



TO THE NATIONAL SECURITIES MARKET COMMISSION

Madrid, on 26 July 2021

Subject: Sale of Panzani® dry pasta, semolina, couscous and sauces business

In pursuance of section 226 of the Securities Market Act, Ebro Foods, S.A. (the “**Company**”) hereby announces the following

INSIDE INFORMATION

Ebro Foods, S.A. has received a binding offer from CVC Capital Partners VIII and entered into exclusivity with it in relation to the sale of its Panzani® dry pasta, semolina, couscous and sauces business.

The transaction remains subject to the French workers’ representatives information and consultation, customary regulatory approvals, and the approval of the General Shareholders Meeting of Ebro Foods, S.A.

The transaction would be made through the sale of 100% of the share capital of Panzani SAS. Since this company currently has other businesses that the Group does not plan to divest (fresh pasta and rice), those businesses would be carved-out prior to the conclusion of the sale and remain within the Ebro Group.

The business subject of the transaction includes the brands Panzani®, Ferrero®, Regia®, Zakia® and Le Renard®, the plants of Vitrolles, La Montre and Nanterre and the mills of Gennevilliers, St. Just and “Littoral”, and it has a headcount of around 750 employees.

The business posted net sales of EUR 470 million in 2020 and had adjusted operating earnings (before depreciation, amortization and non-recurring results) of 57 million in 2020.

For the purpose of the transaction, the business has been valued at EUR 550 million (value of 100% of the business, i.e. prior to any possible adjustment for debt and working capital). This divestment would generate a gross gain of around EUR 91 million for the Ebro Group.

If approved by the General Meeting of the Shareholders of Ebro Foods, S.A., the transaction is expected to be completed before 31 December 2021.

This transaction would allow Ebro to continue to concentrate its resources in promoting its premium, fresh and convenience business, in which Ebro is a worldwide leader.

Yours faithfully,

Luis Peña Pazos
Secretary of the Board