STATEMENT BY THE CNMV REGARDING THE COMPETING TAKEOVER BIDS FOR APPLUS

29 April 2024

As announced on Friday 26 April, after closing the Applus takeover bids envelope process, both bids set their price for the final acceptance period which is to commence once the respective guarantees for the new amounts are provided and the updates of the respective prospectuses are authorised by the CNMV. At that moment, the regulation allows Manzana, not offering the best price, to withdraw its bid should it wish so.

The takeover bid prospectus of Manzana includes certain earn-out clauses for the funds that sold their shares, improving the price these funds receive up to the final price of the takeover bid, should this be "successful". These clauses are commonplace in takeover bids where one or more shareholders sign irrevocable sale covenants or sell their shares to a bidder and protect the shareholders from the risk of the offeror ending up improving the price in the takeover bid which, otherwise, would not benefit them.

However, the only interpretation of the term "successful" that is compatible with the Spanish Royal Decree on takeover bids in the opinion of the CNMV, would be for this to mean that the takeover bid of Manzana was not withdrawn and ended up being settled (whatever the final percentage reached may be). This was the interpretation of the term by the CNMV when verifying the takeover bid prospectus. Nevertheless, upon request of the CNMV, Manzana informed today that, given the progress of its bid and of the competing bid, the offeror considers "successful" should be understood to mean that the percentage acquired in the takeover bid grants it the majority of the capital.

In this context, there could be operational anomalies according to which some funds sold to Manzana and which would benefit from the earn-out compensation resulting from its takeover bid being successful, would purchase on the market at higher prices than those of Manzana's takeover bid or even those of Amber's takeover bid, with the purpose of selling said acquisitions to Manzana in the subsequent acceptance process. Thus, even though the funds would incur losses from the difference between the market price (over €12.51 at market close on Friday 26) and the sale/acceptance price of Manzana's takeover bid, they would obtain a greater compensation (earn-out) from the aforementioned offeror for selling their shares.

In the opinion of the CNMV, this transaction could constitute an arrangement to take control of Applus, inasmuch as several entities, with a contractual link and a y clear economic incentive, would tacitly or expressly collaborate for

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Manzana to gain control, this otherwise being difficult to attain as the bid offered the lowest price at the envelope stage.

This would severely distort the competing takeover bid process since:

a) It would mean Manzana was indirectly acquiring at a higher price than its takeover bid or even that of Amber via the funds, this being expressly forbidden by the regulations in force;
b) It would seriously affect the strict competition on price between both takeover bids, the governing principle in Chapter IX of the Spanish Royal Decree on takeover bids;
c) It could lead to the failure of the takeover bid offering the highest price, harming the investors who exclusively accepted Amber's takeover bid and would not be able to sell their shares.

There are signs, but no proof, from the negotiation of the afternoon of Friday 26, that such transaction is taking place. Although there are still a few days to go for investors to perform their acceptances in this last stage after the eventual authorisation of the improvements, the possibility does exist that such operation could very seriously distort the competitive procedure, causing disorderly trading while the acceptance process is underway. Therefore, the CNMV has decided as follows:

1. To exercise in a precautionary manner the powers granted by Article 234.3.k of the LMVSI limiting the transactions the funds entering purchase agreements with Manzana can perform in securities markets from this moment until the settlement of the competing takeover bids. Specifically, the CNMV has agreed to inform these funds on the following restriction being imposed on their transactions: they may not purchase Applus shares at prices below above those of Manzana's takeover bid whenever they have the intention or commitment to sell such shares directly or via third parties to Manzana or to submit them as acceptances of Manzana's takeover bid. Likewise, they may not transfer to Manzana, either directly or via acceptances of the takeover bid, shares purchased on the market at prices above those of Manzana's takeover bid. These restrictions will remain in place at least until the CNMV issues a statement on the request for improvement of the takeover bid by Manzana, at which point they will be reviewed.

2. Similarly, the CNMV has warned Manzana that both using the term successful takeover bid in the sense of taking over control, and stimulating, encouraging or requesting funds with which contracts are held to acquire shares at prices above €12.51 by Manzana may be contrary to its duties as offeror. Among these is that of acting within the framework of the regulation in force and of being limited to compete on price, via the mechanisms established which ended with the envelope stage on Friday 26. All this could influence the decision to be taken by the CNMV on the corresponding authorisation or refusal of the request for improvement.

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