to Alhama De Murcia - Exit 596, Paraje las Ramblillas, 30840 - Alhama De Murcia (Murcia), Spain.

Our corporate objectives are the provision of high quality, efficient and environmentally friendly solutions for temperature-controlled freight logistics and to contribute to the professional and personal development of our employees, and more generally, to social development and progress.

We were originally incorporated with a share capital of €60,000 divided into 600 ordinary shares with a par value of €100.00 each, all of the same class, which were fully subscribed and paid up.

On March 4, 2021, the Company approved an amendment of the shares' par value from €100 to €0.10 and the number of the shares from 600 to 600,000; consequently, the share capital remained unaltered (i.e., €60,000) but was divided into 600,000 shares with a par value of €0.10 each. Likewise, on the same date, the Company approved a share capital increase of €13,940,000 (i.e., up to €14,000,000) out of unrestricted reserves (which amounted to €93,702,198) by means of the issuance of 139,400,000 new ordinary shares with a par value of €0.10 each. The shares issued were of the same class as the outstanding shares and were subscribed and paid in full by the Selling Shareholder by means of an accounting transfer of the amount of the increase from the reserves account to the share capital account. Consequently, as of the date of this Prospectus, the Company's issued share capital is €14,000,000 divided into 140,000 ordinary shares with a par value of €0.10 each. The ISIN code assigned to our issued share capital is ES0105562005, assigned by the Spanish National Agency for the Codification of Securities (*Agencia Nacional de Codificación de Valores Mobiliarios*), an entity dependent upon the CNMV.

All of the Company's ordinary shares are of the same class and have been fully subscribed and paid up.

The ordinary shares of the Company are represented by book entries and the entity responsible for maintaining the corresponding accounting records is Iberclear, with registered office at Plaza de la Lealtad, 1, 28014 Madrid, Spain.

The summary table below outlines these main changes in the Company's share capital since its incorporation:

Date	Corporate action	Par value (€)	Aggregated Share premium (€)	Number of issued/redeemed shares	Total amount (€)	Number of resulting shares	Resulting share capital (€)
November 11, 2020	Incorporation	60,000	N/A	600	60,000	600	60,000
March 4, 2021	Amendment of the shares' par value and number of shares	60,000	N/A	600,000	N/A	600,000	60,000
March 4, 2021	Capital increase	13,940,000	N/A	139,400,000	13,940,000	140,000,000	14,000,000

On May 31, 2021, the Selling Shareholder passed the resolutions authorizing the Board of Directors to (i) acquire treasury shares directly by the Company or indirectly by the Company's subsidiaries, within five years from May 31, 2021, in the maximum amount permitted by the applicable legislation, (ii) increase the share capital of the Company within five years after Admission in a maximum amount of up to 50% of the total share capital of the Company (one or more times) in accordance with article 297.1.b) of the Spanish Companies Act, and further authorizing the Board of Directors to disapply pre-emptive subscription rights of shareholders in respect of issues of shares representing up to 20% of the total share capital of the Company.

Registration and Transfers

The Company's ordinary shares are registered in book-entry form and indivisible. Joint holders of one share must designate a single person to exercise their rights, but they are jointly and severally (*solidariamente*) liable to the Company for all the obligations arising from their status as shareholders.

Iberclear, which manages the Spanish clearance and settlement system of the Spanish Stock Exchanges, maintains the central registry reflecting the number of shares held by each of its member entities (*entidades participantes*). Each member entity, in turn, maintains a registry of the owners of such shares, provided that holders of shares may elect to open a direct account with Iberclear. We have the right to request from Iberclear the details of its shareholders, including their names, addresses and contact details.

The Shares are freely transferable in accordance with the Spanish Companies Act, the Spanish Market Securities Act and any implementing regulation.

As a general rule, transfers of shares quoted on the Spanish Stock Exchanges must be made through or with the participation of a member of a Spanish Stock Exchange. Credit institutions, investment services companies that are authorized to render custody and administration of financial instruments, the Bank of Spain, the General Administration and the General Social Security Treasury, other duly authorized central securities depositories and central clearing counterparties and other public institutions and private entities when expressly authorized so by their relevant authorities and in compliance with the Spanish regulations are eligible to be members of the Spanish Stock Exchanges. See "*Market Information*". Transfer of shares quoted on the Spanish Stock Exchanges may be subject to certain fees and expenses.

General Shareholders' Meetings and Voting Rights

Pursuant to the By-Laws, the General Shareholders' Meeting Regulations and the Spanish Companies Act, ordinary annual General Shareholders' Meetings shall be held on a date fixed by the Board of Directors within the first six months of each financial year. Extraordinary General Shareholders' Meetings may be called by the Board of Directors at any time, or at the request of shareholders representing at least 3% of the issued share capital.

Following Admission, notices of all General Shareholders' Meetings will be published on our corporate website and in the Official Gazette of the Commercial Registry and in one of the more widely circulated newspapers of Spain, at least 30 calendar days prior to the date when the meeting is to be held, except as discussed in the following paragraph. Notices will also be published on the website of the CNMV as other relevant information notice (*comunicación de otra información relevante*).

Provided that the Board of Directors resolves so at the time of the notice, shareholders eligible to attend the General Shareholders' Meeting, or their designated proxy holder (as explained hereafter), may do so via any electronic

means that allow them to be connected in real time with the site or sites where the meeting is being held. Remote attendance by shareholders or their proxy holders will be considered for all purposes to be the same as attending the General Shareholders' Meeting in person.

Additionally, in accordance with article 182 bis of the Amendments to the Spanish Companies Act, provided that the state of the art and the Company's By-Laws allow it, the Board of Directors may convene a General Shareholders' Meeting to be held exclusively by electronic means, without physical assistance of the shareholders or of their representatives. General Shareholders' Meetings held exclusively by electronic means will be subject in all cases to (i) the prior identification and authentication of the shareholders and their representatives, and (ii) the possibility for all attendees to effectively participate in the meeting by appropriate remote electronic means, such as audio or video, complemented by the possibility of written text messages during the course of the meeting, both to allow the exercise in real time of the rights to speak, information, proposal and vote that correspond to them, and to follow the interventions of the remaining attendees by the aforementioned electronic means. The prior notice convening the General Shareholders' Meeting shall duly inform of the different procedures and requirements that shall be followed in order to (i) register and form the attendance list, (ii) exercise the shareholders' rights during the meeting and (iii) duly reflect in the General Shareholders' Meeting's minutes the course of the meeting. In no case may the attendance be subject to prior registration more than one hour before the scheduled start of the meeting. The General Shareholders' Meeting to be held exclusively by electronic means shall be deemed to be held at the registered office, regardless of where the Chairperson of the meeting is located. Votes that have been cast by electronic means shall be confirmed by the Company to the shareholder by sending receipt of confirmation of his vote. Ordinary General Shareholders' Meeting shall resolve on the following matters: (i) the approval of the management of the Company carried out by the Board of Directors during the previous financial year, (ii) the approval of the financial statements for the previous financial year, (iii) the approval of the statement on non-financial information, and (iv) the allocation of the previous financial year's income or loss. All other matters can be considered at either an extraordinary or an ordinary General Shareholders' Meeting if the matter is within the authority of the meeting and is included on the agenda (with certain exceptional items which do not need to be included on the agenda to be validly passed, like dismissal of directors and the decision to bring the liability action against directors of the Company).

We may bring liability action against directors pursuant to a General Shareholders' Meeting resolution, which may be adopted at the request of any shareholder even when not included on the agenda. By-Laws cannot require a qualified majority for the adoption of such resolution. The General Shareholders' Meeting may consent or waive such action at any time, unless an objection is raised thereto by shareholders representing 3% of the Company's share capital. The decision to bring an action or reach a settlement shall entail the removal of the relevant directors. The approval of the financial statements shall not preclude action for liability nor constitute a waiver of the action agreed or brought.

In addition to the matters referred to in the previous paragraphs and any other matters as provided by law, the By-Laws or the General Shareholders' Meeting, according to the Spanish Companies Act the following matters fall within the authority of the General Shareholders' Meeting:

- a. Approval of the annual accounts, the consolidated management report, the non-financial information report and the allocation of earnings.
- b. Appointment, renewal and removal of members of the Board of Directors, as well as ratification or revocation of interim appointments (cooptación) of such directors by the Board itself; as well as the decision to bring liability action against them.
- c. Approval of the remuneration policy of directors as provided by applicable law and deciding on the application of consistent remuneration systems for the delivery of shares or rights to them, as well as any other compensation system referencing the value of Company shares regardless of who the beneficiary of the compensation systems may be.
- d. Appointment, re-election and removal of the external auditor, as well as the decision to bring liability action against him.
- e. The amendment of the By-Laws.
- f. The increase or reduction of the share capital.
- g. The exclusion or limitation of pre-emptive rights.
- h. The acquisition, disposal or contribution to another company of essential assets.
- i. The transformation, merger, split-off or the overall assignment of assets and liabilities and the relocation of the registered office abroad.

- j. The dissolution of the Company and the appointment and removal of the liquidators and the approval of the final liquidation balance sheet; as well as the decision to bring liability action against them.
- k. Approval of transactions whose effect is equivalent to the liquidation of the Company.
- l. The transfer to subsidiaries of essential activities carried out until that time by the Company itself, even if the Company retains full control of those activities.
- m. Any other matters determined by law or the By-Laws.

Also, as required by the Spanish Companies Act, the General Shareholders' Meeting shall vote separately on substantially independent matters. Even if included in the same item on the agenda, the following shall be voted separately: (i) the appointment, re-election, ratification or separation of directors; (ii) the advisory vote on the annual report on directors' remuneration; and (iii) resolutions to amend the By-Laws, each substantially independent article or group of articles.

Each of our ordinary shares entitles the holder to one vote and there is no limit as to the maximum number of votes that may be cast by individual shareholders or by companies of the same group. Shareholders duly registered in the book-entry records maintained by Iberclear, and its member entities, five days prior to the day on which a General Shareholders' Meeting is scheduled and in the manner provided in the notice for the meeting, are entitled to attend and vote at the meeting. The General Shareholders' Meeting notice shall indicate the date on which our ordinary shares must be held by a shareholder in order to participate and vote in a General Shareholders' Meeting. All shareholders have the right to attend the General Shareholders' Meeting regardless of the number of shares held.

Any of our ordinary shares may be voted by proxy. Proxies must be in writing or through the electronic means approved by the Board of Directors and made available to the shareholders and are valid for a single General Shareholders' Meeting. Proxies may be given to any person, whether or not a shareholder. Proxies must specifically refer to a specific General Shareholders' Meeting. A proxy may be revoked by giving notice to the Company prior to the meeting or by the shareholder attending the meeting in person.

Proxy holders will be required to disclose any conflict of interest prior to their appointment. In the event a conflict of interest arises after the appointment, it must be immediately disclosed to the relevant shareholder. In both cases, the proxy holder shall not exercise the shareholder's rights unless the latter has given specific voting instructions for each resolution in respect of which the proxy holder is to vote on behalf of the shareholder.

A conflict of interest in this context may in particular arise where the proxy holder is:

- a. our controlling shareholder, or another entity controlled by such shareholder;
- b. a member of the administrative, management or supervisory body of the Company or of a controlling shareholder or another entity controlled by such shareholder;
- c. an employee or the auditor of the Company, or employee or auditor of a controlling shareholder or another entity controlled by such shareholder; or
- d. a natural person related to the mentioned above (*persona física vinculada*): the spouse or the person who had been the spouse within the previous two years, or the persons who live together in a similar relationship of affectivity or who have lived together habitually within the previous two years, as well as the ascendants, descendants and siblings and their respective spouses.

A person acting as a proxy holder may hold a proxy from more than one shareholder without limitation as to the number of shareholders so represented. Where a proxy holder holds proxies from several shareholders, he or she will be able to cast votes for a shareholder differently from votes cast for another shareholder.

Intermediary entities appearing as holders of ordinary shares in the book-entry records but acting on behalf of different persons and receiving proxies shall communicate to the Company, within the legal term, a list indicating the identity of each client, the number of shares in respect of which it exercises the voting right on their behalf, as well as, if applicable, the voting instructions received by the intermediary.

The Amendments to the Spanish Companies Act provide that where there are several intermediary entities holding the shares on behalf of the same beneficial owner, they shall transmit to each other without delay the information or confirmation referred to above until they reach said beneficial owner or the Company, unless the information or confirmation can be transmitted directly by one of the intermediary entities to them. Intermediary entities must publish on their websites all applicable fees for the services rendered. Fees charged by an intermediary to shareholders, companies, beneficial owners and other intermediary entities shall not be discriminatory and shall be proportionate to the actual costs incurred by them in providing the service.

Public solicitation of proxy by the Board of Directors, by any of its members, by the depositories of the shares or by the book-entry registries shall be governed by the provisions of the Spanish Companies Act.

The Spanish Companies Act and our General Shareholders Regulations provide that, on the first call of an ordinary or extraordinary General Shareholders' Meeting, attendance in person or by proxy of shareholders representing at least 25% of the voting capital will constitute a quorum. If the meeting is not quorate on the first call, provided the meeting notice included both first and second call, the meeting can be reconvened in second call, in which case the constitution of the meeting shall be valid with no quorum requirement. The interval between the first and the second call for a General Shareholders' Meeting must be at least 24 hours.

However, the following resolutions in a General Shareholders' Meeting require attendance in person or by proxy of shareholders representing at least 50% of the Company's voting capital on first call, and attendance in person or by proxy of shareholders representing at least 25% of our voting capital on second call: to increase or decrease our share capital or otherwise modify the By-Laws, issue bonds and securities whose competence is not legally attributed to any other corporate body of the Company, suppress or limit the pre-emptive subscription rights over new shares, transform, merge, spin off, globally assign our assets and liabilities, or transfer our registered address abroad.

In the case of attendance in person or by proxy of shareholders representing more than 50% of our voting capital, an absolute majority shall suffice to pass the aforementioned resolutions. On second call, and in the event that less than 50% of our voting capital attends in person or by proxy, such resolutions may only be passed upon the vote of shareholders representing two thirds of the attending share capital. Resolutions in all other cases are passed by a simple majority of the votes corresponding to the capital stock present or represented at such meeting.

Under the Spanish Companies Act, shareholders who voluntarily aggregate their shares so that the aggregated shareholding is equal to or greater than the result of dividing the total share capital by the number of directors, have the right, provided there are vacancies on the Board of Directors, to appoint a corresponding proportion of the members of the Board of Directors (disregarding fractions). Shareholders who exercise this right may not vote on the appointment of other directors.

A resolution passed at a General Shareholders' Meeting is binding on all shareholders, although a resolution which is (a) contrary to law or the By-Laws or the internal regulations of the Company, or (b) prejudicial to the interest of the Company and beneficial to one or more shareholders or third parties, may be challenged. Damage to the Company's interest is also caused when the resolution, without causing damage to corporate assets, is imposed in an abusive manner by the majority. An agreement is understood to have been imposed in an abusive manner when, rather than responding reasonably to a corporate need, the majority adopts the resolution in their own interests and to the unjustifiable detriment of the other shareholders. In the case of listed companies, the required fraction of the Company's share capital needed to be able to contest is one per thousand of the share capital. The right to contest would apply to those who were shareholders at the time when the resolution was passed (provided they hold at least 0.1% of the share capital), directors and interested third parties. In the event of resolutions contrary to public order, the right to contest would apply to any shareholders (even if they acquired such condition after the resolution was passed), and any director or third party.

In certain circumstances (for example, a change or significant amendment of the corporate purpose, transformation or transfer of registered address abroad), the Spanish Companies Act gives dissenting or absent shareholders (including non-voting shareholders) the right to withdraw from the Company. If this right were exercised, the Company would be obliged to purchase the relevant shares at the average market price of the shares in the last quarter in accordance with the procedures established under the Spanish Companies Act.

Non-residents in Spain (including companies incorporated in other jurisdictions) are entitled to hold shares in a Spanish company and vote on its general meeting of shareholders, subject to the restrictions described in "*Restrictions on Foreign Investments*" below.

Loyalty shares

The Amendments to the Spanish Companies Act set the possibility of shareholders of listed companies having double voting rights for their shares ("**Loyalty Shares**"), provided that they are envisaged and regulated in the By-Laws of the relevant listed company. As of the date of this Prospectus, our By-Laws do not contain such a regime for Loyalty Shares.

The following conditions would need to be met to implement Loyalty Shares:

- a. **General Shareholders' Meeting approval:** a general shareholders' meeting resolution passed by a qualified majority, in order to include the concept of loyalty shares (opt-in) in its By-Laws.

- b. **Shareholder's decision:** that the shareholder concerned holds the shares uninterrupted for a minimum of two years (the By-Laws may require a longer holding period).
- c. **Shareholder's prerogative:** the double vote will be limited to those shares that the shareholder expressly indicates and the minimum holding period will only start at the moment the shareholder requests their registration in the special share register for shares with double voting rights. The shareholder may waive the double voting right at any time. The aforementioned special register will be available to all shareholders.

Listed companies that adopt the Loyalty Shares regime must include updated information on their website on the number of shares with double voting rights existing from time to time, as well as those registered shares for which the loyalty period provided for in the By-Laws is pending completion.

Double voting rights will generally terminate when the Loyalty Shares are transferred, except in the case of intra-group transfers or, under certain conditions, transfers between family members or transfers through structural modifications.

Loyalty Shares must be taken into account for the purposes of, among others:

- a. calculating the quorum of the general shareholders' meeting and the relevant majorities for the approval of resolutions;
- b. complying with the obligation to notify significant holdings; and
- c. determining the existence of a controlling interest that triggers the obligation to launch a takeover bid.

The provision in the By-Laws regarding Loyalty Shares must be renewed after 5 years from the date of its original approval by the general shareholders meeting, subject to the same quorum and qualified majority requirements set out above, provided that holders of Loyalty Shares will be allowed to cast two votes per Loyalty Share held. Moreover, once 10 years have elapsed since the amendment of the bylaws to provide for Loyalty Shares, the bylaws may be amended to eliminate such Loyalty Shares subject to the quorum and qualified majority requirements for any amendment of the bylaws, and holders of Loyalty Shares will only be able to cast one vote per Loyalty Share held for such purposes.

The Securities Market Act includes the notion of proxy advisors that are legal persons who analyze, on a professional and commercial basis, the information that listed companies are legally obliged to publish and, where appropriate, other information, in order to advise investors on the exercise of their voting rights by means of analysis, advice or voting recommendations. Proxy advisors must comply with certain legal requirements and, amongst others, shall publish a code of conduct that governs their services, including, if applicable, the corresponding code of ethics of the profession, and shall report on the manner in which they have done so.

Proxy advisors shall publish annually a report so that their clients are duly informed about the accuracy and reliability of their activities, containing certain information related to their research, advice and the voting recommendations they issue. This report shall be available on their websites. Proxy advisors shall promptly identify and disclose to their clients any actual or potential conflicts of interest or any business relationships that may influence the preparation of their research, advice or voting recommendations and the steps taken to eliminate, mitigate or manage actual or potential conflicts of interest.

Shareholder Information Rights

From the publication of the General Shareholders' Meeting notice and up until five days before the meeting, shareholders may request the Board of Directors to provide any information or explanations that they deem appropriate. Requests for information may be made by delivering the request to the registered office or by sending it to the Company by post or other remote means of communication addressed to the address specified in the relevant call notice. In addition, upon the same prior notice and in the same manner, the shareholders may request in writing such clarifications as they deem necessary regarding information available to the public that we have provided to the CNMV since the holding of the last General Shareholders' Meeting, and regarding the report submitted by the Company to the external auditor. The Board of Directors may authorise any of the directors or its secretary to respond to shareholders' requests for information on behalf of the Board of Directors.

During the course of the General Shareholders' Meeting, all shareholders may verbally request information or clarifications that they deem necessary regarding the matters on the agenda or request clarifications regarding information available to the public that we have provided to the CNMV since the holding of the last General Shareholders' Meeting and regarding the report submitted by our external auditor. If it were not possible to provide the requested information during the course of the meeting, the directors must provide the requested information in writing within seven days of the celebration of the General Shareholders' Meeting.

The directors will not be obliged to provide the requested information if it is deemed unnecessary for the recognition of the requesting shareholder's rights or if there are objective reasons to consider that the information is going to be used in detriment of our interests or that providing the requested information may harm us or our related companies; provided that, the requested information may not be withheld when the request is upheld by shareholders representing at least 25% of the Company's share capital.

Pre-emptive Rights and Increases of Share Capital

According to the Amendments to the Spanish Companies Act, shareholders have pre-emptive rights to subscribe for newly issued shares in consideration for cash contributions or newly issued bonds that are convertible into shares. Such pre-emptive rights may be waived under special circumstances by a resolution passed by the General Shareholders' Meeting or the Board of Directors (in case the General Shareholders' Meeting of a listed company delegates the decision to increase our share capital or issue convertible bonds waiving pre-emptive rights to the Board of Directors) in the following terms:

- a. When the authority corresponds to the General Shareholders' Meeting, the process and requirements are the following: The exclusion of pre-emptive subscription rights shall generally require an independent expert's report, as provided for in Article 308 of the Spanish Companies Act, whenever the Board of Directors submits a proposal to the General Shareholders' Meeting to issue shares or convertible bonds with the exclusion of pre-emptive subscription rights, for an amount exceeding 20% of the share capital. In cases where the amount of the issue is less than 20% of the share capital, the company may, however, voluntarily obtain such independent expert's report. In those cases where the independent expert's report referred to above is not issued, the par value of the shares to be issued, plus, if applicable, the amount of the share premium, must correspond to the fair value resulting from the consolidated management report. Unless the directors justify otherwise, in which case they shall provide the appropriate report from an independent expert, and in any case for transactions not exceeding 20% of the capital, the fair value will be presumed to be the market value, established by reference to the stock market price, provided that it is not more than ten percent lower than the price of such stock market price. Shares may be issued at a price below fair value, and in this case the consolidated management report must justify that the corporate interest requires not only the exclusion of the pre-emptive subscription right, but also the type of issue proposed. In addition, an independent expert's report shall be required, which shall specifically state the amount of the expected economic dilution and the reasonableness of the data and considerations included in the consolidated management report prepared to justify the issue and the exclusion of subscription rights. The resolution adopted by the General Shareholders' Meeting to increase capital with the exclusion of subscription rights may already set the date, price and other conditions of the issue or delegate the fixing thereof to the Board of Directors. The Board of Directors may determine the issue price directly or establish such procedure for its determination as it deems reasonable, provided that it is appropriate, in accordance with accepted market practices, to ensure that the resulting issue price corresponds to the fair value.
- b. When the authority corresponds to the Board of Directors due to the prior delegation of the General Shareholders' Meeting, the process and requirements are the following: The delegation to increase the capital with exclusion of the pre-emptive subscription right may not refer to more than 20% of the share capital of the company at the time of authorization. The notice convening the General Shareholders' Meeting containing the proposal to delegate to the Board of Directors the faculty to increase the share capital must, if applicable, expressly authorize them to exclude the pre-emptive subscription right. A report from the directors justifying the proposal to delegate this power shall be made available to the shareholders at the time the General Shareholders' Meeting is called. The resolution to increase the share capital adopted on the basis of the delegation of the meeting must be accompanied by the corresponding supporting report from the directors. Likewise, the company may voluntarily obtain the independent expert's report provided for in article 308 of the Spanish Companies Act.

Furthermore, pre-emptive rights will not be exercisable by shareholders in case of a share capital increase that is required for the purposes of implementing the conversion into shares of convertible bonds, completing a merger in which shares are issued as consideration, acquiring all or part of another company's assets, by means of capitalization of credit rights or against non-cash contributions. Pre-emptive rights are transferable, may be traded on the SIBE and may be of value to existing shareholders since new shares may be offered for subscription at prices lower than prevailing market prices.

As of the date of this Prospectus, we do not have neither convertible nor exchangeable bonds outstanding and have not issued any warrants over our ordinary shares.

On May 31, 2021, the Selling Shareholder passed the resolutions authorizing the Board of Directors to (i) acquire treasury shares directly by the Company or indirectly by the Company's subsidiaries, within five years from May 31, 2021, in the maximum amount permitted by the applicable legislation, (ii) increase the share capital of the Company

within five years after Admission in a maximum amount of up to 50% of the total share capital of the Company (one or more times) in accordance with article 297.1.b) of the Spanish Companies Act, and further authorizing the Board of Directors to disapply pre-emptive subscription rights of shareholders in respect of issues of shares representing up to 20% of the total share capital of the Company.

Dividend and Liquidation Rights

Holders of our ordinary shares have the right to participate in distributions of profits and proceeds from liquidation, proportionally to their paid-up share capital. However, there is no right to receive a minimum dividend.

Payment of dividends is proposed by the Board of Directors and must be authorized by the General Shareholders' Meeting. Holders of shares participate in such dividends from the date agreed by the General Shareholders' Meeting, unless otherwise agreed. Additionally, interim dividends (dividendos a cuenta) may also be distributed among shareholders directly upon approval by the Board of Directors or the general Shareholders' Meeting provided that: (i) there is sufficient liquidity to pay the interim dividend; and (ii) the amount distributed does not exceed the amount resulting from deducting from the earnings booked since the end of the previous year, the sum of losses corresponded to previous years, the mandatory amounts to be allocated for legal or By-Laws reserves, and the estimated tax due on the aforesaid earnings. The Spanish Companies Act requires each company to allocate at least 10% of its net income each year to a legal reserve until the balance of such reserve is equivalent to at least 20% of the issued share capital. The legal reserve up to such 20% is not available for distribution to our shareholders except upon liquidation. As of December 31, 2020, our legal reserve has not yet been allocated as the Company was incorporated in October 2020 and no profits have yet been obtained.

According to the Spanish Companies Act, dividends may only be paid out of profits or distributable reserves (after the compulsory allocation to reserves, including the legal reserve, and only if the value of the corporative net worth is not, and as a result of distribution would not be, less than the issued share capital). In addition, no profits may be distributed unless the amount of distributable reserves is at least equal to the amount of the research and development expenses recorded as an asset on the balance sheet. Accordingly, the ability to make a distribution to shareholders will depend on the ability to generate net profits in future periods in order to achieve sufficient distributable reserves.

In any case, any dividend proposed by the Board of Directors will be submitted for approval by the General Shareholders' Meeting. In accordance with Article 947 of the Spanish Commerce Code (*Real Decreto de 22 de agosto de 1885 por el que se publica el Código de Comercio*), the right to a dividend lapses and reverts to the Company if it is not claimed within five years after becoming payable.

We are not aware of any restriction on the collection of dividends by non-resident shareholders. All holders will receive dividends through Iberclear and its member entities, without prejudice to potential withholdings on account of the Non-resident Income Tax that may apply. See "*Taxation*".

In the event of liquidation, the shareholders would be entitled to receive proportionately any assets remaining after payment of the debts and all applicable taxes and expenses.

Our ability to distribute dividends in the near future will depend on a number of factors, including (but not limited to) the amount of distributable profits and reserves and its investment plans, earnings, level of profitability, cash flow generation, restrictions on payment of dividends under local applicable law (both on the Company and on any Group entity), compliance with covenants in the debt instruments (for additional information see "*Material Contracts*") the level of dividends paid or shares repurchased by other comparable listed companies doing business in Spain and such other factors as the Board of Directors or the General Shareholders' Meeting may deem relevant from time to time.

Shareholder Actions

Pursuant to the Spanish Companies Act, directors are liable to us, shareholders and creditors for any actions or omissions that are illegal or contravene the By-Laws and for failure to perform their legal and fiduciary duties diligently.

Subsequent ratification or approval of any such act or omission by the General Shareholders' Meeting does not forego directors' liability. Under Spanish law, liability of the directors is joint and several (*solidaria*), except to the extent any director can demonstrate that he or she did not participate in the decision-making process related to the relevant act or omission, was unaware of its existence or if being aware of it, he or she used his or her best efforts to mitigate any damages to the Company or if he or she expressly disagreed with the decision-making relating to such act or omission.

Shareholders must generally bring actions against the directors as well as any other actions against the Company or challenging corporate resolutions before the courts of the judicial district of the Company's registered address (currently Alhama De Murcia, Murcia, Spain).

Restrictions on Foreign Investment

Exchange controls and foreign investments are regulated under Law 19/2003, of July 4 ("**Law 19/2003**"), as amended pursuant to Royal Decree-Law 8/2020, of March 17, Royal Decree-Law 11/2020, of March 31 and Royal Decree-Law 34/2020, of November 17. Foreign investments are generally liberalized unless they fall within the scope of article 7 bis of Law 19/2003.

Article 7 bis of Law 19/2003 establishes a screening mechanism for certain investments made by non-EU and non-EFTA residents, based on public order, public health and public security reasons (the "**Screening Mechanism**"). The Screening Mechanism aligns part of the Spanish foreign investment legal framework with Regulation (EU) 2019/452 of March 19, 2019 establishing a framework for the screening of foreign direct investments into the European Union. Certain provisions of Regulation (EU) 2019/452 —such as the list of sectors affecting public order and public security or the definition of state-owned enterprises and other similar investors —are mirrored in the regulations establishing the Screening Mechanism. Regulation (EU) 2019/452 is in force since October 11, 2020 and adjustments to the Screening Mechanism could be required to comply with EU mandatory standards.

The Screening Mechanism can be summarized as follows:

- under the ordinary procedure, prior administrative authorization from the Spanish Council of Ministers (*Consejo de Ministros*) is required to close foreign direct investments subject to it. The legal term to issue a decision is six months. By way of exception, the foreign investments authority has a fast-track 30-day procedure to authorize investments below €5 million; and
- under both the ordinary and fast-track procedure, the investment will be deemed unauthorized if the relevant authority does not respond to the authorization request within the corresponding legal term.

For the purposes of the Screening Mechanism, the following persons are deemed to be "**foreign investors**" until 30 June 2021:

- non-EU and non-EFTA residents in countries other than Spain; and
- Spanish residents beneficially owned by EU or EFTA residents in countries other than Spain, that is, those in which a EU or EFTA resident other than in Spain ultimately owns or controls more than 25% of the share capital or voting rights of, or otherwise exercises control over, the Spanish resident.

Foreign direct investments are:

- investments that result in a foreign investor reaching a stake of at least 10% of the share capital of a Spanish company; and
- any corporate or legal transaction or business action by which a foreign investor acquires control over a Spanish company; the possibility of exercising decisive influence as a result of an agreement or through the ownership of shares or interests in another person (directly or indirectly) is deemed to constitute "**control**" for these purposes.

Not all foreign direct investments are subject to the Screening Mechanism, as this will depend on: (i) the sector in which the target carries out its business; and (ii) the personal circumstances of the foreign investor, regardless of the business of the target.

Foreign direct investments in the following sectors are subject to the Screening Mechanism:

- critical infrastructure, whether physical or virtual, including energy, transport, water, health, communications, media, data processing or storage, aerospace, defense, electoral or financial infrastructure, and sensitive facilities, as well as land and real estate crucial for the use of such infrastructure;
- critical technologies and dual use technologies, key technologies for industrial leadership and training, and projects of particular interest to Spain, including telecommunications, artificial intelligence, robotics, semiconductors, cybersecurity, aerospace, defense, energy storage, quantum and nuclear technologies as well as nanotechnologies and biotechnologies;
- supply of critical inputs, including energy, strategic connectivity services, raw materials, as well as food security;

- sectors with access to sensitive information, including personal data, or the ability to control such information;
- media; and
- other sectors designated by the Spanish government from time to time.

Foreign direct investments by the following foreign investors are also subject to the Screening Mechanism, regardless of the business of the target:

- investors directly or indirectly controlled by a non-EU/non-EFTA government, including state bodies or armed forces or sovereign wealth funds; the possibility of exercising decisive influence as a result of an agreement or through the ownership of shares or interests in another person (directly or indirectly) is deemed to constitute "**control**" for these purposes;
- non-EU/non-EFTA Investors that have already made an investment affecting national security, public order or public health in another EU Member State; and
- if there is a serious risk that the Non-EU/non-EFTA investor engages in illegal or criminal activities affecting national security, public order or public health in Spain.

In addition, until June 30, 2021, the Screening Mechanism under the same rules described above applies to investments in listed companies made by EU/EFTA resident (including Spanish resident in which an EU/EFTA resident ultimately owns or controls more than 25% of the share capital or voting rights of, or otherwise exercises control over, the Spanish resident).

Gun jumping the Screening Mechanism will render the transaction invalid and without any legal effect, until the required authorization is obtained. In addition, fines up to the value of the investment could be imposed.

In addition, Royal Decree 664/1999, of April 23, establishes that non-Spanish foreign investors who are not resident in a tax haven are required to file a notification with the Spanish Registry of Foreign Investments following an investment or divestiture, if any, solely for statistical, economic and administrative purposes. Where the investment or divestiture is made in shares of Spanish companies listed on any of the Spanish Stock Exchanges, the duty to provide notice of a foreign investment or divestiture lies with the relevant entity with whom the shares (in book-entry form) have been deposited or which has acted as an intermediary in connection with the investment or divestiture.

If the foreign investor is a resident of a tax haven, as defined under Spanish law (Royal Decree 1080/1991, of July 5), notice must be provided to the Registry of Foreign Investments prior to making the investment, as well as after consummating the transaction. However, prior notification is not necessary in the following cases:

- investments in listed securities, whether or not trading on an official secondary market;
- investments in participations in investment funds registered with the CNMV; and
- foreign shareholdings that do not exceed 50.0% of the capital of the Spanish company in which the investment is made.

Additional regulations to those described above apply to investments in some specific industries, including air transportation, manufacturing and revenue of weapons and explosives for civil use and national defense, radio, television and gambling. These restrictions do not apply to investments made by EU residents, other than investments by EU residents in activities relating to the Spanish defense sector or the manufacturing and sale of weapons and explosives for non-military use.

Exchange Control Regulations

Pursuant to Royal Decree 1816/1991 of December 20 relating to economic transactions with non-residents, as amended by Royal Decree 1360/2011 of October 7, charges, payments or transfers between non-residents and residents of Spain must be made through a registered entity, such as a bank or another financial institution registered with the Bank of Spain (*entidades registradas*), through bank accounts opened abroad with a foreign bank or a foreign branch of a registered entity, in cash or by check payable to bearer. All charges, payments or transfers which exceed €6,010.12 (or its equivalent in another currency), if made in cash or by check payable to bearer, must be notified to the Spanish exchange control authorities.

Reporting Requirements

Transactions affecting voting rights

Pursuant to Royal Decree 1362/2007 of October 19 (*Real Decreto 1362/2007, de 19 de octubre, por el que se desarrolla la Ley 24/1988, de 28 de julio, del Mercado de Valores, en relación con los requisitos de transparencia relativos a la información sobre los emisores cuyos valores estén admitidos a negociación en un mercado secundario oficial o en otro mercado regulado de la Unión Europea*), any individual or legal entity which, by whatever means, purchases or transfers shares which grant voting rights in our Company, must notify us and the CNMV if, as a result of such transaction, the proportion of voting rights held by that individual or legal entity reaches, exceeds or falls below a threshold of 3%, 5%, 10%, 15%, 20%, 25%, 30%, 35%, 40%, 45%, 50%, 60%, 70%, 75%, 80% and 90% of the total voting rights.

The individual or legal entity obliged to carry out the notification must serve the notification by means of the form approved by the CNMV, within four trading days from the date on which the individual or legal entity acknowledged or should have acknowledged the circumstances that generated the obligation to notify. Royal Decree 1362/2007 deems that the obliged individual or legal entity should have acknowledged the aforementioned circumstance within two trading days from the date on which the transaction was entered into, regardless of the date on which the transaction takes effect.

The reporting requirements apply not only to the purchase or transfer of shares, but also to those transactions in which, without a purchase or transfer, the proportion of voting rights of an individual or legal entity reaches, exceeds or falls below the threshold that triggers the obligation to report as a consequence of a change in the total number of voting rights of a company on the basis of the information reported to the CNMV and disclosed by it. In such a case, the transaction is deemed to be acknowledged within two trading days from the date of publication of the other relevant information notice (*comunicación de otra información relevante*) regarding such transaction.

Should the individual or legal entity effecting the transaction be a non-resident of Spain, notice must also be given to the Spanish Registry of Foreign Investments maintained by the General Bureau of Commerce and Investments. See "*Restrictions on Foreign Investment*".

Regardless of the actual ownership of the shares, any individual or legal entity with a right to acquire, transfer or exercise voting rights granted by the shares, and any individual or legal entity which acquires, transfers or holds, whether directly or indirectly, other securities or financial instruments which grant a right to acquire shares with voting rights, will also have an obligation to notify the Company and the CNMV of the holding of a significant stake in accordance with the applicable regulations set out above.

Should the person or group effecting the transaction be resident in a tax haven (as defined in Royal Decree 1080/1991 of July 5), the threshold that triggers the obligation to disclose the acquisition or transfer of shares is reduced to 1% (and successive multiples thereof).

All members of the Board of Directors must report to both the Company and the CNMV any percentage or number of voting rights in the Company held by them at the time of becoming or ceasing to be a member of the Board of Directors within five trading days. Furthermore, all members of the Board of Directors must report any change in the percentage of voting rights they hold, regardless of the amount, as a result of any acquisition or disposition of the shares or voting rights, or financial instruments which carry a right to acquire or dispose of shares which have voting rights attached, including any stock based compensation that they may receive pursuant to any of our compensation plans. Members of our Senior Management must also report any stock-based compensation that they may receive pursuant to any of our compensation plans or any subsequent amendment to such plans. See "*Board of Directors and Management*" for information on the ordinary shares held by members of the Board of Directors, Senior Management, and members of our administrative, supervisory or management bodies.

Disclosure requirements applicable to persons discharging managerial responsibilities

Pursuant to Article 19 of Regulation (EU) No 596/2014 of the European Parliament and of the Council of April 16, 2014 on market abuse ("**MAR**"), repealing, among others, Directive 2003/6/EC of the European Parliament and the European Council of January 28 on insider dealing and market manipulation, establishes rules in order to ensure the integrity of the European Community financial markets and to enhance investor confidence in those markets, persons discharging managerial responsibilities and any persons closely associated with them must similarly report to us and the CNMV any acquisition or disposal of our ordinary shares, debt instruments or derivative or other financial instruments linked to our ordinary shares, regardless of the size of the relevant transaction, within three business days after the date the transaction is made, provided that transactions carried out by the relevant person within the calendar year reach €5,000 in the aggregate or the increased threshold set forth by the relevant competent authority as permitted by Article 19 of MAR.

In this regard, pursuant to Royal Decree-Law 19/2018, the Spanish Market Securities Act increased such threshold raising the referred amount up to €20,000 in the aggregate. The notification of the transactions must include particulars of, among others, the type of transaction, the date of the transaction and the market in which the transactions were carried out, the number of shares traded, and the price paid.

Article 3. (25) of MAR defines persons discharging managerial responsibilities as a person within an issuer who is either (a) a member of the administrative, management or supervisory body of the issuer, or (b) a senior executive who is not a member of the bodies referred to in point (a), who has regular access to inside information relating directly or indirectly to the issuer and power to take managerial decisions affecting the future developments and business prospects of the issuer.

In certain circumstances established by Royal Decree 1362/2007, the notification requirements on the acquisition or transfer of shares also apply to any person or legal entity that, directly or indirectly, and independently of the ownership of the shares or financial instruments, may acquire, transfer or exercise the voting rights granted by those shares or financial instruments, provided that the aggregated proportion of voting rights reaches, increases above or decreases below, the percentages set forth by Spanish law.

Moreover, pursuant to Article 30.6 of Royal Decree 1362/2007, in the context of a tender offer, the following transactions should be notified to the CNMV: (i) any acquisition reaching or exceeding 1% of the voting rights of the Company, and (ii) any increase or decrease in the percentage of voting rights held by holders of 3% or more of the voting rights in the Company. The CNMV will immediately make public this information.

Shareholders Agreements

The Spanish Market Securities Act and the Spanish Companies Act require parties to disclose certain types of shareholders agreements that affect the exercise of voting rights at a General Shareholders' Meeting or contain restrictions or conditions on the transferability of shares or bonds that are convertible or exchangeable into shares of listed companies.

If the shareholders enter into such agreements with respect to the Company's shares, they must disclose the execution, amendment or extension of such agreements to the Company and to the CNMV, file such agreements with the appropriate commercial registry and publish them through other relevant information notice (*comunicación de otra información relevante*). Failure to comply with these disclosure obligations renders any such agreement unenforceable and constitutes a violation of the Spanish Market Securities Act.

The agreement will have no effect with respect to the regulation of the right to vote in general meetings of shareholders and restrictions or conditions on the free transferability of shares and bonds convertible into shares until such time as the aforementioned notifications, filings and publications are made.

Upon request by the interested parties, the CNMV may waive the requirement to report, file and publish the agreement when publishing the agreement could cause harm to the affected company.

For shareholders agreements existing as of the date of this Prospectus, see "*Principal Shareholders–Shareholders Agreements*".

Net Short Positions

In accordance with Regulation (EU) No 236/2012 of the European Parliament and of the Council of March 14, 2012 on short selling and certain aspects of credit default swaps (the "**Short Selling Regulation**") (as further supplemented by several delegated regulations regulating technical aspects necessary for its effective enforceability and to ensure compliance with its provisions), net short positions on shares listed on the Spanish Stock Exchanges equal to, or in excess of, 0.2% of the relevant issuer's share capital and any increases or reductions thereof by 0.1% are required to be disclosed to the CNMV.

If the net short position reaches 0.5%, and also at every 0.1% above that, the CNMV will disclose the net short position to the public. The Short Selling Regulation restricts uncovered short revenue in shares, providing that a natural or legal person may enter into a short sale of a share admitted to trading on a trading venue only where one of the conditions established in Article 12 of the Short Selling Regulation has been fulfilled.

The notification or disclosure mentioned above shall be made not later than at 3:30 p.m. (CET) on the following trading day.

Notification is mandatory even if the same position has been already notified to the CNMV in compliance with transparency obligations previously in force in that jurisdiction.

The information to be disclosed is set out in Table 1 of Annex I of Delegated Regulation 826/2012, according to the format of the form approved as Annex II of this Regulation. The information will be published, where appropriate, on a web page operated or supervised by the CNMV.

Moreover, pursuant to the Short Selling Regulation, where the CNMV considers that (i) there are adverse events or developments that constitute a serious threat to financial stability or to market confidence (such as: serious financial, monetary or budgetary problems, which may lead to financial instability, unusual volatility causing significant downward spirals in any financial instrument, etc.); and (ii) the measure is necessary and will not be disproportionately detrimental to the efficiency of financial markets in view of the advantages sought, it may, following consultation with the ESMA, take any one or more of the following measures:

- impose additional notification obligations by either (a) reducing the thresholds for the notification of net short positions in relation to one or several specific financial instruments; and/or (b) requesting the parties involved in the lending of a specific financial instrument to notify any change in the fees requested for such lending; and
- restrict short selling activity by either prohibiting or imposing conditions on short selling.

In addition, according to Short Selling Regulation, where the price of a financial instrument has fallen significantly during a single day in relation to the closing price on the previous trading day (10% or more in the case of a liquid share), the CNMV may prohibit or restrict short selling of financial instruments for a period not exceeding the end of the trading day following the trading day on which the fall in price occurs.

Finally, the Short Selling Regulation also vests powers to ESMA enabling it to take measures similar to the ones described above in exceptional circumstances, when the purpose of these measures is to deal with a threat affecting several EU member states and the competent authorities of these member states have not taken adequate measures to address it.

In that regard, on March 16, 2020, ESMA temporarily lowered the initial notification threshold of net short positions in relation to the issued share capital of companies to which Regulation (EU) No. 236/2012 applies from 0.2% to 0.1% of the relevant issuer's share capital for a three-month period ending on June 17, 2020. Such measure has been subsequently extended by ESMA through several ensuing decisions until March 19, 2021. On March 15, 2021 ESMA decided not to renew its decision. From March 20, 2021 onwards, positions holders will need to send notifications only if they reach or exceed the 0.2% threshold again according to Regulation (EU) No 236/2012, while any outstanding net short position between 0.1% and 0.2% will not have to be reported.

Share Repurchases

Pursuant to the Spanish Companies Act, we may only repurchase our own shares within certain limits and in compliance with the following requirements:

- the repurchase must be authorized by the General Shareholders' Meeting in a resolution establishing the maximum number of shares to be acquired, the ownership title for the acquisition, the minimum and maximum acquisition price and the duration of the authorization, which may not exceed five years from the date of the resolution;
- the repurchase, including the shares already acquired and currently held by us, or any person or company acting in the Company's own name but on our behalf, must not bring the net worth of the Company (*patrimonio neto*) below the aggregate amount of the share capital and legal or non-distributable reserves. For these purposes, net worth means the amount resulting from the application of the criteria used to draw up the financial statements, subtracting the amount of profits directly allocated to such net worth, and adding the amount of share capital subscribed but not called and the share capital par value and issue premium recorded in the accounts as liabilities;
- the aggregate value of the shares directly or indirectly repurchased, together with the aggregate par value of the ordinary shares already held by us, must not exceed 10% of our share capital; and
- shares repurchased for valuable consideration must be fully paid-up. A repurchase shall be considered null and void if (i) the shares are partially paid-up, except in the case of free repurchase, or (ii) the shares entail ancillary obligations.

Treasury shares lack voting and economic rights (for example, the right to receive dividends and other distributions and liquidation rights). Such economic rights except the right to receive bonus shares, will accrue proportionately to all the shareholders. Treasury shares are counted for purposes of establishing the quorum for general meetings of shareholders as well as majority voting requirements to pass resolutions at general meetings of shareholders.

MAR maintains an exemption from the market manipulation rules regarding share buy-back programs by companies listed on a stock exchange in an EU Member State. Commission Delegated Regulation (EU) 2016/1052 of March 2016 ("**Regulation 2016/1052**") implements MAR with regard to the regulatory technical standards for the conditions applicable to buy-back programs and stabilization measures. According to the provisions included in Regulation 2016/1052, in order to benefit from the exemption, an issuer implementing a buy-back program must comply with the following requirements:

- prior to the start of trading in a buy-back program, the issuer must ensure the adequate disclosure of the following information:
 - (i) The purpose of the program. According to Article 5.2 of MAR, the buy-back program must have as its sole purpose (a) to reduce the capital of the issuer; (b) to meet obligations arising from debt financial instruments convertible into equity instruments; or (c) to meet obligations arising from share option programs, or other allocations of shares, to employees or to members of the administrative, management or supervisory bodies of the issuer or of an associate company;
 - (ii) The maximum pecuniary amount allocated to the program;
 - (iii) The maximum number of shares to be acquired; and
 - (iv) The period for which authorization for the program has been granted;
- the issuer must ensure that the transactions relating to the buy-back program meet the conditions included on Article 3 of Regulation 2016/1052. Specifically, the issuer must ensure that the purchase price is not higher than the higher of the price of the last independent trade and the highest current independent purchase bid on the trading venue where the purchase is carried out. Furthermore, issuers must not purchase on any trading day more than 25% of the average daily volume of shares on the corresponding trading venue; and
- issuers shall not, for the duration of the buy-back program, engage on (a) selling of own shares; (b) trading during the closed periods referred to in Article 19.11 of MAR; and (c) trading where the issuer has decided to delay the public disclosure of inside information.

CNMV Circular 1/2017, of April 26, on liquidity contracts entered into by issuers with financial institutions for the management of its treasury shares, as amended by CNMV Circular 2/2019, of November 27, governs the disclosure requirements by issuers and the rules of conduct to be followed by financial intermediaries when trading under a liquidity agreement for these trades to benefit from the safe harbor provided by such Circular and qualify as an accepted market practice for the purposes of MAR.

If an acquisition or series of acquisitions of the Company's ordinary shares reaches or exceeds or causes our and our affiliates' holdings to reach or exceed 1% of the voting shares, the Company must notify its final holding of treasury shares to the CNMV. If such threshold is reached as a result of a series of acquisitions, such reporting obligation will only arise after the closing of the acquisition which, taken together with all acquisitions made since the last of any such notifications, causes our and our affiliates' holdings to exceed 1% of the voting shares. Sales and other transfers of the treasury shares will not be deducted in the calculation of such threshold. This requirement would also apply if the shares were acquired by one of our majority-owned subsidiaries.

Moreover, pursuant to Spanish Companies Act, the audited financial statements of a company must include a reference to any treasury shares.

MARKET INFORMATION

Prior to the Offering, there has been no public market for our ordinary shares. We will apply to list our ordinary shares on the Spanish Stock Exchanges and to have them quoted on the SIBE of the Spanish Stock Exchanges. The Spanish securities market for equity securities comprises four stock exchanges located in Barcelona, Bilbao, Madrid and Valencia. We expect that our ordinary shares (including the Shares offered hereby) will be listed on the Spanish Stock Exchanges and quoted on the SIBE on or about June 24, 2021 under the symbol "PRF".

Trading system

The SIBE links the four Spanish Stock Exchanges, providing those securities listed on it with a uniform continuous market that eliminates certain of the differences between the local exchanges. The principal feature of the system is the computerized matching of bid and offer orders at the time of entry of the relevant order. Each order is executed as soon as a matching order is entered but can be modified or cancelled until it is executed. The activity of the market can be continuously monitored by investors and brokers. The SIBE is operated and regulated by Sociedad de Bolsas, S.A. ("**Sociedad de Bolsas**"), a company owned by the companies that manage the Spanish Stock Exchanges. All trades on the SIBE must be placed through a brokerage firm, a dealer firm or a credit entity that is a member of the Spanish Stock Exchanges.

In a pre-opening session held from 8:30 a.m. to 9:00 a.m. (CET) each trading day, an opening price is established for each security traded on the SIBE based on a real-time auction in which orders can be entered, modified or cancelled but not executed. During this pre-opening session, the system continuously displays the price at which orders would be executed if trading were to begin at that moment. Market participants only receive information relating to the auction price (if applicable) and trading volume permitted at the current bid and offer price. If an auction price does not exist, the best bid and offer price and associated volumes are shown. The auction terminates with a random period of 30 seconds in which share allocation takes place. Until the allocation process has finished, orders cannot be entered, modified or cancelled. In exceptional circumstances (including the admission of new securities on the SIBE) and after giving notice to the CNMV, Sociedad de Bolsas may establish an opening price without regard to the reference price (the previous trading day's closing price), alter the price range for permitted orders with respect to the reference price and modify the reference price.

The computerized trading hours, known as the open session, are from 9:00 a.m. to 5:30 p.m. (CET). During the trading session, the trading price of a security is permitted to vary up to a maximum so-called 'static' range of the reference price, provided that the trading price for each trade of such security is not permitted to vary in excess of a maximum so-called 'dynamic' range with respect to the trading price of the immediately preceding trade of the same security. If, during the trading session, there are matching bid and offer orders for a security within the computerized system which exceed any of the above 'static' or 'dynamic' ranges, trading on the security is automatically suspended and a new auction is held where a new reference price is set, and the 'static' and 'dynamic' ranges will apply over such new reference price. The 'static' and 'dynamic' ranges applicable to each particular security are set up and reviewed periodically by Sociedad de Bolsas.

Between 5:40 p.m. and 8:00 p.m. (CET), trades may occur outside the computerized matching system without prior authorization of Sociedad de Bolsas (provided such trades are however disclosed to Sociedad de Bolsas), provided that they meet the minimum effective amount for high volume orders in respect of the relevant security. Information with respect to the computerized trades which take place between 9:00 a.m. and 5:30 p.m. (CET) is made public immediately, and information with respect to trades which occur outside the computerized matching system is reported to the Sociedad de Bolsas by the end of the trading day and is also published in the Stock Exchange Official Gazette (*Boletín de Cotización*) and on the computer system by the beginning of the next trading day.

Clearing, Settlement and Book-entry System

The Spanish clearing, settlement and book-entry system is governed by the Spanish Market Securities Act and Royal Decree 878/2015, to the provisions set forth in Regulation (EU) No 909/2014 of the European Parliament and of the Council of July 23, 2014 on improving securities settlement in the EU and on central securities depositories, amending Directives 98/26/EC and 2014/65/EU and Regulation (EU) No 236/2012.

According to these regulations, transactions carried out on the SIBE are cleared by BME Clearing, S.A., as central counterparty ("**CCP**") and settled by Iberclear, as central securities depository. Investors are urged to contact their agent or custodian in Spain as soon as possible to make the arrangements necessary for registering the shares in their name on the Settlement Date.

Iberclear and the CCP are owned by Bolsas y Mercados Españoles, Sociedad Holding de Mercados y Sistemas Financieros, S.A., a listed holding company controlled by SIX Group, which holds a 100% interest in each of the Spanish Stock Exchanges.

Shares of listed Spanish companies are represented in book-entry form. The book-entry system is a two-tier level registry: the keeping of the central book-entry register corresponds to Iberclear and the keeping of the detail records correspond to the participating entities in Iberclear.

Access to become a participating entity is restricted to (i) credit institutions, (ii) investment services companies that are authorized to render custody and administration of financial instruments, (iii) the Bank of Spain, (iv) the General Administration and the General Social Security Treasury, (v) other duly authorized central securities depositories and central clearing counterparties and (vi) other public institutions and private entities when expressly authorized to become a participating entity in central securities depositories.

The central registry managed by Iberclear reflects: (i) one or several proprietary accounts which will show the balances of the participating entities' proprietary accounts; (ii) one or several general third-party accounts that will show the overall balances that the participating entities hold for third parties; (iii) individual accounts opened in the name of the owner, either individual or legal person; and (iv) individual special accounts of financial intermediaries which use the optional procedure of settlement of orders. Each participating entity, in turn, maintains the detail records of the owners of such shares.

According to the above, Spanish law considers the owner of the shares to be:

- the participating entity appearing in the records of Iberclear as holding the relevant shares in its own name;
- the investor appearing in the records of the participating entity as holding the shares; or
- the investor appearing in the records of Iberclear as holding shares in a segregated individual account.

BME Clearing is the CCP in charge of the clearing of transactions closed on the Spanish Stock Exchanges. BME Clearing interposes itself on its own account as seller in every purchase and as buyer in every sale. It calculates the buy and sell positions *vis-à-vis* the participants designated in such buy or sell instructions. The CCP then generates and sends to Iberclear the relevant settlement instructions.

The settlement and book-entry registration platform managed by Iberclear, which operates under the trade name of ARCO, receives the settlement instructions from BME Clearing and forwards them to the relevant participating entities involved in each transaction. ARCO operates under a T+2 settlement standard, by which any transactions must be settled within two business days following the date on which the transaction was completed.

Obtaining legal title to shares of a company listed on the Spanish Stock Exchanges requires the participation of a Spanish official stockbroker, broker-dealer or other entity authorized under Spanish law to record the transfer of shares. To evidence title to shares, at the owner's request, the relevant participating entity must issue a legitimization certificate (*certificado de legitimación*). If the owner is a participating entity or a person holding shares in a segregated individual account, Iberclear is in charge of the issuance of the certificate regarding the shares held in its name.

Euroclear and Clearstream, Luxembourg

Shares deposited with depositories for Euroclear Bank, S.A./N.V., as operator of the Euroclear System ("**Euroclear**"), and Clearstream Banking, Société Anonyme ("**Clearstream**"), and credited to the respective securities clearance account of purchasers in Euroclear or Clearstream against payment to Euroclear or Clearstream, will be held in accordance with the Terms and Conditions Governing Use of Euroclear and Clearstream, the operating procedures of the Euroclear System (as amended from time to time), the Management Regulations of Clearstream and the Instructions to Participants of Clearstream (as amended from time to time), as applicable. Subject to compliance with such regulations and procedures, those persons on whose behalf accounts are kept at Euroclear or Clearstream and to whom shares have been credited ("**investors**"), will be entitled to receive a number of shares equal to that amount credited in their accounts.

With respect to shares deposited with depositories for Euroclear or Clearstream, such shares will be initially recorded in the name of Euroclear or one of its nominees or in the name of Clearstream or one of its nominees, as the case may be. Thereafter, investors may withdraw shares credited to their respective accounts if they wish to do so, upon payment of the applicable fees, if any, and once the relevant recording in the book-entry records kept by the members of Iberclear has occurred.

Under Spanish law, only the holder of record in Iberclear's registry is entitled to dividends and other distributions and to exercise voting, pre-emptive and other rights in respect of such shares. Euroclear (or its nominees) or Clearstream (or its nominees) will, respectively, be the sole record holders of the shares that are deposited with any depositories for Euroclear and Clearstream until investors exercise their rights to withdraw such shares and record their ownership rights over the shares in the book-entry records kept by the members of Iberclear.

Cash dividends or cash distributions, as well as stock dividends or other distributions of securities, received in respect of the shares that are deposited with the depositories for Euroclear and Clearstream will be credited to the cash accounts maintained on behalf of the investors at Euroclear and Clearstream, as the case may be, after deduction of any applicable withholding taxes, in accordance with the applicable regulations and procedures of Euroclear and Clearstream. See "*Taxation*".

Euroclear and Clearstream will endeavour to inform investors of any significant events of which they become aware affecting the shares recorded in the name of Euroclear (or its nominees) and Clearstream (or its nominees) and requiring action to be taken by investors. Each of Euroclear and Clearstream may, at its discretion, take such action, as it shall deem appropriate in order to assist investors in exercising their voting rights in respect of the shares. Such actions may include: (i) acceptance of instructions from investors to grant or to arrange for the granting of proxies, powers of attorney or other similar certificates for delivery to the Company, or its agent; or (ii) exercise by Euroclear or its nominees and Clearstream or its nominees of voting rights in accordance with the instructions provided by investors.

In case the Company offers or causes to be offered to Euroclear (or its nominees) and Clearstream or its nominees, acting in their capacity as record holders of the ordinary shares deposited with the depositories for Euroclear and Clearstream, respectively, any rights to subscribe for additional shares or rights of any other nature, each of Euroclear and Clearstream will, respectively, endeavour to inform investors of the terms of any such rights of which it becomes aware in accordance with the applicable provisions in the aforementioned regulations and procedures. Such rights will be exercised, insofar as practicable and permitted by applicable law, according to written instructions received from investors, or, alternatively, such rights may be sold and, in such event, the net proceeds to be received by the Company from the Offering will be credited to the cash account maintained on behalf of the investor with Euroclear or Clearstream.

Tender offers

Tender offers are governed in Spain by articles 128 et seq. of the Securities Market Act and Royal Decree 1066/2007 of July 27 (*Real Decreto 1066/2007, de 27 de julio, de régimen de las ofertas públicas de adquisición de valores*) which implement Directive 2004/25/EC of the European Parliament and of the Council of April 21, 2004. Other than the referred tender offer regulation, there is no other special regulation in Spain that may govern mandatory tender offers over the ordinary shares of the Company.

Tender offers in Spain may qualify as either mandatory or voluntary.

Mandatory tender offers must be launched for all the shares of the target company and all other securities that might directly or indirectly entitle a holder thereof to acquire or subscribe such shares (including, without limitation, convertible and exchangeable notes) at an equitable price, and not subject to any conditions, when any person or entity acquires control of a Spanish listed company, whether such control is obtained:

- by means of the acquisition of shares or other securities that directly or indirectly entitle a holder thereof to subscribe or acquire voting shares in such company;
- through shareholder agreements with shareholders or other holders of such securities; or
- as a result of other situations of equivalent effect as provided in the applicable Spanish regulation on tender offers (which constitute indirect control acquired through mergers, share capital decreases or changes in the target's treasury shares).

Pursuant to paragraph 3 of article 131 of the Securities Market Act, if, exclusively as a consequence of the variation in the total number of voting rights of a company resulting from the existence of Loyalty Shares with double voting rights (in the event the Company includes this loyalty share regime by means of an amendment of the By-Laws with the legally required reinforced majorities to do so), any shareholder should reach, directly or indirectly, a number of voting rights equal to or greater than 30%, such shareholder may not exercise the voting rights exceeding such percentage without launching a mandatory public tender offer aimed at the entire share capital. In this case, the tender offer shall be made within 3 months from the date on which the 30% threshold was exceeded and the rules relating to the determination of the equitable price shall apply to it. However, the launch of a tender offer shall not apply if, within 3 months from the date on which the threshold of 30% of the voting rights was exceeded, the obligor disposes of the number of shares necessary to reduce the voting rights in excess of the aforementioned percentages or waives the voting rights attached to its Loyalty Shares in excess of 30% of the voting rights.

A person or entity is deemed to have control over a target company, either individually or jointly with other parties acting in concert, whenever:

- it acquires, directly or indirectly, a percentage of the company's voting rights equal to or greater than 30%;
or

- it has acquired a percentage that is less than 30% of the voting rights and appoints, during the 24-month period following the date of acquisition of such percentage, a number of directors that, together with those already appointed by it (if any), represents more than half of the members of the target company's board of directors. The Spanish regulation on tender offers also sets forth certain situations where directors are deemed to have been appointed by the bidder or persons acting in concert therewith unless evidence to the contrary is provided.

For the purposes of calculating the percentages of voting rights acquired, the Spanish regulation establishes the following rules:

- percentages of voting rights corresponding to: (i) companies belonging to the same group as the bidder; (ii) members of the board of directors of the bidder or of companies of its group (unless evidence to the contrary is provided); (iii) persons acting in concert with or on behalf of the bidder; (iv) voting rights which may be exercised freely and over an extended period by the bidder under proxy granted by the actual holders or owners of such rights, in the absence of their specific instructions with respect thereto; and (v) shares held by a nominee (such nominee being a third party whom the bidder totally or partially covers against the risks related to acquisitions or transfers of the shares or the possession thereof), will be deemed to be held by the bidder;
- both the voting rights arising from the ownership of shares and those enjoyed under a usufruct or pledge or under any other contractual title, will also be deemed to be held by the bidder;
- the percentage of voting rights shall be calculated based on the entire number of the Company's shares with voting rights, even if the exercise of such rights has been suspended. Treasury stock held directly or indirectly by the target company (according to the information available on the date of calculation of the percentage of voting rights held by the bidder) shall be excluded from the calculation. Non-voting shares shall be taken into consideration only when they carry voting rights pursuant to applicable law; and
- acquisitions of securities or other financial instruments which entitle the holder to the subscription, conversion, exchange or acquisition of shares which carry voting rights will not result in the obligation to launch a tender offer until such subscription, conversion, exchange or acquisition occurs.

Notwithstanding the foregoing, upon the terms established in the applicable Spanish regulation on tender offers, the CNMV will conditionally exempt a person or entity from the obligation to launch a mandatory bid when another person or entity not acting in concert with the potential bidder, directly or indirectly holds an equal or greater voting percentage in the target company.

Spanish regulations establish certain exceptions where control is obtained but no mandatory tender offer is required, including, among others:

- subject to the CNMV's approval, acquisitions or other transactions resulting from the conversion or capitalization of claims into shares of listed companies if their financial feasibility is subject to serious and imminent danger provided that such transactions are intended to ensure the company's financial recovery in the long term. The approval of the CNMV will not be required if the acquisition takes place in the context of a refinancing agreement under the restated text of the Insolvency Act approved by Royal Legislative Decree 1/2020, of May 5;
- in the event of a merger, provided that those acquiring control did not vote in favour of the merger at the relevant general meeting of shareholders of the target company and provided also that it can be shown that the primary purpose of the transaction is not the takeover but an industrial or corporate purpose; and
- when control has been obtained after a voluntary bid for all of the securities, if either the bid has been made at an equitable price or has been accepted by holders of securities representing at least 50% of the voting rights to which the bid was directed (excluding voting rights already held by the bidder and those belonging to shareholders who entered into an agreement with the bidder regarding the tender offer).

The price of the mandatory tender offer is deemed to be equitable when it is at least equal to the highest price paid by the bidder or any person acting in concert therewith for the same securities during the twelve months preceding the announcement of the tender offer. Other rules used to calculate such equitable price are set forth in the applicable Spanish regulation. However, the CNMV may change the price determined pursuant to such rules in certain circumstances (such as, extraordinary events affecting the price or evidence of market manipulation).

Mandatory offers must be launched as soon as possible and at any event within one month from the acquisition of the control of the target company.

Voluntary tender offers may be launched in those cases in which a mandatory offer is not legally required. Voluntary offers are subject to the same rules established for mandatory offers except for the following:

- they might be subject to certain conditions (such as amendments to the By-Laws or adoption of certain resolutions by the general meeting of shareholders of the target company, acceptance of the offer by a minimum number of shares of the target company, approval of the offer by the general meeting of shareholders of the bidder; and any other condition deemed by the CNMV to be in accordance with law), provided that the fulfilment of such conditions may be verified by the end of the offer acceptance period; and
- they may be launched at a price other than an equitable price.

Notwithstanding the foregoing, by way of exception, the price in a voluntary tender offer must be the higher of (i) the equitable price and (ii) the price resulting from an independent valuation report, and must at least consist of cash as an alternative if certain circumstances have occurred during the two years prior to the announcement of the offer (basically, where the trading price for the shares being affected by price manipulation practices, market or share prices being affected by natural disasters, force majeure, or other exceptional events, or the target company being subject to expropriation or confiscation resulting in significant impairment of the target company's real value).

The Spanish regulation on tender offers sets forth further relevant provisions, including, among others:

- the board of directors of the target company will be exempt from the prohibition to carry out frustrating or defensive actions against a foreign bidder provided the latter's board of directors is not subject to equivalent passivity rules and subject to prior approval by the company's general meeting of shareholders within the 18-month period before the date of the public announcement of the tender offer;
- defensive measures included in a listed company's By-Laws and transfer and voting restrictions included in agreements among a listed company's shareholders will remain in place whenever the company is the target of a tender offer, unless the shareholders decide otherwise (in which case any shareholders whose rights are diluted or otherwise adversely affected shall be entitled to compensation at the target company's expense); and
- squeeze-out and sell-out rights will apply provided that following a mandatory tender offer (or as a result of a voluntary offer for all of the target's share capital) the bidder holds shares representing at least 90% of the target company's voting share capital and the tender offer has been accepted by the holders of securities representing at least 90% of the voting rights over which the offer was launched.

We have never been the target of a tender offer by a third-party bidder over the ordinary shares of the Company.

PLAN OF DISTRIBUTION

General Overview of the Offering

The Selling Shareholder is offering 35,000,000 existing ordinary shares at the Offering Price in the Offering. If the Over-allotment Option is exercised, in whole or in part, the Offering will include Additional Shares to be sold by the Selling Shareholder.

Tentative calendar of the Offering

The Company expects that the Offering will take place according to the tentative calendar set out below:

Principal event	Date ⁽¹⁾
Approval and registration of the Prospectus with the CNMV	June 10, 2021
Commencement of the book-building period	June 10, 2021
Finalization of the book-building period	June 22, 2021
Setting of the Offering Price	June 22, 2021
Execution of the Underwriting Agreement	June 22, 2021
Publication of the inside information notice (<i>comunicación de información privilegiada</i>) with the Offering Price	June 22, 2021
Allocations of the Offered Shares to investors	June 22, 2021
Transaction date and publication of other relevant information notice (<i>comunicación de otra información relevante</i>) (on or about)	June 23, 2021
Admission and commencement of the Stabilization Period (on or about)	June 24, 2021
Settlement Date (on or about)	June 25, 2021
End of Stabilization Period (no later than)	July 23, 2021

⁽¹⁾ Each of the dates included in the above tentative calendar is subject to change without prior notice. Any change, including in particular any lengthening or shortening of the tentative calendar, will be made public by publishing the corresponding "other relevant information notice" (*comunicación de otra información relevante*) with the CNMV.

The Offering consists of an initial offer of the Offered Shares and, if the Over-allotment Option is exercised in whole or in part, the Additional Shares to qualified investors inside and outside of Spain, including a placement in the United States to QIBs as defined in Rule 144A in reliance on such Rule 144A or pursuant to another exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act.

The Offering will be conducted through a book-building process. During the book-building period, which is expected to start on June 10, 2021 and end on June 22, 2021 (both inclusive), the Managers will market the Shares among investors in accordance with, and subject to, the selling and transfer restrictions set forth in this Prospectus (see "*Selling and Transfer Restrictions*"). Investors may make their purchase proposals during this period, indicating the aggregate euro amount they would be willing to invest to purchase Shares and the price at which they would be interested in acquiring Shares.

The book-building period may be reduced or extended by agreement of the Company, the Selling Shareholder and the Joint Global Coordinators if, in the first case, the book of demand is sufficiently covered in their view before the end of the book-building period or, in the second case, if they understand that an extension of the book-building period for up to one additional week is convenient to ensure the success of the Offering. In the event there is such a reduction or extension of the book-building period, the Company will inform the market through the publication of "other relevant information notice" (*comunicación de otra información relevante*) as well as about the subsequent steps in the tentative calendar of the Offering, which may be postponed or brought forward accordingly.

Purchase proposals made by qualified investors for the Shares constitute only an indication of their interest in the Shares and shall not be binding on any qualified investors, the Company or the Selling Shareholder. However, following determination of the Offering Price and allocation of the Shares to investors, each Manager shall inform qualified investors having placed any purchase proposal before such Manager of the final number of Shares allocated to them, if any, and shall require confirmation of such purchase proposals. Once a proposal has been confirmed by an investor, it becomes binding and irrevocable, except in the exceptional case where a supplement to this Prospectus is published. In such event, investors shall have the right to withdraw their acceptances by written

notice to the Managers, provided that the significant new factor, material mistake or material inaccuracy arose or was noted before the closing of the offer period or the Settlement Date, whichever occurs first. The right would be exercisable within three business days from the date of publication of the supplement. A supplement will be published only in case of existence of a significant new factor, material mistake or material inaccuracy relating to the information included in the Prospectus which may affect the assessment of the Shares and which arises or is noted between the time when the Prospectus is approved and the closing of the offer period or Admission, whichever occurs later.

Qualified investors will be expected to confirm their proposals to their custodian entities responsible for the "billing and delivery" including in their settlement instructions the 35 digits corresponding to each of the final qualified investor's settlement account in Iberclear and the 20 digits corresponding to each final qualified investor's securities account in an Iberclear participant. Failure to furnish such instructions to their respective "billing and delivery" entities may result in qualified investors not being allocated Shares or custodians not accepting settlement.

We have discussed with the Joint Global Coordinators their principles for allocation, the factors they believe to be relevant to the allocation and pricing of the Shares and have agreed objectives and the process for the allocation and pricing of the Shares. The Joint Global Coordinators will take into account their prudential responsibilities to manage their risk properly when agreeing the allocation, pricing and timing. The Managers, the Company and the Selling Shareholder will collectively determine the definitive allocation of the Shares to investors on the date of pricing of the Offering, which is expected to occur on or about June 22, 2021. Any disagreement between the Managers, on the one hand, and the Company and the Selling Shareholder, on the other hand, with respect to allocation preferences will be resolved at the absolute discretion of the Company and the Selling Shareholder. Notwithstanding the foregoing, the Company and the Selling Shareholder may not reject purchase requests if such rejection would entail the Managers having to fulfil their respective underwriting commitments in whole or in part.

The Underwriting Agreement

The Company, the Selling Shareholder and the Managers are expected to enter into an underwriting agreement (the "**Underwriting Agreement**") with respect to the Offered Shares and the Additional Shares, if any, being offered by the Selling Shareholder upon the finalization of the book-building period and setting of the Offering Price (expected to be on or about June 22, 2021 and the Underwriting Agreement to be entered into on or about the same date). Subject to the satisfaction of certain conditions set out in the Underwriting Agreement, each Manager will agree, severally but not jointly, nor jointly and severally, to procure purchasers for or, failing which, to purchase (as the case may be) such percentage of the total number of Offered Shares as is set forth opposite its name in the following table:

Managers	% Offered Shares
J.P. Morgan	37.5%
Morgan Stanley	37.5%
Banco Santander	8.00%
Société Générale	5.00%
Berenberg	3.00%
Alantra	2.70%
Kempen & Co	2.12%
Commerzbank	2.12%
CaixaBank	1.16%
JB Capital	0.90%

In consideration of the agreement by the Managers to procure purchasers for or, failing which, to purchase the Offered Shares, the Selling Shareholder will pay to the Managers a base fee totalling 2.0% of the gross proceeds of the Offering (including, if applicable, any gross proceeds relating to the Over-allotment Option). In addition, the Selling Shareholder may, at its sole and absolute discretion, pay to the Managers a discretionary fee of up to 1.0 % of the gross proceeds of the Offering (including, if applicable, any gross proceeds relating to the Over-allotment Option) to be distributed among the Managers as determined by the Selling Shareholder. Furthermore, the Company and the Selling Shareholder will agree to reimburse the Managers for certain customary expenses.

The Underwriting Agreement provides that the obligations of the Managers are subject to certain customary conditions precedent. The Company and the Selling Shareholder will give the Managers customary representations and warranties in the Underwriting Agreement.

The Underwriting Agreement will also provide that the Company and the Selling Shareholder will, subject to certain exceptions, indemnify the Managers against certain liabilities, including liabilities under applicable securities laws that may arise in connection with the Offering. In addition, the Underwriting Agreement may be terminated in certain circumstances (see "*–Withdrawal and Revocation of the Offering–Revocation of the Offering*").

The exact number of Offered Shares to be underwritten by each Manger shall be fixed if and when the Underwriting Agreement is entered into. The Company will inform the market of any amendment of the number or identity of Managers, or of the percentage of Offered Shares underwritten by any of them which may occur through publication of an "inside information notice" (*comunicación de información privilegiada*).

If one or more of the Managers shall fail at the time of the closing of the sale of the Offered Shares on the Settlement Date to purchase the Offered Shares which it or they are obliged to purchase under the Underwriting Agreement (the "**Defaulted Shares**"), the Joint Global Coordinators shall have the right but not the obligation, within 24 hours thereafter (or as otherwise may be agreed among the Joint Global Coordinators, the Company and the Selling Shareholder), to make arrangements for one or more of the non-defaulting Managers, or any other Managers, to purchase all, but not less than all, of the Defaulted Shares in such amounts as may be agreed and upon the terms set forth in the Underwriting Agreement; if, however, the Joint Global Coordinators shall not have completed such arrangements within such 24-hour period, then:

- (i) if the number of Defaulted Shares does not exceed 10% of the number of Offered Shares to be purchased on such date, each of the non-defaulting Managers shall be obliged, acting severally and not jointly nor jointly and severally, to itself purchase the full amount thereof in the proportions that their respective underwriting commitments bear to the underwriting commitments of all non-defaulting Managers; or
- (ii) If the number of Defaulted Shares exceeds 10% of the number of Offered Shares to be purchased on such date, the respective obligations of the Managers to purchase and of the Selling Shareholder to sell Offered Shares shall terminate without liability on the part of any non-defaulting Managers, and the Offering will be therefore revoked.

Upon a partial default as described in item (i) above, the Company shall publish an "other relevant information notice" (*comunicación de otra información relevante*). For the consequences of item (ii) above see "*Consequences of withdrawal or revocation*" below.

Payment and settlement of the Offered Shares

The transaction date of the Offering (*fecha de operación bursátil*) when the sale of the Offered Shares will be executed (the "**Transaction Date**") is expected to be on or about June 23, 2021 and will be announced through an "other relevant information" notice (*comunicación de otra información relevante*). On the Transaction Date, investors' purchase orders will be processed via the Spanish Stock Exchanges and Iberclear and, assuming the Managers have not exercised the termination rights contained in the Underwriting Agreement, investors shall be entitled to receive the Offered Shares purchased in the Offering on the Settlement Date.

The Company will request admission to listing and trading of its ordinary shares on the Spanish Stock Exchanges and through the SIBE as soon as possible. Admission is expected to take place on or about June 24, 2021. If there is any delay in the admission to listing and trading of the ordinary shares on the Spanish Stock Exchanges, the Company will publicly announce, via "other relevant information notice" (*comunicación de otra información relevante*), such delay and a revised expected date of Admission.

Payment by the final investors for the Offered Shares will be made no later than the second business day after the Transaction Date against delivery through the facilities of Iberclear of the Offered Shares to final investors, which is expected to take place on or about June 25, 2021 (the "**Settlement Date**").

The Shares are expected to be admitted to listing on the Spanish Stock Exchanges and quoted through the SIBE on or about June 24, 2021, under the symbol "PRF".

Agent Bank

CaixaBank S.A., with registered address at Calle Pintor Sorolla 2, Valencia 46002, Spain, will act as Agent Bank in the Offering. The Agent Bank will be responsible for, among other things: maintaining the Offered Shares deposited in the securities accounts held with it by the Selling Shareholder until settlement of the Offering and subsequently until the end of the Stabilization Period (as applicable); instructing the entities participating in the Offering on the procedures applicable to its execution; receiving and processing information on the selection and confirmation of purchase proposals and cooperating with the Company and its legal counsels in the Admission process.

Pricing of the Offering

Prior to the Offering, there has been no public market for the ordinary shares of the Company.

Offering Price Range

The indicative Offering Price Range is € 9.30 to € 12.10 per Offered Share. The Offering Price Range has been determined by the Company and the Selling Shareholder, in agreement with the Joint Global Coordinators and no independent experts were consulted in determining the Offering Price Range.

Among the factors considered in determining the Offering Price Range were our future prospects and the prospects of its industry in general, our revenue, EBITDA^{APM} and certain other financial and operating information in recent periods, and the financial ratios, market prices of securities and certain financial and operating information of companies engaged in activities similar to our activities. The Offering Price Range is indicative only, it may change during the course of the Offering and the Offering Price may be set higher or lower than the Offering Price Range and would be announced, if applicable, through an "other relevant information" notice (*comunicación de otra información relevante*). There can be no assurance that the prices at which the Shares will sell in the public market after the Offering will not be lower than the Offering Price Range or that an active trading market in the Shares will develop and continue after the Offering. See "*Risk Factors—Risks Relating to the Offering and the Shares*".

Offering Price and number of Offered Shares

The Offering Price will be determined by the Company, the Selling Shareholder and the Joint Global Coordinators upon the finalization of the book-building period (expected to be on or about June 22, 2021). The Offering Price will be announced through an inside information notice (*comunicación de información privilegiada*) reported to the CNMV. No independent experts will be consulted in determining the Offering Price. The final number of Offered Shares will be announced through that same inside information notice (*comunicación de información privilegiada*).

Expenses and taxes charged to the investor

The Company and the Selling Shareholder will not charge investors any expenses in addition to the Offering Price.

Purchasers of Shares may be required to pay stamp taxes and other charges in compliance with the laws and practices of their country of purchase in addition to the Offering Price.

In addition, purchasers will have to bear any commissions payable to financial intermediaries through which they will hold the Offered Shares, including those commissions related to administration and security custody which are freely set by the relevant financial intermediaries and notified to CNMV or Bank of Spain (*Banco de España*), as the case may be.

Expenses

Due to the difficulty in determining the expenses incurred as of the date of this Prospectus, for purely informational purposes, the following table sets forth the estimated expenses payable by the Company and the Selling Shareholder in relation to the Offering (excluding any applicable VAT):

<i>(in thousands of euros)</i>	Company	Selling Shareholder
Underwriting commissions ⁽¹⁾	-	€ 12,359
Iberclear fee, Spanish Stock Exchanges fee and CNMV fee ⁽²⁾	€ 152	-
Legal, financial advisory, audit and other expenses (notary public, Commercial Registry, legal publishing, legal and financial advice, audit services and IPO insurance) ⁽²⁾	-	€ 3,708
Total	€ 152	€ 16,066

(1) Assuming that (i) the Offering is of approximately €412 million; (ii) all Shares (including the Additional Shares) have been placed or underwritten by each of the Underwriters and that the Over-allotment Option has been entirely exercised, considering that the Offering Price is at the mid-point price of the Offering Price Range; and (iii) the discretionary commission is paid in full.

(2) Assuming that the Offering Price is the mid-point of the Offering Price Range.

Assuming that the Offering Price is the mid-point price of the Offering Price Range and that the Over-Allotment Option is exercised in full, the expenses (including commissions) payable by the Selling Shareholder would total €16.1 million, which would account for 3.90% of the gross proceeds of the Offering. Assuming that the Offering Price is the mid-point price of the Offering Price Range and that the Over-Allotment Option is not exercised, the expenses (including commissions) payable by the Selling Shareholder would total €14.6 million, which would account for 3.90% of the gross proceeds of the Offering. The expenses payable by the Company would amount to €0.1 million, which represents 0.032% (assuming that the Offering Price is the mid-point price of the Offering Price Range and that the Over-Allotment Option is exercised in full) and 0.035% (assuming that the Offering Price is the mid-point price of the Offering Price Range and that no Over-Allotment Option is exercised) of the total amount of the Offering.

Withdrawal and revocation of the Offering

Withdrawal of the Offering

The Company and the Selling Shareholder expressly reserve the right to withdraw the Offering, postpone it, defer it or suspend it temporarily or indefinitely for any reason at any time before the setting of the Offering Price. The Company will notify the CNMV, the Agent Bank and the Joint Global Coordinators of the withdrawal of the Offering on the date that the withdrawal takes place or as soon as practicable thereafter.

Revocation of the Offering

The Offering will be revoked (a) if the Underwriting Agreement is not signed on or before 8:00 am (CET) on June 23, 2021 or such later date as is determined in case of any postponement thereof duly notified to the CNMV; (b) if the Offering is suspended or withdrawn by any judicial or administrative authority; (c) if our shares are not admitted to listing on the Spanish Stock Exchanges before 11:59 p.m. (CET) on July 15, 2021; (d) if the Defaulted Shares exceeds 10% of the Offered Shares; or (e) if the Underwriting Agreement is terminated on or before the execution of the sale of the Offered Shares on the Transaction Date upon the occurrence of termination provisions set forth in the Underwriting Agreement, which includes: (i) a breach by the Company or the Selling Shareholder of any of the representations or warranties contained in the Underwriting Agreement or any of the representations and warranties of the Company or the Selling Shareholder contained in the Underwriting Agreement is not, or has ceased to be, true and correct, or a material breach by the Company or the Selling Shareholder of any of the undertakings given in the Underwriting Agreement has occurred; (ii) since the time of execution of the Underwriting Agreement or since the respective dates as of which information is given in this Prospectus or the disclosure package referred to in the agreement, there has been, in the good faith judgment of the Joint Global Coordinators, any material adverse effect (understood as a material adverse change, or any development reasonably likely to result in a material adverse change, in or affecting the condition (financial, operational, legal or otherwise), or in the shareholders' equity, results of operations, management, business affairs, solvency, credit rating, business, operations or prospects of the Company or the Company and its subsidiaries taken as a whole, whether or not arising in the ordinary course of business or any development reasonably likely to result in a material adverse effect, in each case, the effect of which event, individually or together with any other such event, in the good faith judgment of the Joint Global Coordinators, makes it impracticable or inadvisable to market the Shares or to enforce contracts for the sale of the Shares; (iii) there has occurred (a) any material adverse change in the financial markets in Spain, the United States, the United Kingdom or in any relevant state, or the international financial markets, (b) any outbreak of hostilities or escalation thereof or other calamity or crisis or (c) any change or development involving a prospective change in national or international political, financial or economic conditions, or currency exchange rates, in each case, the effect of which event, individually or together with any other such event, in the good faith judgment of the Joint Global Coordinators, makes it impracticable or inadvisable to market the Shares or to enforce contracts for the sale of the Shares; (iv) if trading generally on the Spanish Stock Exchanges, the London Stock Exchange, the New York Stock Exchange or in the NASDAQ System has been suspended or limited, or minimum or maximum prices for trading have been fixed, or maximum ranges for prices have been required, by any of such exchanges or by such system or by order of the regulatory authorities of Spain, the United States, the United Kingdom or any other governmental or self-regulatory authority, or a material disruption has occurred in commercial banking or securities settlement, payment or clearance services in Spain, the United States, the State of New York, the United Kingdom or any relevant state, in each case, the effect of which event, individually or together with any other such event, in the good faith judgment of the Joint Global Coordinators, makes it impracticable or inadvisable to market the Shares or to enforce contracts for the sale of the Shares; (v) a moratorium on banking activities has been declared by the competent authorities of any of the European Union, Spain, the United States, the State of New York, the United Kingdom or any relevant state, in each case, the effect of which event, individually or together with any other such event, in the good faith judgment of the Joint Global Coordinators, makes it impracticable or inadvisable to market the Shares or to enforce contracts for the sale of the Shares; (vi) any new law or regulation

or any change in existing law or regulation, or any change in the interpretation or application thereof by any court or other competent authority in or affecting Spain, any relevant state and/or the United States, in the good faith judgment of the Joint Global Coordinators, (a) is materially adverse to, or is likely to materially and prejudicially affect, the business or financial or trading position or prospects of the Company, (b) makes, or is likely to make, it impracticable or inadvisable to market the Shares or enforce contracts for the sale of the Shares, or (c) is likely to result in the successful completion of the Offering being prejudiced or (vii) if the relevant conditions precedents are not fully complied or waived.

Consequences of withdrawal or revocation

In case of withdrawal or revocation of the Offering, all offers to purchase the Offered Shares shall be cancelled and all purchase orders related to the Offering shall be terminated. Additionally, the Selling Shareholder shall have no obligation to deliver the Offered Shares and the investors (including for the purposes of this section, the Joint Global Coordinators in the name and on behalf of the Managers, and each Manager on behalf of the final investors) shall have no obligation to purchase, as the case may be, the Offered Shares, or any right to have the Offered Shares delivered to them.

In the event that the Offered Shares have already been delivered by the Selling Shareholder and the Offering Price has been paid by the investors, the investors would be required to return title to the Offered Shares to the Selling Shareholder and the Selling Shareholder will repurchase the Offered Shares from the purchasers of the Offered Shares for the amount paid by the purchasers in respect of the sale of the Offered Shares in the Offering, together with interest calculated at the statutory rate (*interés legal*) (currently set at 3%) from the date on which the purchasers paid for the Offered Shares until the date on which the Selling Shareholder repays the purchase price.

The investors purchasing Shares shall be deemed to have consented to the aforementioned repurchase of Shares.

We will publish the fact that the Offering has been revoked through an "inside information" notice (*comunicación de información privilegiada*) reported to the CNMV.

Authorizations of the Offering

On April 8, 2021 the general shareholders meeting of the Selling Shareholder approved the sale of shares of the Company through an initial public offering and, consequently, on the same date, the sole shareholder of the Company decided to initiate the necessary processes with regard to the Offering. Following these resolutions, on May 31, 2021 the sole shareholder of the Company, decided to carry out the Offering and to apply for Admission. By virtue of the authorisations granted by the sole shareholder of the Company, on May 31, 2021, the Board of Directors of the Company (with the composition described in "*Board of Directors and Management*") resolved to carry out the Offering and to apply for Admission and granted the necessary powers of attorney for its implementation.

On June 9, 2021 the general shareholders meeting of the Selling Shareholder complemented the resolutions approved on April 8, 2021 and approved the sale of the Offered Shares and, if the Over-allotment Option is exercised in whole or in part, of Additional Shares, through the Offering, and determined the indicative Offering Price Range for the Offering. In addition, on June 9, 2021, the sole shareholder of the Company decided to execute the Offering under the terms determined by the general shareholders meeting of the Selling Shareholder on that date.

For the avoidance of doubt, no application has been made or is currently intended to be made for our shares to be admitted to listing or trading on any exchange other than the Spanish Stock Exchanges and the SIBE.

No pre-emptive acquisition rights apply to the transfer of the Offered Shares and the Additional Shares, if any.

The Offering is not subject to any administrative approval or authorization other than the regime applicable to the approval by the CNMV of this document as a prospectus for the purposes of the Offering and the subsequent Admission in accordance with the Securities Market Act and related regulation.

Stabilization

In connection with the Offering, Morgan Stanley Europe SE, or any of its agents, as Stabilization Manager, acting on behalf of the Managers, may (but will be under no obligation to) to the extent permitted by applicable law, engage in transactions that stabilize, support, maintain or otherwise affect the price, as well as over-allot Shares or effect other transactions, all with a view to supporting the market price of our shares at a level higher than that which might otherwise prevail in the open market. Any stabilization transactions shall be undertaken in accordance with applicable laws and regulations, in particular, MAR and Regulation 2016/1052.

The stabilization transactions shall be carried out in the Spanish Stock Exchanges through the SIBE for a maximum period of 30 calendar days from the date of Admission, provided that such trading is carried out in compliance with the applicable rules, including any rules concerning public disclosure and trade reporting. The stabilization period is expected to commence on June 24, 2021 and end no later than July 23, 2021 (the "**Stabilization Period**").

For this purpose, the Stabilization Manager may carry out an over-allotment of Shares in the Offering, which may be covered by the Stabilization Manager pursuant to one or several securities loans granted by the Selling Shareholder. The Stabilization Manager is (i) not required to enter into such transactions, and (ii) such transactions may be set on a regulated market and may be taken at any time during the Stabilization Period. However, neither the Stabilization Manager nor any of its agents is under any obligation to effect stabilizing transactions and there is no assurance that the stabilizing transactions will be undertaken. Such stabilization, if commenced, may be discontinued at any time without prior notice, without prejudice of the duty to give notice to the CNMV of the details of the transactions carried out under Regulation 2016/1052. In no event will measures be taken to stabilize the market price of the Shares above the Offering Price. In accordance with Article 5.5 of MAR and Article 6.2 of Regulation 2016/1052, the details of all stabilization transactions will be notified by the Stabilization Manager to the CNMV no later than closing of the seventh daily market session following the date of execution of such stabilization transactions.

Additionally, in accordance with Articles 5.4 and 5.5 of MAR and Article 6.3 of Regulation 2016/1052, the following information will be disclosed to the CNMV by the Stabilization Manager within one week of the end of the Stabilization Period: (i) whether or not stabilization transactions were undertaken; (ii) the date on which stabilization transactions started; (iii) the date on which stabilization transactions last occurred; and (iv) the price range within which any stabilization transactions were carried out, for each of the dates during which stabilization transactions were carried out.

Liquidity Providers

There are no entities that have a firm commitment to act as intermediaries in secondary trading providing liquidity through bid and offer rates.

Over-allotment Option

In connection with the Offering, the Selling Shareholder will grant to the Joint Global Coordinators (on behalf of the Managers), acting severally and not jointly, nor jointly and severally, an option to purchase up to the maximum number of the Additional Shares at the Offering Price. The Over-allotment Option is exercisable by the Stabilization Manager, on behalf of the Managers, upon notice to the Company and the Selling Shareholder, in whole or in part, only during the Stabilization Period and only for the purpose of covering over-allotments (if any) and to cover any short positions resulting from stabilization transactions (if any). Any Additional Shares made available pursuant to the Over-allotment Option will rank *pari passu* in all respects with the Offered Shares (including for all dividends and other distributions declared, made or paid on the Offered Shares), will be purchased on the same terms and conditions as the other Offered Shares being sold in the Offering and will form a single class for all purposes with the other Shares.

The exercise of the Over-allotment Option is not subject to any conditions and will be notified by means of the corresponding other relevant information notice (*comunicación de otra información relevante*) including the date in which the Over-allotment Option will be exercised together with the number of shares.

Lock-up

The Company will agree in the Underwriting Agreement that during the period from the date of the Underwriting Agreement to and including 180 days from the Settlement Date, neither the Company nor any of its subsidiaries nor any person acting on its or their behalf (other than the Selling Shareholder or any of its affiliates (excluding the Company and its subsidiaries)) will, without the prior written consent of the Joint Global Coordinators, such consent not to be unreasonably withheld or delayed, directly or indirectly, (i) issue, offer, pledge, sell, contract to sell, sell or grant any option, right, warrant or contract to purchase, exercise any option to sell, purchase any option or contract to sell, or lend or otherwise transfer or dispose of any Ordinary Shares or other shares of the Company or other securities that are substantially similar to the Ordinary Shares, or any securities convertible into or exercisable or exchangeable for Ordinary Shares or other shares of the Company or other securities that are substantially similar to the Ordinary Shares or file any prospectus under the Prospectus Regulation or any similar document with any other securities regulator, stock exchange or listing authority with respect to any of the foregoing; (ii) enter into any swap or any other agreement or any transaction that transfers, in whole or in part, directly or indirectly, the economic consequence of ownership of any Ordinary Shares or other shares of the Company; or (iii) enter into any other transaction with the same economic effects as sub-clauses (i) and (ii) above, or agree to do or announce or

otherwise publicise the intention to do any of the foregoing, whether any such swap or transaction described in sub-clause (i), (ii) or (iii) above is to be settled by delivery of Ordinary Shares or any securities convertible into or exercisable or exchangeable for Ordinary Shares, in cash or otherwise. The foregoing shall not apply to (A) the filing of any supplement to the Prospectus or (B) any Ordinary Shares issued, sold or transferred or options granted to purchase Ordinary Shares pursuant to the long-term incentive plan approved by the Company, as disclosed in the Prospectus and the Disclosure Package.

The Selling Shareholder will agree in the Underwriting Agreement to similar restrictions during the period from the date of the Underwriting Agreement to and including 180 days from the Settlement Date. These restriction will not apply to (A) the sale of the Shares to be sold by the Selling Shareholder in the Offering; (B) such Ordinary Shares held by the Selling Shareholder as may be lent by the Selling Shareholder to the Joint Global Coordinators pursuant to the Stock Lending Agreement; (C) the sale of the Option Shares in the event the Over-Allotment Option is exercised; (D) transfers of Ordinary Shares by the Selling Shareholder in favour of its controlled companies; and (E) any disposal of Ordinary Shares pursuant to any offer by the Company to purchase its own securities which is made on identical terms to all holders of Ordinary Shares. It is agreed that the carve-out set in sub-clause (D) above is subject to the following conditions: (x) that any such transferees shall agree to be bound by the lock-up obligations of the Selling Shareholder for the remainder of such 180-day period, and (y) that any such inter-company transfers of Ordinary Shares shall be performed on terms and conditions that do not conflict with the Offering Other relationships.

At the time of the execution of the Underwriting Agreement, the Managers shall have received from relevant members of management team of the Company, Mr. Juan Ignacio Conesa Alcaraz and Mr. José Esteban Conesa Alcaraz a lock-up agreement, in the form set forth in the referred agreement and all such lock-up agreements shall remain in full force and effect on the Transaction Date.

Each of the Managers is a full-service financial institution engaged in various activities, which may include the provision of investment banking, commercial banking and financial advisory services. Some of the Managers and their respective affiliates in the ordinary course of business have in the past engaged in investment banking and/or commercial banking transactions with the Company, the Selling Shareholder and their respective affiliates from time to time for which they have received customary fees and reimbursement of expenses and may in the future, from time to time, engage in transactions with and perform services for the Company, the Selling Shareholder and their respective affiliates in the ordinary course of their business for which they may receive customary fees and reimbursement of expenses.

In the ordinary course of their various business activities, the Managers and their respective affiliates may hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (which may include bank loans and/or credit default swaps) in the Company, the Selling Shareholder and their respective affiliates for their own account and for the accounts of their customers, and may at any time hold long and short positions in such securities and instruments.

In the ordinary course of business, the Managers and other parts of their respective groups at any time (i) may invest on a principal basis or manage funds that invest, make or hold long or short positions, finance positions or trade or otherwise effect transactions, for their own accounts or the accounts of customers, in equity, debt or other securities or financial instruments (including derivatives, bank loans or other obligations) of the Company or any other company that may be involved in any proposed transaction, and (ii) may provide or arrange financing and other financial services to other companies that may be involved in any proposed transaction or a competing transaction, in each case, whose interests may conflict with those of the Company or its affiliates.

In addition, certain of the Managers or their affiliates that have a lending relationship with the Company and/or the Selling Shareholder routinely hedge their credit exposure to the Company and/or the Selling Shareholder consistent with their customary risk management policies. A typical such hedging strategy would include these Managers or their affiliates hedging such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in our and/or the Selling Shareholder's securities. The Managers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

The Managers do not consider any of the arrangements described above to be material in the context of the Offering.

MATERIAL CONTRACTS

The following is a summary of the material terms of those contracts (not being contracts entered into in the ordinary course of business) to which the Company and certain of its subsidiaries are a party and which are considered material for the purposes of this document.

Pricoa Notes Agreement

Primafrio, S.L. entered into a note purchase and private shelf deed with the Prudential Insurance Company of America and certain companies of its group (the "**note purchasers**") on December 9, 2020 (the "**Pricoa Notes Agreement**"). The Pricoa Notes Agreement is guaranteed by the Company, as guarantor, and Doctrans-Transportes Rodoviaros de Mercadorias, Lda. and Lamision Sociedade de Transportes, Lda., as subsidiary guarantors. Pursuant to the Pricoa Notes Agreement, Primafrio, S.L. has issued:

- €50 million 2.15% Series A Guaranteed Senior Notes on which the interest is payable semi-annually and maturing on December 11, 2032; and
- €25 million 2.15% Series B Green Guaranteed Senior Notes ("**green bonds**") on which the interest is payable semi-annually and maturing on December 11, 2032. This tranche fulfills the "Green Loan Principles" published by the Loan Market Association in May 2020.

The proceeds of the Series A Guaranteed Senior Notes were used for general corporate purposes. The proceeds of the green bonds were used for green capital expenditure as well as work on energy transition and logistics transformations. The notes are not listed on any securities exchange.

In addition to the amounts issued, during the three years from the date of the Pricoa Note Agreement, Primafrio, S.L. may make requests to the note purchasers for the purchase of additional senior promissory notes (shelf notes), up to a maximum aggregate amount of \$61.0 million (approximately €50 million at current exchange rates). The shelf notes would bear interest at a rate agreed by the parties and would have a maximum maturity of 12 years and 6 months. The note purchasers do not have any obligation to purchase shelf notes. In total, Pricoa Notes Agreement has available €125 million, of which €75 million have been drawn at the date of this Prospectus, and €50 million are available to be disposed if required by us. Note 7 of our Audited Consolidated Financial Statements incorrectly reflected that the available tranche to be drawn amounted €75 million, although this was subsequently corrected in Note 6 of our Q1 2021 Unaudited Condensed Consolidated Interim Financial Statements, to be aligned with the information provided in this Prospectus, which reflects the accurate information based on Pricoa Notes Agreement. We consider that the discrepancy is not material and does not require a restatement of such Audited Consolidated Financial Statements.

Under the Pricoa Notes Agreement, the Company agrees to ensure compliance with the following financial covenants, which are tested are in respect each 12-month period ending on the last day of each June and December (a "**Relevant Period**"):

- **net leverage** shall not exceed 2.50:1, provided that, during the following 60 days after the completion of any significant acquisition by any member of the Group (defined as an acquisition of a company for more than €50.0 million), the Company may, by written notice (an "**Acquisition Spike Notice**") increase its net leverage for the two following consecutive periods after the applicable acquisition completion date to more than 2.50:1, but in no event can it be greater than 3.00:1. The Company may not issue more than two Acquisition Spike Notices during the life of the notes. If the Company delivers an Acquisition Spike Notice, Primafrio S.L. shall pay additional interest on the outstanding principal amount of each note at a rate of 0.50 per cent. per annum during the period commencing on the interest payment date immediately preceding the date of the notice and ending on but not including the second interest payment date after the notice. Net leverage is defined in the agreement as the ratio of total net debt to adjusted EBITDA, as each of those terms is defined in the agreement;
- **interest coverage** shall not be less than 4.00:1. Interest cover is defined in the agreement as the ratio of EBITDA to finance charges, as each of those terms is defined in the agreement; and
- **debt to equity ratio** in respect of the last day of any Relevant Period ending prior to or on December 31, 2022 shall not exceed 2.00:1, and in respect of the last day of any Relevant Period thereafter shall not exceed 1.80:1. Debt to equity ratio is defined in the agreement as the ratio of total net debt to consolidated equity, as each of those terms is defined in the agreement.

These financial ratios are not APMs. They are calculated on the basis of definitions agreed in the Pricoa Notes Agreement and may not be comparable to similar APMs presented elsewhere in this Prospectus.

The Pricoa Notes Agreement provides for additional customary negative covenants. These include a restriction on the disposal of fixed assets, which, subject to certain exceptions, prohibits the disposal of more than 10% of total

consolidated fixed assets in any given year, and the disposal of more than 30% of total consolidated fixed assets over the life of notes issued under the agreement. In the event disposals exceed these limits, the excess proceeds must be reinvested in fixed assets or used to repay senior indebtedness of the Group. The Pricoa Notes Agreement also restricts the payment of dividends and similar distributions unless no event of default has occurred under the agreement and net leverage for the most recent Relevant Period does not exceed 2.00:1.

As of December 31, 2020, and March 31, 2021, the Group satisfied the relevant covenants.

Under the payment schedule of the Pricoa Notes Agreement, Primafrío, S.L. shall repay €15 million of principal of Series A and Series B notes every December 11, from 2028 until 2032, of which (i) €10 million corresponds to Series A notes, and (ii) €5 million to Series B notes. Primafrío, S.L. may prepay the notes at its option at any time upon payment of a make-whole amount. It may also prepay at par plus accrued interest upon the occurrence of certain changes in tax laws. Noteholders may require Primafrío, S.L. to prepay the notes in the event the Company or certain group companies become subject to certain sanction or upon a change of control of the Company, which is defined as (i) the Conesa family (Mr. Juan Ignacio Conesa Alcaraz; his wife; and his brother, Mr. José Esteban Conesa Alcaraz, as defined in the agreement) ceasing to own, directly or indirectly, at least 51% of the Company or otherwise losing the power to direct the management of the Company, and (ii) the Company ceasing to own 100% of Primafrío, S.L. Upon a change of control, Primafrío, S.L. would be required to make an offer to repurchase the outstanding notes at a premium.

The Pricoa Notes Agreement contains customary events of default, including: any failure to pay principal, interest or make-whole amounts; failure to comply with obligations under the agreement; material breaches of representations; cross-defaults under other indebtedness in excess of €5 million; insolvency events affecting the Company, Primafrío, S.L. and certain other material Group companies; court decisions in excess of €2 million that are not discharged within 60 days; any obligations of the Group companies under the agreement becoming unlawful or invalid; any non-US pension plans being underfunded or noncompliant with applicable law; the Company's auditors issuing a qualified opinion on the consolidated financial statements; and the occurrence of material adverse events. Various grace periods apply to certain events of default. Upon the occurrence of an insolvency-related event of default, all outstanding notes become immediately due and payable. Upon the occurrence of other events of default, all the outstanding notes become immediately due and payable upon notice being given by noteholders representing at least 50% in principal amount of the outstanding notes.

The obligations under the Pricoa Notes Agreement are secured by a personal guarantee (configured as first demand guarantee) granted by each the Company, Doctrans-Transportes Rodoviaros de Mercadorias, Lda. and Lamision Sociedade de Transportes, Lda, under the terms and conditions set forth in the Pricoa Notes Agreement. Any member of the Group that becomes a material company (being a subsidiary of the Company that has revenue, earnings before tax, depreciation and amortisation or gross assets representing 5% or more of the revenue, EBITDA or gross assets of the Group) shall become a guarantor. Our Consolidated Financial Statements incorrectly reflected that the debt was secured by the shares of certain subsidiaries within Primafrío Group. However, the above description of the guarantees is accurate, based on the clauses of the signed contract. We consider that the discrepancy is not material and does not require a restatement of such Consolidated Financial Statements.

Sale and lease-back of Alhama facility

The facility at Alhama was initially owned by our subsidiary Primafrío, S.L. On February 18, 2021, the facility was contributed by Primafrío, S.L. to its fully owned subsidiary Primafrío Huelva, S.L. by means of a capital increase of the second by in-kind contribution consisting on the facility. As a consequence of the referred in-kind contribution (and an additional cash contribution that was simultaneously executed), Primafrío Huelva, S.L. increased its share capital in the total amount of €54.7 million (€45.2 million -the fair market value of the facility as per a third-party appraisal- plus €9.5 million in cash) and Primafrío Huelva, S.L. (which had no activity or fixed assets prior to that date) acquired the ownership of Alhama, with the facility being its only fixed asset.

On May 6, 2021, Primafrío, S.L. sold 100% of the shares of Primafrío Huelva, S.L. to a party related to the Selling Shareholder (Ondina Capital, S.L.). As a consequence of the sale, both Primafrío Huelva, S.L. and, indirectly, its only fixed asset (the facility of Alhama) were transferred to the related party. In exchange, Primafrío, S.L. received €54.7 million in cash, as the consideration for the sale, corresponding to the fair market value for the transferred company (€54.7 million corresponding to the above capital increase plus €3 thousand corresponding to the value of the net equity of the company -share capital-). This sale will be treated for accounting purposes as a sale of assets, as the company was inactive, and only had the Alhama facility as its only fixed asset. The sale generated €0.2 million of gains on the disposal of non-current assets, which has been considered not material for deferral purposes, as it is considered a sale and leaseback transaction.

In connection with the above, Primafrío, S.L. entered into a lease contract with Primafrío Huelva, S.L. for the leasing of the Alhama facility on February 18, 2021 with a duration of ten 10 years (without automatic extension) and an annual rent of almost €2.3 million (as per a third-party appraisal). The total amount for the annual rent determined

by a third-party appraisal was €2.3 million. Nevertheless, other companies (the Selling Shareholder or related parties to the Selling Shareholder) also rent a minimal part of the spaces (workshop and offices) to Primafrío Huelva, S.L. in Alhama facility, in exchange of an annual payment of 32 thousand Euros, so the total rent received by the lessor equals the total value of the third-party appraisal (€2.3 million). The total amount for the annual rent determined by a such third-party appraisal was €2.3 million. In accordance with IFRS 16, the total amounts committed to be paid have been recorded as a Right of use within the non-current assets and as Lease liability, amounting to €20 million, in the second quarter of 2021.

Consequently, the above-mentioned transactions will result in a €49.8 million decrease in Equity (net of €50 million decrease in Other reserves and €0.2 million in profit and loss) exert a €23.2 million positive impact in Cash (difference between €54.7 million of cash inflow for the sale of Alhama, €9.5 million cash outflow related to the VAT paid to Krone-Mur as part of the VAT group settlement and €22 million cash outflow for the remaining dividend, after the settlement of the €28 million loan receivable).

The sale and leaseback of Alhama facility is an expressly permitted transaction under the terms and conditions of the Pricoa Notes Agreement.

In connection with the sale €50.0 million was distributed as an extraordinary dividend out of available reserves from Primafrío, S.L. to its parent company Primafrío, and then from Primafrío to the Selling Shareholder. This dividend was partially settled with the intercompany loan receivable granted to the Selling Shareholder as of March 31, 2021 (amounting to €28 million).

SELLING AND TRANSFER RESTRICTIONS

General

This Prospectus does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase, any securities other than the securities to which it relates or any offer or invitation to sell or issue, or any solicitation of any offer to purchase, such securities by any person in any circumstances in which such offer or solicitation is unlawful.

The distribution of this Prospectus and the offer and sale of the Shares in certain jurisdictions may be restricted by law and therefore persons into whose possession this Prospectus comes should inform themselves about and observe any such restrictions, including those in the paragraphs that follow. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

No action has been taken or will be taken in any jurisdiction that would permit a public offering or sale of the Shares, or possession or distribution of this Prospectus (or any other offering or publicity material relating to the Shares), in any country or jurisdiction where action for that purpose is required or doing so may be restricted by law.

None of the Shares may be offered for sale or purchase, or be delivered, and this Prospectus and any other offering material in relation to the Shares may not be circulated, in any jurisdiction where to do so would breach any securities laws or regulations of any such jurisdiction or give rise to an obligation to obtain any consent, approval or permission, or to make any application, filing or registration.

No Shares have been marketed to or are available for purchase in whole or in part by, the public in Spain or elsewhere in conjunction with the Offering.

Notwithstanding the below, any person who has demonstrated to our satisfaction and the Joint Global Coordinators that it is able to lawfully participate in the Offering may, with the prior consent of the Joint Global Coordinators and subject to certain requirements, be permitted to acquire Shares in the Offering.

Due to the following restrictions, purchasers of Shares are advised to consult legal counsel prior to making any offer for, resale, pledge or other transfer of the Shares.

The United States

Due to the following restrictions, purchasers of Shares in the United States are advised to consult legal counsel prior to making any offer for, resale, pledge or other transfer of the Shares.

Restrictions under the U.S. Securities Act

The Shares have not been, and will not be, registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered or sold in the United States except in transactions exempt from, or not subject to, the registration requirements of the U.S. Securities Act. Accordingly, the Managers may offer Shares (i) in the United States only through their U.S. registered broker affiliates to persons reasonably believed to be QIBs (as defined in Rule 144A under the U.S. Securities Act) in reliance on Rule 144A under the U.S. Securities Act; or (ii) outside the United States in compliance with Regulation S under the Securities Act.

In addition, until 40 days after the later of the commencement of the Offering and the last transaction date of the Offering, any offer or sale of Shares within the United States by any dealer (whether or not participating in the Offering) may violate the registration requirements of the U.S. Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A or another available exemption from registration under the U.S. Securities Act.

Regulation S

Each purchaser of the Shares outside the United States will be deemed by its acceptance of the Shares to have represented and agreed, on its own behalf and on behalf of any investor accounts for which it is purchasing the Shares, that neither the Company or any of our affiliates nor any of the Managers, nor any person representing the Company, any of its affiliates or any of the Managers, has made any representation to it with respect to the offering or sale of any Shares, other than the information contained in this Prospectus, which Prospectus has been delivered to it and upon which it is solely relying in making its investment decision with respect to the Shares, it has had access to such financial and other information concerning the Company and the Shares as it has deemed necessary in connection with its decision to purchase any of the Shares, and that (terms defined in Regulation S shall have the same meanings when used in this section):

- the purchaser understands and acknowledges that the Shares have not been and will not be registered under the U.S. Securities Act, or with any securities regulatory authority of any state of the United States,

and may not be offered, sold or otherwise transferred except pursuant from an exception from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and any other applicable securities law;

- the purchaser, and the person, if any, for whose account or benefit the purchaser is acquiring the Shares, is acquiring the Shares in an "offshore transaction" meeting the requirements of Regulation S and was located outside the United States at the time the buy order for the Shares was originated;
- the purchaser is aware of the restrictions on the offer and sale of the Shares pursuant to Regulation S; and
- the Shares have not been offered to it by means of any "directed selling efforts" as defined in Regulation S.

Rule 144A

Each purchaser of the Shares within the United States will be deemed by its acceptance of the Shares to have represented and agreed on its behalf and on behalf of any investor accounts for which it is purchasing the Shares, that neither the Company nor any of our affiliates nor any of the Managers, nor any person representing the Company, any of its affiliates or any of the Managers, has made any representation to it with respect to the Offering or sale of any Shares, other than the information contained in this Prospectus, which Prospectus has been delivered to it and upon which it is solely relying in making its investment decision with respect to the Shares, that it has had access to such financial and other information concerning the Company and the Shares as it has deemed necessary in connection with its decision to purchase any of the Shares, and that (terms defined in Rule 144A shall have the same meanings when used in this section):

- the purchaser acknowledges that the Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state of the United States and are subject to restrictions on transfer;
- the purchaser (i) is a QIB, (ii) is aware, and each beneficial owner on whose behalf it is acting is aware, that the sale to it is being made in reliance on Rule 144A, and (iii) is acquiring such Shares for its own account or for the account of a QIB;
- the purchaser is aware that the Shares are being offered in the United States in a transaction not involving any public offering in the United States within the meaning of the U.S. Securities Act;
- the purchaser understands that purchased Shares may be re-offered, re-sold, pledged or otherwise transferred only (A) (i) to a person whom the beneficial owner and/or any person acting on its behalf reasonably believes is a QIB purchasing for its own account or for the account of a QIB in a transaction meeting the requirements of Rule 144A under the U.S. Securities Act; (ii) in an "offshore transaction" complying with Rule 903 or Rule 904 of Regulation S under the U.S. Securities Act; or (iii) pursuant to an exemption from registration under the U.S. Securities Act provided by Rule 144 thereunder (if available), and (B) in accordance with all applicable securities laws of the states of the United States and any other jurisdiction and agrees to give any subsequent purchaser of such shares notice of any restrictions on the transfer thereof;
- the Shares have not been offered to it by means of any general solicitation or general advertising; and
- the Shares are "restricted securities" within the meaning of Rule 144(a) (3) under the U.S. Securities Act and no representation is made as to the availability of the exemption provided by Rule 144 under the U.S. Securities Act for revenue of any Shares.

Each purchaser acknowledges that the Company and the Underwriters will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements, and agrees that if any of the acknowledgements, representations or agreements deemed to have been made by such purchaser by its purchase of Shares are no longer accurate, it shall promptly notify the Company and the Managers; if it is acquiring Shares as a fiduciary or agent for one or more investor accounts, each purchaser represents that it has sole investment discretion with respect to each such account and full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account. Terms defined in Rule 144A or Regulation S shall have the same meanings when used in this section.

Each purchaser of the Shares will be deemed by its acceptance of the Shares to have represented and agreed that it is purchasing the Shares for its own account, or for one or more investor accounts for which it is acting as a fiduciary or agent, in each case for investment, and not with a view to, or for offer or sale in connection with, any distribution thereof in violation of the U.S. Securities Act or any state securities laws, subject to any requirement of law that the disposition of its property or the property of such investor account or accounts be at all times within its or their control.

European Economic Area

In relation to each member state of the EEA (each a "**Relevant State**"), no Shares have been offered or will be offered pursuant to the Offering to the public in that Relevant State prior to the publication of a prospectus in relation to the Shares which has been approved by the competent authority in that Relevant State or, where appropriate, approved in another Relevant State and notified to the competent authority in that Relevant State, all in accordance with the Prospectus Regulation, except that the Shares may be offered to the public in that Relevant State at any time under the following exemptions under the Prospectus Regulation:

- to any legal entity which is a qualified investor as defined under Article 2 of the Prospectus Regulation;
- to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the Prospectus Regulation) per Relevant State subject to obtaining the prior consent of the Joint Global Coordinators for any such offer; or
- in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of the Shares shall require the Company or any Manager to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or a supplement to the Prospectus pursuant to Article 23 of the Prospectus Regulation and each person who initially acquires any shares or to whom an offer is made will be deemed to have represented, warranted and agreed to and with the Managers, the Company and the Selling Shareholder that it is a qualified investor within the meaning of the Prospectus Regulation.

In the case of Spain, the Offering will only be addressed to professional clients within the meaning of Article 205.2 of the Securities Market Act.

For the purposes of this provision, the expression an "offer to the public" in relation to the Shares in any Relevant State means the communication in any form and by any means of sufficient information on the terms of the offer and any Shares to be offered so as to enable an investor to decide to purchase any Shares and the expression "Prospectus Regulation" means Regulation (EU) 2017/1129 of the European Parliament and of the Council of June 14, 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC.

In the case of any Shares being offered to a financial intermediary as that term is used in Article 5 of the Prospectus Regulation, such financial intermediary will also be deemed to have represented, acknowledged and agreed that the Shares acquired by it in the Offering have not been acquired on a non-discretionary basis on behalf of, nor have they been acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer of any Shares to the public other than their offer or resale in a Relevant State to qualified investors as so defined or in circumstances in which the prior consent of the Managers has been obtained to each such proposed offer or resale. The Company, the Selling Shareholder, the Managers and their affiliates, and others will rely upon the truth and accuracy of the foregoing representation, acknowledgement and agreement. Notwithstanding the above, a person who is not a qualified investor and who has notified the Joint Global Coordinators of such fact in writing may, with the prior consent of the Joint Global Coordinators, be permitted to acquire Shares in the Offering.

Information to Distributors

Solely for the purposes of the product governance requirements contained within: (a) MiFID II; (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "**MiFID II Product Governance Requirements**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Shares have been subject to a product approval process, which has determined that such Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "**Target Market Assessment**").

Notwithstanding the Target Market Assessment, Distributors should note that: the price of the Shares may decline and investors could lose all or part of their investment; the Shares offer no guaranteed income and no capital protection; and an investment in the Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Offering. Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Manufacturers will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Shares.

Each distributor is responsible for undertaking its own target market assessment in respect of the Shares and determining appropriate distribution channels.

United Kingdom

No Shares have been offered or will be offered pursuant to the Offering to the public in the United Kingdom prior to the publication of a prospectus in relation to the Shares which has been approved by the Financial Conduct Authority, except that the Shares may be offered to the public in the United Kingdom at any time:

- to any legal entity which is a qualified investor as defined under Article 2 of the UK Prospectus Regulation;
- to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the UK Prospectus Regulation), subject to obtaining the prior consent of the Joint Global Coordinators for any such offer; or
- in any other circumstances falling within Section 86 of the FSMA.

Provided that no such offer of the Shares shall require the Company or any Manager to publish a prospectus pursuant to Section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation.

For the purposes of this provision, the expression an "offer to the public" in relation to the Shares in the United Kingdom means the communication in any form and by any means of sufficient information on the terms of the offer and any Shares to be offered so as to enable an investor to decide to purchase any Shares and the expression "UK Prospectus Regulation" means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018.

Each Manager severally represents, warrants and agrees that:

- it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of FSMA) in connection with the issue or sale of the Shares in circumstances in which Section 21(1) of FSMA does not apply to the Company; and
- it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Shares in, from or otherwise involving the United Kingdom.

Australia

This document is not a prospectus, product disclosure statement or other disclosure document under Chapter 6D or Part 7.9 of the Corporations Act 2001 (Cth) ("**Corporations Act**") and has not been and will not be lodged with the Australian Securities and Investments Commission ("**ASIC**"). This document does not include the information required for a prospectus, product disclosure statement or other disclosure document under Chapter 6D or Part 7.9 of the Corporations Act. The Offering is made only to persons to whom it is lawful to offer shares in Australia without disclosure to investors under Chapter 6D of the Corporations Act.

As no formal prospectus, product disclosure statement or other disclosure document will be lodged with ASIC, any offer in Australia of the Shares may only be made to persons who are 'sophisticated investors' (within the meaning of section 708(8) of the Corporations Act) or 'professional investors' (within the meaning of section 708(11) of the Corporations Act) or otherwise pursuant to one or more exemptions contained in section 708 of the Corporations Act so that it is lawful to offer the Shares without disclosure to investors under Chapter 6D of the Corporations Act. If any recipient of the document is not a 'sophisticated investor' or a 'professional investor' and does not otherwise fall within one or more of the exemptions contained in section 708 of the Corporations Act, no offer of, or invitation to apply for, the Shares shall be deemed to be made to such recipient and no applications for the Shares will be accepted from such recipient. Any offer to a recipient in Australia, and any agreement arising from acceptance of such offer, is personal and may only be accepted by the recipient.

In addition, the Shares must not be offered for sale in Australia in the period of 12 months after the date of allotment under the Offering, except in circumstances where disclosure to investors under Chapter 6D of the Corporations Act would not be required pursuant to an exemption under section 708 of the Corporations Act or otherwise or where the offer is pursuant to a disclosure document which complies with Chapter 6D of the Corporations Act. An Investor acquiring Shares must observe such Australian on-sale restrictions.

This Prospectus contains general information only and does not take account of the investment objectives, financial situation or particular needs of any particular person. It does not contain any securities recommendations or financial product advice. Before making an investment decision, investors need to consider whether the information in this is appropriate to their needs, objectives and circumstances, and, if necessary, seek expert advice on those matters.

By applying for Shares under the document, each person to whom Shares are issued (an "**Investor**"):

- (i) confirms that they are (a) a 'sophisticated investor' (within the meaning of section 708(8) of the Corporations Act), a 'professional investor' (within the meaning of section 708(11) of the Corporations Act) or otherwise permitted to invest in the Shares pursuant to one or more exemptions contained in section 708 of the Corporations Act, and (b) a 'wholesale client' (within the meaning of section 761G of the Corporations Act);
- (ii) acknowledges that if any Investor on-sells Shares within 12 months from their issue, the Investor will be required to lodge a prospectus, a product disclosure statement or another disclosure document with ASIC unless either:
 - (a) that sale is to another 'sophisticated investor' or 'professional investor' or is otherwise permitted pursuant to one or more exemptions contained in section 708 of the Corporations Act; or
 - (b) the sale offer is received outside Australia; and
- (iii) undertakes not to sell the Shares in any circumstances other than those described in paragraphs (ii)(a) and (b) above for 12 months after the date of issue of such Shares.

This document is not, and under no circumstances is to be construed as, an advertisement or public offering of the Shares in Australia.

The document may only be distributed to investors in Australia and any offer of Shares may only be made to investors in Australia, in each case subject to the conditions set out above, on behalf of each Manager by its affiliate holding an Australian Financial Services License permitting such license holder to distribute the document and to offer the Shares to investors in Australia.

Japan

The Shares have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No 25 of 1948, as amended (the "**FIEA**")). This Prospectus is not an offer of securities for sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or entity, organized under the laws of Japan) or to others for reoffer or resale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan, except pursuant to an exemption from the registration requirements under the FIEA and otherwise in compliance with such law and any other applicable laws, regulations and ministerial guidelines of Japan.

Switzerland

The Shares may not be publicly offered in Switzerland and will not be listed on the SIX Swiss Exchange ("**SIX**") or on any other stock exchange or regulated trading facility in Switzerland. This document has been prepared without regard to the disclosure standards for issuance prospectuses under Article 652a or Article 1156 of the Swiss Code of Obligations or the disclosure standards for listing prospectuses under Article 27 ff. of the SIX Listing Rules or the listing rules of any other stock exchange or regulated trading facility in Switzerland. Neither this document nor any other Offering or marketing material relating to the Shares or the Offering may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this document nor any other Offering or marketing material relating to the Offering, the Company or the Shares have been or will be filed with or approved by any Swiss regulatory authority. In particular, this document will not be filed with, and the Offering will not be supervised by, the Swiss Financial Market Supervisory Authority FINMA ("**FINMA**"), and the Offering has not been and will not be authorized under the Swiss Federal Act on Collective Investment Schemes ("**CISA**"). The investor protection afforded to acquirers of interests in collective investment schemes under the CISA does not extend to acquirers of Shares.

Canada

The Shares may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 Prospectus Exemptions or subsection 73.3(1) of the Securities Act (Ontario), and are permitted clients, as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations. Any resale of the Shares must be made in

accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Prospectus (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 (or, in the case of securities issued or guaranteed by the government of a non-Canadian jurisdiction, section 3A.4) of National Instrument 33 105 Underwriting Conflicts (NI 33 105), the underwriters are not required to comply with the disclosure requirements of NI 33 105 regarding underwriter conflicts of interest in connection with this Offering.

ENFORCEMENT OF CIVIL LIABILITIES

We are a Spanish company and most of our assets are located outside the United States. All of our directors and executive officers, as well as our principal shareholders, reside or are located outside the United States, mainly in Spain. As a result, investors may not be able to effect service of process upon us or these persons, or to enforce judgments obtained against us or these persons in foreign courts predicated solely upon the civil liability provisions of U.S. securities laws. Furthermore, it is doubtful that a lawsuit based upon U.S. federal or state securities laws, or upon the laws of any non-Spanish jurisdiction, could be brought in an original action in Spain and that a foreign judgment based upon such laws would be enforceable in Spain.

VALIDITY OF THE SHARES AND LEGAL MATTERS

The validity of the Shares offered and certain legal matters relating to the Offering will be passed upon for the Company by EY Abogados, S.L.P. (with respect to Spanish law) and by Mayer Brown International LLP (with respect to English law and U.S. federal law). Certain legal matters relating to the Offering will be passed upon for the Managers by Linklaters, S.L.P. (with respect to Spanish law, English law and U.S. federal law).

INDEPENDENT AUDITORS

Baker Tilly Auditores, S.L.P., with registered office at Paseo de la Castellana, 137, 4 28046 Madrid, holder of Spanish tax identification number (NIF) B-86300811 and registered with the R.O.A.C. (*Registro Oficial de Auditores de Cuentas*-Official Registry of Auditors) under the number S2106 and in the Commercial Registry of Madrid under volume 29348, sheet 194, page M-528304, is the appointed independent auditor of the Company.

Baker Tilly Auditores, S.L.P. was appointed as independent auditor of Primafrío by the Selling Shareholder on December 4, 2020, for the years 2020 to 2022 (both inclusive), and has not resigned, has not been removed or has not been reappointed as its independent auditor during the period covered by the historical financial information, and prior to the date of this Prospectus.

ADDITIONAL INFORMATION

Information on the Company

The legal name of the issuer is PRIMAFRIO CORPORACION, S.A. and its commercial name is "Primafrio". The Company is incorporated as a public limited company (sociedad anónima) in Spain under Spanish law and, in particular, under the Spanish Companies Act. It has its registered office at Autovía A-7 dirección Alhama de Murcia, Km-Salida 596, Paraje las Ramblillas, Alhama de Murcia, 30840 (Murcia), Spain. The Company holds Spanish tax identification number (NIF) A02801629 and LEI number 959800YYLF3T6GLDC08.

The corporate website and the phone number of the Company are www.primafrio.com and (+34) 968 30 91 87, respectively. Neither our website nor any of its contents form part or are incorporated into this Prospectus, whether by reference or otherwise, except as otherwise provided herein. The CNMV has neither examined nor approved our website nor any of its contents.

The Company was incorporated for an unlimited period of time pursuant to a public deed of incorporation granted on November 11, 2020 before the Notary Public of Murcia Mr. José Antonio Pellicer Ballester, under number 2070 of his notarial records, having its registered office at Autovía A-7 dirección Alhama de Murcia, Km-Salida 596, Paraje las Ramblillas, Alhama de Murcia, 30840 (Murcia), Spain. The Company is registered with the Commercial Registry of Murcia, under volume 3474, sheet 31, page MU-102877.

The principal legislation under which the Company operates, and under which our existing ordinary shares were issued, is the Spanish Companies Act and the regulations enacted thereunder.

Our financial year ends on December 31st.

The Company is domiciled in Spain and is resident in Spain for tax purposes.

For so long as any Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the U.S. Securities Act, the Company will, during any period in which the Company is neither subject to Section 13 or Section 15(d) of the U.S. Securities Act nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder, provide to any holder or beneficial owner of such restricted securities or to any prospective purchaser of such restricted securities designated by such holder or beneficial owner upon the request of such holder, beneficial owner or prospective purchaser, the information required to be delivered to such person pursuant to Rule 144A(d)(4) under the U.S. Securities Act.

Company's Group

The table below shows the information as of December 31, 2020 regarding the Company's significant subsidiaries, including name, country of incorporation or residence, registered office, main service, the proportion of ownership interest held (whether directly or indirectly) and, if different, the proportion of voting power held.

Company	Country of Registration	Registered Office	Main Service	Direct stake %	Indirect stake %
Primafrio, S.L.	Spain	Praje Las Ramblillas S/N – Autovía A7, Salida 596 Alhama de Murcia, 30840 – Murcia	National and international transport of goods, transport agency, purchase and sale of land and industrial vehicles. Real estate development of buildings. The retail trade of fuels, fuels and lubricants. The leasing of trucks without driver. The cultivation, exploitation and sale, wholesale of fruit and vegetable products, as well as the distribution and transport of such products.	100%	

Company	Country of Registration	Registered Office	Main Service	Direct stake %	Indirect stake %
Doctrans-Trp Rodoviários, LDA	Portugal	Arneiros, S/N, Quinta da Mina, Casal São Pedro, Estrada Nacional 3, Km 7 2050-522 Vila Nova da Rainha	Transport of goods by road	100%	
Lamision-Sociedad de Transporte, LDA	Portugal	Av. da Liberdade, Nº 129-B 1250-140 Lisboa	Transport of goods by road	100%	
Primavia Europe, S.L.	Spain	Praje Las Ramblillas S/N – Autovía A7, Salida 596 Alhama de Murcia, 30840 – Murcia	National and international temperature control transport of perishable goods combining an integrated transport offer including road, rail and sea transport within Europe.	50%	
Primaver	France	Allée de Marché National, 47000, Agen	Fruit and vegetable grouping for transport from Spain and/or Portugal to France and vice versa.	50%	
Renta Frío Truck and Trailer, S.L.	Spain	Praje Las Ramblillas S/N – Autovía A7, Salida 596 Alhama de Murcia, 30840 – Murcia	Purchase and sale of transport vehicles and the operation for hire or lease (excluding finance) of all kinds of vehicles, the operation of garages and workshops or repair stations, purchase and sale of spare parts and accessories, and the activity of engineering, research and development of parts for future models with automobile manufacturers.	100%	
PrimaPharma 2018, S.L.	Spain	Avda. Europa 16-22 – Polígono Industrial Empordà Vilamalla, 17469, Girona	National and international temperature control transport of perishable goods combining an integrated transport offer including road, rail and sea transport within Europe	100%	
Amodo Mio Logistic Cargo, S.L.	Spain	Praje Las Ramblillas S/N – Autovía A7, Salida 596 Alhama de Murcia, 30840 – Murcia	Transport of goods by road	100%	

Company	Country of Registration	Registered Office	Main Service	Direct stake %	Indirect stake %
Primafrio Huelva, S.L.	Spain	Carretera Lepe Ayamonte Finca La Marruza km 121, Lepe, Huelva	National and international transport of goods, transport agencies, purchase and sale of all kinds of vehicles, cars and industrial vehicles.		100%
Wanasheria, S.L.	Spain	C/Molino, 48 – Caudete, 02660, Albacete	Transport of goods by road, rental of vehicles without drivers and related transport activities.	100%	
Green Express Line, S.L.	Spain	C/Benipeixcar 5, Real de Gandia, 46727, Valencia	National and international transport of goods, transport agencies, purchase and sale of all kinds of vehicles. The purchase and sale for its own account of shares in entities of all kinds and the management of such shares.		100%

Changes after December 31, 2020

Sale of the 100% of the shares of Primafrio Huelva, S.L. to a party related to the Selling Shareholder

As a result of the sale and lease-back transaction of the Alhama facility, on May 6, 2021, Primafrio, S.L. sold 100% of the shares of Primafrio Huelva, S.L. to a party related to the Selling Shareholder (Ondina Capital, S.L.). As a consequence of the sale, both Primafrio Huelva, S.L. and, indirectly, its only fixed asset (the facility of Alhama) were transferred to the related party and therefore Primafrio Huelva, S.L. has exited the Group.

DOCUMENTATION INCORPORATED BY REFERENCE

The following documentation is incorporated by reference into this Prospectus:

- the Q1 2021 Unaudited Condensed Consolidated Interim Financial Statements:
In Spanish language: <https://www.primafrio.com/wp-content/uploads/2021/06/Q1-2021-Informe-de-revisio%CC%81n-limitada-y-estados-financieros-intermedios-Grupo-Primafrio-Topco-31.03.21.pdf>
In English language: <https://www.primafrio.com/wp-content/uploads/2021/06/Q1-2021-Limited-review-report-and-interim-consolidated-financial-statements-Primafrio-Group-English.pdf>;
- the Audited Consolidated Financial Statements:
In Spanish language: <https://www.primafrio.com/wp-content/uploads/2021/05/01.INFORME-AUDITOR%3%8DA-COMPLETO-EEFF-2020-CONSOLIDADAS-PRIMAFRIO-TOPCO .pdf>
In English language: <https://www.primafrio.com/wp-content/uploads/2021/05/01.INFORME-AUDITOR%CC%81A-COMPLETO-EEFF-2020-CONSOLIDADAS-PRIMAFRIO-TOPCO ENG....pdf>
- the 2020 Audited Individual Annual Accounts:
In Spanish language: <https://www.primafrio.com/wp-content/uploads/2021/05/01.INFORME-AUDITOR%CC%81A-COMPLETO-CCAA-2020-PRIMAFRIO-TOPCO ENG.pdf>
In English language: <https://www.primafrio.com/wp-content/uploads/2021/05/01.INFORME-AUDITOR%3%8DA-COMPLETO-CCAA-2020-PRIMAFRIO-TOPCO .pdf>

Hyperlinks used for the information incorporated by reference into this Prospectus shall remain functional for at least 10 years after the publication of this Prospectus.

Neither our website nor any of its contents are considered part of or are incorporated into this Prospectus, whether by reference or otherwise, except as otherwise provided herein. The CNMV has not examined nor approved our website nor any of its contents.

DOCUMENTS ON DISPLAY

Copies of the following documents will be available free of charge at the Company's website (www.primafrio.com), except documents mentioned under items (a) and (d), and will also be available for inspection in physical form during business hours on weekdays at the Company's registered address at Paraje Las Ramblillas, Autovía A7, Salida 596, 30840 Alhama de Murcia (Murcia), Spain:

- a. the Company's deed of incorporation, which will only be available for inspection in physical form;
- b. the By-Laws, along with a translation into English language;
- c. Board of Directors Regulations, General Shareholders' Meeting Regulations and Securities Markets Code of Conduct, along with translations into the English language (Board of Directors Regulations and General Shareholders' Meeting Regulations will be also available only in Spanish on the website of the CNMV, www.cnmv.es);
- d. certificates of the corporate resolutions approved by the Company in connection with the Offering, which will only be available for inspection in physical form;
- e. the Q1 2021 Unaudited Condensed Consolidated Interim Financial Statements;
- f. the Audited Consolidated Financial Statements; and
- g. the 2020 Audited Individual Annual Accounts.

The 2020 Audited Individual Annual Accounts and the Audited Consolidated Financial Statements are also available from the date of registration of the Prospectus on the CNMV's and the Company's website (www.cnmv.es). The Q1 2021 Unaudited Condensed Consolidated Interim Financial Statements is also incorporated as an annex to this Prospectus.

Documents which are available at the Commercial Registry are also available for inspection by investors.

Pursuant to the Prospectus Regulation, this Prospectus is available on the CNMV's website (www.cnmv.es) and on the Company's website and will be available for at least 10 years after its publication on the aforementioned websites.

Hyperlinks used for the information incorporated by reference into this Prospectus shall remain functional for at least 10 years after the publication of this Prospectus.

Neither the Company's website nor any of its contents are considered part of or are incorporated into this Prospectus, whether by reference or otherwise, except as otherwise provided herein. The CNMV has not examined nor approved the Company's website nor any of its contents.

SPANISH TRANSLATION OF THE SUMMARY

A. Introducción y Advertencias

EL PRESENTE RESUMEN DEBE LEERSE COMO UNA INTRODUCCIÓN A ESTE FOLLETO. CUALQUIER DECISIÓN DE INVERTIR EN ACCIONES DE PRIMAFRIO CORPORACION, S.A. (LA "SOCIEDAD" Y, JUNTO CON SUS FILIALES, EL "GRUPO") DEBE BASARSE EN LA CONSIDERACIÓN DE ESTE FOLLETO EN SU CONJUNTO POR PARTE DEL INVERSOR. EL INVERSOR PUEDE PERDER LA TOTALIDAD O PARTE DEL CAPITAL INVERTIDO EN LAS ACCIONES.

EN CASO DE PRESENTACIÓN ANTE UN TRIBUNAL DE CUALQUIER DEMANDA RELACIONADA CON LA INFORMACIÓN CONTENIDA EN EL PRESENTE FOLLETO, O INCORPORADA POR REFERENCIA AL MISMO, ES POSIBLE QUE EL INVERSOR DEMANDANTE, EN VIRTUD DE LA LEGISLACIÓN ESPAÑOLA, TENGA QUE ASUMIR LOS COSTES DE TRADUCCIÓN DEL FOLLETO Y DE CUALQUIER DOCUMENTO INCORPORADO POR REFERENCIA AL MISMO ANTES DE INICIAR CUALQUIER PROCEDIMIENTO JUDICIAL.

LA RESPONSABILIDAD CIVIL CORRESPONDE SÓLO A LAS PERSONAS QUE HAYAN PRESENTADO EL RESUMEN INCLUYENDO CUALQUIER TRADUCCIÓN DEL MISMO, PERO SÓLO SI EL RESUMEN ES ENGAÑOSO, INEXACTO O INCOHERENTE CUANDO SE LEA JUNTO CON LAS OTRAS PARTES DE ESTE FOLLETO, O SI, LEÍDO CONJUNTAMENTE CON EL RESTO DE LAS PARTES DE ESTE FOLLETO, OMITIÓ INFORMACIÓN FUNDAMENTAL PARA AYUDAR A LOS INVERSORES A DECIDIR SI DEBEN INVERTIR O NO EN LAS ACCIONES DE LA SOCIEDAD.

La Sociedad es una sociedad anónima que opera bajo el nombre comercial de "Primafrio". La Empresa está inscrita en el Registro Mercantil de Murcia, al tomo 3474, folio 31, hoja MU-102877; es titular del número de identificación fiscal (NIF) A-02801629 y del número LEI 959800YYLF3T6GLDC089. El domicilio social y el número de teléfono de la Sociedad son: Autovía A-7 Dirección Alhama de Murcia, Km-Salida 596, Paraje las Ramblillas, Alhama de Murcia, 30840 (Murcia), España; y +34 968 30 91 87, respectivamente. El código ISIN asignado a las acciones ordinarias actualmente emitidas es ES0105562005. Todas las acciones de la Sociedad son de la misma clase.

Este Folleto ha sido aprobado y registrado por la Comisión Nacional del Mercado de Valores (CNMV) el 11 de junio de 2021. Los inversores pueden ponerse en contacto con la CNMV en el siguiente número de teléfono: +34 900 535 015. Este Folleto está disponible en la página web de la Sociedad (www.primafrio.com) y en la página web de la CNMV (www.cnmv.es). Ni la página web de la Sociedad ni ninguno de sus contenidos forman parte o están incorporados a este Folleto, ya sea por referencia o de otra manera, salvo que se indique lo contrario en el presente documento. La CNMV no ha examinado ni aprobado la página web de la Sociedad ni ninguno de sus contenidos.

Los términos en mayúsculas no definidos en este Resumen tienen los significados definidos en otras secciones de este Folleto.

B. Información clave sobre el emisor

B.1. ¿Quién es el emisor de los valores?

La denominación social del emisor es PRIMAFRIO CORPORACION, S.A. y su nombre comercial es "Primafrio". La Sociedad está constituida como sociedad anónima en España, de acuerdo con la legislación española y, en particular, con la Ley de Sociedades de Capital. Tiene su domicilio social en la Autovía A-7 dirección Alhama de Murcia, Km-Salida 596, Paraje las Ramblillas, Alhama de Murcia, 30840 (Murcia), Spain. La Sociedad tiene el número de identificación fiscal español (NIF) A02801629 y el número LEI 959800YYLF3T6GLDC089.

La escritura de constitución de la Sociedad fue otorgada el 11 de noviembre de 2020 y fue inscrita en el Registro Mercantil de Murcia el 2 de diciembre de 2020. El 4 de marzo de 2021, la Sociedad aprobó una modificación del valor nominal de las acciones de 100 a 0,10 euros y del número de acciones de 600 a 600.000; en consecuencia, el capital social se mantuvo inalterado (es decir, 60.000€) pero pasó a estar dividido en 600.000 acciones con un valor nominal de 0,10€ cada una de ellas. Asimismo, en esa misma fecha, la Sociedad aprobó una ampliación de capital social de 13.940.000€ (es decir, hasta 14.000.000€) con cargo a reservas de libre disposición (que ascendían a 93.702.198 €) mediante la emisión de 139.400.000 nuevas acciones ordinarias, con un valor nominal de 0,10 euros cada una de ellas. Las acciones emitidas fueron de la misma clase que las acciones en circulación

y fueron suscritas y pagadas en su totalidad por el accionista único mediante una transferencia contable del importe del aumento de la cuenta de reservas a la cuenta de capital social.

Nuestras principales líneas de negocio se dividen en (i) transporte de camiones completos de origen a destino ("**Carga completa de camiones**" o "**FTL**") y (ii) actividad de agrupación ("**Grupaje**" o "**LTL**"), que consiste en recoger mercancías en diferentes puntos de origen, consolidar los palets en nuestros almacenes de temperatura controlada y enviar los pedidos en un solo camión a destinos diferentes para el mismo cliente o clientes diferentes (por lo que el mismo camión está cargado con diferentes productos para el mismo cliente o diferentes clientes).

Nuestro negocio se puede dividir en cinco actividades comerciales: (i) exportación FTL, nuestra actividad principal que consiste en el transporte de productos (principalmente frutas y verduras) desde España y Portugal a otros países europeos, y representa el 48% de nuestros ingresos en 2020; (ii) importación FTL, que consiste en el transporte de productos como alimentos, venta minoristas, productos farmacéuticos y de alto valor, así como otros productos de países europeos a España o Portugal, y que representa el 23% de nuestros ingresos en 2020; (iii) FTL nacional, que consiste en el transporte de productos como frutas y verduras, productos minoristas y de alto valor, así como otros productos dentro de la Península Ibérica, y que representan el 5% de nuestros ingresos en 2020; (iv) exportaciones y grupaje nacional, que consisten en la realización de servicios de agrupación o grupaje, ya sea desde la Península Ibérica a otros países europeos (Exportación) o dentro de la Península Ibérica (Nacional), representando el 24% de nuestros ingresos en 2020; y (v) otros, que consisten principalmente en el alquiler de nuestros camiones a terceros a través de arrendamientos a corto plazo, y que representa el 1% de nuestros ingresos en 2020.

También llevamos a cabo investigaciones para implementar la última tecnología en nuestras operaciones e incorporarlas a nuestra flota y centros logísticos, participando tanto en *joint ventures* tecnológicas como en iniciativas de salud y seguridad y proporcionando la formación necesaria a nuestros empleados para su desarrollo profesional, con el objetivo de continuar estableciéndonos como un referente altamente sostenible y eficiente en el mercado.

La siguiente tabla presenta la información sobre la titularidad de las acciones ordinarias de la Sociedad antes y después de la Oferta.

Titular	Antes de la Oferta		Oferta		Después de la Oferta			
	Número de acciones	%	Número de acciones ofrecidas en la Oferta ⁽¹⁾	Número de acciones ofrecidas como Opción de Sobreasignación	Opción de Sobreasignación no ejercida	%	Opción de Sobreasignación ejercida en su totalidad	%
Krone-Mur Servifrío, S.L.	140.000.000	100 ⁽²⁾	35.000.000	3.500.000	105.000.000	75	101.500.000	72,5
Free float	-	-	-	-	35.000.000	25	38.500.000	27,5

⁽¹⁾ Todas nuestras acciones tienen los mismos derechos de voto asociados a cada una de ellas.

⁽²⁾ Krone-Mur Servifrío, S.L. está controlada en última instancia por José Esteban Conesa Alcaraz con un 50,22% (0.26% directo y un 49,96% indirecto a través de Ondina Capital, S.L.)

A la fecha del presente Folleto, los consejeros de la Sociedad son los nueve miembros del consejo de administración: Sr. Juan Ignacio Conesa Alcaraz (ejecutivo), Sr. José Esteban Conesa Alcaraz (ejecutivo), Sra. Carmen Panadero Reyes (dominical), Sr. Gerard van Kesteren (dominical), Sr. Enrique Pérez-Hernández y Ruiz-Falcó (independiente), Sra. Carmen Fernández Rozado (independiente), Sra. Isabel García Tejerina (independiente), Sr. Dirk Reich (independiente) y Sra. Carmen del Río Novo (independiente).

Baker Tilly Auditores, S.L.P., con domicilio social en paseo de la Castellana, 137, 4 28046 Madrid, Titular del Número de Identificación Fiscal (NIF) B-86300811 y registrado en el R.O.A.C. (Registro Oficial de Auditores de Cuentas) bajo el número S2106 y en el Registro Mercantil de Madrid bajo el tomo 29348, folio 194, hoja M-528304, es el auditor independiente designado por la Sociedad.

B.2. ¿Cuál es la información financiera clave sobre el emisor?

La información financiera incluida en este Folleto para presentar el negocio de la Sociedad y permitir a los inversores realizar una evaluación de la Sociedad de conformidad con el Artículo 6.1) del Reglamento de Folletos

se deriva de: (i) los estados financieros intermedios consolidados condensados no auditados de la Sociedad para el período de tres meses terminado el 31 de marzo, 2021, que incluye información financiera consolidada condensada no auditada e información comparativa para el periodo de tres meses terminado el 31 de marzo de 2020, y que se han preparado de conformidad con la NIC 34 (los "Estados Financieros Intermedios Consolidados Condensados no Auditados del Primer Trimestre de 2021"). Baker Tilly Auditores, S.L.P ("Baker Tilly") ha realizado una revisión limitada de los Estados Financieros Intermedios Consolidados Condensados no Auditados del Primer Trimestre de 2021 de acuerdo con la norma ISRE 2410; (ii) los estados financieros consolidados auditados de la Sociedad correspondientes a los ejercicios terminados el 31 de diciembre de 2020, 2019 y 2018, que han sido preparados de acuerdo con las Normas Internacionales de Información Financiera ("NIIF") adoptadas por la UE ("NIIF-UE") (los "Estados Financieros Consolidados Auditados"); y (iii) las cuentas anuales individuales auditadas de la Sociedad para el período comprendido entre el 11 de noviembre de 2020 (fecha de constitución de la Sociedad) y el 31 de diciembre de 2020, que se han elaborado de acuerdo con el Plan General de Contabilidad aprobado por el Real Decreto 1514/2007, de 16 de noviembre, en su forma enmendada (las "Cuentas Anuales Individuales Auditadas de 2020").

Cuenta de Resultados Consolidada

<i>(millones de euros, a menos que se indique lo contrario)</i>	Periodo de 3 meses finalizado		Ejercicio anual finalizado el		
	el		31 de diciembre		
	31 de marzo		2020	2019	2018
	2021	2020	2020	2019	2018
Ingresos de explotación	141,8	126,5	457,7	414,2	372,7
Beneficio de explotación consolidado	26,6	22,2	81,4	33,6	28,9
Beneficio neto consolidado	19,6	16,4	63,5	24,9	15,4
Incremento anual cifra de ingresos	12,2%	n/a	10,5%	11,1%	n/a
Margen de EBIT^{APM}	18,8%	17,6%	17,8%	8,1%	7,8%
Ganancia por acción (*)	0,140	0,117	106	41	26

(*) El beneficio por acción para los periodos anuales finalizados el 31 de diciembre de 2020, 2019 y 2018 fue calculado en base al número de acciones existente al 31 de diciembre de 2020, que ascendía a 600 acciones, comparado con el actual número de acciones que asciende a 140.000.000

Estado de Situación Financiera Consolidada

<i>(millones de euros, a menos que se indique lo contrario)</i>	31 de marzo	31 de diciembre		
	2021	2020	2019	2018
Total Activo	326,5	298,2	237,9	239,1
Total Patrimonio Neto	109,4	89,8	115,8	105,1
Deuda Financiera Neta^{APM(**)}	104,4	107,6	63,6	71,0

(**) Deuda Financiera Neta^{APM} se corresponde con Pasivos financieros y pasivos por arrendamientos Corrientes y no corrientes menos Activos financieros corrientes y Tesorería y equivalentes de efectivo.

Estado de Flujo de Efectivo Consolidado

<i>(millones de euros, a menos que se indique)</i>	Periodo de 3		Ejercicio anual finalizado el 31		
	meses finalizado el		de diciembre		
	31 de marzo		2020	2019	2018
	2021	2020	2020	2019	2018
Flujos de efectivo de actividades de explotación	36,8	30,0	102,4	60,6	54,3
Flujos de efectivo de actividades de inversión	(24,2)	(4,8)	(33,1)	(14,0)	4,3
Flujos de efectivo de actividades de financiación	(11,2)	(9,2)	(51,2)	(44,4)	(57,8)

B.3. ¿Cuáles son los principales riesgos específicos para el emisor?

Los factores de riesgo más importantes y específicos del emisor son:

Riesgos relacionados con nuestros clientes y negocio

- Una parte importante de nuestros ingresos provienen de un número limitado de clientes, la mayoría de los cuales están relacionados con el procesamiento, empaquetamiento y distribución de productos alimenticios.
- Una parte relevante y sustancial de nuestro negocio depende de contratos formalizados por la Sociedad o sus empresas del Grupo con partes vinculadas.
- Fluctuaciones en el precio o la disponibilidad del gasóleo, así como un incremento del precio de los peajes, podrían provocar un incremento en nuestro coste operativo, lo cual podría afectar de forma material y adversa a nuestros beneficios.
- Nuestro éxito depende significativamente de la experiencia en el sector y de los esfuerzos de nuestros miembros de la alta dirección y otros miembros clave de la dirección.
- Poseer un equipo de conductores cualificados es esencial para mantener nuestra rentabilidad.
- Nuestro crecimiento y desarrollo futuro depende de nuestra habilidad para expandir el negocio en determinadas áreas de transporte, así como retener y establecer nuevas alianzas comerciales y *joint ventures* con determinados operadores logísticos.

Riesgos relacionados con nuestra industria

- Operamos en una industria altamente competitiva y fragmentada, y un gran número de factores competitivos podrían afectar a nuestra capacidad de mantener nuestra actual rentabilidad y posición en el mercado.
- La salida del Reino Unido de Europa ("Brexit").

Riesgos legales y regulatorios

- Hemos realizado un número significativo de operaciones con partes vinculadas en el curso ordinario de nuestro negocio.
- Estamos en proceso de aprobar una política de control y gestión de riesgos y crear una función de control interno.

Riesgos relacionados con nuestra situación financiera

- Para continuar con nuestra política de flota de vehículos joven y con la expansión de nuestras operaciones, debemos ser capaces de asegurar financiación de terceros en condiciones favorables.

C. Información clave sobre los valores

C.1. ¿Cuáles son las características principales de los valores?

Se trata de una oferta inicial (la "**Oferta**") de acciones ordinarias de la Sociedad, de un valor nominal de 0,10 euros cada una, realizada por Krone-Mur Servifrío, S.L. (el "**Accionista Vendedor**").

El Accionista Vendedor está vendiendo 35.000.000 acciones ordinarias existentes a un precio por acción que se espera que esté entre 9,30 y 12,10 euros (el "**Rango de Precios de la Oferta**") en la Oferta (las "**Acciones Ofrecidas**") y concederá una opción a las entidades coordinadoras globales (las "**Entidades Coordinadoras Globales**") (las Joint Global Coordinators, tal y como se definen al principio del folleto) para, por cuenta de las entidades aseguradoras (las "**Entidades Aseguradoras**") (los Managers, tal y como se definen al principio del folleto), adquirir un número de acciones ordinarias existentes adicionales de la Sociedad que representen hasta el 10% de las Acciones Ofrecidas (las "**Acciones Adicionales**", y junto con las Acciones Ofrecidas, las "**Acciones**") al Precio de la Oferta (menos las comisiones acordadas) para cubrir las sobreadjudicaciones de Acciones Ofrecidas en la Oferta, si las hubiera, y las posiciones cortas resultantes de las operaciones de estabilización (la "**Opción de Sobreasignación**"). La Opción de Sobreasignación será ejercitable, total o parcialmente, por Morgan Stanley Europe SE en su calidad de gestor de estabilización (el "**Gestor de Estabilización**"), actuando en nombre de las Entidades Aseguradoras, durante un período de 30 días naturales a partir de la fecha en que las acciones ordinarias de la Sociedad coticen y comiencen a negociarse en las Bolsas de Valores de Barcelona, Bilbao, Madrid

y Valencia (las "**Bolsas de Valores Españolas**") a través del Sistema de Interconexión Bursátil Español o Mercado Continuo (el "**SIBE**").

Las Acciones son acciones ordinarias con un valor nominal de 0,10€ cada una.

El código ISIN asignado a las acciones ordinarias actualmente emitidas es ES0105562005. Todas las acciones de la Sociedad son de la misma clase.

Las Acciones han sido creadas de conformidad con la Ley de Sociedades de Capital. Cada Acción lleva aparejado un voto en la junta general de accionistas de la Sociedad. No hay restricciones a los derechos de voto de las Acciones.

Las acciones tienen un rango *pari passu* en todos los aspectos, incluso a efectos de voto y para todas las distribuciones de beneficios y consecuencias de una liquidación.

Los tenedores de Acciones tienen los derechos y se encuentran sujetos a las obligaciones establecidas en los Estatutos Sociales. En particular, los siguientes derechos son inherentes a la condición de accionista de la Sociedad:

- Derecho a asistir y votar en la junta general de accionistas.
- Derechos de suscripción preferente en los aumentos de capital social mediante aportaciones dinerarias y para cualquier nueva emisión de bonos convertibles en acciones.
- Derecho a ejercitar las acciones de los accionistas.
- Derechos de información.
- Dividendos y derechos de liquidación.

Uno de nuestros objetivos de gestión a medio plazo es nuestro compromiso de seguir repartiendo dividendos, en línea con nuestros niveles históricos. Pretendemos mantener una ratio de reparto del 60%, calculado como dividendos/ingresos netos. Nuestra capacidad para repartir dividendos futuros y su cuantía depende, entre otros factores, de nuestros resultados empresariales futuros, de los ingresos de nuestras filiales, de la obtención de suficientes beneficios distribuibles y el equilibrio de nuestra reserva legal de acuerdo con la legislación española (la legislación societaria española exige que las empresas constituidas en España aporten al menos el 10% de sus ingresos netos cada año a una reserva legal hasta que el saldo de dicha reserva sea equivalente al menos al 20% del capital social emitido), de nuestras necesidades de capital circulante, de las restricciones incluidas en nuestros contratos de deuda, de nuestras inversiones previstas y de cualquier restricción legal aplicable.

C.2. ¿Dónde se negociarán los valores?

Antes de la Oferta, nuestras acciones ordinarias no han cotizado en ningún mercado público. Solicitaremos la admisión a negociación de nuestras acciones ordinarias en las Bolsas de Valores españolas y su negociación en el SIBE de las Bolsas de Valores españolas (la "**Admisión**"). El mercado español de valores de renta variable comprende cuatro bolsas de valores situadas en Barcelona, Bilbao, Madrid y Valencia. Esperamos que nuestras acciones ordinarias (incluidas las Acciones aquí ofrecidas) se negocien en las Bolsas de Valores españolas y a través del SIBE en torno al 24 de junio de 2021 con el símbolo "PRF".

C.3. ¿Existe alguna garantía inherente a los valores?

No aplica.

C.4. ¿Existen restricciones a la libre transmisibilidad de los valores?

No aplica.

C.5. ¿Cuáles son los principales riesgos específicos de los valores?

Los factores de riesgo más importantes específicos para los valores son los siguientes:

- Tras la Oferta, el Accionista Vendedor continuará ejerciendo una influencia significativa sobre nosotros, nuestra gestión y operaciones, y sus intereses pueden no estar alineados con los intereses de nuestros otros accionistas.

- Las futuras emisiones o ventas de Acciones después de la Oferta podrían afectar negativamente al precio de mercado de las Acciones Ofrecidas.
- Nuestras acciones están expuestas a riesgos de mercado y otros factores externos.
- Es posible que los accionistas de los Estados Unidos y de otras jurisdicciones no puedan participar en futuras ofertas de instrumentos de capital y que sólo tengan una capacidad limitada para ejercer acciones o hacer cumplir las sentencias contra nosotros o nuestros consejeros.

D. Información clave sobre la admisión a negociación en un mercado regulado

D.1. ¿En qué condiciones y bajo qué calendario puedo invertir en este valor?

Esperamos que el calendario tentativo de la Oferta sea el siguiente:

Principales hitos	Fecha ⁽¹⁾
Aprobación y registro del folleto con la CNMV	10 de junio de 2021
Inicio de la construcción del libro	10 de junio de 2021
Finalización de la construcción del libro	22 de junio de 2021
Fijación del Precio de la Oferta	22 de junio de 2021
Firma del contrato de suscripción (<i>Underwriting Agreement</i>)	22 de junio de 2021
Publicación de una comunicación de información privilegiada con el Precio de la Oferta	22 de junio de 2021
Asignación de las Acciones Ofrecidas a los inversores	22 de junio de 2021
Fecha de la Transacción y publicación de la comunicación de otra información relevante	23 de junio de 2021
Admisión e inicio del Periodo de Estabilización (en o alrededor de)	24 de junio de 2021
Fecha de Liquidación (en o alrededor de)	25 de junio de 2021
Fin del Periodo de Estabilización (no más tarde de)	23 de julio de 2021

⁽¹⁾ Cada una de las fechas incluidas en el calendario provisional anterior está sujeta a cambios sin previo aviso. Cualquier cambio, incluyendo en particular cualquier aplazamiento o reducción del calendario tentativo, se hará público mediante la publicación de la correspondiente notificación de otra información relevante con la CNMV.

Inmediatamente después de la Oferta, el Accionista Vendedor poseerá directa o indirectamente aproximadamente el 75% de nuestro capital social emitido (suponiendo que las Acciones Ofrecidas se vendan en su totalidad y la Opción de Sobreasignación no se ejerza) o al menos aproximadamente el 72,5% (suponiendo que las Acciones Ofrecidas se vendan en su totalidad y se ejerza en su totalidad la Opción de Sobreasignación).

Suponiendo que el Precio de la Oferta sea el precio del punto medio del Rango de Precios de la Oferta y que la Opción de Sobreasignación se ejerza en su totalidad, los gastos (incluidas las comisiones) a pagar por el Accionista Vendedor ascenderían a 16,1 millones de euros, lo que supondría el 3,90% de los ingresos brutos de la Oferta. Suponiendo que el Precio de la Oferta sea el precio del punto medio del Rango de Precios de la Oferta y que no se ejerza la Opción de Sobreasignación, los gastos (incluidas las comisiones) a cargo del Accionista Vendedor ascenderían a 14,6 millones de euros, lo que representaría el 3,90% de los ingresos brutos de la Oferta. Los gastos a pagar por la Sociedad ascenderían a 0,1 millones de euros, lo que representa el 0,032% (suponiendo que el Precio de la Oferta sea el precio del punto medio del Rango de Precios de la Oferta y que la Opción de Sobreasignación se ejerza en su totalidad) y el 0,035% (suponiendo que el Precio de la Oferta sea el precio del punto medio del Rango de Precios de la Oferta y que no se ejerza la Opción de Sobreasignación) del importe total de la Oferta.

Asimismo, los compradores deberán soportar las comisiones a pagar a los intermediarios financieros a través de los cuales serán titulares de las Acciones Ofrecidas, incluyendo aquellas comisiones de administración y custodia de valores que sean fijadas libremente por los correspondientes intermediarios financieros y comunicadas a la CNMV o al Banco de España, según corresponda.

A efectos meramente informativos, debido a la dificultad de determinar con precisión los gastos incurridos a la fecha del presente Folleto o que serán incurridos por la Sociedad y el Accionista Vendedor, los gastos estimados a pagar por el Accionista Vendedor en relación con la Oferta y la Admisión ascienden a aproximadamente 16,2

millones de euros (sin incluir el IVA aplicable), respectivamente, asumiendo que la Opción de Sobreasignación se ejerce en su totalidad y que el Precio de la Oferta se sitúa en el punto medio del Rango de Precios de la Oferta.

D.2. ¿Quién es el ofertante o la persona que solicita la admisión a negociación?

El oferente de las Acciones es el Accionista Vendedor (véase la sección “C. Información clave sobre los valores” de este resumen). El Accionista Vendedor será el oferente de las Acciones Adicionales en caso de que la Opción de Sobreasignación sea ejercitada, en todo o en parte. La Opción de Sobreasignación será ejercitable, en todo o en parte, por Morgan Stanley Europe SE en su calidad de gestor de estabilización, actuando en nombre de las Entidades Aseguradoras, durante un período de 30 días naturales a partir de la fecha de inicio de negociación de las acciones ordinarias de la Sociedad en las Bolsas Españolas a través del SIBE.

D.3. ¿Por qué se ha elaborado este folleto?

El presente folleto constituye un folleto relativo a la Sociedad a los efectos del artículo 3 del Reglamento de Folletos. El presente folleto ha sido aprobado como tal por la CNMV en su condición de autoridad competente en virtud de la Ley del Mercado de Valores y de las correspondientes normas de desarrollo en España para la admisión de las acciones ordinarias de la Sociedad en las Bolsas de Valores Españolas.

En virtud de la Oferta, el Accionista Vendedor espera obtener unos ingresos brutos de aproximadamente 374.5 millones de euros (calculados sobre la base del punto medio del Rango de Precios de la Oferta) si no se ejerce la Opción de Sobreasignación, y de aproximadamente 412 millones de euros (sobre la base de los mismos supuestos) si se ejerce en su totalidad la Opción de Sobreasignación. Se espera que la Sociedad, el Accionista Vendedor y las Entidades Aseguradoras suscriban un acuerdo de aseguramiento con respecto a las Acciones ofrecidas por el Accionista Vendedor una vez finalizado el periodo de construcción del libro y fijado el Precio de la Oferta. Dado que el Accionista Vendedor espera pagar el importe de las comisiones y los gastos indicados en el apartado D.1 anterior, el Accionista Vendedor espera obtener unos ingresos netos de aproximadamente 359,9 millones de euros (suponiendo que la Opción de Sobreasignación no se ejerza) y de unos ingresos netos de aproximadamente 395,9 millones de euros (suponiendo que se ejerza en su totalidad la Opción de Sobreasignación) mediante la venta de las Acciones Ofrecidas en la Oferta.

La Sociedad no recibirá ningún beneficio de la venta por parte del Accionista Vendedor de las Acciones Ofrecidas y, si la Opción de Sobreasignación se ejerce total o parcialmente, de cualquiera de las Acciones Adicionales vendidas por el Accionista Vendedor en la Oferta.

Cada una de las Entidades Aseguradoras es una entidad financiera de servicios integrales dedicada a diversas actividades, que pueden incluir la prestación de servicios de banca de inversión, banca comercial y asesoramiento financiero. Algunas de las Entidades Aseguradoras y sus respectivas filiales, en el curso ordinario de sus actividades, han realizado en el pasado operaciones de banca de inversión y/o de banca comercial con la Sociedad, el Accionista Vendedor y sus respectivas filiales, por las que han recibido las comisiones habituales y el reembolso de gastos, y en el futuro podrán, ocasionalmente, realizar operaciones y prestar servicios para la Sociedad, el Accionista Vendedor y sus respectivas filiales en el curso ordinario de sus actividades, por los que podrán recibir las comisiones habituales y el reembolso de gastos.

En el curso ordinario de sus diversas actividades empresariales, las Entidades Aseguradoras y sus respectivas filiales pueden mantener una amplia gama de inversiones y negociar activamente con valores de deuda y de renta variable (o valores derivados relacionados) e instrumentos financieros (que pueden incluir préstamos bancarios y/o permutas de incumplimiento crediticio) en la Sociedad, el Accionista Vendedor y sus respectivas filiales por cuenta propia y por cuenta de sus clientes, y pueden mantener en cualquier momento posiciones largas y cortas en dichos valores e instrumentos.

En el curso ordinario de los negocios, las Entidades Aseguradoras y otras sociedades de sus respectivos grupos pueden, en cualquier momento, (i) invertir a título principal o gestionar fondos que inviertan, realicen o mantengan posiciones largas o cortas, financien posiciones o negocien o efectúen operaciones, por cuenta propia o de clientes, en valores de renta variable, de deuda u otros valores o instrumentos financieros (incluidos los derivados, préstamos bancarios u otras obligaciones) de la Sociedad o de cualquier otra sociedad que pueda estar involucrada en cualquier transacción propuesta, y (ii) pueden proporcionar o negociar la financiación y otros servicios financieros a otras sociedades que puedan estar involucradas en cualquier transacción propuesta o en una transacción competitiva, en cada caso, cuyos intereses pueden entrar en conflicto con los de la Sociedad o sus filiales.

Además, algunos de las Entidades Aseguradoras o sus filiales son, o pueden ser en el futuro, prestamistas, y en algunos casos agentes o gestores de los prestamistas, en virtud de algunas de las líneas de crédito y otros

acuerdos crediticios de la Sociedad, el Accionista Vendedor o sus respectivas filiales. En su calidad de prestamistas, dichos prestamistas pueden, en el futuro, tratar de reducir un compromiso de préstamo con la Sociedad, el Accionista Vendedor o sus respectivas filiales, o imponer requisitos de precios o garantías incrementales con respecto a dichas líneas o acuerdos de crédito, en el curso ordinario de los negocios.

ANNEX I

Q1 2021 Unaudited Condensed Consolidated Interim Financial Statements



PRIMAFRIO TOPCO, S.A.

**Limited Review Report on the Condensed
Consolidated Interim Financial Statements
at 31 March 2021**

(Translation from the original in Spanish. In the event of discrepancy, the Spanish-language version prevails).

LIMITED REVIEW REPORT ON THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

To the Sole Shareholder of **Primafrio Topco, S.A.** at the request of the Sole Director:

Report on the condensed consolidated interim financial statements

Introduction

We have carried out a limited review of the accompanying condensed consolidated interim financial statements (the “interim financial statements”) of **Primafrio Topco, S.A.** (the “Parent Company”) **and subsidiaries** (the “Group”), which comprise the statement of financial position at 31 March 2021, the income statement, the statement of comprehensive income, the statement of changes in equity, the statement of cash flows and the explanatory notes for the three-month period then ended, all condensed and consolidated. The Sole Director is responsible for the preparation of these interim financial statements in accordance with International Accounting Standard (IAS) 34 “Interim Financial Reporting” as adopted by the European Union, for the preparation of condensed interim financial statements. Our responsibility is to express a conclusion on these interim financial statements based on our limited review.

Scope of review

We conducted our limited review in accordance with the International Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A limited review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A limited review is substantially less in scope than an audit conducted in accordance with prevailing legislation regulating the audit of accounts in Spain and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the accompanying interim financial statements.

Conclusion

Based on our limited review, which can under no circumstances be considered an audit, nothing has come to our attention that causes us to believe that the accompanying interim financial statements for the three-month period ended 31 March 2021 have not been prepared, in all material respects, in accordance with International Accounting Standard 34 “Interim Financial Reporting”, as adopted by the European Union, for the preparation of condensed interim financial statements.

Emphasis of Matter

We draw your attention to the accompanying Note 2-1, which states that these interim financial statements do not include all the information that would be required in a complete set of consolidated financial statements prepared in accordance with International Financial Reporting Standards as adopted by the European Union. The accompanying interim financial statements should therefore be read in conjunction with the Group's consolidated financial statements for the years ended 31 December 2020, 2019 and 2018. This matter does not modify our conclusion.

Report on other legal and regulatory requirements

The accompanying consolidated interim directors' report for the three-month period ended 31 March 2021 contains such explanations as the Sole Director of the Company considers relevant with respect to the significant events that have taken place in this period and their effect on the consolidated interim financial statements. The consolidated interim directors' report is not an integral part of the consolidated interim financial statements. We have verified that the accounting information contained therein is consistent with that disclosed in the interim financial statements for the three-month period ended 31 March 2021. Our work is limited to the verification of the consolidated interim directors' report within the scope described in this paragraph and does not include a review of information other than that obtained from the accounting records of Primafrío Topco, S.A. and subsidiaries.

Other Matters paragraph

This report has been prepared at the request of the Sole Director of the Parent Company for inclusion, together with the accompanying consolidated interim financial statements, in the Parent Company's listing prospectus.

Baker Tilly Auditores, S.L.P.

Registered in ROAC under no. S2106

26 May 2021

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Registro Mercantil de Madrid, tomo 29348, folio 194, hoja M528304
CIF-B86300811

Baker Tilly Auditores S.L.P. trading as Baker Tilly is a member of the global network of Baker Tilly International Ltd., the members of which are separate and independent legal entities.

PRIMAFRIO TOPCO, S.A. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT 31 MARCH 2021

ASSETS	Note	Thousands of Euros		EQUITY AND LIABILITIES	Note	Thousands of Euros	
		31/03/2021	31/12/2020			31/03/2021	31/12/2020
NON-CURRENT ASSETS:				EQUITY:			
Other intangible assets		242	253	Shareholders' equity			
Property, plant and equipment	3	50.306	54.988	Share capital	8	109.413	89.841
Right-of-use assets	4	74.971	79.823	Reserves of companies accounted for using the global integration		14.000	60
Investments accounted for using the equity method	5	65	59	Reserves of companies accounted for using the equity method		75.863	83.933
Other non-current financial assets	5	6.662	3.181	Profit for the period		(50)	82
Investments in Economic Interest Groupings		3.338	-	Interim dividend		19.600	63.456
Other non-current financial assets		3.324	3.181			-	(57.690)
Deferred tax assets	9	444	424	Total equity		109.413	89.841
Total non-current assets		132.690	138.728				
				NON-CURRENT LIABILITIES:			
				Non-current provisions		1.659	1.659
				Non-current lease liabilities	6	42.608	46.139
				Other non-current liabilities	6	76.477	76.477
				Total non-current liabilities		120.744	124.275
CURRENT ASSETS:				CURRENT LIABILITIES:			
Inventories		2.773	2.691	Current lease liabilities	6	33.739	34.981
Trade and other receivables	5	82.333	76.562	Other current liabilities	6	609	719
Other accounts receivable from Public Authorities	9	30.081	27.247	Trade and other payables	6	51.187	43.559
Cash and cash equivalents		31.634	30.279	Other accounts payable to Public Authorities	9	10.813	4.862
Other current financial assets	5	46.386	21.471	Total current liabilities		96.348	84.121
Prepayments and accrued income		608	1.259				
Total current assets		193.815	159.509	TOTAL EQUITY AND LIABILITIES		326.505	298.237
TOTAL ASSETS		326.505	298.237				

The accompanying notes 1 to 17 are an integral part of the consolidated statement of financial position at 31 March 2021.

PRIMAFRIO TOPCO, S.A. AND SUBSIDIARIES

CONSOLIDATED INCOME STATEMENT
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2021

	Note	Thousands of Euros	
		31/03/2021	31/03/2020
Operating income-			
Revenue	10	141.858	126.464
Other operating income		1.878	1.033
Operating expenses-			
Procurements	10	(26.337)	(24.628)
Contract work carried out by other companies	10	(18.431)	(18.122)
Personnel expenses		(39.368)	(34.236)
Outside services	10	(21.912)	(20.410)
Taxes other than Income tax		(137)	(113)
Changes in provisions		(10)	-
Depreciation and amortization	10	(11.199)	(9.874)
Impairment and gains on the disposal of non-current assets	3	(41)	(47)
Other profit / loss		344	2.176
Consolidated operating income		26.645	22.243
Financial income and expenses-			
Financial income		276	21
Financial expenses		(904)	(374)
Exchange rate differences		(1)	(2)
Ordinary results of companies accounted for using the equity method	5	33	(62)
Changes in the fair value of financial instruments	5	24	(4)
Consolidated finance income / (loss)		(572)	(421)
Consolidated profit before tax		26.073	21.822
Income tax		(6.473)	(5.408)
Consolidated profit for the period from continuing operations		19.600	16.414
Consolidated profit for the period from discontinued operations		-	-
Consolidated profit for the period		19.600	16.414
Basic earnings per share	8	0,140	0,117

The accompanying notes 1 to 17 are an integral part of the consolidated income statement for the three-month period ended 31 March 2021.

PRIMAFRIO TOPCO, S.A. AND SUBSIDIARIES

CONSOLIDATED COMPREHENSIVE INCOME STATEMENT
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2021

There is no difference between the consolidated profits for the first quarters of 2021 and 2020 included in the consolidated income statement and the consolidated comprehensive income statement for the first quarters of 2021 and 2020.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2021

	Thousands of Euros						Total Equity
	Share Capital	Reserves of the Parent Company	Companies Accounted for Using the Global Integration	Reserves of Companies Accounted for Using the Equity Method	Interim Dividend	Profit for the Period	
Balance as of December 31, 2019	-	1.540	89.811	(449)	-	24.893	115.795
Adjusted balance at beginning of 2020	-	1.540	89.811	(449)	-	24.893	115.795
Total recognized income and expenses	-	-	-	-	-	16.414	16.414
Transactions with shareholders or owners-	-	-	-	-	-	-	-
Transfer and application of 2019 results	-	(1.540)	26.433	-	-	(24.893)	-
Other changes in Equity	-	-	21	-	-	-	21
Balance as of March 31, 2020	-	-	116.265	(449)	-	16.414	132.230

	Thousands of Euros						Total Equity
	Share Capital	Reserves of the Parent Company	Companies Accounted for Using the Global Integration	Reserves of Companies Accounted for Using the Equity Method	Interim Dividend	Profit for the Period	
Balance as of December 31, 2020	60	-	83.933	82	(57.690)	63.456	89.841
Adjusted balance at beginning of 2021	60	-	83.933	82	(57.690)	63.456	89.841
Total recognized income and expenses	-	-	-	-	-	19.600	19.600
Transactions with shareholders or owners-	-	-	-	-	-	-	-
Transfer and application of 2020 results	-	-	5.898	(132)	57.690	(63.456)	-
Capital increase (Note 8)	13.940	-	(13.940)	-	-	-	-
Other changes in Equity	-	-	(28)	-	-	-	(28)
Balance as of March 31, 2021	14.000	-	75.863	(50)	-	19.600	109.413

The accompanying notes 1 to 17 are an integral part of the consolidated statement of changes in equity for the three-month period ended 31 March 2021.

PRIMAFRIO TOPCO, S.A. AND SUBSIDIARIES

**CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2021**

	Note	Thousands of Euros	
		31/03/2021	31/03/2020
CASH FLOWS FROM OPERATING ACTIVITIES (I)		36.801	29.955
Profit before tax		26.073	21.822
Adjustments to profit (loss)-		11.822	10.342
Depreciation and amortization charge	10	11.199	9.874
Valuation allowances for impairment losses		10	-
Impairment and gains on disposal of non-current assets	3	41	47
Financial income		(276)	(21)
Financial expenses		904	374
Exchange rate differences		1	2
Changes in the fair value of financial instruments	5	(24)	4
Ordinary results of companies accounted for using the equity method	5	(33)	62
Adjusted operating income		37.895	32.164
Changes in working capital-		(921)	(1.850)
Inventories		(82)	-
Trade and other receivables		(5.781)	(12.266)
Other current assets		(2.182)	(4.586)
Trade and other payables		7.124	15.002
Other cash flows from operating activities-		(173)	(359)
Interest received		276	21
Interest paid		(412)	(374)
Income tax (paid) / received		(37)	(6)
CASH FLOWS FROM INVESTING ACTIVITIES (II)		(24.248)	(4.784)
Investment paid-		(32.142)	(4.889)
Other intangible assets		(16)	(24)
Property, plant and equipment	3	(402)	(902)
Related parties	5	(31.580)	(3.896)
Other financial assets		(144)	(67)
Divestment-		7.894	105
Property, plant and equipment	3	4.543	21
Related parties		-	84
Other financial assets	5	3.351	-
CASH FLOWS FROM FINANCING ACTIVITIES (III)		(11.198)	(9.207)
Liability instrument proceeds / (and payment)		(11.198)	(9.207)
Issue:		-	118
Current payables to related parties		-	118
Refund and repayment:		(11.198)	(9.325)
Bank borrowings and other financial liabilities		(602)	(31)
Lease liabilities	6	(10.596)	(9.294)
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (I+II+III)		1.355	15.964
Cash and cash equivalents at beginning of year		30.279	12.079
Cash and cash equivalents at end of year		31.634	28.043

The accompanying notes 1 to 17 are an integral part of the consolidated statement of cash flows for the three-month period ended 31 March 2021.



PrimaFrio Topco, S.A. and Subsidiaries

Explanatory notes to the condensed consolidated quarterly Financial statements for the period ending on March 31, 2021

1. General information

PrimaFrio Topco, S.A., (hereinafter the "Parent Company") and subsidiaries (hereinafter, the "PrimaFrio Group" or the "Group") form a group of companies which act as a logistics operator specialized in transportation, storage and consolidation of perishable products (mainly fruits and vegetables) at controlled temperatures.

The Parent Company was incorporated in Murcia (Spain) in accordance with the Capital Companies Law on November 11, 2020 for an indefinite period of time. The Company has its registered office on Autovía A7 dirección Alhama de Murcia, salida 596, Paraje las Ramblillas, CP 30840, Alhama de Murcia (Murcia) where its main facilities are located.

The main activity carried out by the Group's subsidiaries during the first quarter of fiscal year 2021 and during the last years, coinciding with their corporate purpose, has consisted of carrying out logistical activities of consolidation of goods at origin, as well as temperature-controlled transportation of goods by road and rail from the production areas in Spain and Portugal to the main points of influence throughout Europe and vice versa.

As of March 31, 2021, the Group is integrated into the superior Krone-Mur Servifrio Group, whose Parent Company holds 100% of the share capital of PrimaFrio Topco, S.A. which prepares consolidated annual accounts within the terms established by current regulations, which are deposited in the Mercantile Registry of Murcia (hereinafter the "Krone-Mur Group"). The information relating to the subsidiaries that form part of the Group's scope of consolidation is described in Annex I to these condensed consolidated quarterly financial statements.

2. Basis of presentation and principles for consolidation

2.1. Basis of presentation

The condensed consolidated quarterly financial statements of PrimaFrio Topco, S.A. and subsidiaries for the period of three months ending on March 31, 2021, which include as a comparative the period of three months ending on March 31, 2020, were approved by the Sole Director of the Parent Company on May 25, 2021 and were prepared using the accounting records kept by the Parent Company and the other companies within the PrimaFrio Group.

The Sole Director approved the condensed consolidated quarterly financial statements for incorporation, together with the auditor's limited review report in accordance with auditing standard ISRE 2410, into the Parent Company's listing prospectus.

These condensed consolidated quarterly financial statements have been prepared on the presumption that anyone who reads them will also have access to the consolidated financial statements for the years ended December 31, 2020, 2019 and 2018, prepared in accordance with International Financial Reporting Standards (IFRS-EU), which were authorized for issue on April 16, 2021. Consequently, and as they have been prepared using the accounting principles and standards employed in preparing the consolidated financial statements, it was not necessary to repeat or update the notes that are included in these condensed consolidated quarterly financial statements. Instead, the accompanying explanatory notes include an explanation of events and transactions that are significant to an understanding of the changes in the consolidated financial position and consolidated performance of the PrimaFrio Group since the date of the above-mentioned consolidated financial statements. So, the interim financial information does not include all the information required by the International Financial Reporting Standards adopted by the European Union for a set of complete financial statements.

This consolidated interim financial information was prepared in accordance with International Accounting Standard 34 (IAS 34), on Interim Financial Reporting, and all the mandatory accounting principles and rules and measurement bases and, accordingly, they present fairly the PrimaFrio Group's consolidated equity and financial position at March 31, 2021, and the results of its operations, the changes in consolidated equity and the consolidated cash flows in the interim period then ended.



As indicated in Note 1 to the consolidated financial statements for the years ended December 31, 2020, 2019 and 2018 referred to above, PrimaFrio Topco, S.A. was incorporated in 2020 as the head of an existing subgroup, with no change in economic substance or real alteration of the composition of the Group's property. On November 11, 2020, Krone-Mur Servifrio, S.L. incorporated the Parent Company by means of a monetary contribution of 600 shares with a par value of EUR 100 each, fully subscribed and paid up, granting Krone-Mur Servifrio 100% of the share capital of PrimaFrio Topco, S.A.

Additionally, on December 9, 2020, Krone-Mur Servifrio, S.L. made a non-monetary contribution to the Parent Company corresponding to 100% of the shares in the group's scope of consolidation.

As it is a transaction between group companies, the Parent Company has valued the non-monetary contributions received in its individual annual accounts at the value of the consolidated net assets as of September 30, 2020 of the shares of the contributed companies, adjusted by the interim dividend distribution transactions of the investee companies' reserves carried out between September 30, 2020 and the effective date of the contribution received, as well as other relevant adjustments and/or consolidation entries made by the Group after September 30, 2020 but which have an impact on the consolidated values of the investees at that date and which are known prior to the restatement of the abbreviated annual accounts. For the purposes of this valuation, it is considered that the valuations considered in accordance with IFRS do not differ significantly from the values that the consolidated net assets would have in accordance with the Standards for the Formulation of Consolidated Financial Statements (NOFCAC).

As set forth in paragraph 2 of IFRS 3, "Business combinations", in operations under common control, acquisitions or transfers of assets will not be within the scope of that standard. Paragraph 10 of IAS 8, "Accounting policies, changes in accounting estimates and errors" states that "in the absence of an IFRS-EU that is applicable to a transaction or other facts or conditions, the Sole Director shall use professional judgment in the development and application of an accounting policy." In accordance with the above, the Sole Director of the Parent Company carried out an analysis of whether the contributions were constitutive of a business, as well as whether the transaction could be considered completed in the context of a transaction under common control, all for the purpose of accounting for the operation as a business combination under common control.

Regarding the consideration of business, his conclusion was based on the content of paragraphs 17 and 18 of the "Basis for conclusions" of IFRS 3. In relation to whether the transaction is considered a transaction under common control, this was based on the content of the application guide of IFRS 3 on "Business combinations under common control", specifically on paragraph B1 of IFRS 3, which states that "business combinations under common control are business combinations in which all the combining entities or businesses are ultimately controlled by the same party or parties, both before and after the business combination, and that control is not transitory".

In this sense, the Sole Director considered that PrimaFrio Group is the result of a reorganization of the pre-existing Group Krone-Mur Servifrio, S.L., in which the contribution has not produced a change in the controlling shareholder, so these consolidated financial statements are, in essence, a continuation of the operations of the aforementioned pre-existing group. As a consequence, and pursuant to paragraph 10 of IAS 8 on the definition of an accounting policy for transactions not regulated by the IFRS-EU, the Sole Director considered for the purposes of the consolidated financial statements of the PrimaFrio Topco, S.A. Group, that although the business contribution took place on December 9, 2020, subsequent to the incorporation of the Parent Company, the transactions carried out by the subsidiaries have been accounted for from January 1, 2018, and for the three full years ended December 31, 2020, 2019 and 2018, based on the values of the transactions that these companies had in the pre-existing Krone-Mur Group. The same criteria has been considered for the purpose of determining the values of operations in these condensed consolidated quarterly financial statements for the three-month period ended March 31, 2021, as well as the comparative for the three-month period ended March 31, 2020.

2.2. Responsibility for the information and use of estimates

The information in these condensed consolidated quarterly financial statements is the responsibility of the Sole Director of the Parent Company.

In preparing this consolidated financial information for the PrimaFrio Group for the three-month period ended on March 31, 2021, estimates were occasionally made by the senior executives of the Group and of the consolidated entities, in order to quantify certain of the assets, liabilities, income, expenses and obligations reported herein. These estimates essentially refer to the same aspects detailed in the consolidated financial statements for the years ended December 31, 2020, 2019 and 2018:

- Useful life of property, plant and equipment
- Impairment losses on non-current assets
- Allocation to the provision for the customer portfolio
- Classification and measurement of financial instruments
- Lease liabilities and right-of-use assets
- Calculation of provisions and contingencies
- Fair value estimate
- Estimation of uncertainty

In addition to the points detailed in the consolidated financial statements for the years ended December 31, 2020, 2019 and 2018, it is important to note the Income tax expense, which in accordance with IAS 34, is recognized in interim periods on the basis of the best estimate of the weighted average tax rate expected by the Group for the year.

Although these estimates were made using the best information available on the date when these condensed consolidated quarterly financial statements were approved with regard to the facts reviewed, events that take place in the future might make it necessary to change these estimates (upward or downward) in coming periods or years. Changes in accounting estimates would be applied prospectively.

COVID-19

Although the impact of COVID-19 continues to pose significant challenges to business activities and has introduced a high degree of uncertainty on economic activity, the Group, due to the essential activity it carries out, related to the transportation of basic necessities, has not been negatively impacted by the pandemic, as evidenced by its financial indicators for the first quarter of fiscal year 2021, as well as the forecasts for the remainder of fiscal year 2021. In this sense, the Group has continued with its normal activity, taking all the necessary health and control measures and expects to be able to develop its business plan based on the growth forecasts it maintains.

2.3. Seasonal nature of Group transactions

Given the activities carried on by the Group companies, their transactions have a certain cyclical or seasonal nature. The breakdown of the percentage of revenue by quarters during fiscal years 2020 and 2019 is as follows:

	2020	2019
Quarter 1	28%	30%
Quarter 2	29%	29%
Quarter 3	13%	17%
Quarter 4	30%	24%
Total	100%	100%

2.4. New and revised International Financial Reporting Standards

a) Entry into force of new accounting standards

In 2021, the following mandatory standards and interpretations already adopted by the European Union came into force and, where applicable, were used by the Group in the preparation of these condensed consolidated quarterly financial statements:

Approved for use in the European Union		Mandatory application in the years from:
IFRS 17 Insurance contracts (amendment)	It replaces IFRS 4. It includes the principles for recording, valuation, presentation and disclosure of insurance contracts with the objective that the entity provides relevant and reliable information to enable users of financial information to determine the effect that the contracts have on the financial statements.	January 1, 2021
IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 (amendments) Interest Rate Benchmark Reform	Assists entities in providing useful information about the transition to alternative benchmark rates.	

These standards did not have any significant impact on the Group's condensed consolidated quarterly financial statements.

b) Standards and amendments published but not yet into force

At the date of approval of these condensed consolidated quarterly financial statements, the following standards and interpretations had been published by the IASB but had not yet come into force, either because their effective date is subsequent to the date of the consolidated financial statements or because they had not yet been adopted by the European Union:

Standards issued by the IASB and yet to be adopted by the European Union		Mandatory application in the years from:
IFRS 3, IAS 16, IAS 37, Annual improvements cycle 2018-2020 (amendments)	A number of amendments.	January 1, 2022
IAS 1 Presentation of Financial Statements (amendment)	Classification of liabilities as current and non-current.	January 1, 2023
IFRS 17 "Insurance contracts"	New standard that replaces IFRS 4.	
Amendment to IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates	The amendments will help to distinguish changes in accounting estimates from changes in accounting policies.	

None of these standards or amendments has been applied early. The Group is in the process of analyzing these standards and does not expect a material impact from them on the condensed consolidated quarterly financial statements.

2.5. Principles for consolidation

The principles for consolidation applied in the first quarter of 2021 are consistent with those applied in the financial statements for the years 2020, 2019 and 2018.

Changes in the scope of consolidation

During the first quarter of 2021, there were no changes in the Group's scope of consolidation. The information relating to the subsidiaries that form part of the Group's scope of consolidation is described in Annex I to these condensed consolidated quarterly financial statements.

2.6. Comparative information

The information contained in these condensed consolidated quarterly financial statements corresponding to the first three months of the 2020 financial year and/or at December 31, 2020, is presented solely and exclusively for the purposes of comparison with the information on the three-month period ending on March 31, 2021.

In this regard, in connection with the obtention of financial information as of March 31, 2020, Note 2.1 of the Group's consolidated financial statements for the years 2020, 2019 and 2018 regarding basis of presentation should be taken into account.

The explanatory notes include events or changes that might appear significant in explaining changes in the financial position and consolidated results of the PrimaFrio Group since the last consolidated financial statements of the Group for the years 2020, 2019 and 2018.

2.7. Functional and presentation currency

The aforementioned condensed consolidated financial statements are presented in thousands of euros. The Parent Company's functional currency is the euro. The Group's presentation currency is also the euro.

The functional currency of the subsidiaries included in the scope of consolidation is the euro.

2.8. Materiality

In determining the information to be disclosed on the various items in the financial statements or other matters in the explanatory notes to the financial statements, the Group, in accordance with IAS 34, took into account their materiality in relation to the condensed consolidated financial statements.

3. Property, plant and equipment

The detail and changes in this heading of the consolidated statement of financial position during the first quarter of 2021 and 2020 is shown below:

31/03/2021	Thousands of Euros			
	Balance at 31/12/2020	Additions	Disposals	Balance at 31/03/2021
Cost:				
Land and buildings	51,228	255	(1,400)	50,083
Technical installations and other tangible assets	9,708	147	(3,375)	6,480
Tangible assets in the course of construction	620	-	-	620
Total cost	61,556	402	(4,775)	57,183
Accumulated depreciation:				
Buildings	(3,117)	(350)	191	(3,276)
Technical installations and other tangible assets	(3,451)	(150)	-	(3,601)
Total accumulated depreciation	(6,568)	(500)	191	(6,877)

31/03/2020	Thousands of Euros			
	Balance at 31/12/2019	Additions	Disposals	Balance at 31/03/2020
Cost:				
Land and buildings	46,885	661	-	47,546
Technical installations and other tangible assets	10,068	225	(93)	10,200
Tangible assets in the course of construction	1,805	16	-	1,821
Total cost	58,758	902	(93)	59,567
Accumulated depreciation:				
Buildings	(1,732)	(329)	-	(2,061)
Technical installations and other tangible assets	(4,294)	(120)	24	(4,390)
Total accumulated depreciation	(6,026)	(449)	24	(6,451)

The net carrying amount of the items of "Property, plant and equipment" items as of March 31, 2021 and December 31, 2020 is as follows:

	Thousands of Euros	
	31/03/2021	31/12/2020
Land and buildings	46,808	48,111
Technical installations and other tangible assets	2,878	6,257
Tangible assets in the course of construction	620	620
Total	50,306	54,988

Disposals

Disposals in the first quarter of 2021 relate to the sale to the Parent Company's Sole Shareholder of investments in leased properties, as well as the sale of other fixed assets to a related company. The negative result recorded under the heading "Impairment and gains on the disposal of non-current assets" of the consolidated income statement as a result of these sales amounted to EUR 41 thousand at March 31, 2021 (EUR 47 thousand at March 31, 2020).

Other information

As of January 1, 2021, the Group's main headquarters, located in Alhama de Murcia, were owned by the subsidiary PrimaFrio, S.L. On February 18, 2021, this logistics center was contributed in its entirety to the subsidiary PrimaFrio Huelva, S.L. by means of a capital increase through a non-monetary contribution.

On that date, PrimaFrio Huelva, S.L. carried out a capital increase of EUR 54.7 million, of which EUR 45.2 million corresponded to the market value of the logistics center in Alhama de Murcia for which an in-kind contribution was made, and the remaining amount (EUR 9.5 million) corresponded to a monetary contribution made by PrimaFrio, S.L. to PrimaFrio Huelva, S.L. Additionally, a lease agreement was signed between PrimaFrio Huelva and PrimaFrio, S.L. corresponding to the transferred assets.

The fair value of the Alhama logistics center, in accordance with IFRS 13, has been considered at its market value, based on the current replacement cost method, which is considered reasonable, due to the uniqueness of the logistics center, both for its size and because it has been built specifically to be operated by the Group based on its business operations. Additionally, the construction is considered of social interest by the corresponding public administrations, which approved the construction of this logistics center in this location, being allowed by the City Council of Alhama only to be used for the development of the Group's activity. The fact that the ownership of the complex may be held by one or another company, as long as they are companies controlled by the same shareholders, and as long as the use is maintained for the same business for which it was granted, is considered not to affect the condition of social interest authorized by the corresponding administrations. Such authorization is for an unlimited term. Due to the exceptional nature of social interest of such construction, as well as the uniqueness of the logistics center, it is considered that there are no comparable market values, and therefore, it has been considered that the replacement cost is the most relevant indicator to determine its fair value.

Therefore, based on the above, the market value of the building has been determined by an independent expert, Tecnitasa, through an appraisal requested by the Group on the value of the building. Since such appraisal started in the first half of 2020, although it was completed in February 2021, the appraiser has considered all the investments in the building made up to December 31, 2019, which amounted to EUR 39,721 thousand. The appraiser has determined the value of the building according to the cost of current replacement by other new fixed elements, necessary and indispensable for the use legitimately established. No impairment loss has been applied to the building, as the appraiser considers that work has been carried out on the entire complex continuously up to the date of the appraisal, since the investment is very recent, and therefore no such impairment loss would be applied. Thus, therefore, the total of the logistics center has been valued at EUR 45,206 thousand, corresponding to EUR 39,721 thousand of the value of the investment at December 31, 2019, plus the cost of the additions to the building in 2020, amounting to EUR 1,763 thousand, as well as the cost value of the land, amounting to EUR 3,721 thousand. Likewise, for the replacement cost of the land, its acquisition cost has been considered, in line with the methodology used to determine the fair value of the building.

The fair value of EUR 45,206 thousand has been compared as a contrast valuation with the annual rent of EUR 2.3 million, determined by an independent expert based on comparable homogenized rental values (see Note 16), establishing a yield of 5%, which is considered reasonable for this type of asset.

This transaction only resulted in a gain of EUR 0.2 million in the individual accounts of the contributing company, since the net carrying amount of the asset was similar to the market value at which the contribution was made.

Subsequent to March 31, 2021, these headquarters in Alhama de Murcia were sold to a related entity as a result of the sale of the shares of PrimaFrio Huelva, S.L. and the lease agreement was amended by means of an addendum thereto (see Note 16).

The Group has certain restrictions on the sale of assets, based on the private financing contract, as described in Note 6. However, the disposal of the Alhama logistics center mentioned above is formally approved by the subscriber of the financing contract, and therefore, does not pose any risk of non-compliance with such contract.

As of March 31, 2021 and December 31, 2020, no property, plant and equipment impairment losses indicators have been identified.

The Group's policy is to formalize insurance policies in order to cover the possible risks to which the various elements of "Property, plant and equipment" are subject. As of March 31, 2021 and December 31, 2020, these policies cover almost all the carrying amount of the aforementioned elements.

4. Right-of-use assets

The changes in this heading of the consolidated statement of financial position during the first quarter of 2021 and 2020 is shown below:

31/03/2021	Thousands of Euros			
	Balance at 31/12/2020	Additions	Disposals	Balance at 31/03/2021
Cost:				
Right-of-use assets	134,313	5,822	(969)	139,166
Total cost	134,313	5,822	(969)	139,166
Accumulated depreciation:				
Right-of-use assets	(54,490)	(10,674)	969	(64,195)
Total accumulated depreciation	(54,490)	(10,674)	969	(64,195)
Net balance	79,823	(4,852)	-	74,971

31/03/2020	Thousands of Euros			
	Balance at 31/12/2019	Additions	Disposals	Balance at 31/03/2020
Cost:				
Right-of-use assets	118,143	7,539	(3,366)	122,316
Total cost	118,143	7,539	(3,366)	122,316
Accumulated depreciation:				
Right-of-use assets	(46,742)	(9,394)	3,366	(52,770)
Total accumulated depreciation	(46,742)	(9,394)	3,366	(52,770)
Net balance	71,401	(1,855)	-	69,546

The balance recorded under this heading is mainly associated with transport elements with which the Group carries out its distribution activity. However, it also includes the logistics areas located in Álava and Azambuia (Portugal).

As for the additions in the first quarter of 2021 and 2020, they correspond to new lease agreements. On the other hand, the derecognition in said years mainly correspond to the expiration of contracts for transport elements. In this regard, the Group carries out a continuous and very active management of its vehicle fleet.

5. Financial assets

Investments in companies accounted for using the equity method

Under this heading of the consolidated statement of financial position, ownership in the following two entities is maintained:

Company	% of Ownership	Investment Value (Thousands of Euros)	
		31/03/2021	31/12/2020
Primavia Europe, S.L. (I)	50%	(30)	(36)
Primaver France (II)	50%	95	95
Total		65	59

(I) Registered office in Murcia. The remaining 50% of the entity belongs to Europe Intermodal Holding, S.A.S.

(II) Registered office in Perpignan, (France), unaudited Company. The remaining 50% of the entity belongs to Reseu Primever, S.A.S.

Both companies corporate purpose consists of logistic operation, they are not listed on the stock exchange market and have not distributed dividends during the first quarter of financial years 2021 and 2020. In addition, they have continued to carry out their usual activities during this period.

The amount recorded in the consolidated income statement for the first quarter of 2021 as income of companies accounted for using the equity method was EUR 33 thousand (loss of EUR 62 thousand during the first quarter of 2020).

Economic Interest Groupings

As of March 31, 2021, the Group holds interests in two entities, all of them registered in Spain and whose activity consists of the development of research activities. Information regarding these entities (percentage of ownership and investment value) is as follows:

Company	% of Ownership	Investment Value (Thousands of Euros)
Damasio Investigaciones, A.I.E.	99,99%	2,552
Anambro Science, A.I.E.	99,98%	786
Total		3,338

At year-end, the Group, as a partner of the Economic Interest Groupings, will recognize the compensation of tax loss and tax deductions that correspond to these entities. This recognition will be made through the cancellation of the tax credits previously recognized as a consequence of the ownership in the E.I.G. as well as through the derecognition of financial assets (indicated as investment value), recognizing a financial income for the tax benefit of the operation.

The allocation of tax loss carryforwards and deductions in the partner company will be treated for accounting purposes as a reduction of the Income tax of the Spanish Group entity that holds the interest.

Rest of financial assets

The carrying amount, as of March 31, 2021 and December 31, 2020, of each of the categories of financial instruments, is as follows:

31/03/2021	Thousands of Euros		
	Amortized Cost	Fair Value with Changes in Profit or Loss	Total
Other non-current financial assets-	945	2,379	3,324
Equity securities	-	2,379	2,379
Loans to other related parties (Note 11)	945	-	945
Trade and other receivables	82,333	-	82,333
Other current financial assets-	46,298	88	46,386
Equity securities	-	88	88
Loans to third parties	631	-	631
Loans to other related parties (Note 11)	28,000	-	28,000
Other financial assets	17,422	-	17,422
Other financial assets, related parties (Note 11)	245	-	245

31/12/2020	Thousands of Euros		
	Amortized Cost	Fair Value with Changes in Profit or Loss	Total
Other non-current financial assets-	945	2,236	3,181
Equity securities	-	2,236	2,236
Loans to other related parties (Note 11)	945	-	945
Trade and other receivables	76,562	-	76,562
Other current financial assets-	21,383	88	21,471
Equity securities	-	88	88
Loans to third parties	926	-	926
Other financial assets	20,454	-	20,454
Other financial assets, related parties (Note 11)	3	-	3

Financial assets at fair value with changes in Profit or Loss

The classification of these financial assets based on the method used to calculate the fair value is as follows:

Category	Thousands of Euros	
	31/03/2021	31/12/2020
Level 1 – Quoted prices on active markets	2,467	2,324
Total	2,467	2,324

During the first quarter of 2021, an income amounting to EUR 24 thousand was recognized under the heading "Changes in the fair value of financial instruments" in the consolidated income statement (expense of EUR 4 thousand in the first quarter of 2020).

Other current financial assets

This current asset heading mainly includes short-term bank deposits held with recognized prestige financial institutions and that accrue a market interest rate. Positions held are managed based on existing cash surpluses in the Group.

During the first quarter of 2021, an amount of EUR 3,351 thousand has been recorded under "Proceeds from divestments" in the consolidated statement of cash flows, mainly as a result of the change in these balances.

Trade and other receivables

The detail of the balance of this heading of the consolidated statement of financial position as of March 31, 2021 and December 31, 2020, is as follows:

Category	Thousands of Euros	
	31/03/2021	31/12/2020
Trade receivables for sales and services	74,928	69,105
Sundry receivables	6,655	6,658
Employee receivables	750	799
Total	82,333	76,562

As of March 31, 2021, the provision for impairment losses of accounts receivable amounted to EUR 977 thousand (EUR 967 thousand as of December 31, 2020).

The risk profile of trade receivables which are past due and not impaired based on the age of the balances is detailed in the following table:

	Thousands of Euros	
	31/03/2021	31/12/2020
Less than 1 month	3,541	13,646
Between 1 and 3 months	1,706	1,275
More than 3 months	1,482	1,983
Total	6,729	16,904

The maximum exposure to credit risk at the reporting date is the fair value of each of the accounts receivable broken down above.

6. Financial liabilities

Financial liabilities detail as of March 31, 2021 and December 31, 2020, is as follows:

	Thousands of Euros	
	31/03/2021	31/12/2020
Non-current debts-	76,477	76,477
Bonds and other marketable securities	75,000	75,000
Other financial liabilities	1,477	1,477
Current debts-	51,796	44,278
Bank borrowings	492	334
Other financial liabilities	117	164
Current payables to Group companies and related parties (Note 11)	-	221
Suppliers	15,687	14,329
Other payables	16,959	13,656
Other payables, related parties (Note 11)	1,195	1,167
Remuneration payable	17,346	14,407
Total	128,273	120,755

Creditors in payment management (reverse factoring)

As of March 31, 2021 and 2020, the detail of the amounts sent to financial institutions for its management was as follows:

	Thousands of Euros	
	31/03/2021	31/03/2020
Limit	16,000	13,000
Amount drawn	6,947	4,409
Available balance	9,053	8,591

This amount is registered under the account "Other payables" under the heading "Trade and other payables" in the consolidated statement of financial position and corresponds in its entirety to commercial debt.

Bonds and other marketable securities

On December 9, 2020, the Group Company PrimaFrio, S.L. formalized a private purchase shelf deed with a private entity for a total amount of EUR 125 million.

The contract mentioned above is structured in three tranches:

- EUR 50 million aggregate principal amount of Series A Guaranteed Senior Notes, at an annual interest rate of 2.15% payable semi-annually due December 11, 2032.
- EUR 25 million aggregate principal amount of Series B Guaranteed Senior Notes, at an annual interest rate of 2.15% payable semi-annually due December 11, 2032. This tranche has been classified as Sustainable Finance, as it is aligned with the "Green Loan Principles" published by the Loan Market Association in May 2020.
- Possibility of authorization of issue of additional Notes (Multi Currency Private Shelf Facility) up to a total of USD 61 million, equivalent to EUR 50 million at the current exchange rate. The issuance period of these additional notes will be available until the third anniversary of the date of this agreement (December 11, 2023). The Group may from time to time during the issuance period make requests for purchases of Notes, specifying the currency of the Notes covered thereby, which shall not be less than USD 5 million and not be greater than the available facility amount at the time such request for purchase is made. The interest rate quotes for this uncommitted additional financing tranche will in any case be set by the lender based on the spot exchange rate in force at the date.



The Company granting the financing to the Group has made a private placement of the unlisted bond, the collateral granted being the financing granted to the Group.

As of March 31, 2021, the Group has drawn down the first two tranches of the contract, totaling EUR 75 million, which are recorded at amortized cost under Bonds and other marketable securities of non-current liabilities. The nominal amount in this case coincides with the amortized cost. The consolidated financial statements for the years ended December 31, 2020, 2019 and 2018 referred to in Note 2, mistakenly mentioned that the tranche pending drawdown was EUR 75 million, and therefore the total financing was set at EUR 150 million, but the correct amount of the tranche pending drawdown is EUR 50 million, and therefore the total financing contract is EUR 125 million. This has no impact on the statement of financial position, as the difference refers to the tranche pending drawdown.

The maturity schedule of the committed financing associated with this contract as of March 31, 2021 is as follows:

	Thousands of Euros					
	2028	2029	2030	2031	2032	Total
Series A Notes	10,000	10,000	10,000	10,000	10,000	50,000
Series B Notes	5,000	5,000	5,000	5,000	5,000	25,000
Total	15,000	15,000	15,000	15,000	15,000	75,000

The repayment of the outstanding principal will be made every December 11 from 2028 until December 11, 2032.

As of March 31, 2021, the financing agreement has accrued financial expenses amounting to EUR 492 thousand, which have been recorded under the heading "Financial expenses" in the consolidated income statement as of March 31, 2021.

Finally, among other obligations assumed by the Group, it must comply with conditions linked to certain economic and equity ratios associated with these consolidated financial statements. These ratios are mandatory as of this year and subsequent years. Likewise, the financing agreements contains other mandatory requirements that are regular in this type of financing agreement, which include restrictions on sales of fixed assets, provided that they exceed, in a fiscal year, 10% of the total consolidated fixed assets of such fiscal year, or cumulatively, during the term of the agreement, 30% of the total consolidated fixed assets compared to the total fixed assets at the closing date closest to the agreement. In this regard, the Sole Director of the Parent Company considers that these obligations are fulfilled as of March 31, 2021.

The debt obtained, based on the agreement reached with the financial creditor, is secured by the shares of PrimaFrio, S.L., Doctrans Transportes Rodoviaros De Mercadoria, Lda and Lamision Sociedade De Transporte, Lda.

Lease liabilities – IFRS 16

All lease liabilities held by the Group as of March 31, 2021 and December 31, 2020, are associated with lease contracts, which mainly relate to the fleet with which the Group carries out its distribution activity and, to a lesser extent, to logistics areas.

The "Non-current lease liabilities" and the "Current lease liabilities" as of March 31, 2021 are respectively EUR 42,608 and EUR 33,739 thousand (EUR 46,139 and EUR 34,981 thousand as of December 31, 2020, respectively).

During the first quarter of the financial year 2021, payments associated with the repayments of the principal of these liabilities was EUR 10,596 thousand and the amount paid for the associated financial expenses was EUR 412 thousand (EUR 9,294 and EUR 373 thousand during the first quarter of the financial year 2020).

On February 18, 2021, as indicated in Note 3, the Alhama logistics center was contributed to by a capital increase through an in-kind contribution, and subsequently a lease agreement was signed between PrimaFrio Huelva and PrimaFrio, S.L., corresponding to the transferred assets.



Subsequent to March 31, 2021, these headquarters in Alhama de Murcia were sold to a related entity as a result of the sale of the shares of PrimaFrio Huelva, S.L. and the lease agreement was amended by means of an addendum thereto (see Note 16). Based on this addendum, the lease agreement is established for EUR 2.3 million, for a 10-year term and no options for additional extensions are contemplated.

In accordance with IFRS 16 paragraph 18 and following, the probable date of termination of this contract has been considered to be the date of completion of the 10-year term, as the period is non-cancellable for the lessor. Although the lessee has the right to terminate the lease, with 30 days' notice, due to the importance of the use of this logistics center for the Group's operations, it is reasonably certain that the Group will decide to remain in these facilities during the term of the lease. It will therefore recognize a financial lease liability of EUR 20 million and a corresponding right-of-use asset in the second quarter of 2021.

Since the transaction is considered as a "sale and leaseback", the determination of the results, in accordance with IFRS 16 paragraph 98 and following, must be considered on the basis of IFRS 15. The Group has not considered any deferral of income applicable on the basis of that standard, due to the immateriality of the result, amounting to EUR 0.2 million.

7. Risk management policy

The Group's activities are exposed to various financial risks: market risk (includes interest rate, foreign currency and price risks) credit risk and liquidity risk. The Group's global risk management program focuses on the uncertainty of the financial markets and tries to minimize the potential adverse effects on its financial profitability.

Risk management is centralized by the Group's Management, once the members of this management have been transferred to PrimaFrio in March 2021, which has established the mechanisms required to control exposure to interest rate along with credit and liquidity risk.

Qualitative information

a) Credit risk

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as from customers, including outstanding receivables and committed transactions. In relation to banks and financial institutions, only entities of recognized prestige and solvency are accepted.

In relation to customer credit risk, the credit quality of the customer is assessed, taking into account the customer's financial position, past experience and other factors, and the collection schedules of invoices issued are closely monitored.

The Group has additionally insured most of its accounts receivable from customers with insurance companies specialized in this type of services, so that even in the event of insolvency of the insured customers, they would recover the insured portion of the amount of the sale through the insurance companies.

b) Liquidity risk

Prudent liquidity risk management implies the maintenance of sufficient cash, the availability of financing through enough committed credit facilities and having the capacity to liquidate market positions.

Management monitors the Group's liquidity reserve forecasts, comprising credit facilities and cash and cash equivalents on the basis of expected cash flows.

c) Market risk

Foreign currency risk: The Group does not carry out significant foreign currency transactions. Given the low relevance of these transactions, the Group does not use derivative financial instruments to hedge this risk.

Price risk: The Group is exposed to fuel price risk. The risk management policy related to fuel prices aims to protect the Group against sudden and significant increases in oil prices, while ensuring that the Group is not at a competitive disadvantage in the event of a substantial price decrease.

As part of this strategy, the Group ensures that most of its long-term contracts with customers include price revision clauses for fuel price variations, in order to be able to pass on the fluctuations of such expenses. On the other hand, the Group continuously manages fuel expenses in order to optimize fuel costs, including the monitoring of the prices offered by the different suppliers at all times through an application to which the drivers have access. Finally, the Group benefits from improvements in the technology of its new vehicles, including lower fuel consumption, as the average fleet of tractors is only 1.4 years old at March 31, 2021.

Interest rate risk: Variations in interest rates modify the fair value of those assets and liabilities that accrue a fixed interest rate, as well as the future flows of assets and liabilities referenced to a variable interest rate.

d) Customer concentration risk

Due to the type of services provided by the Group, mainly in the food sector, customers are major Spanish fruit and vegetable producers and large European supermarkets (directly or indirectly through intermediaries working exclusively for them). This type of customers in the European market is concentrated in a few customers of a large size, which have an important part of the market share in this sector.

Therefore, a significant part of the Group's revenue comes from its main customers. As of March 31, 2021, the Group's top 10 customers accounted for approximately 66% of its revenue.

The Group is highly dependent on the sales it has with these significant customers, since the loss of one or more of these customers could have a material adverse effect on consolidated revenues and operating results. However, it is also important to note that the customers themselves are also highly dependent on the services provided by the Group, as there are not many competitors in Europe that could replace PrimaFrio, both in terms of volume and quality of service. This is why this type of customer establishes a long-term commitment relationship with the Group, which is demonstrated by the fact that the Group's top 10 customers have a weighted average length of service of more than 11 years with the Group as of March 31, 2021.

Quantitative information

a) Credit risk

The balance under the "Trade and other receivables" heading of the consolidated statement of financial position as of March 31, 2021 amounts to EUR 82,333 thousand (EUR 76,562 thousand as of December 31, 2020). Of this amount, there were overdue amounts pending payment amounting to EUR 6,729 thousand as of March 31, 2021 and EUR 16,904 thousand as of December 31, 2020.

Furthermore, the balance of financial investments for equity securities amounts to EUR 2,467 thousand as of March 31, 2021 (EUR 2,324 thousand as of December 31, 2020). All financial investments in equity securities correspond to listed stocks (level 1 fair value hierarchies).

Due to the category and nature of the counterparties of the Group's main financial instruments, its Directors consider that credit risk is currently of little relevance to its consolidated financial statements and to its business.

b) Liquidity risk

The Group's working capital at March 31, 2021 amounts to EUR 97,467 thousand (EUR 75,388 thousand at December 31, 2020). Additionally, the Group has contracted additional borrowings for relevant amounts.

c) Market risk

The volume of foreign currency transactions currently carried out by the Group is very low.

Regarding interest rate risk, it could affect the discount rate considered for the Group's lease liabilities. Financial expenses other than those associated with such liabilities are not relevant.

On the other hand, the financing operation amounting to EUR 75,000 thousand, described in Note 6, which was formalized at the end of the 2020 financial year, has accrued financial expenses amounting to EUR 492 thousand during the first quarter of the 2021 financial year.

Capital management and financial leverage

The Group develops capital management at the corporate level with the objectives of ensuring financial stability and achieving adequate financing of investments, optimizing the cost of capital, in order to maximize the creation of shareholder value and maintaining its commitment to solvency.

In relation to the financial leverage ratio, defined as the quotient of dividing net financial debt by EBITDA, the result is as follows:

	Thousands of Euros	
	31/03/2021	31/12/2020
Other financial liabilities	77,086	77,196
Cash and cash equivalents	(31,634)	(30,279)
Other current financial assets	(17,422)	(20,454)
Lease liabilities	76,347	81,120
Net financial debt	104,377	107,583
EBITDA (*)	123,832	118,111
Leverage ratio	0.84	0.91

(*) For the calculation of the leverage ratio as of March 31, 2021, the EBITDA of the last 12 months, amounting to EUR 123,832 thousand has been considered. EBITDA is defined as the consolidated operating income, adjusted for depreciation and amortization and impairment and gains on the disposal of non-current assets.

The Group has not currently had a formalized dividend policy, but rather the Sole Director and the shareholders determined each year the dividends to be distributed based on available resources, which did not compromise the obligations and the expected growth of the business. The Group expects to formalize a dividend policy in view of the listing process it expects to carry out in 2021. During the first quarter of the 2021 financial year, the Group has not distributed dividends, although it has distributed dividends after and prior to the preparation of these condensed financial statements, as indicated in Note 16.

8. Equity

Share capital

PrimaFrio Topco, S.A. was incorporated on November 11, 2020 with a share capital represented by 600 shares of EUR 100 of par value each, totally subscribed and paid up. Krone-Mur Servifrio, S.L. owns all the shares of the Company.

On March 4, 2021, the corporate resolutions approved by the Sole Shareholder on March 3, 2021 relating to a change in the par value of the existing shares to EUR 0.10 were made public, so that the share capital would be represented by 600,000 shares. In the same resolution, a capital increase of the Parent Company was approved against unrestricted reserves, setting the share capital of the Parent Company at EUR 14 million, represented by 140,000,000 registered shares with a par value of EUR 0.10 each.

The 139,400,000 new registered shares created as a result of the capital increase are fully subscribed and paid in by the Company's Sole Shareholder.

These agreements are pending registration in the Mercantile Registry.

Earnings per share

Basic earnings per share are calculated by dividing the net profit attributable to the Parent Company by the weighted average number of ordinary shares outstanding during the year, not including the average number of shares of the Parent Company in the portfolio of the Group companies.

Accordingly, the Group has not issued capital instruments that can be converted into ordinary shares in the future, therefore, the calculation of diluted earnings per share coincides with the calculation of basic earnings per share. The following table reflects the income and information on the number of shares used to calculate the earnings per share:

	31/03/2021	31/03/2020
Net profit for the period (thousands of euros)	19,600	16,414
Number of shares (thousands)	140,000	140,000
Earnings per share (euros)	0.140	0.117

9. Public Administrations and tax situation

Balances with Public Administrations

The breakdown of non-current and current balances with Public Administrations as of March 31, 2021 and December 31, 2020, is as follows:

	Thousands of Euros			
	31/03/2021		31/12/2020	
	Receivables	Payables	Receivables	Payables
Non-current balances-	444	-	424	-
Deferred taxes	444	-	424	-
Current balances-	30,081	(10,813)	27,247	(4,862)
Income Tax	3,180	(7,813)	3,178	(1,356)
Tax Agency, VAT	26,901	(22)	24,069	(46)
Tax withheld	-	(776)	-	(760)
Social Security taxes payable	-	(2,202)	-	(2,700)
Total	30,525	(10,813)	27,671	(4,862)

As for the composition of deferred tax assets for the years ended March 31, 2021 and December 31, 2020, is as follows:

	Thousands of Euros	
	31/03/2021	31/12/2020
IFRS 16	344	325
Other concepts	100	99
Total	444	424

Certain companies of the Group (PrimaFrio, S.L. and PrimaFrio Huelva, S.L.), together with Krone-Mur Servifrio, S.L. (Sole Shareholder of the Group and Parent Company of the tax group), formed a tax group for Value Added Tax purposes, as from January 1, 2020. In 2021, the remaining Spanish subsidiaries of the PrimaFrio Group, as well as the Parent Company and other companies controlled by the Sole Shareholder were added to the tax group.

Additionally, in 2021, a tax group for Corporate Income Tax purposes has been created for all Spanish subsidiaries of the PrimaFrio Group, as well as the Parent Company and other companies controlled by the Sole Shareholder.

Annex I details the Group's subsidiaries and information on their equities as of March 31, 2021.

10. Revenue and expenses

Revenue

The detail of revenue by geographic market corresponding to the Group's ordinary activity (see Note 1) considering the country of destination of the transportation as of March 31, 2021 and 2020, is as follows:

	31/03/2021	31/03/2020
Domestic sales	24%	22%
Portugal sales	7%	7%
Sales rest of Europe	69%	71%
Total	100%	100%

In relation to sales corresponding to the rest of Europe, it should be noted that Germany, England and France accounted for 31%, 12% and 5% respectively of the Group's total sales in the first quarter of 2021 (37%, 9% and 4% respectively in the first quarter of 2020). Overall, the Group maintains sales with up to 25 countries in Europe, based on the country of transport destination.

The breakdown of sales by segment and product type is as follows:

	31/03/2021			31/03/2020		
	FTL (*)	Groupage	Total	FTL (*)	Groupage	Total
Food products	46.2%	27.1%	73.3%	49.1%	25.9%	75.0%
High-value products	4.2%	0.2%	4.4%	3.2%	0.3%	3.5%
Retail and distribution products	14.1%	0.4%	14.5%	15.5%	0.4%	15.9%
Others and Pharma products	6.7%	1.1%	7.8%	4.4%	1.2%	5.6%
Total	71.2%	28.8%	100.0%	72.2%	27.8%	100.0%

(*) Full Truck Load

Procurements and contract work carried out by other companies

The amount recognized under these headings of the consolidated income statement during the first quarter of fiscal years 2021 and 2020 is as follows:

	Thousands of Euros	
	31/03/2021	31/03/2020
Fuel	(25,161)	(23,525)
Other procurements	(1,258)	(1,103)
Inventories variation	82	-
Services outsourced to third parties	(15,702)	(15,955)
Services outsourced to jointly controlled entities	(2,729)	(2,167)
Total	(44,768)	(42,750)

Outside services

The detail of the heading "Outside services" of the consolidated income statement as of March 31, 2021 and 2020, is as follows:

	Thousands of Euros	
	31/03/2021	31/03/2020
Tolls	11,829	10,726
Insurance premiums	2,156	2,221
Repairs and maintenance	1,855	2,079
Rest of outside services	6,072	5,384
Total	21,912	20,410

Rest of outside services include "management fees" charged by the Sole Shareholder for an amount of EUR 617 thousand in the first quarter of 2021 (EUR 770 thousand in the first quarter of 2020). These management fees include both Senior Management costs and the Group's Administration and Operating Management costs.

However, during the month of March, in order to provide the Group with its own operating structure, PrimaFrio Topco, S.A. has incorporated into its workforce 56 employees who were previously employees of Krone-Mur Servifrio, S.L. and who provided administrative and management services to the Group which were invoiced annually by Krone-Mur Servifrio, S.L. These employees have been subrogated with all their pre-existing rights and obligations (seniority, salary, etc.) and since that month they have become, for all purposes, employees of PrimaFrio Topco, S.A. and will provide administrative and management services to the Group. As of March 31, 2021, only a group of 16 people remain as employees of the Sole Shareholder, providing administrative, workshop, IT services, etc. for the Group and other related parties.

In addition, as of March 31, 2021, the Senior Management, consisting of 2 persons, and the Management Committee, consisting of a group of 10 persons, remained as employees of the Sole Shareholder of the Group, providing services to the Group, included as part of the management fees. The Group's Sole Shareholder has decided to transfer the 10 employees of the Management Committee to the Group in June 2021, leaving only the aforementioned group of 16 persons as employees of the Sole Shareholder, for whom a management fee of approximately EUR 39,000 per month will be charged in relation to the services provided by these persons to the Group.

Finally, the 2 members of Senior Management will invoice the fees agreed as executive directors to the Group, as they are self-employed in accordance with the requirements of commercial legislation.

Depreciation and amortization

The breakdown of the balance of this heading in the consolidated income statement is as follows:

	Thousands of Euros	
	31/03/2021	31/03/2020
Depreciation of right-of-use assets (Note 4)	(10,674)	(9,394)
Depreciation of property, plant and equipment (Note 3)	(500)	(449)
Depreciation of other intangible assets	(25)	(31)
Total	(11,199)	(9,874)

11. Related parties

Balances with related parties

The detail of balances with related parties as of March 31, 2021 and December 31, 2020, is as follows:

	Thousands of Euros				
	Trade Receivables	Sundry Receivables	Other Payables	Other Current Financial Assets	Other Non-Current Financial Assets
31/03/2021					
Sole Shareholder	1,499	-	(56)	28,162	-
Other group companies	-	-	(76)	83	945
Jointly controlled companies	1,102	-	(1,063)	-	-
Other related parties	-	1,332	-	-	-
Total	2,601	1,332	(1,195)	28,245	945

	Thousands of Euros					
	Trade Receivables	Sundry Receivables	Other Payables	Other Current Financial Assets	Short-Term Debts	Other Financial Liabilities (Note 7)
31/12/2020						
Sole Shareholder	88	-	(333)	1	-	(221)
Other group companies	-	-	(150)	1	945	-
Jointly controlled companies	1,034	-	(677)	-	-	-
Other related parties	-	1,332	(7)	1	-	-
Total	1,122	1,332	(1,167)	3	945	(221)

Transactions with related parties

The detail of transactions with related parties during the first quarters of fiscal years 2021 and 2020 is as follows:

	Thousands of Euros				
	Sales and Services Rendered	Supplies and Services Received	Sale of Fixed Assets (Note 3)	Financing Granted	Current Leases
31/03/2021					
Sole Shareholder	286	(719)	1,238	28,000	-
Other group companies	4	(227)	-	-	(17)
Jointly controlled companies	660	(2,698)	-	-	-
Other related parties	-	(308)	3,375	-	(87)
Total	950	(3,952)	4,613	28,000	(104)

	Thousands of Euros		
	Sales and Services Rendered	Supplies and Services Received	Current Leases
31/03/2020			
Sole Shareholder	19	(807)	-
Other group companies	6	(198)	(17)
Jointly controlled companies	727	(2,153)	-
Other related parties	4	(308)	(87)
Total	756	(3,466)	(104)

During the first quarter of the 2021 financial year, the Group has granted a loan amounting to EUR 28 million to the Sole Shareholder, which is expected to be repaid during the second quarter of the year as part of the consideration for a EUR 50 million dividend distribution agreed in April 2021 (see Note 16).

The amount recorded for payments of investments to related entities amounts to EUR 31,580 thousand in the first quarter of 2021 and includes this loan, as well as the investments made in Economic Interest Groupings (see Note 5).

The services received from the Sole Shareholder included in "Supplies and services received" correspond mainly to the management fees described in Note 10.

Revenues from jointly controlled entities correspond, on the one hand, to transportation services rendered by Group companies, as well as to the leasing of tractors and trailers to them by Group companies. The expenses incurred with these entities correspond mainly to logistics and transportation services subcontracted to the joint control companies (see Note 10).

12. Remuneration of the Sole Director and Senior Management of the Parent Company

Remuneration of the Sole Director

Remuneration to the Company's Sole Director is paid by the Group's Parent Company, Krone-Mur Servifrio, S.L.

No advances or loans have been granted to the Sole Director of the Parent Company during the first quarter of fiscal years 2021 and 2020. Likewise, no contribution has been made in the form of funds or pension plans in favor of the Sole Director of the Company. In the same way, no obligations have been contracted for these concepts during the year nor have civil liability insurance premiums been paid in favor of the Sole Director (aspects managed by the Group's Sole Shareholder).

Remuneration and loans to Senior Management

During the first quarter of fiscal years 2021 and 2020, Senior Management tasks are carried out by executives of the Parent Company of the Krone-Mur Servifrio, S.L. group, who invoices the Group the management fees described in Notes 10 and 11.

The Sole Director does not expect to accrue any specific variable remuneration for Senior Management or for the rest of the Group's employees, related to the Parent Company's listing process.

There are no short-term advances granted to Senior Management personnel.

13. Average headcount

The detail of the average number of employees, by professional category and gender, at March 31, 2021 and 2020, is as follows:

Professional Category	Average Number of Employees					
	31/03/2021			31/03/2020		
	Men	Women	Total	Men	Women	Total
Management personnel (not Senior Management)	4	1	5	4	1	5
Technicians and professionals	3,316	498	3,814	2,878	453	3,331
Administrative employees	161	106	267	133	58	191
Operators	67	12	79	64	4	68
Total	3,548	617	4,165	3,079	516	3,595

14. Segment reporting

Segmentation criteria

The Group structures the information by segments following a distribution according to the different lines of activity identified internally. In this sense, the segments identified are: full trucks load from origin to destination (hereinafter, FTL) and logistics activity or groupage (hereinafter, Groupage), which consists of picking up the goods at origin, consolidation by pallets in the warehouse and shipment to different customers or different destinations in a single truck, in order to improve profitability for the Group and provide flexibility to its customers.

The basis and methodology of segmentation are consistent with those used in the consolidated financial statements for the years 2020, 2019 and 2018.

Information from the consolidated income statement by segment

31/03/2021	Thousands of Euros		
	FTL	Groupage	Total
Revenue	101,051	40,807	141,858
Procurements and contract work carried out by other companies	(32,894)	(11,874)	(44,768)
Personnel expenses	(30,554)	(8,814)	(39,368)
Other operating services and Other profit / loss	(16,542)	(5,173)	(21,715)
Depreciation and amortization	(7,729)	(3,470)	(11,199)
Impairments and Other income	1,309	528	1,837
Operating income	14,641	12,004	26,645
Financial income	197	79	276
Financial expenses	(644)	(260)	(904)
Rest of financial income and expenses	40	16	56
Profit before tax	14,234	11,839	26,073
Income tax	(3,534)	(2,939)	(6,473)
Consolidated profit for the period	10,700	8,900	19,600

31/03/2020	Thousands of Euros		
	FTL	Groupage	Total
Revenue	91,288	35,176	126,464
Procurements and contract work carried out by other companies	(29,513)	(13,237)	(42,750)
Personnel expenses	(28,595)	(5,641)	(34,236)
Other operating services and Other profit / loss	(14,936)	(3,411)	(18,347)
Depreciation and amortization	(6,881)	(2,993)	(9,874)
Impairments and Other income	711	275	986
Operating income	12,074	10,169	22,243
Financial income	15	6	21
Financial expenses	(270)	(104)	(374)
Rest of financial income and expenses	(49)	(19)	(68)
Profit before tax	11,770	10,052	21,822
Income tax	(2,921)	(2,487)	(5,408)
Consolidated profit for the period	8,849	7,565	16,414

Other information by segment

31/03/2021	Thousands of Euros		
	FTL	Groupage	Total
Property, plant and equipment and other intangible assets	18,921	31,627	50,548
Right-of-use assets	53,405	21,566	74,971
Non-current lease liabilities	(30,351)	(12,257)	(42,608)
Current lease liabilities	(24,034)	(9,705)	(33,739)
Trade receivables for services	70,057	4,871	74,928

31/12/2020	Thousands of Euros		
	FTL	Groupage	Total
Property, plant and equipment and other intangible assets	22,884	32,357	55,241
Right-of-use assets	61,040	18,783	79,823
Non-current lease liabilities	(35,282)	(10,857)	(46,139)
Current lease liabilities	(26,750)	(8,231)	(34,981)
Trade receivables for services	55,657	13,448	69,105

The revenue breakdown of the two customers that individually exceeded 10% of consolidated revenue during the first quarter of fiscal years 2021 and 2020 is as follows. Both customers have sales in the FTL and Groupage segments:

	Thousands of Euros	
	31/03/2021	31/03/2020
Customer 1	58,276	50,899
Customer 2	21,937	25,565
Total	80,213	76,464

15. Contingent assets

The Group is in litigation with the Portuguese Public Administration for collections considered to have been unduly made in previous years, for which a favorable court decision has been obtained and is being appealed. The Group considers that the entry of economic benefits is probable, but not certain, which is why it has not recorded any income or collection rights for this concept as of March 31, 2021. The Group's quantification of the estimated present value of this contingent asset is EUR 12.4 million.

Additionally, as of March 31, 2021, the Group maintains certain contingent assets corresponding to credit expectations associated with certain claims (judicial and non-judicial) made by the Group or expected to be made in the short term. The Group has internally valued these contingent assets based on an internally approved methodology that takes into account, among other aspects: the identification of the amount claimed or subject to a future claim by the Group; obtaining a probability of collection of each of the credit expectations based on the opinion of the Group's advisors and, consequently, an expected value and, finally, the updating of this expected value at a discount rate considered based on the legal interest rate of money. Based on this analysis, the Group's quantification of the estimated present value of these contingent assets at March 31, 2021 amounts to EUR 9.1 million.

16. Subsequent events

On May 20, 2021, the Company agreed to change its corporate name to "PRIMAFRIO CORPORACION, S.A.". This deed is pending registration at the Mercantile Registry.

On May 6, 2021, the subsidiary PrimaFrio, S.L. sold 100% of the shares of PrimaFrio Huelva, S.L.U. to an entity related to the Sole Shareholder. As a result of this sale, PrimaFrio Huelva, S.L., as well as its only non-current asset, as it is an inactive entity (the facilities in Alhama de Murcia) are transferred to this related entity. The transaction amounts to EUR 54.7 million, corresponding to the market value of the aforementioned company, which will be paid in cash, of which EUR 45.2 million is the value of the facilities and EUR 9.5 million is the amount of cash of the aforementioned entity, corresponding to the cash capital increase carried out in February 2021 (see Note 3).

Additionally, an addendum to the lease agreement for the facilities initially existing between PrimaFrio Huelva, S.L. and PrimaFrio, S.L. was also signed (see Note 3). In accordance with the terms of this addendum, an irrevocable 10-year term was agreed for the lease contract with an annual lease fee of EUR 2.3 million payable by the Group companies. Additionally, other related companies outside the perimeter of the PrimaFrio Group have signed a 10-year lease contract and an annual lease fee of EUR 30 thousand for the use of certain spaces within the facilities, so that the total annual amount to be received for the lease is EUR 2.3 million per year, in line with the market value of the rent established in a report by an independent expert that the Group has requested.

The market value of this rent has been determined by an appraisal carried out by Arco Valoraciones S.A. In order to determine the estimate of the appropriate rental price, the appraiser has carried out a market study of the rents in the area, with subsequent homogenization of the results, considering the economic reports provided and/or the average ratios in the sector. In addition, an estimate of the market value has been made by the rent update method, using the average rental price found, to check whether it coincides approximately with the market value found by the comparison method. In order to determine the rental market study for the area, rental properties in industrial estates or in nearby undeveloped areas have been used as witnesses and have been chosen to calculate the average homogenized rental market value, established at EUR 5.41 m² per month, which, applied to the 35,515 square meters of rented property, gives a total value of EUR 2.3 million per year. In addition, this estimated rental value has been considered to represent an annual return of approximately 5% based on the cost method, which has been considered reasonable for this type of property.

The amount of the annual rental fee is fixed for the entire term of the lease. The 10-year lease term is irrevocable for the lessor, although the lessee may voluntarily terminate the lease with 30 days' notice. However, due to the importance of the use of such logistics center for the Group's operations, it is the intention of the Sole Director to remain in such facilities at least for the entire term of the lease.

Additionally, on April 29, 2021, PrimaFrio Topco, S.A. agreed to distribute to the Sole Shareholder (Krone-Mur Servifrio, S.L.) an amount of EUR 50 million as dividends charged to unrestricted reserves. The distribution of these dividends represents a cash outflow of EUR 50 million, which is offset by the amount received from the sale of the shares of PrimaFrio Huelva, S.L., both operations being related from a financial point of view. They also represent the cancellation of the financial asset described in Note 11.

With respect to the statement of financial position, the impact related to the above-mentioned subsequent events on the different headings of the statement of financial position is as follows:

	Millions of Euros					
	Property, Plant and Equipment	Right-of-Use-Assets	Other Financial Assets	Cash	Lease Liabilities	Equity
Sale of logistics facilities	(45.0)	20.0	-	45.2	(20.0)	0.2
Distribution of dividends	-	-	(28.0)	(22.0)	-	(50.0)
Total	(45.0)	20.0	(28.0)	23.2	(20.0)	(49.8)



The impact of these subsequent events on future cash flows has been positive in the amount of EUR 23 million. However, considering the amount of the loan granted to the Sole Shareholder and which will be cancelled through the dividend distribution detailed above, the aggregate impact on the Group's cash flow has been negative in the amount of EUR 4.8 million.

The impact of subsequent events was only EUR 0.2 million of profit from the disposal of non-current assets, which, as it is considered a sale and leaseback transaction, should be considered for recognition in accordance with IFRS 15. Based on this standard, the company should defer the result over the term of the lease contract; however, this deferral has not been considered as it is considered to have an immaterial impact for the purposes of the Group. In subsequent years, the only impact on the income statement will be an additional EUR 0.3 million of annual interest, since the depreciation expense will continue to be EUR 2 million per year, before and after the transaction. As for maintenance expenses, according to the Lease Law, the lessor will cover the improvements to the property and the lessee will cover the expenses derived from the use of the facilities. Fees and taxes shall also be borne by the lessee, in accordance with the Law.

17. Explanation added for translation to English

Free translation from the original in Spanish. In the event of a discrepancy, the Spanish-language version prevails.

In Murcia, on May 25, 2021



Annex I. PrimaFrio Topco Group composition

31/03/2021	Registered Office	Consolidation Method	% of Ownership		Thousands of Euros (*)				
			Direct	Indirect	Share Capital	Profit / (Loss) for the Year		Other Equity	Total Equity
						Operating	Net		
PrimaFrio, S.L. (I)	Murcia (Spain)	Fully Consolidated	100%	-	6,223	17,627	17,415	70,472	94,110
Doctrans Transportes Rodoviaros De Mercadoria, Lda(I)	Lisbon (Portugal)	Fully Consolidated	100%	-	8,900	8,792	8,791	4,791	22,482
Lamision Sociedade De Transporte, Lda (I)	Lisbon (Portugal)	Fully Consolidated	100%	-	5,750	(97)	(97)	4,754	10,407
PrimaFrio Huelva, S.L. (1) (I)	Huelva (Spain)	Fully Consolidated	-	100%	54,702	57	57	(2)	54,757
Green Express Line, S.L. (2) (I)	Valencia (Spain)	Fully Consolidated	-	100%	60	(56)	(55)	149	154
Wanasheria, S.L. (I)	Murcia (Spain)	Fully Consolidated	100%	-	150	-	2	79	231
Renta-Frio Truck and Trailer, S.L. (II)	Murcia (Spain)	Fully Consolidated	100%	-	3	216	216	1,780	1,999
Amodo Mio Logistic Cargo, S.L. (I)	Murcia (Spain)	Fully Consolidated	100%	-	60	(44)	(27)	(128)	(95)
Primapharma 2018, S.L. (II)	Gerona (Spain)	Fully Consolidated	100%	-	60	3	3	8	71
Primavia Europe, S.L. (I)	Murcia (Spain)	Equity Method	50%	-	400	12	12	(471)	(59)
Primaver France. (I)	Perpignan (France)	Equity Method	50%	-	120	62	54	15	189
Total					76,428	26,572	26,371	81,447	184,246

(*) Financial data for year-end March 31, 2021, without Income Tax calculation

- (1) The direct holding company for the shares is PrimaFrio, S.L.
(2) The direct holding company for the shares is Wanasheria, S.L.

Activities of group companies

- (I) Logistics operation
(II) Short-term lease of vehicles



PrimaFrio Topco, S.A. and Subsidiaries

Consolidated Management Report for the period ending on March 31, 2021

Group description

PrimaFrio Group was set up over 15 years ago with the very clear goal of becoming a global logistics operation company which ensures a comprehensive quality service for its clients.

The Group specializes in logistics operations, providing an export and import service via full loads and groupage from the production areas in Spain and Portugal to the main points of influence in Europe and vice versa.

Specializing in the transport of fruit and vegetables throughout Europe, the Group is a benchmark in the national and European market.

The Group has a logistics capacity of 61,500m² in Spain and Portugal, with 5 logistics centers in Spain (two centers in Murcia, and one each in Huelva, Alava and Gerona), with 15,500m² for refrigeration. All logistics centers are leased, following the sale of the Alhama logistics center mentioned in Note 16 to the financial statements, as the Group's strategy is to maintain a management model of low capital expenditure in fixed assets.

Nowadays, the Group has a fleet of more than 2,300 trucks, more than 3,400 drivers, more than 4,000 employees and is located in 25 countries.

Group business description

The PrimaFrio Group is an integrated logistics operator, leader in Spain and one of the top 5 in Europe in the temperature-controlled fruit and vegetable road transport market. Due to the perishable nature of fresh products, this service requires ensuring high quality throughout the logistics chain and the shortest possible transport times to ensure the quality of the product at its destination.

The PrimaFrio Group currently offers its customers mainly two types of services, which correspond to its operating segments:

- **Full Truck Load (FTL) service:** this service consists of transporting goods via full truck loads from origin to destination, in most cases without the need to pass through the Group's warehouses. PrimaFrio Group's customer can be either the producer (in the case of fruit and vegetables) or manufacturer (for other products), the end customer who receives the goods, or an intermediary. The PrimaFrio Group only invoices for the transportation services it performs, since the price of the goods it transports is paid directly by the end customer or the intermediary to the producer or manufacturer. FTL revenues in the first quarter of 2021 amounted to EUR 101,051 thousand, representing 71% of the Group's total sales (72% in the first quarter of 2020).
- **Groupage:** consists of providing a more complex logistics service to customers, which includes picking up the goods, transporting them to the Group's facilities for consolidation (grouping and loading onto trucks) and subsequent transport to their destination. In this type of service, the customer contracts the complete service, from collection to delivery, by pallet, which means that a customer can order less than a specific truckload, or several products, or several destinations. Groupage activity can be done both in Export, which represents 89% and 94% of groupage revenues in the first quarters of 2021 and 2020 respectively (groupage services from Spain to the rest of Europe), and in Domestic, which represents 11% and 6% of groupage revenues in the first quarters of 2021 and 2020 respectively (groupage services within the Iberian Peninsula). Groupage revenues in the first quarter of 2021 amounted to EUR 40,807 thousand, representing 29% of the Group's total sales (28% in the first quarter of 2020).

In order to provide the service for each of the two segments explained above, the PrimaFrio Group can use different transportation options, which currently include road transportation through its own fleet (financed by leasing contracts) or through transportation subcontracted to third parties, in the case of peaks in demand that cannot be assumed internally, as well as intermodal transportation, which includes a combination of road and rail transportation, to which the PrimaFrio Group has access through the Primavia joint venture.

Additionally, the PrimaFrio Group classifies its sales according to the type of goods for which it provides, FTL or Groupage services. Based on the type of product, the breakdown of sales as of March 31, 2021 and 2020, is as follows:

31/03/2021	Thousands of Euros		
	FTL	Groupage	Total
Food products	65,529	38,502	104,031
High-value products	5,994	250	6,244
Retail and distribution products	19,975	590	20,565
Others (including Pharma)	9,553	1,465	11,018
Revenue	101,051	40,807	141,858

31/03/2020	Thousands of Euros		
	FTL	Groupage	Total
Food products	62,035	32,796	94,831
High-value products	4,043	359	4,402
Retail and distribution products	19,551	547	20,098
Others (including Pharma)	5,659	1,474	7,133
Revenue	91,288	35,176	126,464

In order to maximize profit and resource utilization, the PrimaFrio Group manages its business as a moving value chain, based on which FTL services are divided into three different types of activities (Exports, Imports and Domestic) depending on the areas where the transport recipient is located, in addition to Groupage. Thus, therefore, sales by each type of activity for the first quarter of fiscal 2021 and 2020 were as follows:

Revenue	Thousands of Euros	
	31.03.2021	31.03.2020
FTL – Export	60,293	56,200
FTL – Import	33,223	28,266
FTL – National	6,101	5,401
FTL - Other	1,434	1,421
Total	101,051	91,288

PrimaFrio Group's customers are distributed throughout Spain and Europe. The Group classifies the country distribution of its revenues according to the final destination of the goods. Therefore, revenues recognized for the transportation of fresh products from Spain to Germany would be categorized as revenues in Germany. According to this classification, in the first quarter of fiscal year 2021, 69% of revenues were generated outside the Iberian Peninsula (71% in the first quarter of fiscal year 2020), including sales to 25 countries in Europe, among which sales to Germany, England and France accounted for 31%, 12% and 5% respectively of the Group's total sales for the quarter ended March 31, 2021 (37%, 9% and 4% respectively in the quarter ended March 31, 2020).

Also, in the first quarter of 2021, 66% of the PrimaFrio Group's business was concentrated with its top ten customers, with whom it has a long-term relationship of at least 11 years on average working with the Group (69% in the first quarter of 2020).

Contracts with major customers include an average term of 3 to 4 years, and establish prices based on historical volumes with such customers, which are prospectively reviewable if such volumes are not met due to over or under delivery. The contracts also include in most cases price revision clauses based on diesel price fluctuations.



Logistics centers and offices

Nowadays, the Primafrio Group operates from 6 logistics centers located in strategic areas of the Iberian Peninsula, which allow it to carry out its FTL and Groupage activity from the Iberian Peninsula to the rest of Europe. Out of the 6 logistics centers, only 1 was owned by the Group (Alhama de Murcia), which has been sold to a related company and subsequently leased as of May 2021, as indicated in Note 16. The rest of them are mainly leased to related companies. The Group also has a head office in Madrid. The Group's strategy is to keep all its logistics centers leased, as well as the entire fleet, which is also leased, in order to maintain a model of low capital expenditure in fixed assets, which allows it to be more flexible in determining the capacities required for its volume of operations.

During the first quarter of fiscal year 2021, there were no changes in the logistics centers and offices operated by the Group, except for the disposal and subsequent lease of the Alhama logistics center mentioned in Note 16.

On the other hand, the Group has access to 36 platforms in France, which are owned by its joint venture partner Primaver. Additionally, Primafrio has access to 5 logistics platforms in Germany, through agreements with each owner, to be able to access their centers in exchange for a cost agreed with each of the parties, based on Primafrio's needs at any given time.

Organization and structure

The Group's organizational structure is led by the Group's Senior Management (2 men) and is based on a Management Committee. This Committee is made up of 10 members plus Senior Management.

The Group's Sole Shareholder has decided to transfer the 10 employees of the Management Committee to the Group in June 2021. In addition, the 2 members of Senior Management will invoice the fees agreed as executive directors to the Group, as they are self-employed in accordance with the requirements of commercial legislation.

During March, in order to provide the Group with its own operating structure, Primafrio Topco, S.A. has incorporated into its workforce 56 employees who were previously employees of Krone-Mur Servifrio, S.L. and who provided administrative and management services to the Group which were invoiced annually by Krone-Mur Servifrio, S. L. These employees have been subrogated with all their pre-existing rights and obligations (seniority, salary, etc.) and since that month they have become, for all purposes, employees of Primafrio Topco, S.A. and will provide administrative and management services to the Group. As of March 31, 2021, apart from the members of the Management Committee mentioned above, only a group of 16 persons remain as employees of the Sole Shareholder, who provide, among others, administrative, workshop and IT services for the Group and other related parties, for which a management fee of approximately EUR 39,000 per month will be charged in relation to the services these persons provide to the Group.

The Group maintains a 100% ownership in its subsidiaries except for its investments in their associates, Primavia Europe, S.L. and Primaver France, S.A.S. in which it holds a 50% ownership.

Business evolution and Group situation

The main highlights of the Group's current performance are as follows:

- The growth of activity in the Group's main business segments, which has led to higher revenues.
- The increase in operating income by 19.8% in the first quarter of 2021 compared to the first quarter of 2020, continuing the growth path.
- The improvement in the Group's key financial and management indicators.

The summary of the main financial indicators in the Group's consolidated income statement as of March 31, 2021, is as follows:

Indicator	Thousands of Euros	
	31.03.2021	31.03.2020
Revenue	141,858	126,464
Revenue's growth (%)	12%	-
Group's EBIT	26,645	22,243
EBIT on Revenues (%)	19%	18%
Earnings per share (thousands of Euros)	33	27

The Group had a very positive revenue performance during the first quarter ended March 31, 2021, with a growth of 12%.

On the other hand, the Group continued to grow in its FTL segment, whose sales increased by 11% in the first quarter of 2021 compared to the first quarter of 2020.

EBIT refers to the operating income for the year, reflected in the Group's consolidated income statement.

In the first quarter of 2021, EBIT increased by 19.8% compared to the first quarter of 2020, not only due to the increase in sales, which increased by 12% in that quarter compared to the previous quarter, but also due to the Group's efforts to reduce costs, which did not evolve in line with the increase in sales.

In relation to the main financial indicators of the Group's statement of financial position and statement of cash flows, they are as follows:

Magnitude	Thousands of Euros	
	31.03.2021	31.03.2020
Gross margin	97,090	83,714
Gross margin over revenues	68%	66%
Margin	43,159	37,371
Margin over revenues	30%	30%
EBITDA	37,885	32,164
EBITDA margin over revenues	27%	25%
EBIT margin over revenues	19%	18%
Working capital	97,467	75,388
Equity	109,413	89,841
Net financial debt ⁽¹⁾	104,377	107,583
Leverage ratio ⁽¹⁾	0.84	0.91
EBITDA conversion rate	97%	-
Cash conversion rate	98%	93%
Return on invested capital	32%	-
Cash flows from operating activities	36,801	29,955

⁽¹⁾ See Note 7 to the consolidated financial statements for a reconciliation of these aggregates.

The Group presents its results in accordance with generally accepted accounting principles (IFRS). In addition, Management provides in this Consolidated Management Report for the period ending on March 31, 2021, other financial measures not regulated in IFRS, called APMs (Alternative Performance Measures), according to the Guidelines of the European Securities and Markets Authority (ESMA). Management uses these APMs in decision-making and to evaluate the Group's performance. The breakdowns required by the ESMA for each APM on definition, explanation of use, reconciliation, comparative and consistency are detailed below.

Gross margin, Gross margin by segment and Gross margin over revenues

Group Gross Margin and Segment Gross Margin for the first quarter of fiscal years 2021 and 2020 are defined as revenue less procurements and other external expenses and less contract work carried out by other companies, for each of the years. Gross margin over revenues as of December 31, 2021 and 2020 is defined as the quotient of gross margin divided by revenue for each of the years.

Explanation of use: Gross Margin, Gross Margin by segment, and Gross Margin over revenues are among the performance measures of the Group's profitability, considering revenues minus the costs necessary to obtain them. Likewise, the Gross Margin by segment provides a detailed analysis of the profitability of each of the different operating segments, during the period, and serves the Group in decision making and performance analysis.

The reconciliation of these indicators for the first quarter of fiscal years 2021 and 2020 is as follows:

a) Gross margin and Gross margin over total Group revenues

	Thousands of Euros	
	31.03.2021	31.03.2020
Revenue	141,858	126,464
Procurements and other external services	(26,337)	(24,628)
Contract work carried out by other companies	(18,431)	(18,122)
Gross margin	97,090	83,714
Revenue	141,858	126,464
Gross margin over revenues	68%	66%

Gross margin and gross margin on sales developed favorably during the first quarter ended March 31, 2021, due to the increase in revenues, which increased by 12% compared to the three-month period ended March 31, 2020. On the expense side, fuel consumption barely increased by 7%, while contract work carried out by other companies, which mainly includes transportation service subcontracting expenses, barely increased by 1.7% due to higher utilization of the company's own fleet.

a) Gross margin and gross margin by segment

	Thousands of Euros			
	31.03.2021		31.03.2020	
	FTL	Groupage	FTL	Groupage
Revenue	101,051	40,807	91,288	35,176
Procurements and other external services	(20,570)	(5,767)	(20,766)	(3,862)
Contract work carried out by other companies	(12,323)	(6,108)	(8,747)	(9,375)
Gross margin	68,158	28,932	61,775	21,939
Revenue	101,051	40,807	91,288	35,176
Gross margin over revenues	67%	71%	68%	62%

Both segments, FTL and Groupage, have had a positive evolution of gross margin over revenues, in connection with the explanation of the evolution of these indicators for the Group as a whole.

Margin, Margin by segment and Margin over Revenues

Group Margin and Segment Margin for the first quarter of 2021 and 2020 is defined as gross margin less other direct costs, for each of the years. Margin over revenues as of March 31, 2021 and 2020 is defined as the quotient of margin divided by revenues for each of the years.

Explanation of use: Margin, Segment Margin, and Margin over revenues are among the performance measures of the group's profitability, considering all variable costs directly attributable to the generation of revenues. Likewise, the Segment Margin provides a detailed analysis of the profitability of each of the different operating segments, during the period, and serves the Group in decision making and performance analysis.

The reconciliation of these indicators for the first quarter of fiscal years 2021 and 2020 is as follows:

a) Margin and Margin on total Group revenues

	Thousands of Euros	
	31.03.2021	31.03.2020
Gross margin	97,090	83,714
Other direct costs (*)	(53,931)	(46,343)
Margin	43,159	37,371
Revenue	141,858	126,464
Margin over revenues	30%	30%

Margin and Margin over revenues evolved slightly in the first quarter of 2021 due to the increase in revenue, which increased by 12% in the first quarter of 2021 compared to the first quarter of 2020, in line with the evolution of Gross Margin discussed above.

(*) "Other direct costs" includes expenses which the Group, for management purposes, considers variable in relation to its revenues, and therefore their evolution is directly attributable to the evolution of the latter. For presentation purposes, these expenses are classified in the income statement under each of the headings of personnel expenses, outside services, taxes and other Income Tax and other profit/loss (the amount of other profit/loss is mainly due to income from insurance indemnities, so that the Company, for internal profitability analysis purposes, considers it as a lower direct cost, since the item of insurance costs is included under the heading outside services). The reconciliation between the direct and indirect costs of each of these items is as follows:

	Thousands of Euros					
	31.03.2021			31.03.2020		
	Direct	Indirect	Total	Direct	Indirect	Total
Personnel expenses	36,543	2,825	39,368	31,715	2,521	34,236
Outside services	17,599	4,313	21,912	16,706	3,704	20,410
Taxes other than Income Tax	133	4	137	98	15	113
Other profit / loss	(344)	-	(344)	(2,176)	-	(2,176)
Total other direct/indirect costs	53,931	7,142	61,073	46,343	6,240	52,583

b) Margin and Margin over revenues by segment

	Thousands of Euros			
	31.03.2021		31.03.2020	
	FTL	Groupage	FTL	Groupage
Gross margin	68,157	28,933	61,775	21,939
Other direct costs (*)	(42,001)	(11,930)	(39,029)	(7,314)
Margin by segment	26,156	17,003	22,746	14,625
Revenue	101,051	40,807	91,288	35,176
Margin over revenues by segment	26%	42%	25%	42%

Margins over revenues by segment have barely increased in the first quarter of 2021 compared to the first quarter of 2020. It can also be seen that the margin of the groupage segment is higher than the margin of the FTL segment, due to the greater operational complexity of the groupage service, which involves loading the products at origin, consolidating them in the Group's logistics facilities, and loading them at destination for several customers in a single truck. Due to the greater complexity, the service is more highly valued by customers and provides higher margins.

EBITDA, EBITDA by segment and EBITDA margin over revenues

Group EBITDA and EBITDA by segment for the first quarter of fiscal years 2021 and 2020 is defined as consolidated operating income, adjusted for depreciation and amortization and impairment and gain or loss on the disposal of non-current assets for each of the years. EBITDA margin over revenues for the years ended March 31, 2021 and 2020 is defined as the quotient of EBITDA divided by revenues for each of the years.

Explanation of use: EBITDA, EBITDA by segment and EBITDA margin over revenues provide one of the measures of the cash generation performance of our business, as it provides an analysis of the result for the year (excluding interest and taxes, as well as amortization and depreciation). In addition, it is a metric widely used by investors when evaluating companies, as well as by rating agencies and creditors to assess the level of indebtedness compared to the ability to meet debt obligations through cash generation. Segment EBITDA also provides a detailed analysis of the performance of each of the operating segments during the period and assists the Group in its decision making.

The reconciliation of these indicators for the first quarter of fiscal years 2021 and 2020 is as follows:

a) EBITDA and total Group EBITDA margin

	Thousands of Euros	
	31.03.2021	31.03.2020
Consolidated operating income (EBIT)	26,645	22,243
Depreciation and amortization	(11,199)	(9,874)
Impairment and gains on the disposal of non-current assets	(41)	(47)
EBITDA	37,885	32,164
Revenues	141,858	126,464
EBITDA margin on revenues	27%	25%

EBITDA and EBITDA Margin over revenues have evolved favorably during the first quarter of 2021 mainly due to the positive evolution of the business, which has increased by 12%. Additionally, there is a positive impact on EBITDA and EBITDA margin over revenues at March 31, 2021, compared to the period ended March 31, 2020, due to the Group's policy of efficiency in the use of its own resources and cost reduction, as explained in the previous section, Evolution of the Group's business and situation.

b) EBITDA by segment

	Thousands of Euros			
	31.03.2021		31.03.2020	
	FTL	Groupage	FTL	Groupage
Consolidated operating income (EBIT)	14,641	12,004	12,074	10,169
Depreciation and amortization	(7,729)	(3,470)	(6,881)	(2,993)
Impairment and gains on the disposal of non-current assets	(29)	(12)	(34)	(13)
EBITDA by segment	22,399	15,486	18,989	13,175

Both segments, FTL and Groupage, have had a positive EBITDA evolution during the first quarter of the fiscal year 2021. This is due to the increases in revenues that have occurred in both segments, together with the Group's policy of efficiency in the use of its own resources and cost reduction, as explained in the previous section, Group business description.

c) EBIT margin on revenues

EBIT margin on revenues for the first quarter of 2021 and 2020 is defined as the ratio of EBIT to revenues. The reconciliation of these indicators for the first quarter of fiscal years 2021 and 2020 is as follows:

	Thousands of Euros	
	31.03.2021	31.03.2020
Consolidated operating income (EBIT)	26,645	22,243
Revenues	141,858	126,464
EBIT margin on revenues	19%	18%

Explanation of use: The Group's management calculates EBIT margin on revenues, as it provides an analysis of the measure of the evolution of the business, and the generation of resources.

In the case of EBIT margin on revenues, the evolution is similar to the EBITDA margin on revenues discussed in the previous paragraph, since the impact of depreciation and impairment has been linear with respect to revenues, for the first quarter of fiscal years 2021 and 2020.

d) EBITDA conversion rate

The EBITDA conversion rate is defined as the ratio of EBITDA adjusted by capex divided by EBITDA. The reconciliation of this indicator as of March 31, 2021 and December 31, 2020, is as follows:

	Thousands of Euros	
	31.03.2021	31.12.2020
EBITDA (*)	123,832	118,111
Additions of Property, Plant and Equipment (*)	(4,082)	(4,582)
Additions of Other intangible assets	(20)	(4)
Total capex	(4,102)	(4,586)
EBITDA conversion rate	97%	96%

(*) For the calculation of the EBITDA conversion rate at March 31, 2021, EBITDA and total additions to fixed assets for the last 12 months were considered, which amounted to EUR 123,832 thousand and EUR 4,102 thousand, respectively. This EBITDA is defined as consolidated operating profit, adjusted for depreciation and amortization of fixed assets and impairment and gain or loss on disposal of non-current assets.

Explanation of use: Management calculates EBITDA conversion rate as it gives an indication of our cash generation and the capacity to fund growth and to pay dividends.

The evolution of EBITDA conversion ratio has been favorable during the period, due to the evolution of EBITDA in the first quarter of 2021, which has generated an increase in the Group's operating cash flows. This increase has not been fully used for investments in fixed assets during the period, thus evidencing that an increase in free cash flow represented by this ratio.

e) Net operating cash flow and Cash flow conversion rate

Net operating cash flow is defined as cash flow from operating activities adjusted for lease repayments reflected in the statement of cash flows in financing activities. The cash flow conversion rate is defined as the ratio of net operating cash flow to consolidated operating income (EBIT).

The reconciliation of these indicators for the first quarter of fiscal years 2021 and 2020 is as follows:

	Thousands of Euros	
	31.03.2021	31.03.2020
Cash flows from operating activities	36,801	29,955
Repayment of lease liabilities	(10,596)	(9,294)
Net operating cash flow	26,205	20,661
Consolidated operating income (EBIT)	26,645	22,243
Cash Flow conversion rate	98%	93%

f) Return on invested capital

The rate of return on invested capital is calculated as the quotient between the theoretical consolidated operating profit after tax and the amount of invested capital, considered as Equity plus Net financial debt. The reconciliation of this indicator as of March 31, 2021 and December 31, 2020, is as follows:

	Thousands of Euros	
	31.03.2021	31.12.2020
Consolidated operating profit (*)	85,770	81,369
Effective tax rate	19%	19%
NOPAT (Operating profit after tax)	69,474	65,909
Equity	109,413	89,841
Net financial debt	104,377	107,583
Invested capital	213,790	197,424
Return on invested capital	32%	33%

(*) Considering the data of the last 12 months

Explanation of use: Management calculates the return on invested capital (ROIC), as it gives an indication of capital efficiency relative to the capital invested as well as the ability to fund growth and to pay dividends.

Impact of the COVID-19 pandemic

Although the impact of COVID-19 continues to pose significant challenges to business activities and has introduced a high degree of uncertainty on economic activity, the Group, due to the essential activity it carries out, related to the transportation of basic necessities, has not been negatively impacted by the pandemic, as evidenced by its financial indicators for the first quarter of fiscal year 2021, as well as forecasts for the remainder of fiscal year 2021. In this regard, the Group has continued with its normal activity, taking all the necessary health and control measures and expects to develop its business plan based on the growth forecasts it maintains.

Risk management policy

The Group's activities are exposed to various financial risks: market risk (includes interest rate, foreign currency and price risks) credit risk, liquidity risk and customer concentration risk. The Group's global risk management program focuses on the uncertainty of the financial markets and tries to minimize the potential adverse effects on its financial profitability.

Risk management is centralized by the Group's Management, once the members of this management have been transferred to PrimaFrio in March 2021, which has established the mechanisms required to control exposure to interest rate along with credit and liquidity risk.

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions, as well as from customers, including outstanding receivables and committed transactions. In relation to banks and financial institutions, only entities of recognized prestige and solvency are accepted.

In relation to customer credit risk, the credit quality of the customer is assessed, taking into account the customer's financial position, past experience and other factors, and the collection schedules of invoices issued are closely monitored.



Regarding liquidity risk, management monitors the Group's liquidity reserve forecasts, comprising credit facilities and cash and cash equivalents on the basis of expected cash flows.

Respecting foreign currency risk, the Group does not carry out significant foreign currency transactions.

In relation to customer concentration risk, the Group has established a long-term committed relationship with its main customers, as evidenced by the fact that the Group's top 10 customers have a weighted average length of service of more than 11 years with the Group as of March 31, 2021. There are very significant barriers to entry for other competitors, as the customers themselves also have a high dependence on the services provided by the Group, since, both in terms of volume and quality of service, there are not many competitors in Europe that could replace PrimaFrio.

Regarding interest rate risk, it does not have a relevant impact on the consolidated income statement as of March 31, 2021.

With regard to price risk, the Group is exposed to fuel price risk. The fuel price risk management strategy aims to protect the Group against sudden and significant increases in oil prices, while ensuring that the Group is not at a competitive disadvantage in the event of a substantial price decrease. This strategy includes being able to pass on price variations to customers, as well as various cost control measures, including efficiencies in consumption as well as obtaining below-market prices.

In relation to Brexit, the Group considers that it will not have a relevant impact on its operations, due to the agreement reached between the European Union and the United Kingdom, which ensures that there will be no duties or tariffs on transportation that meets certain requirements. In order to ensure that the Group's operations comply with all formal procedures, customs services have been contracted to a customs brokerage firm.

Quantitative information regarding the Group's risk management is detailed in Note 7 to the explanatory notes to the condensed consolidated quarterly financial statements for the period ending on March 31, 2021.

Use of derivatives

The Group does not hold derivatives relevant to the measurement of its assets, liabilities, financial position and results.

R&D activities

The Group has launched its business strategy in innovation as the guiding thread of all its activity, with the aim of promoting research to accelerate progress towards new technological systems, increase security in all processes, offer a service that meets all quality requirements and, at the same time, reduce the impact of its activity on the environment.

Currently, the Group's objective is not only to be a leading provider of logistics and refrigerated goods transport, but also of the latest technological solutions and innovations applied to the world of transport. To this end, it relies on major innovative institutions.

During the fiscal years 2021 and 2020, important strategic alliances have been maintained with different technological partners for the development of research lines for R&D projects in logistics transport. Adherence to the Board of Trustees of the Cotec Foundation for Innovation as a response to improve its efficiency, services and competitiveness along with training in each of the processes that is being implemented in the transport sector, as well as incorporation to the Board of the Foundation Isaac Peral, an institution focused on the development and strengthening of the technological and industrial ecosystem of the Region of Murcia.

In response to the need to promote research, in collaboration with the San Antonio de Murcia Catholic University (UCAM) and the University of Murcia (UMU), the PrimaFrio Group has launched two research chairs in the field of transport and logistics. In the same way, it has signed a general protocol of action with the Polytechnic University of Cartagena (UPCT), focused on the field of industry 4.0, applied to logistics and international road transport.

The Group promotes projects with high technological and innovative value to promote initiatives that help improve the impact of the carbon footprint and sustainable development aligned with its strong CSR policy using fundamental principles of circular economy.



The R&D department has worked on numerous projects throughout the last months divided into three main blocks, Smart Truck, Smart IT and Smart Building. Furthermore, it has established itself as a technology-based company with a presence on 5 continents and has signed 22 Manifests of Interest with the aim of contributing and leading, in Spain, the decarbonization and fair and inclusive ecological transition in the transport sector and logistics, collaborating, on the other hand, to the generation of employment and wealth that has rooted the stimulus of innovation.

Treasury shares and dividends policy

The Group does not hold own shares or treasury shares. During the first quarter of fiscal year 2021, the Group has not distributed dividends, but has distributed dividends at a later date prior to the preparation of these condensed financial statements, as indicated in Note 16.

Information on the environment

In the 2020 financial year, the Group became a member of Lean & Green, a European logistics community that commits its member companies to reduce carbon emissions by 20% within a maximum of 5 years of joining.

Within the financing operation described in Note 6 to the condensed consolidated quarterly financial statements, EUR 25 million correspond to a green bond to make sustainable investments and work on energy transition and logistics transformation.

Among the most recent environmental activities and achievements made by the Group we can find:

- 25 thousand tons of CO2 saved since 2018.
- Fuel consumption reduced by 8% with new engines.
- Savings of 1L/100km with new tires.
- Efficient driving awareness promoted within the organization.

On the other hand, the Group does not have any environmental liability, expenses, assets, provisions or contingencies that might be material with respect to its equity, financial position and results.

Human resources

During the first quarter of 2021, the Group's measured headcount amounted to 4,165 employees, which represents an increase of 570 employees compared to the previous year.

Events after the reporting date

On May 20, 2021, the Company agreed to change its corporate name to "PRIMAFRIO CORPORACION, S.A.". This deed is pending registration at the Mercantile Registry.

On May 6, 2021, the subsidiary Primafrío, S.L. sold 100% of the shares of Primafrío Huelva, S.L.U. to an entity related to the Sole Shareholder. As a result of this sale, Primafrío Huelva, S.L., as well as its only non-current asset, as it is an inactive entity (the facilities in Alhama de Murcia) are transferred to this related entity. The transaction amounts to EUR 54.7 million, corresponding to the market value of the aforementioned company, which will be paid in cash, of which EUR 45.2 million is the value of the facilities and EUR 9.5 million is the amount of cash of the aforementioned entity, corresponding to the cash capital increase carried out in February 2021 (see Note 3).

Additionally, an addendum to the lease agreement for the facilities initially existing between Primafrío Huelva, S.L. and Primafrío, S.L. was also signed (see Note 3). In accordance with the terms of this addendum, an irrevocable 10-year term was agreed for the lease contract with an annual lease fee of EUR 2.3 million payable by the Group companies. Additionally, other related companies outside the perimeter of the Primafrío Group have signed a 10-year lease contract and an annual lease fee of EUR 30 thousand for the use of certain spaces within the facilities, so that the total annual amount to be received for the lease is EUR 2.3 million per year, in line with the market value of the rent established in a report by an independent expert that the Group has requested.

The market value of this rent has been determined by an appraisal carried out by Arco Valoraciones S.A. In order to determine the estimate of the appropriate rental price, the appraiser has carried out a market study of the rents in the area, with subsequent homogenization of the results, considering the economic reports provided and/or the average ratios in the sector. In addition, an estimate of the market value has been made by the rent update method, using the average rental price found, to check whether it coincides approximately with the market value found by the comparison method. In order to determine the rental market study for the area, rental properties in industrial estates or in nearby undeveloped areas have been used as witnesses and have been chosen to calculate the average homogenized rental market value, established at EUR 5.41 m² per month, which, applied to the 35,515 square metres of rented property, gives a total value of EUR 2.3 million per year. In addition, this estimated rental value has been considered to represent an annual return of approximately 5% based on the cost method, which has been considered reasonable for this type of property.

The amount of the annual rental fee is fixed for the entire term of the lease. The 10-year lease term is irrevocable for the lessor, although the lessee may voluntarily terminate the lease with 30 days' notice. However, due to the importance of the use of such logistics center for the Group's operations, it is the intention of the Sole Director to remain in such facilities at least for the entire term of the lease.

Additionally, on April 29, 2021, PrimaFrio Topco, S.A. agreed to distribute to the Sole Shareholder (Krone-Mur Servifrio, S.L.) an amount of EUR 50 million as dividends charged to unrestricted reserves. The distribution of these dividends represents a cash outflow of EUR 50 million, which is offset by the amount received from the sale of the shares of PrimaFrio Huelva, S.L., both operations being related from a financial point of view. They also represent the cancellation of the financial asset described in Note 11.

With respect to the statement of financial position, the impact related to the above-mentioned subsequent events on the different headings of the statement of financial position is as follows:

	Millions of Euros					
	Property, Plant and Equipment	Right-of-Use-Assets	Other Financial Assets	Cash	Lease Liabilities	Equity
Sale of logistics facilities	(45.0)	20.0	-	45.2	(20.0)	0.2
Distribution of dividends	-	-	(28.0)	(22.0)	-	(50.0)
Total	(45.0)	20.0	(28.0)	23.2	(20.0)	(49.8)

The impact of these subsequent events on future cash flows has been positive in the amount of EUR 23 million. However, considering the amount of the loan granted to the Sole Shareholder and which will be cancelled through the dividend distribution detailed above, the aggregate impact on the Group's cash flow has been negative in the amount of EUR 4.8 million.

The impact of subsequent events was only EUR 0.2 million of profit from the disposal of non-current assets, which, as it is considered a sale and leaseback transaction, should be considered for recognition in accordance with IFRS 15. Based on this standard, the company should defer the result over the term of the lease contract; however, this deferral has not been considered as it is considered to have an immaterial impact for the purposes of the Group. In subsequent years, the only impact on the income statement will be an additional EUR 0.3 million of annual interest, since the depreciation expense will continue to be EUR 2 million per year, before and after the transaction. As for maintenance expenses, according to the Lease Law, the lessor will cover the improvements to the property and the lessee will cover the expenses derived from the use of the facilities. Fees and taxes shall also be borne by the lessee, in accordance with the Law.

In Murcia, on May 25, 2021



Declaration of responsibility

The Sole Director declares that, to the best of their knowledge, the condensed quarterly accounts presented for the three-month period ended on March 31, 2021, have been prepared in accordance with the applicable accounting principles, provide a true image of the equity, financial position and income of PrimaFrio Topco, S.A. and of the companies included in the consolidation, taken as a whole, and that the management report contains a true analysis of the required information.

Date of Declaration: May 25, 2021

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