



TO THE NATIONAL SECURITIES MARKET COMMISSION

Madrid, July 23rd, 2019

Subject: Divestment of “Organic activities”

Ebro Foods, S.A., through its 100% subsidiary Panzani, S.A.S., has received a binding offer from Midsona AB for the acquisition of the entire share capital of Alimentation Santé and its subsidiaries Celnat, Vegetalia and Satoki. Panzani S.A.S. has decided to enter into exclusive negotiations with Midsona AB.

In the framework of its strategic thinking for 2019-2021, Ebro has analyzed the strong investment needed to reach a relevant position in the Bio food business. In this scenario, and considering the major interest shown by different world players, Ebro has decided to negotiate with Midsona AB the sale of Ebro’s Bio business. This disinvestment would allow Ebro to continue to concentrate its resources in promoting its premium, fresh and convenience business, in which Ebro is a worldwide leader. Additionally, the important position of Midsona AB in the Bio business ensures the optimal development and growth of Alimentation Santé.

Alimentation Santé and its subsidiaries reached 35 M€ net sales in 2018. Celnat is a pioneer in organic cereal processing. Vegetalia and Satoki offer a wide range of organic vegetarian products and plant-based meat alternatives.

Midsona AB is a Swedish company listed on Nasdaq Stockholm. It is one of the Nordic leaders in organic foods, health foods and self care. Midsona sales amounted to 271 M€ in 2018 and employs 525 people. Midsona has the ambition to become a major player in organic foods also in Southern Europe.

The transaction is valued at € 57,5 million (enterprise value, debt free/cash free basis).

The project will be presented to the relevant employee representative bodies for information and consultation, which is compulsory in France. The transaction is expected to be completed by October 1, 2019.

Yours faithfully,

Luis Peña Pazos
Secretary of the Board