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.

europastry®

Offering of between 26,927,800 and 28,977,011 ordinary shares of

EUROPASTRY, S.A.

(A public limited liability company -*sociedad anónima*- incorporated and registered in Spain)

at an Offering Price Range of between €15.85 and €18.75 per Offer Share

This is an initial public offering (the "**Offering**") of ordinary shares with a par value of €0.1 each (the "**Shares**") of Europastry, S.A., a public limited liability company (*sociedad anónima*) incorporated under the laws of Spain ("**Europastry**" or the "**Company**"). The Offering is made by us and by our shareholders Gallés Office, S.L. (controlled by Mr. Jordi Gallés Gabarró), Exponent S.à r.l. (whose majority shareholder is MCH Continuation Fund, FICC, a fund managed by MCH Private Equity Investments, S.G.E.I.C., S.A. ("**MCH Private Equity**")) and Indinura, S.L. (controlled by Mr. Jordi Morral Hospital) (collectively, the "**Selling Shareholders**") to qualified investors inside and outside of Spain, including a placement in the United States (the "**U.S.**") to persons reasonably believed to be qualified institutional buyers ("**QIBs**") as defined in, and in reliance on, Rule 144A ("**Rule 144A**") under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**").

The Offering outside the U.S. will be made in compliance with Regulation S under the U.S. Securities Act ("**Regulation S**") to investors who, if resident in a member state of the European Economic Area (the "**EEA**" and, each, a "**Member State**") or in the United Kingdom (the "**UK**"), are qualified investors as defined in Article 2(e) of the 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, as amended (the "**Prospectus Regulation**") and in the Prospectus Regulation as it forms part of domestic law in the UK by virtue of the European Union (Withdrawal) Act 2018, respectively.

We are offering between 11,200,000 and 13,249,211 new Shares (the "**New Offer Shares**"), which is the number of New Offer Shares required, based on the Offering Price Range (as defined below), to provide the Company with gross proceeds of approximately €210.0 million (the "**New Gross Proceeds**"). The Selling Shareholders are offering 15,727,800 Shares (the "**Secondary Offer Shares**" and, together with the New Offer Shares, the "**Initial Offer Shares**"), comprising (i) 14,386,800 Shares owned by Exponent S.à r.l. (i.e., all Shares owned by such Selling Shareholder), (ii) 1,041,000 Shares owned by Indinura, S.L. (i.e., 50% of the Shares owned by such Selling Shareholder) and (iii) 300,000 Shares owned by Gallés Office, S.L. (i.e., 0.6% of the Shares owned by such Selling Shareholder). The proceeds to be obtained by the Selling Shareholders from the sale of the Secondary Offer Shares will be referred to as the "**Secondary Gross Proceeds**".

In addition, Gallés Office, S.L. and we will grant a joint option (the "**Over-allotment Option**") to the Joint Global Coordinators (on behalf of the Underwriters) (each as defined below), exercisable, in whole or in part, by J.P. Morgan SE, acting as stabilizing manager (the "**Stabilizing Manager**"), on behalf of the Underwriters, and in consultation with the other Joint Global Coordinators, no later than 30 calendar days after the date on which the Shares commence trading on the Spanish Stock Exchanges (as defined below), to purchase or subscribe for, at the Offering Price (as defined below), additional Shares representing up to 10% of the Initial Offer Shares (the "**Over-allotment Shares**" and, together with the Initial Offer Shares, the "**Offer Shares**"), solely to cover over-allotments of Shares in the Offering, if any, and short positions resulting from stabilization transactions, if any. If the Over-allotment Option is exercised, it will be exercised (i) first with respect to the Over-allotment Shares offered by Gallés Office, S.L., which will consist of the number of Over-allotment Shares that, at the Offering Price, would represent an amount of approximately €10.0 million, – representing between 2.0% and 2.2% of the Initial Offer Shares based on the Offering Price Range – and (ii) subsequently, to the extent that the exercise of the Over-allotment Option has exhausted all of the Over-allotment Shares offered by Gallés Office, S.L., with respect to the Over-allotment Shares offered by us, which will consist of up to the remaining Over-allotment Shares (which, at the Offering Price, would represent an amount of approximately between €35.9 and €40.5 million and between 7.8% and 8.0% of the Initial Offer Shares based on the Offering Price Range).

The indicative non-binding offering price range at which the Offer Shares are being offered in the Offering is between €15.85 and €18.75 per Offer Share (the "**Offering Price Range**"). The Offering Price Range is indicative only, it may change during the course of the Offering, and the Offering Price may be set within, above or below the Offering Price Range. The Offering Price Range has been determined by us and the Selling Shareholders, after consultation with the Joint Global Coordinators, without reliance on any third-party expert to assess the value of the Offer Shares or determine the Offering Price Range. The final price of the Offer Shares (the "**Offering Price**") will be determined by us and the Selling Shareholders, in consultation with the Joint Global Coordinators, upon completion of the book-building period (expected to occur on or about October 8, 2024) and will be announced through a communication of inside information (*comunicación de información privilegiada*) filed with the CNMV (as defined below). No independent experts will be consulted in determining the Offering Price.

Following the Offering, if the Offering Price is at the mid-point of the Offering Price Range (€17.30 per Offer Share) and the Over-allotment Option is exercised in full, the Shares outstanding as of the date hereof will represent 82.9% of our share capital and will confer 82.9% of the total voting rights.

Investing in the Offer Shares is subject to risks and uncertainties. Prospective investors should carefully read this Prospectus (as defined below) and, in particular, "*Risk Factors*" beginning on page 9 of this Prospectus, which contains a discussion of certain matters that investors should carefully consider prior to making an investment in the Offer Shares.

This document (the "**Prospectus**") relating to the Company and its subsidiaries (collectively, the "**Group**") constitutes a prospectus for the purposes of Articles 3 and 4 of the Prospectus Regulation. This Prospectus has been prepared in connection with the Offering and application for the admission to listing (the "**Admission**") of the Shares on the Barcelona, Madrid, Bilbao and Valencia stock exchanges (collectively, the "**Spanish Stock Exchanges**"), which are regulated markets for the purposes of EU Directive 2014/65/EC on markets in financial instruments, as amended ("**MiFID II**"), for trading through the Automated Quotation System or "*Mercado Continuo*" of the Spanish Stock Exchanges (the "**AQS**"). This Prospectus has been approved by, and registered on September 26, 2024 with, the Spanish National Securities Market Commission (*Comisión Nacional del Mercado de Valores*) (the "**CNMV**") as competent authority under the Prospectus Regulation, Law 6/2023 on Securities Markets and Investment Services (*Ley de los Mercados de Valores y de los Servicios de Inversión*), as amended (the "**Securities Market Act**") and the relevant implementing regulations in Spain, 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) No 809/2004 ("**Delegated Regulation 2019/980**"). This Prospectus is available on the CNMV's website (www.cnmv.es) and on the Company's website (www.europastry.com/global/en/ipo/).

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 or approved the Company's website or any of its contents.

This Prospectus does not constitute or form part of an offer to sell, or a solicitation of an offer to subscribe for or purchase, or otherwise acquire, any security other than the Offer Shares.

Prior to this Offering, there has been no public market for the Shares. We will apply to have the Shares admitted to listing on the Spanish Stock Exchanges for trading through the AQS. The Shares are expected to be listed on the Spanish Stock Exchanges for trading through the AQS on or about October 10, 2024, under the ticker symbol "EPTY". The Initial Offer Shares are expected to be delivered against payment of the Offering Price, through the book-entry facilities of *Sociedad de Gestión de los Sistemas de Registro, Compensación y Liquidación de Valores, S.A. Sociedad Unipersonal* ("**Iberclear**") and its participating entities (*entidades participantes*), on or about October 11, 2024.

The Offer Shares have not been and will not be registered under the U.S. Securities Act or under the securities laws of any state or other jurisdiction in the United States. See "*Selling and Transfer Restrictions—United States*" for a description of certain restrictions on the ability to offer and sell the Offer Shares and distribute this document. This document is not a "prospectus" for the purposes of Section 10 of the U.S. Securities Act.

You are deemed to have represented to the Company, the Selling Shareholders and the Underwriters (as defined below) that (i) the securities subscribed or acquired by you pursuant to the Offering have not been subscribed or acquired on a non-discretionary basis on behalf of (nor have they been subscribed or 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 and the United Kingdom or under circumstances exempt from the prospectus requirements or in which the prior consent of the Underwriters has been obtained for each such proposed offer or resale; (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; and (iii) if you are in the United States, you are a QIB and you are subscribing or acquiring

the securities for your own account or for the account of a QIB. No investor other than the above is allowed to participate in the Offering.

This Prospectus has been approved by and registered with the CNMV on September 26, 2024. 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 Shares provided that Admission takes place prior to the expiration of 12 months following the approval of this Prospectus. Once this Prospectus is no longer valid, the Company will have no obligation to supplement this Prospectus in case of significant new factors, material mistakes or material inaccuracies.

Joint Global Coordinators and Joint Bookrunners

J.P. Morgan **UBS** **ING**

Joint Bookrunners

Banco Santander **CaixaBank**

BBVA **Rabobank**

Co-lead Managers

Banca March **JB Capital**

Agent Bank

CaixaBank

The date of this Prospectus is September 26, 2024

IMPORTANT INFORMATION ABOUT THIS PROSPECTUS

YOU SHOULD READ THE ENTIRE PROSPECTUS AND, IN PARTICULAR, "RISK FACTORS" BEGINNING ON PAGE 9 OF THIS PROSPECTUS WHEN CONSIDERING AN INVESTMENT IN THE OFFER SHARES.

You are deemed to agree to each of the notices set forth below by accepting delivery of this Prospectus. You should rely only on the information contained in this Prospectus. None of the Company, the Selling Shareholders, J.P. Morgan SE ("JP Morgan"), UBS Europe SE ("UBS") and ING Bank N.V. ("ING" and, together with JP Morgan and UBS, the "Joint Global Coordinators"), Banco Santander, S.A. ("Banco Santander"), CaixaBank, S.A. ("CaixaBank"), Banco Bilbao Vizcaya Argentaria, S.A. ("BBVA") and Coöperatieve Rabobank U.A. ("Rabobank" and, together with Banco Santander, CaixaBank, BBVA and the Joint Global Coordinators, the "Joint Bookrunners") and Banca March, S.A. ("Banca March") and JB Capital Markets Sociedad de Valores, S.A.U. ("JB Capital" and, together with Banca March, the "Co-lead Managers" and the Co-lead Managers, together with the Joint Bookrunners, the "Underwriters", and each of them, an "Underwriter"), or their respective affiliates, has authorized any person to provide investors with any information that is not contained in this Prospectus. If anyone provides you with different or inconsistent information, you should not rely on it. This Prospectus should not be considered as a recommendation by any of the Company, the Selling Shareholders or any of the Underwriters that any recipient of this Prospectus should subscribe for or purchase the Offer Shares. Each subscriber for or purchaser of Offer Shares should determine for itself the relevance of the information contained in this Prospectus, and its subscription for or purchase of Offer Shares should be based upon such investigation, as it deems necessary, including the assessment of risks involved and its own determination of the suitability of any such investment, with particular reference to their own investment objectives and experience and any other factors that may be relevant to such investor in connection with the subscription for or purchase of the Offer Shares. Neither the delivery of this Prospectus nor any sale made hereunder shall under any circumstances imply that there has been no change in our affairs, and you should assume that the information appearing in this Prospectus is accurate only as of its date. Our business, results of operations, financial condition, cash flows, prospects and the information set forth in this Prospectus may have changed since the date of this Prospectus.

This document does not constitute an offer to the public generally to subscribe for or purchase, or otherwise acquire, the Offer Shares. In making an investment decision regarding the Offer Shares, an investor must rely on its own examination of the Company, the Group, and the terms of the Offering, including the merits and risks involved.

Notwithstanding the foregoing, we are required to issue a supplement to this Prospectus in respect of any significant new factor, material mistake or material inaccuracy (including by way of omission) relating to the information included in this Prospectus that may affect the assessment of the Offer Shares and that arises or is noted between the date of registration of this Prospectus with the CNMV and the date of Admission, in accordance with Article 23 of the Prospectus Regulation.

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

The contents of our website (www.europastry.com) do not form part of this Prospectus unless that information is expressly incorporated by reference into 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 or approved the Company's website or any of its contents.

You should not consider any information in this Prospectus to be investment, legal, tax, financial or any other advice. You should consult your own legal counsel, financial advisor, accountant and other advisors for legal, tax, business, financial and related advice regarding subscribing or purchasing the Offer Shares. None of the Company, the Selling Shareholders or the Underwriters or their respective affiliates makes any representation or warranty, express or implied, to any offeree or purchaser of the Offer Shares regarding the legality of an investment in the Offer Shares by such offeree or purchaser under the laws applicable to such offeree or purchaser nor, to the fullest extent permitted by applicable law, accepts any responsibility whatsoever, other than as set out in "*Responsibility Statement and Competent Authority*" as applicable, with respect to the content of this document, including the accuracy, completeness or verification of any of the information in this Prospectus.

Each Underwriter is acting exclusively for us and the Selling Shareholders and no one else in connection with the Offering and will not regard any other person (whether or not a recipient of this Prospectus) as its respective client in relation to the Offering and will not be responsible to anyone other than us and the Selling Shareholders for providing the protections afforded to their respective clients or for providing advice in relation to the Offering or any transaction or arrangement referred to herein. Save for the responsibilities, if any, which may be imposed under the Securities Markets Act or the regulatory regime established thereunder, or under the regulatory regime of any jurisdiction where the exclusion of liability under the relevant regulatory regime would be illegal, void or unenforceable, none of the Underwriters or any of their respective affiliates accepts any responsibility whatsoever for the contents of this document including its accuracy, completeness and verification or for any other statement made or purported to be made by it or any of them or on its or their behalf in connection with the Company or the Offer Shares. Each of the Underwriters and their respective affiliates accordingly disclaims, to the fullest extent permitted by applicable law, all and any liability whether arising in tort or contract or otherwise (save as referred to above) which it might otherwise be found to have in respect of this document or any such statement.

Each person receiving this Prospectus acknowledges that: (i) it has not relied on the Underwriters or any person affiliated with the Underwriters in connection with any investigation of the accuracy of any information contained in this Prospectus or their investment decision; (ii) it has relied only on the information contained in this Prospectus; and (iii) no person has been authorized to give any information or to make any representation concerning us or our subsidiaries or the Offer Shares (other than as contained in this Prospectus) and, if given or made, any such other information or representation should not be relied upon as having been authorized by us, the Selling Shareholders, or the Underwriters.

In connection with the Offering, each of the Underwriters and any of their respective affiliates, acting as an investor for its or their own account(s), may take up a portion of the Offer Shares in the Offering as a principal and, in that capacity, may retain, purchase, sell, offer to sell or otherwise deal for its or their own account(s) in such securities and, if applicable, any of our other securities or other related investments and may offer or sell such Offer Shares or, if applicable, other securities or other related investments otherwise than in connection with the Offering. Accordingly, references in this Prospectus to the Offer Shares being offered, acquired, placed or otherwise dealt with should be read as including any offer, acquisition, placing or dealing by any of the Underwriters or any of their respective affiliates acting in such capacity. In addition, certain of the Underwriters or their affiliates may enter into financing arrangements and swaps with investors in connection with which such Underwriters (or their affiliates) may from time to time acquire, hold or dispose of such securities. None of the Underwriters nor any of their affiliates intend to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so.

This Prospectus does not constitute or form part of an offer to sell, or a solicitation of an offer to subscribe for or purchase or otherwise acquire, any security other than the Offer Shares. The distribution of this Prospectus and the offer and sale of the Offer Shares may be restricted by law in certain jurisdictions. You must inform yourself about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. For further information on the manner of distribution and any transfer restrictions to which they are subject, see "*Selling and Transfer Restrictions*" elsewhere in this Prospectus. You must comply with all applicable laws and regulations in force in any jurisdiction in which you purchase, offer or sell the Offer Shares or you possess or distribute this Prospectus and must obtain any consent, approval or permission required for your purchase, subscription, offer or sale of the Offer Shares under the laws and regulations in force in any jurisdiction to which you are subject or in which you make such subscription, purchase, offer or sale. None of us, the Selling Shareholders or the Underwriters is making an offer to sell the Offer Shares or a solicitation of an offer to buy any of the Offer Shares to any person in any jurisdiction except where such an offer or solicitation is permitted or accepts any legal responsibility for any violation by any person, whether or not an investor, of applicable restrictions.

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 in Chapter 3 of the FCA Handbook Product Intervention and Product Governance Sourcebook (the "**UK Product Governance Requirements**", together with the MiFID II Product Governance Requirements, the "**Product Governance Requirements**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the Product Governance Requirements) may otherwise have with respect thereto, the Offer Shares have been subject to a product approval process, which has determined that such Offer 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; (ii) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, as respectively defined in Chapter 3 of the FCA Handbook Conduct of Business Sourcebook ("**COBS**") and (iii) eligible for distribution through all distribution channels as are permitted by the Product Governance Requirements (the "**Target Market Assessment**").

Any person offering, selling or recommending the Offer Shares (a "distributor" under the Product Governance Requirements) should take into consideration the Target Market Assessment; however, a distributor subject to the Product Governance Requirements is responsible for undertaking its own target market assessment in respect of the Offer Shares (by either adopting or refining the Target Market Assessment) and determining appropriate distribution channels.

Notwithstanding the Target Market Assessment, distributors should note that: the price of the Offer Shares may decline and investors could lose all or part of their investment; the Offer Shares offer no guaranteed income and no capital protection; and an investment in the Offer 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, notwithstanding the Target Market Assessment, the Underwriters will only procure investors who meet the criteria of qualified investors.

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 AND CHAPTER 9A OR 10A RESPECTIVELY OF THE COBS; OR (B) A RECOMMENDATION TO ANY INVESTOR OR GROUP OF INVESTORS TO INVEST IN, SUBSCRIBE OR PURCHASE, OR TAKE ANY OTHER ACTION WHATSOEVER WITH RESPECT TO THE OFFER SHARES.

NOTICE TO INVESTORS IN THE UNITED STATES

PROSPECTIVE SUBSCRIBERS AND PURCHASERS OF THE OFFER SHARES ARE HEREBY NOTIFIED THAT SELLERS OF THE OFFER SHARES MAY BE RELYING ON THE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF SECTION 5 OF THE U.S. SECURITIES ACT PROVIDED BY RULE 144A. THE OFFER 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 IN THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) IN ACCORDANCE WITH RULE 144A UNDER THE U.S. SECURITIES ACT TO A PERSON THAT THE SELLER AND ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVE IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE U.S. SECURITIES ACT SUBSCRIBING OR PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER, (2) IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT, (3) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER (IF AVAILABLE) OR (4) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE U.S. SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES. NO REPRESENTATION CAN BE MADE AS TO THE AVAILABILITY OF THE EXEMPTION PROVIDED BY RULE 144 UNDER THE U.S. SECURITIES ACT FOR RESALES OF THE OFFER SHARES. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE FOREGOING, THE OFFER SHARES REPRESENTED HEREBY MAY NOT BE DEPOSITED INTO ANY UNRESTRICTED DEPOSITARY RECEIPT FACILITY IN RESPECT OF THE OFFER SHARES ESTABLISHED OR MAINTAINED BY A DEPOSITORY BANK. EACH HOLDER, BY ITS ACCEPTANCE OF OFFER SHARES, REPRESENTS THAT IT UNDERSTANDS AND AGREES TO THE FOREGOING RESTRICTIONS. THE OFFER SHARES ARE NOT TRANSFERABLE EXCEPT IN ACCORDANCE WITH THE RESTRICTIONS DESCRIBED HEREIN. SEE "SELLING AND TRANSFER RESTRICTIONS".

THE OFFER SHARES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION, ANY STATE SECURITIES COMMISSION IN THE UNITED STATES OR ANY OTHER UNITED STATES REGULATORY AUTHORITY, NOR HAVE ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF THE OFFERING OR THE ACCURACY OR ADEQUACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE IN THE UNITED STATES.

THIS DOCUMENT DOES NOT CONSTITUTE A PROSPECTUS WITHIN THE MEANING OF SECTION 10 OF THE U.S. SECURITIES ACT.

NOTICE TO INVESTORS IN CERTAIN OTHER COUNTRIES

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

TABLE OF CONTENTS

SUMMARY

Offering of between 26,927,800 and 28,977,011 ordinary shares of
EUROPASTRY, S.A.
(A public limited liability company -sociedad anónima- incorporated and registered in Spain)
at an Offering Price Range of between €15.85 and €18.75 per Offer Share

*Prepared in compliance with Article 7 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, as amended (the "**Prospectus Regulation**").*

1. INTRODUCTION AND WARNINGS

THIS SUMMARY SHOULD BE READ AS AN INTRODUCTION TO THE PROSPECTUS. ANY DECISION TO INVEST IN THE OFFER SHARES (AS DEFINED BELOW) OF EUROPASTRY, S.A. (THE "COMPANY") SHOULD BE BASED ON A CONSIDERATION OF THE PROSPECTUS AS A WHOLE BY THE INVESTOR. THE INVESTOR COULD LOSE ALL OR PART OF THE INVESTED CAPITAL.

WHERE A CLAIM RELATING TO THE INFORMATION CONTAINED IN, OR INCORPORATED BY REFERENCE INTO, THE PROSPECTUS IS BROUGHT BEFORE A COURT, THE PLAINTIFF INVESTOR MIGHT, UNDER SPANISH LAW, HAVE TO BEAR THE COSTS OF TRANSLATING INTO SPANISH THE 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 THE PROSPECTUS OR IT DOES NOT PROVIDE, WHEN READ TOGETHER WITH OTHER PARTS OF THE PROSPECTUS, KEY INFORMATION IN ORDER TO AID INVESTORS WHEN CONSIDERING WHETHER OR NOT TO INVEST IN THE OFFER SHARES OF THE COMPANY.

The Company is incorporated under the laws of Spain as a public limited liability company (*sociedad anónima*) for an unlimited period of time and registered with the Barcelona Commercial Registry under Volume 48991, Sheet 31, Page B-76007. The Company holds Spanish tax identification number A-58695032 and legal entity identifier (LEI) code 95980020140005890405. The registered office of the Company is at Plaza Xavier Cugat, número 2, Edificio C, Planta 4, Parc Oficines Sant Cugat Nord, 08174, Sant Cugat del Vallès (Barcelona, Spain), and its phone number is +34 900118888. As of the date of the Prospectus, the Company's share capital is €6,939,960 divided into a single series of 69,399,600 ordinary shares (the "**Shares**"), with a par value of €0.1 each.

This Summary relates to the Company and its subsidiaries (collectively, the "**Group**"). In this Summary, "we", "us", "our" and "ours" refer to the Group, unless otherwise indicated or the context otherwise requires.

Our shareholders are Gallés Office, S.L. (controlled by Mr. Jordi Gallés Gabarró), Exponent S.à r.l. (whose majority shareholder is MCH Continuation Fund, FICC, a fund managed by MCH Private Equity Investments, S.G.E.I.C., S.A. ("**MCH Private Equity**")) and Indinura, S.L. (controlled by Mr. Jordi Morral Hospital) (collectively, the "**Selling Shareholders**").

Gallés Office, S.L. is a Spanish company, with its registered office in Calle Santa Fe de Nuevo Méjico, number 1, 5º A, 08017, Barcelona and phone number +34 93 240 14 65, with Spanish tax identification number B-61970323, registered with the Barcelona Commercial Registry at Volume 31712, Sheet 27, Page B-199303 and with legal entity identifier (LEI) code 959800Y4FXF95BEPP818. The shareholding structure of Gallés Office, S.L. is the following: Palissandre, S.L. (51.49%); Projecte Asfodel, S.L.U. (34.16%); Can Roldos, S.L.U. (13.83%) and Ms. Gloria Gabarró Ciurana (0.52%). Mr. Jordi Gallés Gabarró is the controlling shareholder of Gallés Office, S.L. according to the definition set forth in Article 42 of the Spanish Code of Commerce and Article 4 of the Securities Market Act and as detailed below.

Mr. Jordi Gallés Gabarró (indirect owner, with a 99.99% stake in Palissandre, S.L., which, in turn, holds a 51.49% stake in Gallés Office, S.L.) and Ms. Eva Gallés Gabarró (indirect owner, with a 100% stake in Projecte Asfodel, S.L.U., which, in turn, holds a 34.16% stake in Gallés Office, S.L.) are the ultimate beneficial owners of Gallés Office, S.L. pursuant to Law 10/2010, of April 28, of prevention of money laundering and terrorism financing.

Exponent S.à r.l. (whose majority shareholder is MCH Continuation Fund, FICC, a fund managed by MCH Private Equity) is a Luxembourg company (*société à responsabilité limitée*), with its registered office in 16, rue Eugène Ruppert, L-2453 Luxembourg, Grand Duchy of Luxembourg and phone number +352 (422) 229 360, registered with the Luxembourg Trade and Companies' Register (*Registre de Commerce et des Sociétés*) under number R.C.S. Luxembourg B205404 and with legal entity identifier (LEI) code 222100LAIJ35ZO844H18. Exponent S.à r.l. shares are held by MCH Continuation Fund, FICC (50.01%) and Periza Industries S.à r.l. (49.99%). As stated above, MCH Continuation Fund, FICC, is managed by MCH Private Equity. In accordance with Exponent S.à r.l.'s ultimate beneficial owner deed granted on September 9, 2024 before the Notary of Madrid, Mr. Andrés de la Fuente O'Connor, under number 1,417 of his protocol, no individual owns or controls, directly or indirectly, more than 25% of the capital or voting rights of Exponent S.à r.l.

Indinura, S.L. is a Spanish company, with its registered office in Calle Doctor Carulla, 26 P. Bj. Pta.2., 08017 Barcelona and phone number +34 629 367 205, with Spanish tax identification number B-02796852, registered with the Barcelona Commercial Registry at Volume 47,547, Sheet 14, Page B-555217 and with and legal entity identifier (LEI) code 9598002R4DQ2GS0FHK57. Mr. Jordi Morral Hospital (owner of a 99.54% stake in Indinura, S.L.) is the controlling shareholder of Indinura, S.L.

This Summary relates to an initial public offering (the "**Offering**") of the Shares. We are offering between 11,200,000 and 13,249,211 new Shares (the "**New Offer Shares**"), which is the number of New Offer Shares required, based on the Offering Price Range (as defined below), to provide us with gross proceeds of approximately €210.0 million (the "**New Gross Proceeds**").

The Selling Shareholders are offering 15,727,800 Shares (the "**Secondary Offer Shares**" and, together with the New Offer Shares, the "**Initial Offer Shares**"), comprising (i) 14,386,800 Shares owned by Exponent S.à r.l. (i.e., all Shares owned by such Selling Shareholder), (ii) 1,041,000 Shares owned by Indinura, S.L. (i.e., 50% of the Shares owned by such Selling Shareholder) and (iii) 300,000 Shares owned by Gallés Office, S.L. (i.e., 0.6% of the Shares owned by such Selling Shareholder).

In addition, Gallés Office, S.L. and we will grant a joint option (the "**Over-allotment Option**") to the Joint Global Coordinators (on behalf of the Underwriters) (each as defined below), exercisable, in whole or in part, by J.P. Morgan SE, acting as stabilizing manager (the "**Stabilizing Manager**"), on behalf of the Underwriters, and in consultation with the other Joint Global Coordinators, no later than 30 calendar days after the date on which the Shares commence trading on the Spanish Stock Exchanges (as defined below), to purchase or subscribe for, at the Offering Price, additional Shares representing up to 10% of the Initial Offer Shares (the "**Over-allotment Shares**" and, together with the Initial Offer Shares, the "**Offer Shares**"), solely to cover over-allotments of Shares in the Offering, if any, and short positions resulting from stabilization transactions, if any. If the Over-allotment Option is exercised, it will be exercised (i) first with respect to the Over-allotment Shares offered by Gallés Office, S.L., which will consist of the number of Over-allotment Shares that, at the Offering Price, would represent an amount of approximately €10.0 million, – representing between 2.0% and 2.2% of the Initial Offer Shares based on the Offering Price Range – and (ii) subsequently, to the extent that the exercise of the Over-allotment Option has exhausted all of the Over-allotment Shares offered by Gallés Office, S.L., with respect to the Over-allotment Shares offered by us, which will consist of up to the remaining Over-allotment Shares (which, at the Offering Price, would represent an amount of approximately between €35.9 and €40.5 million and between 7.8% and 8.0% of the Initial Offer Shares based on the Offering Price Range).

The indicative non-binding offering price range at which the Offer Shares are being offered in the Offering is between €15.85 and €18.75 per Offer Share (the "**Offering Price Range**"). The Offering Price Range is indicative only, it may change during the course of the Offering, and the Offering Price may be set within, above or below the Offering Price Range. The Offering Price Range has been determined by us and the Selling Shareholders, after consultation with the Joint Global Coordinators, without reliance on any third-party expert to assess the value of the Offer Shares or determine the Offering Price Range. The final price of the Offer Shares (the "**Offering Price**") will be determined by us and the Selling Shareholders, in consultation with the Joint Global Coordinators, upon completion of the book building period (expected to occur on or about October 8, 2024) and will be announced through a communication of inside information (*comunicación de información privilegiada*) filed with the CNMV (as defined below). No independent experts will be consulted in determining the Offering Price.

The ISIN code of the existing Shares of the Company is ES0105815007, while the New Offer Shares have the provisional ISIN code ES0105815015 and will bear the same ISIN code as the existing Shares from Admission (as defined below).

The prospectus relating to the Group constitutes a prospectus for the purposes of Articles 3 and 4 of the Prospectus Regulation (the "**Prospectus**"). The Prospectus has been prepared in connection with the Offering and application for the admission to listing (the "**Admission**") of the Shares on the Barcelona, Madrid, Bilbao and Valencia stock exchanges (collectively, the "**Spanish Stock Exchanges**"). The Prospectus has been approved by, and registered with, the Spanish Securities Market Commission (*Comisión Nacional del Mercado de Valores*, the "**CNMV**") on September 26, 2024. Investors may contact the CNMV at the following telephone number (+34) 900 535 015. The Prospectus is available on the CNMV's website (www.cnmv.es) and on the Company's website (www.europastry.com/global/en/ipo/). Neither the Company's website nor any of its contents are considered part of or are incorporated into this Summary, whether by reference or otherwise, except as otherwise provided herein. The CNMV has not examined or approved the Company's website or any of its contents.

2. KEY INFORMATION ON THE COMPANY

2.1. Who is the issuer of the securities?

Domicile and legal form

The legal name of the issuer is Europastry, S.A. and it operates under the commercial name "Europastry". The Company is incorporated under the laws of Spain as a public limited liability company (*sociedad anónima*) for an unlimited period of time and registered with the Barcelona Commercial Registry under Volume 48991, Sheet 31, Page B-76007. The Company holds Spanish tax identification number A-58695032, its legal entity identifier (LEI) code is 95980020140005890405 and its corporate website is www.europastry.com. The principal legislation under which the Company operates is the Spanish Companies Act approved by Royal Decree 1/2010, of July 2 (*Texto Refundido de la Ley de Sociedades de Capital aprobado por el Real Decreto Legislativo 1/2010, de 2 de julio*), as amended (the "**Spanish Companies Act**") and the regulations made thereunder. The registered office of the Company is at Plaza Xavier Cugat, número 2, Edificio C, Planta 4, Parc Oficines Sant Cugat Nord, 08174, Sant Cugat del Vallès (Barcelona, Spain), and its phone number is +34 900118888.

Principal activities

Our principal activities are the manufacture and sale of frozen bread and pastries.

Major shareholders

As of the date of the Prospectus, the Company's share capital is €6,939,960, consisting of 69,399,600 Shares with a par value of €0.1 each.

The following table sets forth the shareholding and voting rights in the Company by our shareholders immediately prior to the Offering and their expected shareholding, together with the expected shareholding of the free float, upon completion of the Offering with, alternatively, no exercise of the Over-allotment Option and exercise in full of the Over-allotment Option, assuming in each case (i) that the Offering Price is €17.30 (i.e., the mid-point of the Offering Price Range) and (ii) that the number of New Offer Shares issued is 12,138,728:

	Shares owned prior to the Offering		Shares owned after the Offering — Assuming no exercise of the Over-allotment Option		Shares owned after the Offering — Assuming exercise in full of the Over-allotment Option	
	Number	**%**	**Number**	**%**	**Number**	**%**
Mr. Jordi Gallés Gabarró (1)...............................	52,930,800	76.3	52,630,800	64.5	52,052,766	62.2
MCH Continuation Fund, FICC (2)...................	14,386,800	20.7	-	-	-	-
Mr. Jordi Morral Hospital (3)..............................	2,082,000	3.0	1,041,000	1.3	1,041,000	1.2
Treasury Shares..	-	-	-	-	-	-
Criteria Caixa, S.A.U. (4)	-	-	4,076,916	5.0	4,076,916	4.9
Public (free float)	-	-	23,789,612	29.2	26,576,264	31.7
Total	**69,399,600**	**100.0**	**81,538,328**	**100.0**	**83,746,946**	**100.0**

(1) Mr. Jordi Gallés Gabarró holds a controlling stake of 99.99% in Palissandre, S.L, which, in turn, holds a 51.49% stake in Gallés Office, S.L., being the latter the direct owner of the Shares.
(2) MCH Continuation Fund, FICC holds a 50.01% stake in Exponent, S.à r.l., which, in turn, is the direct owner of the Shares.
(3) Mr. Jordi Morral Hospital holds a controlling stake of 99.54% in Indinura, S.L., which, in turn, is the direct owner of the Shares.
(4) Criteria Caixa, S.A.U. has entered into an investment commitment agreement with the Company and the Selling Shareholders, pursuant to which, subject to the fulfilment of certain conditions, Criteria Caixa, S.A.U. has irrevocably committed to purchase or subscribe for in the Offering, at the Offering Price, Offer Shares representing 5.0% of the Shares outstanding immediately following the Offering (excluding any Shares which may be issued as a result of the exercise of the Over-allotment Option). See "*Plan of Distribution—Investment Commitment*".

Board of directors

The board of directors is composed of the following six members: Mr. Jordi Gallés Gabarró (executive, chairman), Mr. Jordi Morral Hospital (executive, chief executive officer), Ms. Eva Gallés Gabarró (proprietary), Mr. Ramón Núñez Cabezón (other external), Ms. Inés Arnau Almirall (independent) and Ms. Montserrat Trapé Viladomat (independent).

Independent auditor

PricewaterhouseCoopers Auditores, S.L. ("**PwC**") is our current independent auditor.

2.2. What is the key financial information regarding the Company?

The following tables present the selected consolidated financial information of the Company as of and for the years ended December 31, 2023, 2022 and 2021, as of June 30, 2024 and for the six months ended June 30, 2024 and 2023. The financial information included in this Prospectus is derived from the English translation of the original Spanish-language versions of (i) the audited consolidated annual financial statements of the Company and its subsidiaries as of and for the year ended December 31, 2023 (the "**2023 Consolidated Financial Statements**"), the audited consolidated annual financial statements of the Company and its subsidiaries as of and for the year ended December 31, 2022 (the "**2022 Consolidated Financial Statements**") and the audited consolidated annual financial statements of the Company and its subsidiaries as of and for the year ended December 31, 2021 (the "**2021 Consolidated Financial Statements**" and, together with the 2023 Consolidated Financial Statements and the 2022 Consolidated Financial Statements, the "**Audited Annual Consolidated Financial Statements**") and (ii) the unaudited condensed consolidated interim financial statements of the Company and its subsidiaries as of and for the six months ended June 30, 2024, which include comparative figures as of December 31, 2023 and for the six months ended June 30, 2023 (the "**Unaudited Condensed Interim Consolidated Financial Statements**" and, together with the Audited Annual Consolidated Financial Statements, the "**Consolidated Financial Statements**"). The Audited Annual Consolidated Financial Statements and the Unaudited Condensed Interim Consolidated Financial Statements have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union and IAS 34, Interim Financial Reporting, respectively.

The original Spanish language version of the 2023 Consolidated Financial Statements has been audited by PwC and the original Spanish language versions of the 2022 Consolidated Financial Statements and the 2021 Consolidated Financial Statements have been audited by Grant Thornton, S.L.P. In respect of the Unaudited Condensed Interim Consolidated Financial Statements, PwC has performed a limited review. The audit reports with respect to each of the Audited Annual Consolidated Financial Statements, as well as the limited review report with respect to the Unaudited Condensed Interim Consolidated Financial Statements, were unqualified. The Consolidated Financial Statements (and their respective original Spanish-language versions) are incorporated by reference into this Prospectus together with the audit reports and the limited review report with respect thereto.

Consolidated income statement information

	For the six months ended June 30,		For the years ended December 31,		
	2024	**2023**	**2023**	**2022**	**2021**
	(in thousands of euros, except percentages and earnings per share)				
Net turnover	**713,634**	**666,949**	**1,346,779**	**1,121,500**	**845,578**
Net turnover growth (as a percentage of prior period net turnover)	**7.0%**	**28.8%**	**20.1%**	**32.6%**	**23.1%**
Operating result	**63,386**	**59,260**	**116,516**	**74,341**	**48,820**
Operating result margin(1)	**8.9%**	**8.9%**	**8.7%**	**6.6%**	**5.8%**
Net consolidated result	**32,524**	**36,599**	**68,895**	**36,299**	**24,331**
Earnings per share(2)	**0.46**(3)	**0.52**(4)	**393**	**208**	**139**

(1) Calculated by dividing operating result by net turnover.
(2) In euros.
(3) Includes the impact of the 400x split of the Shares approved by the general shareholders' meeting on June 6, 2024, pursuant to which the par value of the Shares was reduced from €1 to €0.0025, and the 173,499 Shares into which the share capital was divided at such time were split into 69,399,600 Shares. Without considering such split, earnings per share would have been €184.
(4) Adjusted to show the impact of the 400x split of the Shares approved by the general shareholders' meeting on June 6, 2024, pursuant to which the par value of the Shares was reduced from €1 to €0.0025 and the 173,499 Shares into which the share capital was divided at such time were split into 69,399,600 Shares. Without adjusting for such split, earnings per share was €206.

Consolidated balance sheet information

	As of June 30,	As of December 31,		
	2024	**2023**	**2022**	**2021**
	(in thousands of euros)			
Total assets	**1,548,530**	**1,397,769**	**1,339,264**	**1,097,679**
Total equity	**373,251**	**334,992**	**327,255**	**266,430**
Net financial debtAPM	**667,170**	**651,769**	**569,044**	**529,923**

Consolidated cash flow statement information

	For the six months ended June 30,		For the years ended December 31,		
	2024	**2023**	**2023**	**2022**	**2021**
	(in thousands of euros)				
Net cash from operating activities	**112,971**	**56,101**	**142,417**	**142,051**	**120,680**
Net cash from investing activities	**(89,939)**	**(67,884)**	**(108,980)**	**(172,244)**	**(119,939)**
Net cash from financing activities................................	**29,991**	**8,708**	**(49,509)**	**31,740**	**(31,048)**

No pro forma financial information or profit forecast has been included in the Prospectus.

2.3. What are the key risks that are specific to the Company?

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

- "*Risks related to our business and the industry in which we operate*": (i) "*1.1. Interruptions in our supply chain could adversely affect our business"*; (ii) *"1.2 The price of energy used in the production, storage and transportation of our products is subject to volatile market conditions*"; (iii) "*1.3 Most of our customers are not contractually obliged to purchase products from us on a recurrent basis and some of them could use pricing pressure, which could reduce our customer base and profit margins*"; (iv) "*1.4 The production, storage and transportation of our products is complex and expensive, requires significant investments and may be disrupted by the occurrence of unforeseen events, including the loss or temporary shutdown of a significant facility*"; (v) "*1.5 Increases in costs of certain raw materials could adversely affect our business*" and (vi) "*1.6 We may not be able to successfully complete favorable transactions or successfully integrate acquired businesses*".

- "*Risks related to our business operations*": (i) "*2.1 Our operations are heavily concentrated in Spain*"; (ii) "*2.2 Our business is capital intensive*"; and (iii) "*2.3 We have a significant amount of goodwill and other intangible assets subject to impairment and depreciation, which could result in a reduction in our net income*".

- "*Risks related to our indebtedness and other liabilities*": (i) "*3.1. We have risks related to our indebtedness, including our ability to withstand adverse business conditions and to meet our debt repayment obligations*".

- "*Legal, regulatory and compliance risk*": (i) "*4.1 We operate in a highly regulated industry and our failure to comply with laws, regulations or governmental practices, including environmental regulations, or changes to laws or their interpretation, in the markets in which we operate may adversely affect our business, financial condition, results of operations and prospects*"; and (ii) "*4.2 Tax matters, including changes in tax rates, disagreements with taxing authorities and the imposition of new taxes could impact our results of operations and financial condition*".

3. KEY INFORMATION ON THE SECURITIES

3.1. What are the main features of the securities?

Type, class and ISIN

The Company's share capital is €6,939,960, divided into a single series of 69,399,600 Shares with a par value of €0.1 each. Each Share entitles the holder to one vote.

The Shares are denominated in euro (€). The ISIN code of the existing Shares is ES0105815007, while the New Offer Shares have the provisional ISIN code ES0105815015 and will bear the same ISIN code as the existing Shares from Admission.

The Shares were created pursuant to the Spanish Companies Act and each Share confers the same rights (including the right to receive, in the same amounts, dividends and other distributions declared, made or paid on the Company's share capital, including in the event of liquidation).

Holders of the Shares, including the Offer Shares are entitled to the rights and subject to the obligations set forth in the Spanish Companies Act and in the Company's bylaws (the "**Bylaws**"). In particular, the following rights are inherent to the condition of holder of the Shares: (i) right to attend the general meeting of shareholders with voting rights; (ii) pre-emptive rights to subscribe for newly issued shares or newly issued bonds that are convertible into shares in consideration for cash contributions; (iii) right to exercise shareholder actions; (iv) information rights; and (v) dividend and liquidation rights in proportion to their paid up share capital.

The Shares, including the Offer Shares, are not subject to any transfer restrictions other than restrictions applicable under applicable securities laws and the Bylaws, without prejudice to the lock-up restrictions agreed in connection with the Offering.

Although the board of directors has not passed any resolution in this respect, to the extent legally permitted, our intention is to pay the first post-Offering dividend in 2025, and we target to distribute up to 30% of our results for the year ending December 31, 2024. We also intend to target dividend payments of up to 30% of our results in subsequent years, subject to any contractual restrictions.

3.2. Where will the securities be traded?

We will apply to have the Shares listed on the Spanish Stock Exchanges, which are regulated markets for the purposes of EU Directive 2014/65/EC on markets in financial instruments, as amended, for trading through the Automated Quotation System or "Mercado Continuo" of the Spanish Stock Exchanges on or about October 10, 2024 under the ticker symbol "EPTY".

3.3. Is there a guarantee attached to the securities?

Not applicable.

3.4. What are the key risks that are specific to the securities?

The following is a summary of selected key risks that relate to the securities: (i) "*5.1. Our principal shareholder will continue to exercise control over us after Admission, and its interests may differ from the interests of our other shareholders*"; (ii) "*5.2. There is no established trading market for the Shares*", and (iii) "*5.3. We can provide no assurance that we will be able to pay dividends or, in the event we pay dividends, that they will be maintained or increased in the future*".

4. KEY INFORMATION ON THE OFFER OF SECURITIES TO THE PUBLIC AND/OR THE ADMISSION TO TRADING ON A REGULATED MARKET

4.1. Under which conditions and timetable can I invest in the securities?

Expected timetable for principal events

We expect that the Offering will take place according to the tentative calendar set out below:

Event	Estimated Date [(1)]
Approval and registration of this Prospectus with the CNMV	September 26, 2024

Event	Estimated Date (1)
Commencement of the book-building period in which non-binding proposals are made by qualified investors	September 27, 2024
Finalization of book-building period	October 8, 2024
Setting of the Offering Price	October 8, 2024
Execution of the Underwriting Agreement (as defined below)	October 8, 2024
Publication of the Offering Price and the final size of the Offering through an inside information notice (*comunicación de información privilegiada*)	October 8, 2024
Allocation of Initial Offer Shares to qualified investors (on or about)	October 9, 2024
Prefunding of New Offer Shares by the Joint Global Coordinators	October 9, 2024
Granting of the public deed of the capital increase in respect of the New Offer Shares	October 9, 2024
Filing and registration of the public deed of share capital increase relating to the New Offer Shares with the Barcelona Commercial Registry	October 9, 2024
Transaction Date of the Offering and publication of an other relevant information notice (*comunicación de otra información relevante*)	October 9, 2024
Admission, start of trading and commencement of Stabilization Period (as defined below) and of the Over-allotment Option exercise period (on or about)	October 10, 2024
Settlement Date (on or about)	October 11, 2024
End of Stabilization Period and of the Over-allotment Option exercise period(2)	November 8, 2024

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

(2) The Over-allotment Option will be exercisable, in whole or in part, for a period of 30 calendar days from the date of the Admission.

Assuming that the Offering Price is at the mid-point of the Offering Price Range (€17.30 per Offer Share), after the Offering our existing shareholders as of the date of the Prospectus will hold the following Shares and voting rights: (a) Gallés Office, S.L. will hold 64.5% of our total Shares and our total voting rights if the Over-allotment Option is not exercised (or 62.2% if the Over-allotment Option is exercised in full), representing a dilution of approximately 15.4% with respect to its shareholding and the percentage of total voting rights held prior to the Offering if the Over-allotment Option is not exercised (or 18.5% if the Over-allotment Option is exercised in full); (b) Exponent S.à r.l. will not hold any Shares or voting rights of the Company after the Offering; and (c) Indinura, S.L. will hold 1.3% of our total Shares and our total voting rights if the Over-allotment Option is not exercised (or 1.2% if the Over-allotment Option is exercised in full), representing a dilution of approximately 57.4% with respect to its shareholding and the percentage of total voting rights held prior to the Offering if the Over-allotment Option is not exercised (or 58.6% if the Over-allotment Option is exercised in full).

Due to the difficulty in determining the expenses incurred as of the date of the Prospectus, the following table is for illustrative purposes only and sets forth the estimated expenses payable by us and by the Selling Shareholders in relation to the Offering (excluding any applicable VAT, which shall be added where applicable):

Expenses	Company	Selling Shareholders	Total
		(in € millions)	
Underwriting and placing commissions *(1)(2)*	8.7	9.9	18.6
Iberclear, Spanish Stock Exchanges and CNMV fees *(1)*	0.1	0.1	0.1
Legal expenses and others	3.9	-	3.9
Total	**12.6**	**9.9**	**22.6**

(1) Assuming that (i) the Offering Price is at the mid-point of the Offering Price Range (€17.30 per Offer Share); and (ii) all the Offer Shares (including the Over-allotment Shares) have been placed or underwritten by the Underwriters, as applicable, and that the Over-allotment Option has been exercised in full.

(2) Assuming that the discretionary commission is paid in full.

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

We are the offeror and issuer of the New Offer Shares (and the offeror and issuer of the Over-allotment Shares offered by us if the Over-allotment Option is exercised, in whole or in part) and the person asking for admission to trading for all the Shares on the date of Admission. See "2. *Key information on the Company*" of this Summary for more information on the Company. If the Over-allotment Option is exercised, it will be exercised (i) first with respect to the Over-allotment Shares offered by Gallés Office, S.L., which will consist of the number of Over-allotment Shares that, at the Offering Price, would represent an amount of approximately €10.0 million, – representing between 2.0% and 2.2% of the Initial Offer Shares based on the Offering Price Range – and (ii) subsequently, to the extent that the exercise of the Over-allotment Option has exhausted all of the Over-allotment Shares offered by Gallés Office, S.L., with respect to the Over-allotment Shares offered by us, which will consist of up to the remaining Over-allotment Shares (which, at the Offering Price, would represent an amount of approximately between €35.9 and €40.5 million and between 7.8% and 8.0% of the Initial Offer Shares based on the Offering Price Range). The Over-allotment Option will be exercisable, in whole or in part, by the Stabilizing Manager, on behalf of the Underwriters and in consultation with the other Joint Global Coordinators, no later than 30 calendar days after Admission (the "**Stabilization Period**").

The Selling Shareholders are the offerors of the Secondary Offer Shares. In this sense, (i) Exponent S.à r.l. (whose majority shareholder is MCH Continuation Fund, FICC, a fund managed by MCH Private Equity) will offer 14,386,800 Secondary Offer Shares (i.e., all Shares owned by such Selling Shareholder), (ii) Indinura, S.L. (controlled by Mr. Jordi Morral Hospital) will offer 1,041,000

Secondary Offer Shares (i.e., 50% of the Shares owned by such Selling Shareholder), and (iii) Gallés Office, S.L. will offer 300,000 Secondary Offer Shares (i.e., 0.6% of the Shares owned by such Selling Shareholder).

Additionally, Gallés Office, S.L. will be the offeror of the Over-allotment Shares offered by Gallés Office, S.L. if the Over-allotment Option is exercised, in whole or in part. See "*1. Introduction and warnings*" of this Summary for more information on the Selling Shareholders.

4.3. Why is the Prospectus being produced?

The Prospectus constitutes a prospectus for the purposes of Articles 3 and 4 of the Prospectus Regulation. The Prospectus has been prepared in connection with the Offering and application for Admission. This Prospectus has been approved by the CNMV, as competent authority under the Prospectus Regulation, Law 6/2023 on Securities Markets and Investment Services (*Ley del Mercado de Valores y de los Servicios de Inversión*), as amended and the relevant implementing regulation in Spain.

We expect that the Offering will provide us with better brand recognition and increased visibility in the market, together with a stronger position to retain and attract key personnel. We also believe that the Offering will strengthen our overall corporate profile, improve our competitive position, diversify our operations and enhance our transparency and prestige as a result of becoming a listed company. The Offering will help us reduce our existing indebtedness, as we intend to apply approximately €109.1 million of New Gross Proceeds to reduce our indebtedness, which we expect will allow us to achieve a Net Financial Debt/EBITDA Ratio lower than 2.5x, based on our consolidated financial position as of June 30, 2024. The rest of the New Gross Proceeds received by us from the issue of the New Offer Shares (approximately €89.6 million, after deducting from the New Gross Proceeds (i) the amount to be used to reduce our indebtedness and (ii) the underwriting and placing commissions and other fees and expenses of the Offering expected to be paid by us in relation to the New Offer Shares, assuming the Offering Price is the mid-point of the Offering Price Range) and, if any, those net proceeds received from the sale of the Over-allotment Shares offered by us (after deducting the underwriting and placing commissions and other fees and expenses of the Offering expected to be paid by us in relation to the Over-allotment Shares), will enable us to capture potential investments for inorganic growth opportunities, such as mergers and acquisitions, that the Company may come across in the short or medium term. Additionally, the Offering is also expected to expand our shareholder base, introducing institutional long-term investors and a diversified base of international shareholders. We believe this can improve our access to public capital markets and make it easier for us to obtain financing (including, as the case may be, future debt financing) to be used for our future growth.

We intend to raise New Gross Proceeds of approximately €210.0 million from the issue of the New Offer Shares. Depending on the number of Over-allotment Shares with respect to which the Over-allotment Option is exercised, we will issue up to a maximum of 2,208,618 Over-allotment Shares (assuming that the Offering Price is the mid-point of the Offering Price Range). If the Over-allotment Option were exercised in full, we would raise additional gross proceeds of approximately €38.2 million (assuming that the Offering Price is the mid-point of the Offering Price Range).

The total amount of underwriting and placing commissions, fees and expenses of the Offering (assuming that the Offering Price is the mid-point of the Offering Price Range and the Over-allotment Option is exercised in full) is expected to be approximately €22.6 million, of which (i) approximately €11.3 million is to be paid by us in relation to the New Offer Shares, (ii) approximately €1.3 million is to be paid by us in relation to the Over-allotment Shares offered by us, (iii) approximately €0.4 million is to be paid by Gallés Office, S.L. in relation to the Over-allotment Shares offered by it, and (iv) approximately €9.6 million is to be paid by the Selling Shareholders in the aggregate in relation to the Secondary Offer Shares. Accordingly, based on the aforementioned assumptions, we expect to raise net proceeds of approximately €235.6 million from the Offering.

Likewise, Gallés Office, S.L. (controlled by Mr. Jordi Gallés Gabarró) intends to raise gross proceeds of approximately €15.2 million (including those arising from the sale of the Over-allotment Shares offered by Gallés Office, S.L. and assuming that the Offering Price is in the mid-point of the Offering Price Range). Exponent S.à r.l. (whose majority shareholder is MCH Continuation Fund, FICC, a fund managed by MCH Private Equity) and Indinura, S.L. (controlled by Mr. Jordi Morral Hospital) intend to raise gross proceeds of approximately €248.9 million and €18.0 million, respectively, assuming that the Offering Price is in the mid-point of the Offering Price Range. If the Over-allotment Option is exercised, it will be exercised (i) first with respect to the Over-allotment Shares offered by Gallés Office, S.L., which will consist of the number of Over-allotment Shares that, at the Offering Price, would represent an amount of approximately €10.0 million, – representing between 2.0% and 2.2% of the Initial Offer Shares based on the Offering Price Range − and (ii) subsequently, to the extent that the exercise of the Over-allotment Option has exhausted all of the Over-allotment Shares offered by Gallés Office, S.L., with respect to the Over-allotment Shares offered by us, which will consist of up to the remaining Over-allotment Shares (which, at the Offering Price, would represent an amount of approximately between €35.9 and €40.5 million and between 7.8% and 8.0% of the Initial Offer Shares based on the Offering Price Range).

We, the Selling Shareholders, J.P. Morgan SE ("**JP Morgan**"), UBS Europe SE ("**UBS**") and ING Bank N.V. ("**ING**" and, together with JP Morgan and UBS, the "**Joint Global Coordinators**"), Banco Santander, S.A. ("**Banco Santander**"), CaixaBank, S.A. ("**CaixaBank**"), Banco Bilbao Vizcaya Argentaria, S.A. ("**BBVA**") and Coöperatieve Rabobank U.A. ("**Rabobank**" and, together with Banco Santander, CaixaBank, BBVA and the Joint Global Coordinators, the "**Joint Bookrunners**") and Banca March, S.A. ("**Banca March**") and JB Capital Markets Sociedad de Valores, S.A.U. ("**JB Capital**" and, together with Banca March the "**Co-lead Managers**", and the Co-lead Managers, together with the Joint Bookrunners, the "**Underwriters**", and each of them, an "**Underwriter**") are expected to enter into a placement and underwriting agreement (the "**Underwriting Agreement**") on or about October 8, 2024 with respect to the New Offer Shares offered by us, the Secondary Offer Shares offered by the Selling Shareholders and the Over-allotment Shares offered by Gallés Office, S.L. and us, pursuant to the Over-allotment Option granted to the Joint Global Coordinators, exercisable, in whole or in part, by the Stabilizing Manager, on behalf of the Underwriters, and in consultation with the other Joint Global Coordinators, no later than 30 calendar days after the date on which the Shares commence trading on the Spanish Stock Exchanges. There are no entities that have a firm commitment to act as intermediaries in secondary trading providing liquidity through bid and offer rates in respect of the Offering or the Offer Shares.

There are no material arrangements or conflicting interests to the Offering and/or Admission. However, certain of the Underwriters or their affiliates are lenders under the sustainable financing agreement entered into on November 15, 2021 by us, as borrower, and Europastry Portugal, S.A., Europastry USA Inc., Euro Classic Imports LLC, Europastry Central Europe B.V., Grand Duet B.V. and Ingapan, S.L., as guarantors, and BBVA, ING Bank, N.V., Sucursal en España, ING, Rabobank, Banco Santander, Banco de Sabadell, S.A., CaixaBank, Banca March and Bankinter, S.A., as lenders, for aggregate maximum amounts of €748,000,000 and $64,000,000 (the "**Original Sustainable Financing Agreement**"). The Original Sustainable Financing Agreement was amended and restated on November 23, 2023 (as so amended and restated, the "**Sustainable Financing Agreement**") to, among other things, increase the aggregate maximum amounts to €948,000,000 and $64,000,000. Because a portion of the net proceeds to us from the Offering will be used to repay the facilities drawn under the Sustainable Financing Agreement, such lenders will receive proceeds from the Offering.

RISK FACTORS

Any investment in the Offer Shares is subject to risks and uncertainties. You should read and carefully consider the following risks and uncertainties associated with any investment in the Offer Shares, together with any other information provided to you in this Prospectus, before deciding whether to invest in the Offer Shares. Any of the following risks and uncertainties could have a material adverse effect on our business, financial condition, results of operations and prospects. The market price of the Offer Shares could decline due to, among others, any of these risks and uncertainties, and you could lose all or part of your original investment.

The following risk factors address risks we have identified as material to the group and/or the value of the Offer Shares. However, the risks described below are not the only risks that we face and should be used by investors as guidance only when considering an investment in the Offer Shares. There may be additional risks and uncertainties that are currently unknown or that our management believes to be immaterial or insufficiently specific to the Offer Shares or our Group for inclusion in this Prospectus but which, if materialized, could harm our business, financial condition, results of operations and prospects and/or cause the market price of the Shares to decline and you could lose all or part of your original investment.

This Prospectus includes forward-looking statements that involve risks and uncertainties, and our actual results may differ substantially from those discussed in these forward-looking statements, including as a result of the risks described below. Except as required by applicable law, we are not obligated to, and make no commitment to, release publicly any revisions or updates to these forward-looking statements to reflect events, circumstances or unanticipated events occurring after the date of this Prospectus. See "Cautionary Note Regarding Forward-looking Statements".

Investors should carefully review the entire Prospectus and should reach their own views and decisions on the merits and risks of investing in the Offer Shares. Furthermore, investors should consult their financial, legal and tax advisors to carefully review the risks and uncertainties associated with an investment in the Offer Shares.

1. RISKS RELATED TO OUR BUSINESS AND THE INDUSTRY IN WHICH WE OPERATE

1.1 Interruptions in our supply chain could adversely affect our business.

In the event that suppliers discontinue their supply to us and/or if we are unable to source sufficient raw materials of adequate quality from other suppliers at competitive prices, we may not be able to meet our production and sales targets or to service our customers' demands. Due to the scale and scope of our business, we must rely on relationships with third parties for certain functions, such as our suppliers, third-party distributors and transportation companies. These relationships inherently entail less control by us over such business operations, governance and compliance, thereby potentially increasing our financial, legal, reputational and/or operational risk. While no single supplier represented more than 6.5% and 6.0% of our total cost of sales for the year ended December 31, 2023 and the six months ended June 30, 2024, respectively, and we therefore do not believe that we are significantly dependent on any one supplier, any termination of an important supply relationship, or any significant delay or breach by a supplier under a relevant existing supply contract could lead to delays in our manufacturing processes and/or cause us to incur increased costs while we search for an alternative supply source that meets our business standards. Moreover, certain of our significant customers require us, as conditions in their purchase orders, that we meet specified service level ratios. In the event that we are unable to meet such service level ratios, due to interruptions in our supply chain or otherwise, it could lead to penalties or even a loss of business with such customers.

Interruption of, or a shortage in, the supply of key raw materials may result in our inability to operate our production centers at optimal capacities or at all, leading to a decline in production and sales. Although we have, on average, more than three suppliers per raw material, we may not be able to replace a supplier within a reasonable period of time, on favorable terms or without disruption to our operations. In addition, if we are required to source raw materials or finished goods from suppliers other than those with whom we normally engage in order to meet production and sales targets, it may be more difficult for us to maintain quality control across our procurement process, which could lead to a decline in demand for our products. Moreover, this may lead to an increase in our costs. If we are unable to control our supply chain and maintain the quality of our products, our reputation and sales, it could have a material adverse effect on our business, financial condition, results of operations and prospects.

Events such as work slowdowns, work interruptions, strikes and other job actions by employees of suppliers or other third parties, severe weather, crop conditions, product recalls, insolvency of suppliers, transportation interruptions, unavailability of fuel, competitive demands, and natural disasters or other catastrophic events (including, but not limited to, the outbreak of food-borne illnesses) have caused in the past, and could cause in the future, interruptions in our value chain. For example, in 2020, as a result of the lockdown measures adopted in many countries around the world because of the COVID-19 pandemic, we suffered significant inefficiencies and reductions in our business. This was mainly due to customers experiencing the closure of their businesses or staff shortages and, to a lesser extent, due to interruptions in our supply chain. These inefficiencies and reductions in our business resulted in a decrease in net turnover of 19.3% for the year ended December 31, 2020 as compared to 2019. Furthermore, our suppliers may fail to meet deadlines or other contractual obligations or provide us with sufficient raw materials or products, which may adversely affect our business.

1.2 The price of energy used in the production, storage and transportation of our products is subject to volatile market conditions.

We rely on various sources of energy to operate our facilities. Our production centers and other facilities use electricity, natural gas and propane for operating machinery, firing ovens and powering refrigeration and cooling units. Energy expenses (excluding transportation costs to our premises) amounted to €17,920 thousand, representing 9.8% of our other operating expenses for the six months ended June 30, 2024, €47,851 thousand, representing 14.2% of our other operating expenses for the year ended December 31, 2023, €54,325 thousand, representing 17.7% of our other operating expenses for the year ended December 31, 2022 and €29,274 thousand, representing 12.2% of our operating expenses for the year ended December 31, 2021. The price of electricity and other energy resources required in the production and storage of our products is subject to volatile market conditions. These market conditions are often affected by political and economic factors beyond our control, including, for instance, the energy policies of certain countries in which we operate, with increasing focus on renewable energy sources.

Storage and transportation costs are also sensitive to fluctuations in energy costs. Such costs have historically fluctuated significantly over time, particularly in connection with oil prices, and increases in such costs could result in reduced profits. We require the use of refrigerated storage and transportation logistics centers and vehicles to store and ship our products and such costs represent an important element of our cost structure. In addition, certain factors affecting storage and transportation costs are controlled by the third parties on which we rely for carrying out such functions. See "*—The production, storage and transportation of our products is complex and expensive, requires significant investments and may be disrupted by the occurrence of unforeseen events, including the loss or temporary shutdown of a significant facility*" below. To the extent that energy prices or the number or availability of transportation contractors fluctuates, our storage and transportation costs could be affected. For example, the increase in energy costs, essentially as a result of the ongoing Russia–Ukraine war (a 151.9% increase in our average annual gas prices per milliwatt-hour and an 85.5% increase in our average annual electricity prices per milliwatt-hour, in each case between 2021 and 2023), has negatively affected our storage and transportation costs.

A sustained increase in energy costs could have an adverse effect on the attractiveness of our products for our customers and consumers and could affect our competitive position if our competitors' energy costs do not increase at the same rate as ours. In addition, disruptions in the supply of energy resources could temporarily impair our ability to manufacture products for our customers. Such disruptions may also occur as a result of the loss of energy supply contracts or the inability to enter into new energy supply contracts on commercially attractive terms. Furthermore, natural catastrophes or similar events could affect the electricity grid. If our energy costs increase significantly and we are unable to offset these increases through corresponding price increases for our products, our business, financial condition, results of operations and prospects could be materially adversely affected.

1.3 Most of our customers are not contractually obliged to purchase products from us on a recurrent basis and some of them could use pricing pressure, which could reduce our customer base and profit margins.

Although we are not highly dependent on few customers (our top 20 customers accounted for, in the aggregate, 36.4% of our total net turnover for the six month period ended June 30, 2024, compared with 38.0% for the year ended December 31, 2023, 41.9% for the year ended December 31, 2022 and 43.4% for the year ended December 31, 2021, and no single customer represented more than 8.5% and 7.7% of our total net turnover for the year ended December 31, 2023 and six month period ended June 30, 2024, respectively), a number of our products are distributed to, among others, significant retail and foodservice customers, including supermarkets and hypermarkets, which have strong negotiating powers that place pressure on us as suppliers, with the aim of reducing their prices and thereby decreasing our profit margin. For example, for the six months ended June 30, 2024, €400,045 thousand, or 56.1% of our consolidated net turnover were originated from sales to retail customers, as compared with €370,783 thousand, or 55.6% for the six months ended June 30, 2023, €746,845 thousand, or 55.4% of our consolidated net turnover for the year ended December 31, 2023, €651,070 thousand, or 58.0% of our consolidated net turnover for the year ended December 31, 2022 and €517,259 thousand, or 61.2% of our consolidated net turnover for the year ended December 31, 2021.

Most of our customers, including our third-party distributors, buy from us through individual purchase orders, and we usually do not enter into framework or long-term agreements with them. Because such customers are not obligated to purchase products from us on a recurrent basis, they could cease to purchase from us immediately without breaching any contractual provision. Therefore, we cannot assure that the volume or the number of our customers' purchase orders will remain stable or increase, or that we will be able to maintain our existing customer base. Significant decreases in the volume or in the number of our customers' purchase orders, or our inability to retain or grow our current customer base, may have a material adverse effect on our business, financial condition, or results of operations.

Moreover, the trend of end consumers increasingly purchasing bread from supermarkets rather than from traditional bakeries (including traditional bakery shops, independent foodservice establishments and small convenience stores) and foodservice operators (including coffee shops, bakery and confectionery chains), where our margins tend to be higher than supermarkets, places additional pressure on our overall sales and profit margin. Further consolidation among major retailers or disproportionate growth in relation to their competitors, could increase their relative bargaining power and allow them to force a negative shift in our trade terms. The relative weight of significant retail and foodservice customers, including supermarkets and hypermarkets, as compared to the rest of our customers in the frozen bakery product market could increase in the future, which could materially adversely affect our business, financial condition, results of operations and prospects.

1.4 The production, storage and transportation of our products is complex and expensive, requires significant investments and may be disrupted by the occurrence of unforeseen events, including the loss or temporary shutdown of a significant facility.

Our production is carried out in 27 production centers, of which 15 are in Spain, three in the United States, three in the Netherlands, two in Portugal, two in Mexico, one in Romania and one in Germany. While we seek for broad insurance coverage (including for lost profits arising from disruptions to our normal operations) in relation to our assets and operations, should a significant accident, equipment malfunction or other unforeseen event (such as natural disasters, fire, explosion, prolonged power outage or a cyberattack) occur in one of our facilities or affect our manufacturing systems, our production capacity may be disrupted. In addition, such accidents could cause injury to our employees or other persons and could also damage our properties, thereby affecting our business, and resumption of operations could be delayed by the need for authorizations to rebuild all or part of the affected facility. Although significant events are not recurrent, we have experienced some unforeseen events in the past, such as a fire in our Rubí production center in 2001 and a fire in our Tenerife production center in 2012. Any significant disruption to our production capacity could have a material adverse effect on our business, financial condition, results of operations and prospects. For instance, the Company is currently experiencing delays in the delivery of shipment overseas due to the conflict in the Red Sea and during 2022 and 2023 we suffered several delays due to the shortage of available shipping containers.

Our production centers, storage and transportation logistics centers and manufacturing systems are also susceptible to risks over which we have certain degree of control, such as food-safety incidents, improper permitting, failed safety inspections and information technology failures (including cybercrime, hacks, etc.). We attempt to prevent and mitigate these risks by implementing appropriate security measures and operational controls, by developing business-continuity and disaster-recovery plans for our facilities and, where appropriate, by maintaining adequate insurance coverage. However, such measures and plans cannot entirely mitigate the risk of a loss of a facility and we cannot guarantee that, if a disaster occurs or other significant operational incident leads to the shutdown or material damage of one of our facilities, another facility will be able to completely replace the facility that has been destroyed or damaged, and the time and resources required to effect any such replacement may be substantial. Additionally, the construction of new production centers and the introduction of new production lines in existing production centers may require significant investments and may lead to temporary interruptions or other disruptions in the operations of existing production centers. Thus, if a facility is shut down, damaged or destroyed, or there are significant disruptions in the operations for any reasons, including in connection with the construction of new production centers or introduction of new production lines, this may have a significant impact on our ability to produce or distribute our products, service our customers' demands and, ultimately, retain long-term customer relationships, any of which could in turn have a material adverse effect on our business, financial condition, results of operations and prospects.

While we only purchase certain of our "other products" from third parties, we do not outsource the production of our frozen bread and pastry products to any third parties, as opposed to transporting, which is carried out through third-party transportation services. In respect of storage, we have our own storage capacity in certain territories, whilst in other territories we outsource storage services to third parties. Our system for producing, storing and transporting our frozen bakery products is complex and expensive, as products must remain at temperatures below -18°C during transportation and storage. In this regard, our production centers (which represented total gross fixed assets of €1,409,233 thousand as of June 30, 2024, compared with €1,328,381 thousand as of December 31, 2023, €1,247,516 thousand as of December 31, 2022 and €1,122,083 thousand as of December 31, 2021) required capex[APM] investments of €46,981 thousand for the six months ended June 30, 2024, €106,745 thousand for the year ended December 31, 2023, €119,974 thousand for the year ended December 31, 2022 and €90,813 thousand for the year ended December 31, 2021 (see "*Risks related to our business operations–Our business is capital intensive*"). Furthermore, for the six months ended June 30, 2024, storage and transportation costs amounted to €122,312 thousand (of which €45,653 thousand were transportation costs), representing 67.0% of our other operating expenses, compared with €213,313 thousand (of which €85,706 thousand were transportation costs), representing 63.3% of our other operating expenses for the year ended December 31, 2023, €193,482 thousand (of which €83,486 thousand were transportation costs), representing 63.1% of our other operating expenses for the year ended December 31, 2022 and €162,715 thousand (of which €66,150 thousand were transportation costs), representing 67.7% of our operating expenses for the year ended December 31, 2021. Such increase in logistics, storage and transportation costs was driven essentially by inflation and increased activity resulting from organic and inorganic growth. In the event that procured raw materials or our final products are not appropriately stored, handled and transported under the required conditions, the quality of our final products may be affected, which may result in spoilage or contamination. Cold chain requirements setting out the temperatures at which our ingredients and products are stored are established both by statute and by us to help guarantee the safety of our food products. Our cold chain is maintained from the moment our products are frozen by us, through the transportation and, ultimately, to the time of delivery to retailers. These cold chain requirements ensure the quality, freshness and safety of our products. A failure in the cold chain could lead to food contamination, risks to the health of consumers, fines and damage to our brands, image and reputation, each of which could have a material adverse effect on our business, financial condition, results of operations and prospects.

Moreover, our future success and earnings growth depend in part on our ability to be efficient in the manufacture, storage and transportation of our products in competitive markets. Gaining additional efficiencies may become more difficult over time. Our failure to reduce costs through productivity gains or by eliminating redundant costs resulting from acquisitions or divestitures could adversely affect our profitability and weaken our competitive position. On the other hand, many productivity initiatives involve complex reorganization of production centers and product lines. Such realignment may result in the interruption of manufacture, which may negatively impact product volume and margins. If we are unable to effectively manage our costs, it could have a material adverse effect on our business, financial condition, results of operations and prospects.

Additionally, the distribution of our products to small convenience shops requires a full-fledged logistics scheme (regional sales offices, storage and transportation logistics centers close to customers, adequate commercial strategy and personnel management, etc.) to enable us to serve all such customers' requests in time. This fully developed logistics scheme is achieved through a significant cost which is required to serve a significant amount of small convenience shops for us to consolidate our margin in sales to this type of customers. Therefore, when we enter into a new market and we set-up our logistics scheme, we cannot be certain that we will achieve the transportation granularity or capillarity in new markets necessary to achieve such a number of sales to small convenience shops that allows us to consolidate our margin in such segment.

1.5 Increases in costs of certain raw materials could adversely affect our business.

We depend on certain raw materials and other supplies for the manufacturing of our products. The four most important raw material and production input categories are flour, fats (mainly butter and vegetable oils, including margarine), chocolate (increasingly so, since our acquisition of Dawn Foods Frozen) and cardboard (for packing). Such raw materials and other supplies are subject to fluctuations in availability and price, and are subject to global markets that can be affected by events occurring far from where our raw materials and other supplies are produced or purchased. In particular, prices of raw materials and other supplies depend on general factors affecting supply and demand, such as worldwide demand, geopolitical and military conflicts, weather conditions, natural disasters, pandemics, changes to applicable regulations and other governmental controls, as well as on the use of agricultural land and organic products for the production of renewable energies.

Flour (which is the raw material that represents our highest cost of goods sold), butter and chocolate represented jointly 35.0% of our cost of goods sold for the six months ended June 30, 2024. Such raw materials represented 34.2% of our cost of goods sold for the year ended December 31, 2023, 36.2% for the year ended December 31, 2022 and 34.0% for the year ended December 31, 2021.

The worldwide price of flour has been affected by, among other factors, increasing demand in China and India and the use of grains in the production of renewable energies, in particular bio-fuel production. The increase in wheat prices, in particular, was largely a result of production and supply disruptions caused by the ongoing Russia–Ukraine war, as Ukraine is one of the world's largest grain producers in Europe, and has, in turn, impacted the price of flour (source: *U.S. Department of Agriculture Foreign Agricultural Service*). Increases in grain and energy costs have led, in turn, to increases in farming costs more generally, thus increasing the price of dairy products, including butter. As a result, the annual average price at which we acquired butter and flour increased 49.2% and 44.6%, respectively, between 2021 and 2023. Such increases in the prices of butter and flour have affected the profitability of our products in recent years. In particular, the estimated sensitivity of a 5% increase or decrease in the price of flour and fats would have had a negative or positive impact, respectively, of €12,221 thousand on our consolidated operating income for the year ended December 31, 2023, while the estimated sensitivity of a 3% increase or decrease in the price of flour and fats would have had a negative or positive impact, respectively, of €7,332 thousand on our 2023 consolidated operating income. We have estimated this 3% sensitivity scenario as most probable, considering the current more stable environment, in which increases in some raw materials are offset by others' decreases, as in pre-pandemic years. See "*Business—Our Suppliers*".

As a result of the COVID-19 pandemic and the ongoing Russia–Ukraine war, the European market experienced global supply chain challenges resulting from industry-wide price increases on most of our primary raw materials. While we engage in regular dialogue with suppliers to minimize the impact of volatility on raw materials and utilities prices for periods of six to 12 months and enter into advance negotiations with suppliers to proactively manage raw materials costs, we do not have long-term supply agreements for raw materials in place to mitigate the effects of raw material price fluctuations. To avoid excessive dependence on any single supplier, we have, on average, more than three suppliers per raw material. Our most significant supplier represented 6.5% of our total cost of sales for the year ended December 31, 2023. See "*Business—Our Suppliers*". Furthermore, our ability to pass through increases in the prices of raw materials to our customers depends, among other factors, on prevailing competitive conditions and pricing methods in the markets in which we operate. We may not be able to do so in a timely manner or at all, and even if we are able to pass through such price increases, there is typically a time lag between cost increases impacting our business and implementation of product price increases during which time our profit margin may be negatively impacted.

Moreover, higher prices may lead to reduced demand by end consumers and, as a result, to reduced demand by our customers. During negotiations to increase the prices of our products in order to recover increases in our costs, customers have in the past, and may in the future, take actions which exacerbate the impact of such cost increases, for example by ceasing to offer our products or deferring orders until negotiations have ended. We cannot guarantee that raw material prices will not continue to increase. If we are unable to offset such increases through corresponding price increases for our products and preserve our profit margins in the future, it could have a material adverse effect on our business, financial condition, results of operations and prospects.

1.6 We may not be able to successfully complete favorable transactions or successfully integrate acquired businesses.

We actively explore strategic acquisition opportunities that we believe could further help us to pursue our strategic objectives and we have made significant acquisitions in recent years (we have completed 12 acquisitions since 2016). Our strategic acquisition investments amounted to €52,473 thousand for the six months ended June 30, 2024, out of which €37,688 thousand was effectively paid through cash disbursement, €11,669 thousand was paid through the assumption of net financial liabilities (financial debt assumed plus cash and cash equivalents) and €3,116 thousand was a deferred payment which is pending to be paid. For the year ended December 31, 2023, such investments amounted to €6,236 thousand, out of which €11,860 thousand was effectively paid through cash disbursement and €(5,624) thousand was paid through the assumption of net financial liabilities (financial debt assumed plus cash and cash equivalents) – the amount is negative as there is an excess of €5,624 thousand in cash and cash equivalents over the financial debt assumed –, with no amount as deferred payment. For the year ended December 31, 2022, such investments amounted to €67,640 thousand, out of which €65,964 thousand was effectively paid through cash disbursement (including the purchase of international customer portfolios of Frozen division of Dawn Foods up to €7,620 thousand), €690 thousand was paid through the assumption of net financial liabilities (financial debt assumed plus cash and cash equivalents) and €986 thousand was a deferred payment. For the year ended December 31, 2021, there were no strategic investments. Additionally, on August 2, 2024, we completed the acquisition of De Groot Edelgebak, B.V. ("**De Groot**"), a Dutch distributor of frozen breads, pastries and other products, for a purchase price of €26.5 million, which was disbursed upon completion of the acquisition, subject to certain adjustments for working capital and net debt. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Factors Affecting our Results of Operations—Acquisitions*".

Regarding European Pastry SRL, we completed the purchase of an additional 15% of its shares on July 4, 2024 for a purchase price of €1,920 thousand and, as a result, we own 90% of the share capital of European Pastry SRL as of the date of this Prospectus. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Factors Affecting our Results of Operations—Acquisitions*".

	For the six months ended June 30,		For the year ended December 31,		
	2024	**2023**	**2023**	**2022**	**2021**
	(in thousands of euros)				
Cash disbursements	37,688	11,860	11,860	65,964	-
Deferred payments	3,116	-	-	986	-
Financial debt assumed	11,960	1,477	1,477	1,985	-
Cash and cash equivalents	(291)	(7,101)	(7,101)	(1,295)	-
Total	**52,473**	**6,236**	**6,236**	**67,640**	**-**

We are currently undertaking the integration of recently acquired businesses in various parts of the world, including De Groot completed on August 2, 2024 in the Netherlands, DeWi Back Holding GmbH completed in March 2024 in Germany, Pan Justo Y Bueno, S.A. de C.V. (currently, Europastry Mexico Incorporated S.A. de C.V.) completed in March 2023 in Mexico and Pagnifique Mexicana which was, in turn, acquired by Europastry México Incorporated S.A. de C.V. in April 2023 also in Mexico. We could face difficulties in managing an acquired entity or business, the operational integration of entities or businesses which we acquire may prove to be difficult and complex, and the benefits and synergies obtained from any such integration may not be in line with expectations. In particular, such difficulties usually cause certain inefficiencies in the internal processes of the entities acquired -such as integrating the reporting and internal management tools, culture differences, adapting the relevant facilities to the elaboration processes-, which in turn can result in a decrease in the productive capabilities of such entity, operating or service issues, damaging customers' perception of our brands and causing fewer sales than those foreseen in the relevant business plan.

We have policies and procedures in place to conduct due diligence with respect to potential acquisition candidates in order to comply with applicable regulations and laws prior to acquisition. Despite these efforts, we may acquire businesses with unknown liabilities that were not adequately disclosed to us in the acquisition negotiation stage or which were not detected despite our due diligence policies and procedures. In addition, acquisitions may lead to the need for additional investments to restructure and modernize the production lines of an acquired entity. We may also not be able to identify suitable candidates or complete a transaction on terms that are favorable to us. Future acquisitions of foreign companies or new foreign ventures in countries in which we do not currently operate would also subject us to local regulations and could lead to risks related to, among other things, increased exposure to foreign exchange rate fluctuations, government price controls and restrictions on the repatriation of profits. Acquisitions may also require compliance with deferred payment obligations, such as those assumed in connection with our acquisitions of European Pastry SRL and DeWi Back Holding GmbH, in respect of which as of June 30, 2024, we have recorded liabilities for deferred payment obligations in the amount of €1,386 thousand (short-term, due in 2024) and €3,116 thousand (long-term, due in June 2026), respectively. This could increase our interest expense and make it difficult for us to obtain favorable financing for acquisitions or capital investments in the future.

Companies or operations acquired or joint ventures created, may not be profitable or may not achieve sales levels or profitability that justify the investments made. Our corporate development activities may present financial and operational risks, including diversion of management attention from existing core businesses activities, integrating or separating personnel (particularly in international acquisitions, in which we need to align them with our business culture), financial, information technology and other systems, and adverse effects on existing business relationships with suppliers and customers. Future acquisitions could also result in potentially dilutive issuances of equity-linked securities, the incurrence of debt, contingent liabilities and/or amortization expenses related to certain intangible assets and increased operating expenses, any of which could have a material adverse effect on our business, financial condition, results of operations and prospects.

1.7 We are subject to transportation risks.

We manage a decentralized transportation structure that is capable of moving approximately 47 thousand pallets (or 3,000 tractor trailers) per week to regional sales offices, third-party distributors, customers or independent storage and transportation logistics centers. All our transportation services are carried out by third-party transportation companies. Globally, we cover over 6,000 delivery routes per day and service over 89 thousand customer points of sale. In 2023, we moved 762 thousand metric tons of products through our distribution network, including internal distributions of products between our facilities. We had 397 independent transportation contractors as of June 30, 2024, compared to 394 as of December 31, 2023. While we have insurance and would attempt to transport our products by alternative means if we were to experience an interruption due to a strike, natural disaster or otherwise, we cannot guarantee that we would be able to do so, or be successful in doing so, in a timely and cost-effective manner.

Timely and cost-effective transportation is of utmost importance in order to supply the market while providing high-quality customer service, to maintain frozen temperatures for our products and to deliver our products in conditions that meet our standards. As the ability to efficiently transport our products to our customers is therefore a key element of our business, an extended interruption or disruption in the distribution of our products could have an adverse effect on our business, financial condition and results of operations. Temporary or long-term disruption of transportation services due to weather-related problems, strikes or other unforeseen adverse events (e.g., lock-downs or global pandemics), or if we experience logistical failures or problems, including those related to information technology systems, could impair our ability to supply products affordably and in a timely manner or at all. Failure to deliver our products promptly could likewise increase our costs and/or result in inventory spoilage or contamination. These factors could impact our commercial reputation, brands and image and result in our customers reducing their orders or ceasing to order our products, and our business, financial condition, results of operations and prospects could be materially adversely affected.

1.8 Changes in consumer dietary trends and preferences could adversely affect our business if we are unable to continually innovate to meet changing demand.

Our success depends in part on our and our customers' ability to anticipate the tastes, eating habits and purchasing behaviors of consumers and to offer products that appeal to their preferences. There are a number of trends in consumer preferences which may impact us and the frozen bakery industry as a whole. These include changing consumer dietary trends and the availability of substitute products, among others. For example, due to an increasing emphasis on health and wellness, consumers have increasingly preferred in recent years low-carbohydrate diets, low in sodium, free of artificial coloring and flavors, gluten free and generally, products that are sustainably sourced and produced, locally grown, freshly baked and/or organic. See "*Business—Key Investment Highlights—Championing a more sustainable future for the bakery sector*" for additional information. Similarly, demand for our products could be affected by consumer concerns regarding the health effects of ingredients such as sodium, genetically modified organisms, sugar, processed wheat, butter, cacao, palm oil, or other product ingredients or attributes. Changing consumer eating habits also occur due to generational shifts. Any of such circumstances may progressively reduce the demand for our products, which in turn could have a material adverse effect in our business, financial condition, results of operations and prospects.

Moreover, in a variety of countries in which we operate, such as Spain (our primary market which represented 45.1% of our net turnover in the year ended December 31, 2023), France (which represented 4.9% of our sales in the year ended December 31, 2023) and the United Kingdom (which represented 4.5% of our net turnover for the year ended in December 31, 2023), additional taxes or surcharges have been introduced for beverages with added sugar, in an effort to reduce their consumption. It cannot be ruled out that such taxes or surcharges could be extended to other categories of food with added sugar, such as certain of our products, which could impact the demand for them.

We believe that our future results depend on our ability to continually innovate and adapt to new consumer preferences. Such changes in consumer eating habits have in the past and may in the future lead us to modify or discontinue sales of certain products and develop and promote new ones. While we devote significant energy and resources to the development of new products and to the research, development and technology process functions of our business (research and development investments amounted to €6,207 thousand for the year ended December 31, 2023, €4,433 thousand for the year ended December 31, 2022 and €4,960 thousand for the year ended December 31, 2021), we may not be successful in predicting consumer preferences, our new products may not be commercially successful in our key markets or we may experience higher costs associated with the introduction of new products. Moreover, we may fail to keep up with changing consumer purchasing trends, such as the constant evolution of business-to-customer (B2C) e-commerce channels (which evolution is uncertain, although as of the date of this Prospectus have a very limited impact in our business) or other changes in the manner in which end consumers purchase our products, which may also impact our business. Our future results and our ability to maintain or improve our competitive position will depend on our capacity to gauge the direction of customers and consumers in our key markets and upon our ability to successfully identify, develop, manufacture, market and sell new or improved products in these changing markets. If we fail to anticipate, identify or react to these changes and trends, or to introduce new and improved products on a timely basis, we may experience reduced demand for our products, which in turn could have a material adverse effect in our business, financial condition, results of operations and prospects. In this respect, if we misjudge demand, it may also build up excess inventory for certain products, which could, in turn, increase our storage costs and impact our business and results of operations.

1.9 Our business could be negatively affected by the actual or alleged contamination or deterioration of certain of our products, or of similar products sold by other producers.

If our products are not delivered to our customers in good condition, we could face administrative, civil or criminal liability, which could adversely affect our reputation, image, brands and financial situation, and we could also incur additional costs, such as those related to product recalls. Contaminated products or products containing objects foreign to our production process represent the two main public health safety risks that we face. In addition, although we conduct various tests in connection with the procurement of raw materials, there can be no assurance that such testing and verification conducted by us will be accurate at all times. See "*—Legal, regulatory and compliance risk—We operate in a highly regulated industry and our failure to comply with laws, regulations or governmental practices, including environmental regulations, or changes to laws or their interpretation, in the markets in which we operate may adversely affect our business, financial condition, results of operations and prospects*" for additional information.

Product contamination resulting from poor handling could pose a health risk. While we have not experienced any material product contamination issues in the past, we cannot guarantee that such situations will not occur in the future and, if any, to what extent our products may be negatively affected. Almost all of our products require further processing after delivery to our customers, such as defrosting and baking. Although we provide our customers with product handling manuals, and our products are subject to high temperatures in the baking process, contamination may nevertheless be caused by mishandling or improper preparation.

Additionally, some of our products may contain fillings made from meat, dairy and seafood products. Any contamination of meat, dairy or seafood (including due to outbreak of diseases and viruses in the regions where our suppliers are located or elsewhere) may have a material adverse impact on our business as it may affect local or global consumption of the affected product. We are unable to predict future occurrences of such diseases, or whether there will be any outbreaks of new diseases, not only on meat products, but also on vegetables, dairy or other ingredients that we require for our products. Any such events may also have a material adverse effect on our suppliers of a given affected product. Furthermore, efforts to source alternative suppliers for that food product may be costly.

Even if our products are not affected by product contamination or other incidents that compromise their safety or quality, negative publicity about the food industry in general, or about the ingredients or health implications of certain types of food products, could result in reduced consumer demand for the products we sell.

Additionally, regulatory authorities may impose restrictions on the sale of certain of our products, or on the ingredients we use to make them, in response to public health concerns, which could require us to make changes to our product offering or find alternative supplies or ingredients, which may not be available at commercially reasonable prices or within acceptable time constraints. Furthermore, although we have not encountered such a situation, potential governmental regulations may require us to identify replacement products to offer to our customers or, alternatively, to discontinue certain offerings or limit the range of products we offer. In this respect, we may be unable to find substitutes that appeal to our customers to the same extent, or such substitutes may not be widely available or may only be available at a significantly increased cost. Such substitutions or limitations could also have a negative impact on our products' demand.

Moreover, our products may be found to contain foreign objects, such as packaging or raw materials used in the production process. While the frequency and materiality of such incidents have historically been low and have been settled through out of court agreements by the parties, we cannot guarantee that they will not occur again or become material in the future. In the event of any such product defect, our reputation may be harmed or we may be subject to civil or criminal liability, any of which could have a material adverse effect on our business, financial condition, results of operations and prospects.

1.10 Our industry has a significant number of competitors, and competitive pressures could lead to a decrease in our market share or in the prices that we can charge.

The frozen bakery product industry is fragmented, as further explained in "*Industry Overview*". Competition in our product categories is based on product innovation, product quality, price, product range, distribution capabilities, brand recognition and loyalty, effectiveness of marketing, and the ability to identify and satisfy consumer preferences. If our large competitors, of which Aryzta, Läntmannen, Harry, La Lorraine, and Vandemoortele are top five (according to reported revenues for the year ended December 31, 2022), were to seek an advantage through pricing or promotional changes, we could choose to do the same, which could adversely affect our margins and profitability. If we chose not to do the same, our sales and market share could, in turn, be adversely affected. In addition, if we are unable to offer recognizably superior product quality, we may be unable to maintain our pricing levels.

Our competitors include large and diverse groups of bakery chains and individual operators. Some of our competitors are established in the frozen bakery product industry, and some of them may also have substantially greater financial resources than us. In addition, smaller competitors are often aggressive in terms of pricing and have a strong local presence in certain geographic areas. In Europe, we tend to face large competitors that are well established in the market. In the United States, however, the market is more fragmented with limited large competitors but numerous smaller competitors. Moreover, we increasingly face competition from companies engaged in online marketing.

The fragmented markets in which we operate may adversely affect our ability to effectively negotiate with our customers, and competitive pressures could force us to lower our prices or concede market share. New market entrants or current or future competitors could take steps to enter the market or acquire such smaller businesses. In addition, our products may face competition from products distributed through new channels such as internet grocery stores and other third-party distributors.

The entrance of new competitors or expansion of current competitors could result in increased pricing pressures and/or a loss of our market share which could materially adversely affect our business, financial condition, results of operations and prospects.

1.11 *Our business could be negatively impacted by environmental, social and governance ("ESG") matters.*

There is an increased focus from investors, retailers, consumers, regulators, employees, and other stakeholders concerning social impact and sustainability and other ESG matters. We regularly announce certain initiatives, including goals and commitments, regarding our focus areas, which include, among others, product stewardship, sustainable sourcing, responsible logistics, responsible manufacturing and facilities, conscious living and natural stewardship. In addition, some of our bank borrowings contain a modest adjustment of 2.5 basis points to the applicable interest rate dependent on the achievement of certain targets based principally on our direct and indirect carbon dioxide emissions and water consumption.

Furthermore, our commitment to ESG principles may require us to change our operations, which may result in disruptions in our supply chain, or to incur in substantial costs, including costs related to upgrading our production centers and processes to more sustainable alternatives, reformulating our products, investing in new technologies, training our employees, and maintaining compliance with evolving regulations and guidelines or other unforeseen expenses. See "*Business— Key Investment Highlights—Championing a more sustainable future for the bakery sector*". While we anticipate that our commitment to ESG principles will provide long-term benefits for our business, these initial and ongoing costs, which we estimate to be between €1 million and €5 million annually, could have an immediate impact on our financial condition and results of operations. We might not be able to recover these costs or achieve the anticipated benefits within the expected timeframe, thereby adversely affecting our profitability and overall business performance.

Additionally, we could fail, or be perceived to fail, in our achievement of our expected targets and fulfillment of such initiatives, or in accurately reporting our progress on such initiatives. Our reputation or brand's image could also be adversely impacted by any failure to achieve and/or make progress toward our publicly stated ESG goals and initiatives. See "*Business— Key Investment Highlights—Championing a more sustainable future for the bakery sector*". Our ability to achieve such initiatives partly depends on the performance of our suppliers and other parties in the supply chain of our products. Such failures could also be due to changes in our business (e.g., shifts in business among distribution channels or acquisitions). Moreover, the standards by which ESG efforts and related matters are measured are developing and evolving, and certain areas are subject to assumptions that could change over time. In addition, we could be criticized for the scope of our initiatives or goals or perceived as not acting responsibly in connection with these matters, all of which could have a material adverse effect on our business, financial condition, results of operations and prospects.

1.12 *There is no assurance that we will realize our medium-term targets as set forth in this Prospectus.*

The medium-term targets included in this Prospectus rely on several important assumptions regarding future competitive, economic, and other conditions. Such assumptions, many of which are outside our control, include assumptions regarding the following:

- our ability to obtain raw materials, energy, and other supplies at commercially reasonable prices (see "—*The price of energy used in the production, storage and transportation of our products is subject to volatile market conditions*" above);
- our ability to ramp-up and scale our business successfully;
- future laws and regulations that may apply to our business (see "—*Legal, regulatory and compliance risk—We operate in a highly regulated industry and our failure to comply with laws, regulations or governmental practices, including environmental regulations, or changes to laws or their interpretation, in the markets in which we operate may adversely affect our business, financial condition, results of operations and prospects*" below);
- the availability of external financing to grow our business;
- our ability to obtain a return on capital investments;
- our ability to adjust to shifting market preferences (see "—*Changes in consumer dietary trends and preferences could adversely affect our business if we are unable to continually innovate to meet changing demand*" above); and
- our ability to successfully integrate acquired businesses (see "—*We may not be able to successfully complete favorable transactions or successfully integrate acquired businesses*" above).

While we believe that the assumptions which underlie our medium-term targets are reasonable, they are inherently subject to significant business, operational, economic, and other risks and uncertainties, including those described elsewhere in this Prospectus, many of which are outside of our control and subject to change. If such assumptions prove to be incorrect or inaccurate, or if other assumptions shall apply instead, we may not be able to achieve some or all of our medium-term targets included in this Prospectus in the estimated timeframes set forth herein, or at all, which, among other things, could cause the price of our Shares to decline significantly.

We can provide no assurance that we will be able to achieve our medium-term targets and other anticipated results included in this Prospectus at the estimated dates set forth herein, or at all. Actual results may vary significantly from our medium-term targets. Such medium-term targets should not be regarded as a forecast, guarantee or representation by the Company or any other person whatsoever as to the fact that the Company will achieve these medium-term targets in the estimated timeframes set forth herein, or at all. See "*Cautionary Note Regarding Forward-looking Statements*". Moreover, we have not defined the term "medium-term" by reference to any specific period and, unless otherwise specified, such medium-term targets are not to be read as indicating that we are targeting or expecting such metrics in respect of any particular financial year.

1.13 Certain information contained in this Prospectus is unaudited and limited.

For the purpose of illustrating long-term evolution, we have included in this Prospectus certain financial historical information from years prior to 2021. Investors are cautioned that certain of this financial information has not been audited and that the related financial statements (or any others prior to financial year ended December 31, 2021) have not been included in or incorporated by reference into this Prospectus. Additionally, some of these financial measures constitute alternative performance measures (APMs) (as defined in "*Presentation of Financial and Other Important Information—Alternative Performance Measures*").

Segment information included in our Unaudited Condensed Interim Consolidated Financial Statements is presented under our new reporting segment criteria, that is (i) Europe, and (ii) International. Each of our consolidated financial statements as of and for the years ended December 31, 2021, 2022 and 2023 includes segment information based on our previous reporting segments, which consisted of: (i) Iberia, (ii) United States, (iii) Northern Europe and (iv) the Rest of the World. Further, our 2023 Consolidated Financial Statements (as defined herein) include certain reporting segment information presented under the new segment criteria as of and for the year ended December 31, 2023 (see Notes 26 and 29 to the 2023 Consolidated Financial Statements). To make the segment information included in this Prospectus comparable among periods, segment figures as of and for the years ended December 31, 2023, 2022 and 2021 are being presented in accordance with our new reporting segment criteria. The revised segment figures as of and for the years ended December 31, 2022 and 2021 have not been audited or reviewed by an external auditor. See "*Presentation of Financial and Other Important Information—Operating Segment Reporting*".

The latest publicly available historical market data for Spain and Rest of Europe is as of December 31, 2021, whilst market data between December 31, 2021 and December 31, 2026 for Spain and Rest of Europe are estimates only.

1.14 Certain industry, market and competitive position data in this Prospectus are our estimates based, in part, on non-public information. Industry and market data information is available to us as of year

ended December 31, 2021, whilst competitive position data is available to us as of year ended December 31, 2022 and therefore, such information may not be up to date.

The industry, market and competitive position data contained in this Prospectus is derived from data, information and reports prepared by official or other third-party sources. Such sources include a private market study commissioned from the Boston Consulting Group, other publicly available official publications, as well as other confidential third-party sources, such as GIRA, Statista, Euromonitor International, Orbis, Capital IQ, Alimarket, Sosland Publishing and Global Market Insights, U.S. Department of Agriculture Foreign Agricultural Service, Bloomberg, Mergermarket and Expansión ("**Company Industry Sources**"). None of the aforementioned entities assumes any responsibility, in whole or in part, for the information contained in this Prospectus or in any supplements thereto. See "*Industry Overview— Introduction*". The information about the markets in which we operate is limited and not consistently available. See "*Industry Overview— Note on Presentation of Market Segments and Distribution Channels*" and "*Industry Overview— Introduction*". Such circumstance constrains our ability to present market information in the "*Industry Overview*" section in a way which is consistent with the presentation elsewhere in this Prospectus.

Third-party industry publications, studies and surveys generally state that the information contained therein has been obtained from sources believed to be reliable, but that the accuracy or completeness of such information is not guaranteed. While we believe that each of these publications, surveys and studies has been prepared by a reputable source, we have not independently verified the data contained therein.

Likewise, this Prospectus also contains estimates of market data and information derived therefrom which is prepared by us based on third-party sources and our own internal estimates. Additionally, industry and market data information is available to us as of year ended December 31, 2021, whilst competitive position data is available to us as of year ended December 31, 2022 and therefore, such information may not be up to date.

While we believe that our estimates are reasonable and reliable, they, and their underlying methodology and assumptions, have not been verified by any independent source for accuracy or completeness and are subject to change. Our estimates are subject to uncertainties and other factors that could cause such estimates to differ materially from (and potentially be worse than) what we have expressly or implicitly assumed or described. They are based on assumptions and other factors the occurrence or non-occurrence of which could cause such estimates to differ materially from or fail to meet the expectations expressed or implied therein. Additionally, forward-looking statements based on "Company Industry Sources" might not occur and actual results or events may differ materially from those expressed in such statements.

2. RISKS RELATED TO OUR BUSINESS OPERATIONS

2.1. Our operations are heavily concentrated in Spain.

For the six months ended June 30, 2024, 42.7% of our net turnover was derived from sales to customers located in Spain, compared with 45.1% of net turnover for the year ended December 31, 2023, 47.1% of net turnover for the year ended December 31, 2022, and 48.6% of net turnover for the year ended December 31, 2021. As a result, any adverse change to the general Spanish economic situation or any other factor affecting the consumption of frozen bakery products in Spain could materially adversely affect our business, financial condition, results of operations and prospects.

The Spanish economy faces specific challenges which may impact economic growth in Spain, where 15 of our 27 production centers are located. Additionally, external factors, such as geopolitical uncertainties (including the ongoing Russia–Ukraine war and other geopolitical tensions affecting the Middle East), volatility in commodity prices or a negative market reaction to central bank policies, may affect the growth of the Spanish economy and, in particular, disposable income. Continued political and geopolitical challenges and uncertainties, could negatively affect the economic growth in Spain, which could have a material adverse effect on our business, financial condition, results of operations and prospects.

In addition, our sales are affected by tourism, as sales of our products to foodservice customers (including hotel chains, restaurants (including fast food), coffee shops, bakery and confectionery chains) increase during peak tourism periods (in particular, during the months of July, August and December). Foodservice customers represented 35.3% of our net turnover in Spain for the six months ended June 30, 2024, compared with 35.1% for the year ended December 31, 2023, 34.0% for the year ended December 31, 2022 and 27.3% for the year ended December 31, 2021. Tourism in Spain has experienced continuous and significant growth in recent years. Spain ranked second world-wide in 2023 in terms of foreign tourist arrivals (*source: Expansión*). In 2023, Spain received 85 million non-resident tourists, a 19% increase over 2022 (*source: INE*) due, mainly, to the recovery of international tourism following years of travel restrictions as a result of the COVID-19 pandemic. We cannot be certain that the tourism industry will continue to grow or that it will not experience a significant downturn. A decrease in or any disruption or disturbance affecting tourism, including but not limited to anti-tourism protests, transportation strikes and political incidents could negatively impact the performance of our foodservice customers, which could, in turn, materially adversely affect our business, financial condition, results of operations and prospects.

2.2. Our business is capital intensive.

The costs of acquiring, constructing, developing, expanding, operating and maintaining our production centers are substantial. Our capex^{APM} for the six months ended June 30, 2024 and each of the years ended December 31, 2023, 2022 and 2021 was €46,981 thousand (6.6% of net turnover), €106,745 thousand (7.9% of net turnover), €119,974 thousand (10.7% of net turnover) and €90,813 thousand (10.7% of net turnover), respectively, of which €32,672 thousand, €72,267 thousand, €94,447 thousand and €67,681 thousand was growth capex^{APM}, respectively. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Analysis of Unaudited Alternative Performance Measures*" for additional information. We expect to keep the same trend of capital expenditures in the future. Further, we may encounter excess costs or delays associated with such capital investments, or we may make large investments that do not yield results. We also may not be able to identify suitable spaces that fit our needs or at a cost on terms acceptable to us.

We have traditionally financed the costs of acquiring, constructing, developing and operating our production centers with cash retained from our operations, as well as from financings from banks and other borrowings. We can provide no assurance that we can finance future capital expenditures at acceptable costs or at all. Moreover, the costs of acquiring, constructing, developing and operating production centers and storage and transportation logistics centers, as well as our research and development costs, have decreased by 11.0% for the year ended December 31, 2023, increasing by 32.11% for the year ended December 31, 2022 and increasing by 50.8% for the year ended December 31, 2021, and may further increase in the future, which may make it more difficult for us to expand our business and to operate our business profitably. Such capital investments may not yield the anticipated returns on capital, which could limit our cash flow, our ability to repay debt and the distribution of dividends, and which could have a material adverse effect on our business, financial condition, results of operations and prospects.

2.3. We have a significant amount of goodwill and other intangible assets subject to impairment and depreciation, which could result in a reduction in our net income.

We have recorded substantial goodwill on our statement of financial position arising principally from significant acquisitions in recent years. As of June 30, 2024, we had €204,877 thousand of goodwill on our consolidated balance sheet, representing 13.2% of our total assets as of such date, compared with €199,793 thousand of goodwill as of December 31, 2023, representing 14.3% of our total assets as of such date, €201,120 thousand of goodwill as of December 31, 2022, representing 15.0% of our total assets as of such date and €178,042 thousand of goodwill as of December 31, 2021, representing 16.2% of our total assets as of such date. The other intangible assets on our consolidated balance sheet amounted to €125,454 thousand as of June 30, 2024 (€102,761 thousand of which are intended for the amortization of customer relations, brands and patents with useful life ranging from ten to 20 years, with amortization costs of €7,418 thousand for the six months ended June 30, 2024), compared with €126,647 thousand as of December 31, 2023 (€102,113 thousand of which are intended for the amortization of customer relations, brands and patents with the aforementioned useful life, with amortization costs of €13,958 thousand for the year ended December 31, 2023), €121,434 thousand as of December 31, 2022 (€106,948 thousand of which are intended for the amortization of customer relations, brands and patents with the aforementioned useful life, with amortization costs of €9,980 thousand for the year ended December 31, 2022) and €86,206 thousand as of December 31, 2021 (€74,611 thousand of which are intended for the amortization of customer relations, brands and patents with the aforementioned useful life, with amortization costs of €8,693 thousand incurred for the year ended December 31, 2021).

Goodwill represents the excess of the cost of an acquisition over the fair value of the net assets acquired. International Financial Reporting Standards (IFRS) require that goodwill be periodically, at least annually, evaluated for impairment based on the fair value of the reporting unit. Declines in our profitability or the value of comparable companies may impact the fair value of our reporting units, which could result in a write-down of goodwill and a reduction in net income and equity and consequently in our capacity to distribute dividends. Additionally, impairment may result from various factors, including adverse changes in assumptions used for valuation purposes, such as actual or expected revenue growth rates, profitability, or discount rates, among others.

These factors can include a diminution in expected returns from acquisitions. If the testing indicates that an impairment has occurred, we are required to record a non-cash impairment charge (expense) for the difference between the carrying value of the goodwill and its fair value. Given our considerable amount of goodwill, any impairment detected by our annual test may have a significant impact on our financial position and results of operations. We conduct a sensitivity analysis of the impairment calculation by applying reasonable variations to the key assumptions considered in the calculation. For a further discussion of our impairment testing and more details about the sensitivity analysis, see Note 9 to our 2023 Consolidated Financial Statements (as defined herein). We cannot predict the amount and timing of any future impairments, if any. We may experience such charges in connection with past or future acquisitions, particularly if the relevant business' performance declines or its expected growth is not realized or the applicable discount rate changes adversely. Although we have not incurred significant impairment charges in recent years, any future impairment of our goodwill or other intangible assets could have an adverse effect on our business, financial condition, results of operations and prospects.

2.4. Our results may be negatively impacted if we fail to protect our reputation and brands.

Our success is strongly influenced by the perception of our brands. As a company focused on the production and sales of food, we believe it is critical to the success of our business that we maintain and continually enhance the value of our reputation and brands. Our value is based in large part on the degree to which our customers and consumers react and respond positively to our reputation and brands.

To maintain and enhance the value and reputation of our brands, we must undertake certain costs and expenditures on advertising and promotion, research and development, product innovation, quality assurance, maintenance of exclusive distribution networks and customer service. Our investment in our brands does not guarantee continued consumer acceptance or loyalty or maintaining our brand reputation.

Our reputation and brand value could diminish significantly due to a number of factors, including any perception that we have acted in an irresponsible manner, adverse publicity about our products, our failure to maintain the quality of our products, concerns about food safety, or our products becoming unavailable to, or less preferred by, consumers. Adverse publicity, regardless of its validity, may negatively influence our customers and adversely affect our business. In addition, negative publicity regarding retailers selling our products could in turn negatively affect our reputation. Our need for brand investment and the effective management of brand-related risks presents significant operational, financial and reputational challenges. A failure to maintain and enhance the value of our brands could have a material adverse effect on our business, financial condition, results of operations and prospects.

2.5. We rely on information technology in our operations. We may not be able to achieve the technological advances necessary to implement more cost-effective or higher quality technologies, and any material failure, inadequacy or interruption of that technology, or a security breach in our technical or IT infrastructure could adversely affect our ability to effectively operate our business and result in financial or other loss.

We rely on computer systems and information technology to conduct our business, and our ability to effectively manage our business depends significantly on the reliability and capacity of these systems. We have made significant investments in software and IT developments, which for the year ended December 31, 2023 amounted to €7,193 thousand, compared with €1,589 thousand for the year ended December 31, 2022 and to €4,381 thousand for the year ended December 31, 2021. In addition, we must effectively respond to changing customer expectations and new technological developments. Our ability to anticipate changes in technology and to develop and introduce new and enhanced products and to adopt new production processes or further automatization and robotization successfully and on a timely basis is a significant factor in our ability to grow and to remain competitive. We can make no assurances that we will be able to implement the technological advances that may be necessary for us to remain competitive or that certain of our products or production processes will not become obsolete. We are also subject to the risk generally associated with new technology or new product introductions and applications, including lack of market acceptance and delays in product development. Any failure on our part to forecast and/or meet the changing demands could have a material adverse effect on our business, financial condition, results of operations and prospects.

Disruptions or failures of these systems could cause an interruption in our business which could have a material adverse effect on our business, financial condition, results of operations and prospects. For instance, our information technology systems, and the systems of the parties we communicate and collaborate with, may be vulnerable to a variety of interruptions as a result of updating our enterprise systems or due to events beyond our or their control, including, but not limited to, network or hardware failures, malicious or disruptive software, unintentional or malicious actions of employees or contractors, cyberattacks by hackers, criminal groups or nation-state organizations or social-activist (hacktivist) organizations, geopolitical events, natural disasters, failures or impairments of telecommunications networks, or other catastrophic events. Moreover, our computer systems have been, and will likely continue to be subjected to computer viruses, malware, ransomware or other malicious codes, unauthorized access attempts, and cyber- or phishing-attacks. Cyber threats are constantly evolving and this increases the difficulty of detecting and successfully defending against them. These events could compromise our confidential information, impede or interrupt our business operations, and may result in other negative consequences, including remediation costs, loss of sales, litigation and reputational damage. Furthermore, if a breach or other breakdown results in disclosure of confidential or personal information, we may suffer reputational, competitive and/or business harm. While we have implemented administrative and technical controls and taken other preventive actions to reduce the risk of an increasing number of cyberattacks (which we have not experienced in the past) and protect our information technology, they may be insufficient to prevent physical and electronic break-ins, cyberattacks or other security breaches to our computer systems. In the event that we suffer a significant breach in our cyber security or other failure of our information technology systems, it could have a material adverse effect on our business, financial condition, results of operations and prospects.

2.6. A loss of any of our key senior management personnel, as well as our inability to attract, retain and develop other talented personnel across all levels of our business, could have a material adverse impact on our business.

Our success is dependent, in part, on our ability to retain our key members of our senior management, including our executive chairman, Jordi Gallés, and our chief executive officer, Jordi Morral, both of whom have significant industry experience, as well as strong experience in the integration of acquired companies (for additional details, see "*Board of Directors and Management*"). From time to time, there may be changes in our senior management or other key personnel resulting from the hiring or departure of such personnel. For example, in the past 12 months, the former Human Resources Director, U.S. CEO, Central Europe CEO and Operations Director have left the Group. Members of our key personnel could terminate their employment with us at any time and could join competitors, which could generate negative publicity or even harm our reputation relative to competitors. We cannot guarantee that the key members of our management team will remain with us. The loss of any member of this team could impede our growth strategy and could materially adversely affect our business, financial condition, results of operations and prospects.

Our success also depends, in part, on our continuing ability to identify, attract, retain and develop talented personnel across all levels of our business. Certain key positions and individuals are central to the development, branding, and promotion of our products. The market for talent is highly competitive, especially within evolving fields where demand is high and the availability of skilled personnel is limited. We may not be able to attract or retain necessary personnel in the future, and our failure to do so could have a material adverse effect on our business.

2.7. Our international operations are subject to political and economic risks.

We are a global company, and for the six months ended June 30, 2024 and for the year ended December 31, 2023, a total of €408,872 thousand, representing 57.3% of our net turnover, and €738,762 thousand, representing 54.9% of our net turnover, respectively, were generated outside of our original domestic market of Spain, in particular in Europe (Portugal, France, the United Kingdom, the Netherlands and Italy), the Middle East (Turkey, United Arab Emirates and Saudi Arabia) and Asia (South Korea, Singapore, Thailand, China, Uzbekistan and Japan), North America (the United States, Canada and Puerto Rico), Central America (Mexico, Panama, Guatemala, Honduras and El Salvador), South America (Peru, Colombia, Chile and Brazil) and Africa (Equatorial Guinea, Angola, Cape Verde, South Africa, Ghana and Morocco). For the year ended December 31, 2022, net turnover from sales from outside Spain totaled €593,198 thousand, representing 52.9% of our net turnover for the year. For the year ended December 31, 2021, net turnover from sales outside Spain totaled €426,547 thousand, representing 50.4% of our net turnover for the year. We are accordingly subject to a number of risks specifically relating to doing business internationally, any of which could significantly harm our business. These risks include:

- difficulties in managing and controlling geographically dispersed operations and in environments culturally distinct from that of Spain;
- political and economic instability;
- exchange controls and currency exchange rates;
- fluctuations or devaluations in currency values, especially in emerging markets;
- nationalization of operations;
- compliance with anti-corruption regulation, antitrust and competition laws, data privacy laws, and a variety of other local, national and multi-national, regulations and laws in multiple regimes;
- foreign tax treaties and policies;

- restriction on the transfer of funds to and from foreign countries, including potentially negative tax consequences;

- changes in trade policies and trade relations, imposition of more or new tariffs, quotas, trade barriers, and similar restrictions on our sales or regulations, taxes or policies that might negatively affect our sales;

- changes in capital controls, including currency exchange controls, government currency policies or other limits on our ability to import raw materials or finished product or repatriate cash from outside Spain;

- changes in local regulations and laws, the uncertainty of enforcement of remedies in foreign jurisdictions, and foreign ownership, restrictions and the potential for nationalization or expropriation of property or other resources;

- increased sovereign risk, such as default by or deterioration in the economies and credit worthiness of local governments;

- varying abilities to enforce intellectual property and contractual rights;

- greater risk of uncollectible accounts and longer collection cycles;

- loss of ability to manage our operations in certain markets which could result in the deconsolidation of such businesses; and

- design and implementation of effective control environment processes across our diverse operations and employee base.

To the extent that the portion of our net turnover generated from international operations increases in the future, our exposure to changes in foreign political and economic conditions and currency fluctuations will increase.

There may also be uncertainty arising from key global events occurred in recent years. For example, the ongoing Russia–Ukraine war and other geopolitical tensions affecting the Middle East, including terrorist activity, have adversely impacted global economic conditions and stock markets, and may continue to do so in the future. Developments in U.S. trade policy could increase the cost of importing products into that country, or otherwise negatively affect the global trade environment. Despite recent cuts in interest rates by the European Central Bank and the U.S. Federal Reserve, the current environment of high interest rates and inflation could have an impact on all of our production costs and on customer and consumer demand. All of these factors are outside of our control but may nonetheless require us to adjust our strategy in order to compete effectively in the global markets and have a material adverse effect on our business, financial condition, results of operations and prospects.

2.8. If we incorrectly capture data about our operating performance, our key operating performance indicators may be inaccurate and our business and operating results may be materially and adversely affected.

We closely assess our operating performance, and in turn make operational and strategic business decisions, using a set of key operating performance indicators ("**KPIs**") such as information about the volume and type of our products sold as well as efficiency, the composition of our customer and supplier bases, our production and storage and transportation capacities, successful delivery of products to our customers, our marketing and distribution networks and our research and development projects. While we have established controls to capture data about our operating performance and believe that the data we collect and process is accurate, capturing accurate data is subject to various limitations. For instance, the accurate capture of KPIs related to, in particular, efficiency, performance or capacity utilization of the different production machinery is crucial to manage the optimization and size of our production centers which, in turn, is critical to ensure that we are able to fulfill our customers' orders. Also, in order to standardize the processing of data from our production centers and integrate them into a single matrix and make them comparable, we have set up a new reporting structure, supplying the information directly to selected staff at our headquarters for consolidation and avoidance of use of different measuring criteria throughout the different production centers. If we were to capture inaccurate data, or if such data was not obtained using consistent criteria across our production centers, our KPIs would not reflect our actual operating performance. As a result, we could incorrectly assess our KPIs and in turn make incorrect operational and strategic business decisions, which could have a material adverse effect on our business, financial condition, results of operations and prospects.

3. RISKS RELATED TO OUR INDEBTEDNESS AND OTHER LIABILITIES

3.1. We have risks related to our indebtedness, including our ability to withstand adverse business conditions and to meet our debt repayment obligations.

As of June 30, 2024, we had €761,196 thousand in outstanding indebtedness with credit institutions (as compared with €694,430 thousand as of December 31, 2023, €651,640 thousand as of December 31, 2022, and €576,440 thousand as of December 31, 2021). These indebtedness figures are primarily related to our Sustainable Financing Agreement (as defined below) and its predecessor financing facility. In addition, our Adjusted Net Financial Debt amounted as of June 30, 2024 to €671,672 thousand, as compared with €653,655 thousand as of December 31, 2023, €570,930 thousand as of December 31, 2022, and €531,923 thousand as of December 31, 2021. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources*".

The Sustainable Financing Agreement includes restrictive covenants that are customary in similar financing agreements, as well as customary prepayment, cancellation and default provisions and customary representations and warranties (subject to certain exceptions and qualifications) and operational covenants. Among such covenants and provisions, the Sustainable Financing Agreement requires:

(a) total repayment and cancellation of the facilities drawn under the Sustainable Financing Agreement in the event that:

   (i) there is a Change of Control (for the purposes of the Sustainable Financing Agreement, a "**Change of Control**" means any of the following has occurred: (x) the family headed by Ms. Gloria Gabarró Ciurana, her son Mr. Jordi Gallés Gabarró, and her daughters Ms. Eva Gallés Gabarró and Ms. Anna Gallés Gabarró, including their spouses and descendants up to the first degree of consanguinity (the "**Gallés Family**") no longer holds, either directly or indirectly, at least a 51% of the share capital of the Company; (y) the Gallés Family no longer holds, either directly or indirectly, 51% of the voting rights corresponding to the shares in the Company; or (z) the Gallés Family no longer has a key role in the effective management of the Company); or

   (ii) there is an initial public offering ("**IPO**") of the Company or any other company of the Group and, following such IPO, (x) the Gallés Family does not remain the direct or indirect holder of at least 40% of the share capital and the voting rights of the IPO target company; or (y) another shareholder, either individually or jointly with other shareholders, holds a greater stake or a higher number of voting rights than the Gallés Family in the IPO target company; and

(b) partial repayment and cancellation of the facilities drawn under the Sustainable Financing Agreement in the event that there is an IPO of the Company or any other company of the Group and, following such IPO, (i) the Gallés Family remains the direct or indirect holder of at least 40% of the share capital and the voting rights of the IPO target company; and (ii) no other shareholder, either individually or jointly with other shareholders, holds a greater stake or a higher number of voting rights than the Gallés Family in the IPO target company. In this event, the proceeds derived from the IPO must be used toward the repayment of the facilities granted under the Sustainable Financing Agreement (beginning with the repayment of Tranche A and, once such tranche is totally repaid, repayment of Tranche C and, once such tranche is totally repaid, repayment of Tranche B) until the Net Financial Debt/EBITDA Ratio is lower than 2.50x (see "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Sustainable Financing Agreement*").

In addition, the Sustainable Financing Agreement requires early repayment of a partial amount of the drawn facilities, with certain exceptions, in the case of (i) a sale or any similar act of disposal of any of the fixed assets of the Company or any other company of the Group for an aggregate annual amount greater than €5,000,000; (ii) a sale or any similar act of disposition of any of the subsidiaries of the Company or of their businesses for an aggregate annual amount greater than €5,000,000; (iii) collection by the Company or any other company of the Group of insurance proceeds for an aggregate annual amount greater than €1,000,000; (iv) collection of subsidies by the Company or any other company of the Group for an amount greater than €1,000,000; and (v) the occurrence of certain sale and leaseback transactions. Additionally, several of the Company's affiliates have granted a joint and several guarantee to the creditors under the Sustainable Financing Agreement in connection with the fulfilment of the Company of its obligations and undertakings under such agreement. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations – Sustainable Financing Agreement*".

In particular, as indicated above, pursuant to the Sustainable Financing Agreement we are required to use the New Gross Proceeds and proceeds received by us from the sale of Over-allotment Shares in the Offering (if any) towards the partial repayment of the facilities granted thereunder until the Net Financial Debt/EBITDA Ratio (which as of June 30, 2024, stood at 3.0x calculated pursuant to the terms of the Sustainable Financing Agreement) is lower than 2.5x. See "*Reasons for the* Offering *and use of proceeds—Use of Proceeds*". Our ability to make payments on and to refinance our indebtedness, as well as to fund our operations, working capital and capital expenditures, depends on our ability to generate cash. To a certain extent, our cash flow is subject to general economic, industry, financial, competitive, operating, legislative, regulatory and other factors, many of which are beyond our control.

While we currently have sufficient cash to pay amounts due on our indebtedness, we cannot assure that our business will generate sufficient cash flow from operations in the future or that future sources of cash will be available to us in an amount sufficient to enable us to pay amounts due on our indebtedness or to fund our other liquidity needs. In this regard, our interest rate risk arises from external funds that are held at variable rates, which exposes us to the interest rate risks of cash flows.

As of June 30, 2024, all of our interest-bearing indebtedness was subject to variable interest rates, with an average cost of debt[APM] of 4.7% per annum for the six months ended June 30, 2024 (compared to 4.2% for the year ended December 31, 2023, 3.6% for the year ended December 31, 2022 and 3.0% for the year ended December 31, 2021). As of June 30, 2024, approximately 61% of our exposure to variable interest rates under our outstanding indebtedness was hedged through hedging arrangements. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Quantitative and Qualitative Disclosure About Market Risk—Interest rate risk—Hedging arrangements (interest rate swaps)*".

The Offering will allow us to reduce our current leverage level and provide operational flexibility for further growth. We have undertaken a sensitivity analysis to model the impact on our consolidated financial expenses from variances in interest rates. Considering the effect of our hedge instruments, a 1% increase in interest rates would have had a negative impact of €2,212 thousand on our consolidated financial expenses for the year ended December 31, 2023, while a 2% increase in interest rates would have had a negative impact of €4,424 thousand. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources*".

Additionally, if we incur additional indebtedness in connection with any future acquisitions or development projects or for any other purpose, our debt service obligations could increase. In addition, we may need to refinance all or a portion of our indebtedness before maturity. Our ability to refinance our indebtedness or obtain additional financing will depend on, among other things:

- our financial condition and market conditions at the time;
- restrictions in the agreements governing our indebtedness;
- general economic and capital market conditions;
- the availability of credit from banks or other lenders;
- investor confidence in us; and
- our results of operations.

In addition, the Sustainable Financing Agreement, which accounts for a significant part of our indebtedness, includes provisions with respect to maintaining and complying with certain financial and operational covenants including Net Financial Debt/EBITDA Ratio and EBITDA/Net Financial Expenses Ratio (each as defined herein), as well as limitations on our dividend distributions. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Financial liabilities*". The table below sets forth the requirements with respect to each of these ratios as of the date of this Prospectus, as well as our compliance therewith as of December 31, 2023 and June 30, 2024, respectively.

	Required ratio	**Ratio as of December 31, 2023**	**Ratio as of June 30, 2024**
Ratio			
Net Financial Debt/EBITDA (maximum)	4.00x(1)	3.2x	3.0x
EBITDA/Net Financial Expenses (minimum)..	4.00x(2)	8.4x	6.8x

(1) Calculation made using the terms of the Sustainable Financing Agreement, which differs from how adjusted leverage[APM] is calculated in the Prospectus; under such terms the Net Financial Debt/EBITDA Ratio must be equal to or below 4.00x through the third quarter of 2025, then equal to or below 3.75x through the third quarter of 2026, then equal to or below 3.50x through the maturity of the indebtedness.

(2) Calculation made using the terms of the Sustainable Financing Agreement, which differs from how adjusted leverage[APM] is calculated in the Prospectus; under such terms the EBITDA/Net Financial Expenses Ratio must be equal to or above 4.00x so long as the Sustainable Financing Agreement is in effect.

If the above ratios are not satisfied, we will be in breach of the financial covenants under the Sustainable Financing Agreement. If such breach is not cured within 15 business days, the delivery and the disposal of the amounts requested by us under the Sustainable Financing Agreement may be denied by the lenders, we may be unable to distribute dividends, and the Sustainable Financing Agreement could be terminated, which could have a severe adverse impact on our business, given the significance of this financing arrangement to our overall operations and capitalization structure.

Only to the extent that, among other requirements, we are able to reduce our Net Financial Debt/EBITDA Ratio below 2.5x, will we be able to distribute dividends above €10,000 thousand per annum, and always provided that the general requirements set out in the Spanish Companies Act and our bylaws are complied with. Based on our financial position as of June 30, 2024, in order to reduce the aforementioned Net Financial Debt/EBITDA Ratio below 2.5x by using exclusively New Gross Proceeds, we would need to use an amount equal to approximately €109.1 million, which we expect would represent approximately 52.0% of the targeted New Gross Proceeds.

Our ability to comply with these covenants may be affected by events beyond our control, and such covenants also may limit our activities and make it more difficult to make acquisitions or otherwise grow our business. A breach of one or more of these covenants could result in an event of default and may give rise to an acceleration of the debt. If our debt is accelerated or if we are unable to refinance our indebtedness on reasonable terms or at all, it could have a material adverse effect on our business, financial condition, results of operations and prospects.

4. LEGAL, REGULATORY AND COMPLIANCE RISK

4.1. We operate in a highly regulated industry and our failure to comply with laws, regulations or governmental practices, including environmental regulations, or changes to laws or their interpretation, in the markets in which we operate may adversely affect our business, financial condition, results of operations and prospects.

We are subject to numerous laws and regulations in Spain, Europe, the United States and in the other jurisdictions in which we operate. These regulations address the processing, packing, storage, distribution, transportation, advertising and labeling of our products. Our production centers are subject to detailed inspections by the competent regulatory authorities responsible for monitoring compliance with these extensive regulations. For instance, our production centers are on average subject to 30 inspections annually. Additionally, the compliance environment is changing, with Spain and other countries mandating implementation of compliance programs, compliance with industry ethics codes and other requirements. While we believe that we are in material compliance with applicable laws and regulations, the shifting regulatory environment, along with the requirement to comply in multiple jurisdictions with different compliance and/or reporting requirements, increases the possibility that we may run afoul of one or more laws. These laws generally provide penalties for non-compliance. See "*Regulation*" for a description of applicable laws in the most relevant jurisdictions in which we operate.

The marketing of food products has come under increased regulatory scrutiny in recent years, and the food industry has been subject to an increasing number of claims relating to alleged false or deceptive marketing under various laws or regulations. We are also regulated with respect to matters such as licensing requirements, trade and pricing practices, tax, anticorruption standards, and advertising, environmental and labor matters. Also, any amendment to applicable regulations affecting nutrition and food safety in any countries in which we operate (e.g., amendment aimed to prevent obesity or sugar-based products) could result in a significant impact in the future composition or distribution of our products and, potentially, in increased costs. The need to comply with new tax, environmental, labor, or other applicable laws or regulations, as applicable (including food quality and safety requirements, safety and labor laws or revised nutrition facts labeling regulations), or changes in existing laws or regulations and requirements, or their evolving interpretations, may result in increased compliance costs, capital expenditures and other financial obligations that could adversely affect our business, financial condition, results of operations and prospects.

If our operations are found to be in violation of any laws or other governmental regulations that apply to us (including adulteration, misbranding or mislabeling of our products), we may be subject to penalties, including civil and criminal penalties, damages, fines and the curtailment or restructuring of our operations. Any penalties, damages, fines, curtailment or restructuring of our operations could adversely affect our ability to operate our business and, in turn, our financial results. Any action against us for violation of these laws, even if we successfully defend against it, could damage our reputation, cause us to incur significant legal expenses and divert our management's attention from the operation of our business. We could be subject to civil remedies, including fines, injunctions, termination of necessary licenses or permits, or recalls, as well as potential criminal sanctions. Moreover, achieving and sustaining compliance with applicable privacy, security and fraud laws or any other applicable laws may prove costly. As such, failure to comply with applicable laws and regulations could have a material adverse effect on our business, financial condition, results of operations and prospects.

Moreover, in order to carry on our operations we are required to obtain numerous permits and authorizations. Several agencies at the local, regional, national and international levels govern environmental matters. See "*Regulation*".

Environmental regulations generally include, among other things, the prevention and control of contamination and, in particular, address the reduction of industrial pollutants, the discharge of pollutants into the air and water, noise pollution and other forms of pollution. Although we have enacted policies aimed at compliance with environmental regulations, failure to comply with such regulations, including failure to obtain necessary permits or authorizations, could have serious consequences for us. Furthermore, environmental regulations are becoming increasingly stringent. In the future we may be subject to stricter regulations, new regulations or environmental taxes which could result in increased costs or investments. In addition, administrative authorities could subject us to environmental inspections and orders requiring remediation, modification of our facilities, modification or restriction of our operations or the temporary or permanent closing of some of our production centers.

We cannot guarantee that we will be able to continue to comply with existing environmental regulations or with more stringent regulations that may apply to our operations in the future. Failure to comply with such regulations could result in civil, administrative or criminal liability including fines or the closure of an affected production center or limitation of our operations. Even if criminal liability does not directly apply to us, it could apply to our directors or key employees, and a civil court could declare us contributorily responsible or vicariously liable. Such circumstances, which depend on the degree of seriousness of any violation, could affect our business, financial condition, results of operations and prospects.

In addition, in relation with certain processes, we may use products that are considered hazardous. While we believe that we are in material compliance with applicable environmental laws and regulations, the discovery of soil or groundwater contamination on the property underlying or in the vicinity of our facilities, even if caused by external factors, could require us to incur significant expenses or investments, which could materially adversely affect our business, financial condition, results of operations and prospects.

4.2. Tax matters, including changes in tax rates, disagreements with taxing authorities and the imposition of new taxes could impact our results of operations and financial condition.

We are subject to taxes in Spain and numerous foreign jurisdictions where our subsidiaries are organized. Due to economic and political conditions, tax rates in Spain and various foreign jurisdictions have been and may in the future be subject to significant changes. Our future effective tax rate could be affected by changes in our mix of earnings from countries with differing statutory tax rates, changes in valuation of deferred tax assets and liabilities, or changes in tax laws or their interpretation, which, if finalized and adopted, could have a material adverse effect on our income tax expense and deferred tax balances.

We are also subject to regular reviews, examinations and audits by tax authorities with respect to taxes inside and outside of Spain. On July 2, 2024 we received a notice of initiation of a tax audit concerning the Group companies' (i) corporate income tax (CIT) with respect to years ended December 31, 2019, December 31, 2020, December 31, 2021 and December 31, 2022, and (ii) value added tax (VAT), withholding taxes, economic activities taxes and withholding taxes on non-residents with respect to the period from June 30, 2020 to December 31, 2022. Despite the foregoing, we have not had any tax audit that resulted in a tax assessment involving any tax years that are not yet statutorily time-barred. We had a tax audit on May 27, 2015 with regards to years ended December 31, 2009 to December 31, 2011 that gave rise to a tax liability of €1,246 thousand and which was settled on August 5, 2015. No subsequent audit has resulted in a tax assessment. Although we believe that our tax estimates are reasonable, if a taxing authority disagrees with the positions we have taken, we could face additional tax liabilities, including interest for late payment and penalties. We cannot assure that the payment of such additional amounts upon final decision of any disputes will not have a material adverse effect on our business, financial condition, results of operations and prospects.

Moreover, we need to comply with new, evolving and revised tax laws and regulations, such as those enacting Pillar 2, which the Company will be legally obligated to comply from the tax year ending December 31, 2025 onwards (to the extent that the financial year of Gallés Office, S.L. ends on December 31 and that it is the tax period of the UPE (Ultimate Parent Entity) that determines the effects of Pillar 2 regulations). According to Pillar 2, large multinational companies must calculate their effective GloBE (Global Anti-Base Erosion) tax rate for each jurisdiction in which they operate. Such companies will be required to pay an additional tax on the difference between their effective GloBE tax rate per jurisdiction and the minimum rate of 15%. Although we currently comply with the Pillar 2 provisions, even if they are not applicable to the Company yet, we may need to pay additional taxes in the future if we cease to comply with such provisions. The enactment of or increases in tariffs, including value added tax, or other changes in the application of existing taxes, in markets in which we are currently active, or may be active in the future, or on specific products that we sell or with which our products compete, may have a material adverse effect on our business, financial condition, results of operations and prospects.

4.3. We are exposed to various possible claims.

We are, from time to time, exposed to potential legal claims relating to our business, including civil lawsuits related to product quality and safety, employment-related claims, social security claims and environmental claims. There is no guarantee that we will be successful in defending ourselves in any civil, criminal or regulatory action brought against us, including actions for claims brought under general, commercial, employment, environmental, food quality and safety, antitrust and trade, advertising or environmental laws and regulations, or in asserting our rights under applicable laws.

We carry a broad range of insurance for the protection of our assets and operations (including for protection against third-party claims derived from our operations), including in the context of civil, criminal and regulatory actions. See "*Business—Insurance*". Our total cost in insurance policies for the year ended December 31, 2023 amounted to € 4,562 thousand, as compared to €3,442 thousand for the year ended December 31, 2022 and €3,036 thousand for the year ended December 31, 2021. However, such insurance may not fully protect us for a number of reasons, including the fact that our coverage is subject to deductibles and limitations on coverage per incident. In addition, certain types of claims, such as claims for punitive damages or for damage arising from willful misconduct, which are often alleged in third-party lawsuits, may not be covered by our insurance.

While we believe that we have adequate insurance to cover potential liabilities arising from civil, criminal or regulatory actions, we cannot be certain that existing or future claims will not exceed the level of our insurance or relate to matters not covered by our insurance, that we will be able to renew our current insurance policies, that insurance will continue to be available to us on economically viable terms, if at all, or that we will have sufficient capital available to pay any uninsured claims. If we are held liable for any significant claims that are not covered by our insurance, our business, financial condition, results of operations and prospects could be materially adversely affected.

In addition, the costs and other effects of potential and pending litigation and administrative actions against us, and new legal requirements, cannot be determined with certainty, may differ from expectations and could damage our reputation and otherwise result in material adverse effects on our business, financial condition, results of operations and prospects.

4.4. Under certain attribution rules, our non-U.S. subsidiaries are expected to be treated as controlled foreign corporations for U.S. federal income tax purposes, and, as a result, there could be adverse U.S. federal income tax consequences to U.S. investors that own our Shares (directly or indirectly) and are treated as "Ten Percent Shareholders."

Certain "Ten Percent Shareholders" (as defined below) in a non-U.S. corporation that is a controlled foreign corporation (a "**CFC**") for U.S. federal income tax purposes generally are required to include in income for U.S. federal income tax purposes their *pro rata* share of the CFC's "Subpart F income," investment of earnings in U.S. property and "global intangible low taxed income," even if the CFC has made no distributions to its shareholders. A non-U.S. corporation generally will be a CFC for U.S. federal income tax purposes if Ten Percent Shareholders own, directly, indirectly or constructively (through attribution), more than 50% of either the total combined voting power of all classes of stock of such corporation entitled to vote or of the total value of the stock of such corporation. A "Ten Percent Shareholder" is a United States person (as defined by the U.S. Internal Revenue Code of 1986, as amended) that owns directly or indirectly, or is considered to own constructively, 10% or more of the total combined voting power of all classes of stock entitled to vote of such corporation or 10% or more of the total value of the stock of such corporation. We are not expected to be a CFC. However, the determination of CFC status is complex and includes certain "downward attribution" rules pursuant to which our non-U.S. subsidiaries are expected to be treated as constructively controlled by our U.S. subsidiaries and therefore our non-U.S.

subsidiaries are expected to be treated as CFCs. We do not intend to provide information to Ten Percent Shareholders that may be required in order for those shareholders to properly report their U.S. taxable income with respect to our or our subsidiaries' operation. Prospective investors that may be or become Ten Percent Shareholders who directly or indirectly own our Shares should consult their tax adviser with respect to the potential adverse tax consequences of investing in us.

4.5. Our products are affected by our own and third-party intellectual property rights and our business relies on our ability to ensure the protection of our rights and that our policies do not infringe on the rights of third parties.

We regard our trademarks, including Europastry, Fripan, Frida, Yaya Maria, Chousa, Cereal Bakery, Cereal, Wenner Bakery, Cristallino, Gran Reserva, Saint Honoré, Sophie, Ruth's and Dots, among others, and our other intellectual property rights as important to our success and our competitive position. We therefore devote resources to the protection of our trademarks and aggressively pursue persons who unlawfully and without our consent use or register our trademarks. The efforts that we have taken to protect our industrial and intellectual property rights in determined areas, either in Spain or in any other country, may not be sufficient or effective, which could cause us to incur litigation costs or ultimately prevent us from exercising our rights to use our brands in certain areas. Additionally, we may not be able to timely detect unauthorized use of our intellectual property or take appropriate steps to enforce our rights. If we are unable to enforce our intellectual property rights, our business, financial condition, results of operations and prospects could be materially adversely affected.

On the other hand, we cannot be certain that our products do not and will not infringe intellectual property rights of others, including as a result of our failure to properly license certain of the brands and trademarks that we use, which could also cause us to incur litigation costs or even pay damages or licensing fees to a prior user or registrant of similar intellectual property. For instance, in October 2017 a third-party filed a notice of opposition at the U.S. Trademark Trial and Appeal Board against our application to the U.S. Trademark Registry regarding our trademark "DotsOriginal". Such third party was a manufacturer and distributor of several products (candy, clothing, toys, puzzles, blankets, ornaments and paper goods) commercialized in the United States, Puerto Rico and Canada under the trademark "DOTS". In February 2022, we reached an agreement with such third party pursuant to which we replaced our trademark application with a new design agreed upon with such third party, and we undertook to refrain from using the former design of the brand in each of the United States, Puerto Rico and Canada.

We may in the future be subject to legal proceedings and claims in the ordinary course of our business, including claims of alleged infringement of intellectual property rights of third parties by us or our customers. Any such claims, whether or not meritorious, could result in costly litigation and divert the efforts of our management and other resources. Moreover, should we be found liable for infringement, we may be required to enter into licensing agreements (if available on acceptable terms or at all) or to pay damages and to cease making or selling certain products. Any of the foregoing could cause us to incur significant costs and could have a material adverse effect on our business, financial condition, results of operations and prospects.

4.6. Our business could be negatively affected by a breakdown of internal controls.

We operate in multiple jurisdictions, which gives rise to increased legal, regulatory and operational complexity. As a result, we need to ensure that we have robust internal controls, including a robust internal financial control framework. Any errors (including accounting and financial errors) or breakdowns in internal control processes (including failures to establish and maintain effective internal controls), could result in operational losses and/or impact our ability to detect and prevent fraud, comply with applicable legal and regulatory requirements and adopt strategic decisions. In addition, ongoing and future changes to our operations and organization may place incremental demands on our internal processes and infrastructure, including our accounting systems and internal controls over financial reporting. Any failure, insufficiency or breakdown in our internal controls could have a material adverse effect on our business, financial condition, results of operations and prospects. For instance, although we have not encountered such a situation, a failure in our internal financial controls could result in a failure in identifying errors in our financial information, which is subsequently used for adopting strategic decisions.

5. RISK RELATING TO THE OFFERING AND THE OFFER SHARES

5.1. Our principal shareholder will continue to exercise control over us after Admission, and its interests may differ from the interests of our other shareholders.

Upon completion of the Offering and Admission, (i) if the Offering is at the high point of the Offering Price Range and the Over-allotment Option is exercised in full, the Gallés Family, through Gallés Office, S.L., will hold approximately 63.0% of our issued share capital; (ii) if the Offering is at the low point of the Offering Price Range and the Over-allotment Option is exercised in full, the Gallés Family, through Gallés Office, S.L., will hold approximately 61.2% of our issued share capital; and (iii) if the Offering is at the mid-point of the Offering Price Range and the Over-allotment Option is not exercised, the Gallés Family, through Gallés Office, S.L., will hold approximately 64.5% of our issued share capital. See "*Principal and Selling Shareholders*" for additional information.

As a result, the Gallés Family will continue to hold the majority of the Company's voting rights and will therefore be able to unilaterally approve all matters submitted to the shareholders including, among others, the declaration of dividends, the approval of the remuneration policy, the approval of incentive plans for directors and senior managers, the appointment and dismissal of our directors, changes in our issued share capital and the adoption of amendments to our bylaws, even if the rest of the shareholders vote against such resolutions. In addition, it may also be able to direct our day-to-day operations and cause or prevent a change of the Company's control. The concentrated voting control outlined above could lead to situations in which the Gallés Family may have business interests that are not aligned with those of the rest of the holders of the Shares.

Our financing under the Sustainable Financing Agreement is also dependent on whether the control by the Gallés Family is maintained. Under the terms of the Sustainable Financing Agreement (see "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Financial liabilities—Sustainable Financing Agreement*"), total repayment and cancellation of the facilities drawn under the Sustainable Financing Agreement will be mandatory if, among other things, the Gallés Family ceases to hold, directly or indirectly, at least 51% of the share capital and voting rights corresponding to the shares in the Company or ceases to have a key role in the effective management of the Company.

5.2. There is no established trading market for the Shares.

The Offering constitutes our initial public offering of Shares, and no public market for our Shares currently exists. We will apply to list the Shares on the Spanish Stock Exchanges, and we expect the Shares to be quoted on the Automated Quotation System on or about October 10, 2024, subject to completion of customary procedures in Spain. Any delay in the Admission would impair the liquidity of the market for the Shares and make it more difficult for shareholders to sell the Shares. If the Shares are not admitted to listing on the Spanish Stock Exchanges and quoted on the Automated Quotation System by October 25, 2024, the Offering will automatically terminate and the aggregate Offering Price will be returned to the purchasers, together with interest.

Admission does not imply that an active trading market for the Shares will develop or, if one does develop, that it will be sustained after the Offering is completed. The Offering Price Range for the Offer Shares indicated on the cover of this Prospectus has been, and the Offering Price will be, determined jointly by the Joint Global Coordinators, the Selling Shareholders and us and no independent experts were, nor will be, consulted in determining the Offering Price Range or the Offering Price. However, following the Offering the trading price of our Shares could fluctuate significantly and may result in investors being unable to sell the Offer Shares at or above the Offering Price or at all.

5.3. We can provide no assurance that we will be able to pay dividends or, in the event we pay dividends, that they will be maintained or increased in the future.

We have not established a specific dividend policy. In the past, we have also used a substantial part of our earnings to finance the development and expansion of our business. Payment of dividends must be approved by our shareholders and will depend on various factors, including (but not limited to) satisfactory management of the business, the need to allocate, pursuant to applicable law, up to 10% of our yearly profits to our legal reserve (currently set at €40,000.18) until such reserve reaches 20% of our share capital (that is, up to €1.7 million post-Offering, assuming that the Offering Price is at the low-point of the Offering Price Range and that the Over-allotment Option has been exercised in full), the amount of distributable profits and reserves, our investment plans, revenues, cash flow generation, restrictions on payment of dividends under applicable law, and limitations contained in our current or future financing agreements, which may limit the maximum amount of distributions that we are allowed to make or which may make such distributions contingent upon adherence to certain financial ratios. In particular, the current provisions under the Sustainable Financing Agreement allow dividend distributions up to €10,000 thousand per annum provided that such distributions do not result in the infringement of the Financial Covenants (as defined herein) and no early termination of the Sustainable Financing Agreement has been declared. Dividends in excess of such amounts may be distributed provided that, among others, such distributions would not result in the infringement of the Financial Covenants, no early termination of the Sustainable Financing Agreement has been declared, the ratio of Net Financial Debt/EBITDA (as defined therein) after the relevant payment is below 2.5x, and the payment is below 75% of our annual net consolidated income. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and*

Capital Resources—Financial liabilities—Sustainable Financing Agreement" and "*Dividends and Dividend Policy—Contractual Restrictions*". Consequently, we can make no assurances that we will be able to pay dividends or, in the event we would pay dividends, that they will be maintained or increased in the future.

Subject to compliance with the general requirements set out in the Spanish Companies Act and our bylaws, we will be able to distribute dividends in excess of €10,000 thousand per annum only to the extent we are able to reduce our Net Financial Debt/EBITDA Ratio below 2.5x. As of June 30, 2024, our Net Financial Debt/EBITDA Ratio was 3.0x. Based on our financial position as of June 30, 2024, in order to reduce our aforementioned Net Financial Debt/EBITDA Ratio below 2.5x by using exclusively New Gross Proceeds, we will need to use approximately €109.1 million, representing approximately 52.0% of the New Gross Proceeds.

5.4. The market price of our Shares could be volatile and subject to sudden and significant declines.

Following the completion of the Offering the market price of our Shares may be volatile, and investors may not be able to resell their Shares at or above the Offering Price or at all. The price of shares sold in an initial offering such as the Offering is frequently subject to increased volatility for a period of time following the initial offering. The value of the Shares may, in addition to being affected by our actual or forecast operating results, fluctuate significantly as a result of numerous factors outside our control, such as stock market analyst recommendations, developments affecting the frozen bakery product industry and changes in conditions in the general financial markets. In addition, during the past few years, the securities markets in Spain and worldwide have experienced significant volatility in prices and trading volumes. This volatility could have a negative impact on the market price of our Shares, irrespective of our financial condition results of operations and prospects.

5.5. Substantial future sales or issuances of Shares after the Offering, or the perception that such sales or issuances could occur, may cause a decline in the market price of our Shares.

Sales of a substantial number of Shares in the public market following the Offering, or the perception that such sales could occur, could adversely affect the market price of our Shares or our ability to raise capital through a future public offering of Shares.

We have agreed, subject to certain exceptions, not to issue, offer, transfer, sell, contract to sell or pledge any Shares or securities convertible into, or exchangeable for, Shares from the signing of the Underwriting Agreement until 180 days following Admission without the prior written consent of the Joint Global Coordinators (which will not be unreasonably withheld). The Selling Shareholders have entered into similar agreements prohibiting, subject to certain exceptions, sales of shares by them from the signing of the Underwriting Agreement until 180 days following the Admission. See "*Plan of Distribution—Lock-Up*".

After the expiry of the specified lock-up periods, the Selling Shareholders could sell their holdings of Shares, which could cause the market price of our Shares to decline. Similarly, in the future we could also issue substantial amounts of Shares if we need to raise additional capital, including in connection with acquisitions. Prior to the date of this Prospectus, our shareholders have adopted the relevant corporate resolutions authorizing the Board of Directors to increase the Company's share capital. See "*—We may in the future issue new Shares or equity-linked securities, which may dilute investors' interests.*". In addition, if a share capital increase or the issue of any instruments convertible into Shares is approved excluding pre-emptive rights, the issuance of the new Shares could also dilute the ownership interests of our then existing shareholders and, in turn, adversely affect the trading price of the Shares.

5.6. We may in the future issue new Shares or equity-linked securities, which may dilute investors' interests.

In the future, we may seek to raise additional capital through further offerings of equity-linked securities or equity-linked securities (if made on a non-pre-emptive basis or, if made on a pre-emptive basis, where shareholders elect not to take up their preferential subscription rights) that could dilute the interests of our shareholders and could have an adverse effect on the market price of the Offer Shares as a whole.

On June 17, 2024, our Board of Directors was authorized by our general shareholders' meeting to (i) issue convertible debt instruments and warrants in a maximum amount of up to €300 million for a period of five years with the power to exclude totally or partially the pre-emptive rights of the shareholders and to increase the share capital as necessary to accommodate the conversion up to a limit of 20% of the current capital, subject to Admission; and (ii) to issue for a period of five years Shares up to 50% of the Company's share capital, through cash contributions, with the power to exclude totally or partially the pre-emptive rights of the shareholders up to a limit of 20% of the current capital, subject to Admission. These authorizations will become effective upon

Admission. As of the date of this Prospectus, we have not issued securities convertible or exchangeable into Shares.

As further described in "*Plan of Distribution*", upon execution of the Underwriting Agreement we will agree not to issue additional Shares or equity-linked securities Shares from such date until the date which is 180 days after Admission, other than the issue of the New Offer Shares and, if applicable, the Over-allotment Shares to be issued by the Company. However, such lock-up is subject to certain customary exceptions. See "—*Substantial future sales or issuances of Shares after the Offering, or the perception that such sales or issuances could occur, may cause a decline in the market price of our Shares*" and "*Plan of Distribution—Lock-up*".

5.7. 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, the Selling Shareholders, our directors or our executive officers.

The Offering is made to qualified investors inside and outside of Spain, including a placement in the United States to QIBs as defined in, and in reliance on, Rule 144A under the U.S. Securities Act. However, we are a public company (*sociedad anónima*) organized and existing under the laws of Spain, and as such the rights of our shareholders are governed by Spanish law and by our bylaws and our internal rules governing the meetings of the Board of Directors and our shareholders. Spanish corporate law provides for pre-emption rights to be granted to shareholders in the event of a share capital increase in the Company under certain circumstances. However, securities laws of certain jurisdictions may restrict our ability to allow participation by shareholders in such jurisdictions in future equity offerings. In particular, shareholders in the United States may not be entitled to exercise these rights, unless the Shares and or other securities offered and sold are registered under the U.S. Securities Act or 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 outside of Spain to exercise their pre-emption rights or that we will utilize any such exemption if available.

Additionally, the ability of shareholders in the United States and other jurisdictions to serve process, bring an action or enforce judgments against us, the Selling Shareholders, our directors or our executive officers may be limited. As of the date of this Prospectus, most of our assets are located in Spain, most of the Selling Shareholders and most of 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, the Selling Shareholders, our directors or our executive officers within such overseas shareholder's country of residence or to enforce against us, the Selling Shareholders, our directors or our 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 the Selling Shareholders, 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.

RESPONSIBILITY STATEMENT AND COMPETENT AUTHORITY

Responsibility Statement

Mr. Jordi Gallés Gabarró, acting in the name of and on behalf of the Company, acting in his capacity as Executive President and under a special power of attorney granted by the board of directors of the Company by means of a resolution dated September 24, 2024, accepts responsibility for the information contained in this Prospectus. To the best of his knowledge, the information contained in this Prospectus is in accordance with the facts and contains no omissions likely to affect its import.

Mr. Jordi Gallés Gabarró, also acting in the name of and on behalf of Gallés Office, S.L., acting in his capacity as representative of Palissandre, S.L., Executive President of Gallés Office, S.L. and under a special power of attorney granted by the board of directors of Gallés Office, S.L. by means of a resolution dated September 24, 2024, declares that Gallés Office, S.L., accepts responsibility for the information referring to Gallés Office, S.L. in the sections "*Principal and Selling Shareholders*" and "*Plan of Distribution*". To the best of his knowledge, the information contained in the sections "*Principal and Selling Shareholders*" and "*Plan of Distribution*" is in accordance with the facts and contains no omissions likely to affect its import.

Mr. Antonio Santiago Pérez, acting in the name of and on behalf of Exponent S.à r.l., acting in his capacity as attorney of Exponent S.à r.l., under a special power of attorney granted by means of a resolution dated July 1, 2024, before the Notary of Luxembourg, Mr. Edouard Delosch, declares that Exponent S.à r.l., accepts responsibility for the information referring to Exponent S.à r.l. in the sections "*Principal and Selling Shareholders*" and "*Plan of Distribution*". To the best of his knowledge, the information contained in the sections "*Principal and Selling Shareholders*" and "*Plan of Distribution*" is in accordance with the facts and contains no omissions likely to affect its import.

Mr. Jordi Morral Hospital, acting in the name of and on behalf of Indinura, S.L., acting in his capacity as Sole Director of Indinura, S.L. and under a special authorization granted by the general shareholders' meeting of Indinura, S.L. by means of a resolution dated September 24, 2024, declares that Indinura, S.L., accepts responsibility for the information referring to Indinura, S.L. in the sections "*Principal and Selling Shareholders*" and "*Plan of Distribution*". To the best of his knowledge, the information contained in the sections "*Principal and Selling Shareholders*" and "*Plan of Distribution*" is in accordance with the facts and contains no omissions likely to affect its import.

None of the Underwriters, or their respective affiliates, advisors or selling agents makes any representation or warranty, express or implied, nor accepts any responsibility whatsoever, with respect to the content of this Prospectus, including the accuracy or completeness or verification of any of the information in this Prospectus, and nothing contained in this Prospectus is, or shall be relied upon as, a promise or representation in this respect whether as to the past or the future. Each of the Underwriters, their respective affiliates, advisors or selling agents accordingly disclaims, to the fullest extent permitted by applicable law, all and any liability whether arising in tort or contract or otherwise which they might otherwise have in respect of this Prospectus or any information contained herein. This Prospectus should not be considered as a recommendation by any of us, the Selling Shareholders, the Underwriters (or any of their respective affiliates or any entity through which the Underwriters may offer and sell the Offer Shares) that any recipient of this Prospectus should subscribe for or purchase the Offer Shares. Each subscriber or purchaser of Offer Shares should determine for itself the relevance of the information contained in this Prospectus, and its subscription or purchase of Offer Shares should be based upon such investigation, as it deems necessary, including the assessment of 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 subscription or purchase of the Offer Shares. In any event, investors should consult their financial advisor before making an investment in the Offer Shares.

Competent Authority

This Prospectus has been approved by and registered with the CNMV on September 26, 2024, as competent authority under the Prospectus Regulation, the Securities Market Act and relevant implementing measures in Spain.

The CNMV only approves this Prospectus as meeting the standards of completeness, comprehensibility or consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the Company and of the quality of the Offer Shares. Investors should make their own assessment as to the suitability of investing in the Offer Shares.

PRESENTATION OF FINANCIAL AND OTHER IMPORTANT INFORMATION

Historical Financial Information

The financial information in this Prospectus is provided for information purposes only and is not indicative of our future results of operations.

The financial information included in this Prospectus is derived from the English translation of the original Spanish-language versions of (i) the audited consolidated annual financial statements of the Company and its subsidiaries as of and for the year ended December 31, 2023 (the "**2023 Consolidated Financial Statements**"), the audited consolidated annual financial statements of the Company and its subsidiaries as of and for the year ended December 31, 2022 (the "**2022 Consolidated Financial Statements**") and the audited consolidated annual financial statements of the Company and its subsidiaries as of and for the year ended December 31, 2021 (the "**2021 Consolidated Financial Statements**" and, together with the 2023 Consolidated Financial Statements and the 2022 Consolidated Financial Statements, the "**Audited Annual Consolidated Financial Statements**") and (ii) the unaudited condensed consolidated interim financial statements of the Company and its subsidiaries as of and for the six months ended June 30, 2024, which include comparative figures as of December 31, 2023 and for the six months ended June 30, 2023 (the "**Unaudited Condensed Interim Consolidated Financial Statements**" and, together with the Audited Annual Consolidated Financial Statements, the "**Consolidated Financial Statements**").

The Audited Annual Consolidated Financial Statements and the Unaudited Condensed Interim Consolidated Financial Statements have been prepared in accordance with International Financial Reporting Standards ("**IFRS**") as adopted by the European Union ("**IFRS-EU**") and IAS 34, Interim Financial Reporting, respectively.

The original Spanish language version of the 2023 Consolidated Financial Statements has been audited by PricewaterhouseCoopers Auditores, S.L. ("**PwC**") and the original Spanish language versions of the 2022 Consolidated Financial Statements and the 2021 Consolidated Financial Statements have been audited by Grant Thornton, S.L.P. ("**Grant Thornton**"), both independent auditors of the Company, as stated in their respective audit reports, which are also incorporated by reference into this Prospectus. In respect of the Unaudited Condensed Interim Consolidated Financial Statements, PwC has performed a limited review. The audit reports with respect to each of the Audited Annual Consolidated Financial Statements, as well as the limited review report with respect to the Unaudited Condensed Interim Consolidated Financial Statements, were unqualified.

The Consolidated Financial Statements (and their respective original Spanish-language versions) are incorporated by reference into this Prospectus together with the audit reports and the limited review report thereto. In case of any discrepancy between the Spanish-language versions and the English-language versions, the Spanish-language versions shall prevail.

Pursuant to Spanish regulatory requirements, consolidated directors' reports must accompany the Audited Annual Consolidated Financial Statements. Additionally, the Unaudited Condensed Interim Consolidated Financial Statements include a consolidated interim directors' report. Such consolidated directors' reports, together with an English translation of the Company's original Spanish language versions, are incorporated by reference to this Prospectus only in order to comply with such regulatory requirements. Any information contained in such reports shall be deemed to be modified or superseded by any information included elsewhere in this Prospectus that is subsequent to or inconsistent with it. Investors are strongly cautioned that the consolidated directors' reports contain information as of various historical dates and do not contain a full description of the Company, its business, affairs or results as of the date hereof. While the information contained in the consolidated directors' reports has not been audited by the Company's independent auditors, they have reviewed the consistency of the financial information contained in such reports in relation to the Audited Annual Consolidated Financial Statements and the Unaudited Condensed Interim Consolidated Financial Statements. The information contained in the consolidated directors' reports has not been prepared for the specific purpose of this Offering. Accordingly, the consolidated directors' reports should be read together with this Prospectus and, in particular, the sections entitled "*Risk Factors*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*", as well as the Consolidated Financial Statements. Furthermore, the consolidated directors' reports include certain forward-looking statements that are subject to inherent uncertainty (see "*Cautionary Note Regarding Forward-looking Statements*"). Accordingly, investors are cautioned not to rely upon the information contained in such consolidated directors' reports.

For the purpose of illustrating long-term evolution, we have also included in this Prospectus certain historical financial information from prior to 2021. Investors are cautioned that certain of this financial information has not been audited and that the related financial statements have not been included in or incorporated by reference into this Prospectus.

The financial information included in this Prospectus is not intended to comply with the applicable accounting requirements of the U.S. Securities Act or any related rules and regulations of the U.S. Securities and Exchange Commission.

Alternative Performance Measures

In addition to the financial information presented herein and prepared in accordance with IFRS, this Prospectus includes non-IFRS financial measures that we regard as alternative performance measures as defined in Commission Delegated Regulation (EU) 2019/979 of March 14, 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council with regard to regulatory technical standards on key financial information in the summary of a prospectus, the publication and classification of prospectuses, advertisements for securities, supplements to a prospectus, and the notification portal and in the guidelines issued by the European Securities and Markets Authority ("**ESMA**") on October 5, 2015 on alternative performance measures (the "**ESMA Guidelines**"). We believe that the presentation of the alternative performance measures ("**APMs**") included herein complies with the ESMA Guidelines and ESMA's "Q&A on Alternative Performance Measures Guidelines" published on in its latest version in April 2022 and the communication issued by the CNMV on April 17, 2023.

We present below a period-to-period comparison of certain financial measures and APMs, including organic growth[APM], gross margin[APM], EBITDA[APM], adjusted EBITDA[APM], adjusted EBITDA margin[APM], adjusted EBIT[APM], adjusted EBIT margin[APM], adjusted net income[APM], adjusted net income margin[APM], capital expenditures ("**capex**") [APM], net financial debt[APM], adjusted net financial debt[APM], adjusted leverage[APM], adjusted financial result[APM], average cost of debt[APM], net working capital[APM], net working capital variation[APM], adjusted net working capital[APM], adjusted net working capital variation[APM], operating cash flow[APM] and operating cash flow conversion[APM]. These APMs are derived from our consolidated profit and loss statement, consolidated balance sheet, consolidated statement of cash flows or our accounting records. While these APMs have not been audited, they have been prepared based on the Guidelines on Alternative Performance Measures published by the ESMA.

We use APMs, which are financial measures derived from, or based on, our accounting records, to evaluate period-to-period changes that are not required by, or presented in accordance with, IFRS-EU. These APMs are not measures of our financial performance under IFRS-EU, are not audited or reviewed by any auditors or independent expert and should not be considered as an alternative to any balance sheet, profit and loss statement or statement of cash flows item. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Alternative Performance Measures*".

Many of these measures are based on various sources of information derived from our internal management systems and our reporting systems, as the case may be. These management measures, as defined and calculated by us, have limitations as analytical tools and should not be considered in isolation or as a substitute for an analysis of our operating result as reported under IFRS-EU. In addition, they may differ significantly and therefore not always be comparable to other similarly titled measures used by other companies. You should not consider such information in isolation, as alternatives to the information calculated in accordance with IFRS-EU, as indications of operating performance or as measures of our profitability or liquidity. Such financial information must be considered only in addition to, and not as a substitute for or superior to, financial information prepared in accordance with IFRS-EU.

Certain of our APMs, including adjusted EBITDA[APM] and net financial debt[APM], have the same or similar titles as other metrics which are used to determine interest payments pursuant to our Sustainable Financing Agreement. However, our APMs are not calculated identically to these metrics. Investors should refer to "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Financial liabilities—Sustainable Financing Agreement*" for definitions of the related terms and an explanation as to how these metrics are calculated for purposes of the Sustainable Financing Agreement.

Operating Segment Reporting

The segment information included in the Consolidated Financial Statements is presented in accordance with the disclosure requirements set forth in IFRS-EU 8. During the first quarter of 2024, we changed the structure of our operating and reporting segments, mainly with the purpose of aligning our operating model with our strategy, size and broader footprint and further simplifying our business. Our segments are based not on geographic distribution, but instead the manner in which we organize our business. As such, balances and transactions are recorded based on the relevant management area instead of based on the geographical area in which a transaction occurs.

Segment information included in our Unaudited Condensed Interim Consolidated Financial Statements is presented under the new reporting segment criteria, that is (i) Europe, and (ii) International. Each of our 2023 Consolidated Financial Statements, 2022 Consolidated Financial Statements and 2021 Consolidated Financial Statements includes segment information based on our previous reporting segments, which were as follows: (i) Iberia, (ii) United States, (iii) Northern Europe and (iv) the Rest of the World. Further, our 2023 Consolidated Financial Statements include certain reporting segment information presented under the new segment criteria as of and for the year ended December 31, 2023 (see Notes 26 and 29 to the 2023 Consolidated Financial Statements).

To make the segment information included in this Prospectus comparable among periods, segment figures as of and for the years ended December 31, 2023, 2022 and 2021 are being presented in accordance with our new reporting segment criteria. The revised segment figures as of and for the years ended December 31, 2022 and 2021 included herein have not been audited or reviewed by an external auditor.

Non-Financial Key Operating Performance Data

Certain key operating performance indicators and other non-financial operating data included in this Prospectus, such as information about the volume and type of our products sold, the composition of our customer and supplier bases, our production and storage and transportation capacities, our marketing and distribution networks and our research and development projects, are derived from, as applicable, management estimates and our management reporting system, and are not part of our financial statements or financial accounting records, and have not been audited or otherwise reviewed by our independent auditors or other consultants or experts. Our use or computation of these indicators and other data may not be comparable to the use or computation of similarly titled measures reported by other companies. Any or all of these indicators and other data should not be considered in isolation or as alternative measures of performance under IFRS. See "*Risk Factors—Risks related to our business operations—If we incorrectly capture data about our operating performance, our key operating performance indicators may be inaccurate and our business and operating results may be materially and adversely affected*".

Medium-term targets

We have included certain medium-term targets in this Prospectus. These medium-term targets are part of our strategic plan and are not an indication, estimate or forecast whatsoever of our expected or actual results. As such, we cannot guarantee that they can or will be met, and you should not place undue reliance on these medium-term targets in deciding whether to invest in the Offer Shares. These medium-term targets are based on assumptions and expectations and are subject to known and unknown risks, uncertainties and other factors, including but not limited to those discussed under "*Risk Factors*", that could cause our actual results to materially differ from those expressed in, or suggested by, these medium-term targets. See "*Risk Factors—Risks related to our business and the industry in which we operate—There is no assurance that we will realize our medium-term targets as set forth in this Prospectus*". The ultimate achievability of these medium-term targets is also subject to numerous risks and uncertainties including, but not limited to, the risks and uncertainties described in this Prospectus.

Neither our independent auditors nor any other independent accountants compiled, examined or performed any procedures with respect to these medium-term targets, nor have they expressed any opinion or any other form of assurance on these medium-term targets or their achievability, and such parties assume no responsibility for, and disclaim any association with, these medium-term targets.

These medium-term targets, while presented with numerical specificity, necessarily reflect numerous assumptions made by us with respect to industry performance, general business, economic, regulatory, market and financial conditions, and other future events, as well as matters specific to our businesses, all of which are difficult or impossible to predict, and many of which are beyond our control. These medium-term targets reflect our subjective judgments in many respects and in connection with numerous assumptions, risks and uncertainties and, thus, are susceptible to multiple interpretations and periodic revisions based on actual experience and business, economic, regulatory, financial and other developments.

Also, the benefits and impact of our strategy and medium-term targets could fall short of what we envisage, meaning that we are unable to achieve our strategy and targets in the medium term. We may not succeed in achieving any of our financial medium-term targets because of insufficient management attention, incorrect decisions or choices, inefficiencies, competition or because forecasted events and actions may not take place or may take place at a different time or to a different extent than anticipated or because certain events and actions could not be predicted or quantified at the time these medium-term targets were established.

These medium-term targets constitute forward-looking information and are subject to risks and uncertainties that could cause actual results to differ materially from these medium-term targets, including, but not limited to, our performance, industry performance, general business and economic conditions, competition, adverse changes in applicable laws, regulations or rules, and the various risks and uncertainties set forth in this Prospectus that could materially adversely affect our future results. We cannot give any assurance that these financial medium-term targets will be realized or that actual results will not vary significantly from these medium-term targets.

Market and Industry Data

The industry, market and competitive position data contained in this Prospectus is derived from data, information and reports prepared by official or other third-party sources (collectively, "**Company Industry Sources**"). Such Company Industry Sources include a private market study commissioned from the Boston Consulting Group, publicly available official publications and confidential third-party sources, such as GIRA, Statista, Euromonitor International (Staple Foods 2024 edition, using data in Retail Value RSP, current prices, y-o-y exchange rates and retail volume data in tons), Orbis, Capital IQ, Alimarket, Sosland Publishing and Global Market Insights, U.S. Department of Agriculture Foreign Agricultural Service, Bloomberg, Mergermarket and Expansión. Third-party industry publications, studies and surveys generally state that the data contained therein have been obtained from sources believed to be reliable, but that there is no guarantee of the accuracy or completeness of such data. While the Company believes that each of these publications, studies and surveys has been prepared by a reputable source, none of the Company, the Selling Shareholders, the Underwriters, the Boston Consulting Group, GIRA, Statista, Euromonitor International (Staple Foods 2024 edition, using data in Retail Value RSP, current prices, y-o-y exchange rates and retail volume data in tons), Orbis, Capital IQ, Alimarket, Sosland Publishing and Global Market Insights, U.S. Department of Agriculture Foreign Agricultural Service, Bloomberg, Mergermarket and Expansión, any other third-party source or any other person, has independently verified the data contained therein or accepts any liability in respect thereof. To the Company's knowledge, all third-party information contained in this Prospectus has been accurately reproduced and, as far as the Company is aware and has been able to ascertain, no facts have been omitted which would render the reproduced information inaccurate or misleading.

This Prospectus also contains estimates of market data and information derived therefrom which cannot be gathered from publications by market research institutions or any other independent sources. Such information is prepared by us based on third-party sources and our own internal estimates, which are based on the knowledge and experience of the Company's management in the markets in which the Group operates. While we believe that these estimates of our competitive position and market share are helpful in order to give investors a better understanding of our position within our industry, in many cases there is no publicly available information supporting these estimates. Although we believe that our internal market observations are reliable, our own estimates, and their underlying methodology and assumptions, have not been reviewed or verified by any external party. Accordingly, investors are cautioned not to place undue reliance on such estimates. While we are not aware of any misstatements regarding the industry, market share or similar data presented in this Prospectus, such data involve risks and uncertainties and is subject to change based on various factors, including those discussed under the headings "*Risk Factors*" and "*Cautionary Note Regarding Forward-looking Statements*" in this Prospectus.

The latest publicly available historical market data for Spain and Rest of Europe is as of December 31, 2021, whilst market data between December 31, 2021 and December 31, 2026 for Spain and Rest of Europe are estimates or expectations, as applicable.

Currency

Unless otherwise indicated or otherwise required by the context, all references in this Prospectus to "**euro**", "**€**" or "**EUR**" are to the lawful currency of the participating Member States including Spain, in the third stage of European Economic and Monetary Union of the Treaty establishing the European Community, as amended from time to time, all references to "**British pound**", "**GBP**" or "**£**" are to the lawful currency of the United Kingdom, and all references to "**U.S. dollars**", "**dollars**", "**U.S.$**", "**USD**" or "**$**" are to the lawful currency of the United States of America.

The financial information and the Consolidated Financial Statements included and incorporated by reference in this Prospectus were prepared in euro, which is our functional and reporting currency.

Rounding

Certain numerical figures included in this Prospectus, including financial data presented in millions or thousands and certain percentages, have been subject to rounding adjustments. Accordingly, amounts shown as totals in columns or rows of tables in this Prospectus may not be an arithmetic aggregation of the related numbers. In addition, certain percentages presented in the tables in this Prospectus reflect calculations based upon the underlying information prior to rounding and, accordingly, may not conform to the percentages that would be derived if the relevant calculation were based upon the rounded numbers. As used in this Prospectus, the term "billion" means one thousand million (1,000,000,000).

Trademarks and Licenses

We own or have rights to certain trademarks, trade names or service marks that we use in connection with the operation of our business. We assert, to the fullest extent under applicable law, our rights to our trademarks, trade names and service marks. Solely for convenience, the trademarks, trade names or service marks 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 specified to the contrary, all such references are to the laws of Spain, except for directives, where all such references shall be deemed to be made to EU directives.

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 Offer Shares, for whom an investment in the Offer 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 Spanish market and the bakery and/or frozen bakery markets. You should consult your financial advisor before making an investment in the Company.

The Offer Shares are designed to be held over the long term and may not be suitable as short-term investments. A prospective investor should be aware that the value of an investment in the Company 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 Offer Shares will occur, and you may not recover the full value of your investment. Any operating and/or financial objectives of the Company are targets only and should not be treated as assurances or guarantees of performance.

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. You must rely upon your own representatives, including your 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 OF PRINCIPAL EVENTS AND OFFERING STATISTICS

Expected Timetable for Principal Events

The Company expects that the Offering will take place according to the tentative calendar set out below:

Event	Estimated Date [(1)]
Approval and registration of this Prospectus with the CNMV	September 26, 2024
Commencement of the book-building period in which non-binding proposals are made by qualified investors	September 27, 2024
Finalization of book-building period	October 8, 2024
Setting of the Offering Price	October 8, 2024
Execution of the Underwriting Agreement	October 8, 2024
Publication of the Offering Price and the final size of the Offering through an inside information notice (*comunicación de información privilegiada*)	October 8, 2024
Allocation of Initial Offer Shares to qualified investors (on or about)	October 9, 2024
Prefunding of New Offer Shares by the Joint Global Coordinators	October 9, 2024
Granting of the public deed of the capital increase in respect of the New Offer Shares	October 9, 2024
Filing and registration of the public deed of share capital increase relating to the New Offer Shares with the Barcelona Commercial Registry	October 9, 2024
Transaction Date of the Offering and publication of an other relevant information notice (*comunicación de otra información relevante*)	October 9, 2024
Admission, start of trading and commencement of Stabilization Period and of the Over-allotment Option exercise period (on or about)	October 10, 2024
Settlement Date (on or about)	October 11, 2024
End of Stabilization Period and of the Over-allotment Option exercise period[(2)]	November 8, 2024

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

(2) The Over-allotment Option will be exercisable, in whole or in part, for a period of 30 calendar days from the date of the Admission.

Offering Statistics

The table below includes the Offering statistics assuming that (i) the Offering Price is at the mid-point of the Offering Price Range (€17.30 per Offer Share), (ii) the Over-allotment Option representing up to 10% of the Initial Offer Shares is exercised in full, (iii) the Over-allotment Option is first exercised with respect to the Over-allotment Shares offered by Gallés Office, S.L. (controlled by Mr. Jordi Gallés Gabarró), which will consist of the number of Over-allotment Shares that, at the Offering Price, would represent an amount of approximately €10.0 million, – representing between 2.0% and 2.2% of the Initial Offer Shares based on the Offering Price Range – and subsequently, to the extent that the exercise of the Over-allotment Option has exhausted all of the Over-allotment Shares offered by Gallés Office, S.L., with respect to the Over-allotment Shares offered by us, which will consist of up to the remaining Over-allotment Shares (which, at the Offering Price, would represent an amount of approximately between €35.9 and €40.5 million and between 7.8% and 8.0% of the Initial Offer Shares based on the Offering Price Range), (iv) Exponent S.à r.l. (whose majority shareholder is MCH Continuation Fund, FICC, a fund managed by MCH Private Equity) sells all of the Secondary Offer Shares it owns in the Company, (v) Indinura, S.L. (controlled by Mr. Jordi Morral Hospital) sells 50% of the Secondary Offer Shares it owns in the Company, (vi) Gallés Office, S.L. sells 300,000 Secondary Offer Shares and (vii) the Company sells the number of New Offer Shares required to obtain the New Gross Proceeds:

	Amount
	(in thousands of euros, except Offering Price Range and numbers of Offer Shares)
Indicative non-binding Offering Price Range (per Offer Share)	€15.85-€18.75
New Offer Shares	12,138,728
Secondary Offer Shares	15,727,800
Over-allotment Shares	2,786,652
Estimated New Gross Proceeds (receivable by us)	210,000

	Amount
	(in thousands of euros, except Offering Price Range and numbers of Offer Shares)
Estimated Secondary Gross Proceeds (receivable by the Selling Shareholders)	272,091
Estimated gross proceeds from the sale of the Over-allotment Shares (receivable by us)	38,209
Estimated gross proceeds from the sale of the Over-allotment Shares (receivable by Gallés Office, S.L.)	10,000
Total estimated Offering expenses (1)	22,561
Estimated net proceeds of the New Offer Shares (receivable by us)	198,733
Estimated net proceeds of the Secondary Offer Shares (receivable by the Selling Shareholders)	262,496
Estimated net proceeds from the sale of the Over-allotment Shares (receivable by us)	36,862
Estimated net proceeds from the sale of the Over-allotment Shares (receivable by Gallés Office, S.L.)	9,647
Expected market capitalization of the Company following the Offering	1,448,822

(1) Assuming payment of the maximum amount of the incentive fee to the Underwriters (excluding VAT). For additional information, see "*Plan of Distribution—Offering Expenses*".

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Prospectus includes forward-looking statements that reflect our intentions, beliefs or current expectations and projections. These forward-looking statements include, but are not limited to, statements regarding our future financial position and results of operations, liquidity, performance, prospects, anticipated growth, our strategy, plans, objectives, commitments, goals and targets, including our environmental, social and governance commitments, goals and targets, opportunities, trends and future developments in the markets in which we operate or intend to operate. In some cases, you can identify forward-looking statements by terminology such as "objective", "aim", "anticipate", "believe", "continue", "could", "estimate", "expect", "forecast", "target", "guidance", "intend", "is likely to", "may", "plan", "potential", "predict", "projected", "seek", "could", "should", "would" or "will" or, in each case, the negative of such terms or other similar expressions or terminology.

The forward-looking statements are based on numerous assumptions regarding the Group's present and future business and the environment in which the Group expects to operate in the future. By their nature, these forward-looking statements reflect only the Company's current view with respect to events and circumstances that may or may not occur in the future, and they involve known and unknown risks, uncertainties and assumptions, including, but not limited to:

- our ability to obtain raw materials, energy, and other supplies at commercially reasonable prices (see "*Risk Factors—Risks related to our business and the industry in which we operate—The price of energy used in the production, storage and transportation of our products is subject to volatile market conditions*");
- our ability to ramp-up and scale our business successfully;
- future laws and regulations that apply to our business (see "*Risk Factors—Legal, regulatory and compliance risk—We operate in a highly regulated industry and our failure to comply with laws, regulations or governmental practices, including environmental regulations, or changes to laws or their interpretation, in the markets in which we operate may adversely affect our business, financial condition, results of operations and prospects*");
- the availability of external financing to grow our business;
- our ability to obtain a return on capital investments;
- our ability to adjust to shifting market preferences (see "*Risk Factors—Risks related to our business and the industry in which we operate—Changes in consumer dietary trends and preferences could adversely affect our business if we are unable to continually innovate to meet changing demand*"); and
- our ability to successfully integrate acquired *businesses* (see "*Risk Factors—Risks related to our business and the industry in which we operate—We may not be able to successfully complete favorable transactions or successfully integrate acquired businesses*").

Forward-looking statements speak only as of the date of this Prospectus and are not guarantees of future performance. Our actual results of operations, financial condition and the development of events may differ materially from (and be more negative than) those made in, or suggested by, the forward-looking statements. You should read the section entitled "*Risk Factors*" (and, in particular, see "*Risk Factors—Risks related to our business and the industry in which we operate—There is no assurance that we will realize our medium-term targets as set forth in this Prospectus*"), the description of our business segments in the section entitled "*Business*" and in the section entitled "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Factors Affecting our Results of Operations*" for a more complete discussion of the factors that could affect us.

We caution that the important factors referenced in such sections may not be all the factors that are important to you. In addition, all 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 law and regulations and by any applicable stock exchange regulations, we undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or developments or otherwise.

This Prospectus does not contain any profit estimate or profit forecast as defined in Delegated Regulation 2019/980.

INDUSTRY OVERVIEW

Market, market share, industry and other data contained in this section has been taken from, or based upon, industry reports and other sources. In particular, statements and information in this Prospectus regarding market environment, market developments, growth rates, market trends, the industry in which we operate and our position in such industry, are based on Company Industry Sources. See "Presentation of Financial and Other Important Information—Market and Industry Data".

Our internal estimates or judgements and those contained in this Prospectus, particularly as they relate to expectations about our market and industry, involve risks and uncertainties and are subject to change based on various factors, including those discussed under "Risk Factors" and "Important Information—Forward-Looking Statements" elsewhere in this Prospectus.

Accordingly, the market and sector information included in this Prospectus should be viewed with caution and no representation or warranty is given and no liability is accepted by any person, including us, the Selling Shareholders, the Underwriters, the Boston Consulting Group and other publicly available official or third-party sources including GIRA, Statista, Euromonitor International (Staple Foods 2024 edition, using data in Retail Value RSP, current prices, y-o-y exchange rates and retail volume data in tons), Orbis, Capital IQ, Alimarket, Sosland Publishing and Global Market Insights, U.S. Department of Agriculture Foreign Agricultural Service, Bloomberg, Mergermarket and Expansión or any other third-party source, as to its accuracy.

The industry overview section of this Prospectus does not capture the total global bakery market and total global frozen bakery market. Unless stated otherwise, it focuses on the geographies in which we primarily operate and on the product categories in which we focus on, namely frozen bread and frozen pastry.

Due to information limitations on the industry and data being not consistently available, different Company Industry Sources are being used for different analysis. Information for particular geographies might vary across sources. Notably, different Industry Sources are used for European markets versus International markets.

Note on Presentation of Market Segments and Distribution Channels

Certain of the geographical breakouts and distribution channels included in this section differ from the segments and distribution channels presented in "*Business*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" and elsewhere in this Prospectus. Unless otherwise noted, the bakery and frozen bakery markets described in this section refer to bread and pastry sales and frozen bread and frozen pastry sales, using the following geographical breakouts (which consist of the geographies in which we primarily operate):

- Spain;
- rest of Europe (i.e., excluding Spain), defined for these purposes as Denmark, France, Germany, Italy, the Netherlands, Portugal, Sweden and the United Kingdom;
- the United States;
- Latin America (or "**LatAm**"), defined for these purposes as Chile, Colombia and Mexico; and
- the Middle East, defined for these purposes as Saudi Arabia and United Arab Emirates.

Additionally, unless otherwise noted, the bakery and frozen bakery markets described in this section refer to bread and pastry sales and frozen bread and frozen pastry sales, using the following distribution channels (which consist of the distribution channels in which we primarily sell our products):

- Artisan bakers (including craft bakers and confectioners);
- Modern retailers (including hypermarkets, supermarkets and hard-discount stores);
- Other retail (including convenience stores, petrol stations and small grocery stores);
- Social foodservice (including education, workplace and health/welfare);
- Hotels, restaurants and cafeterias ("**HoReCa**") (including restaurants, hotels, fast food and coffee chains and transport catering); and

- Bakery chains (including bakery chains with more than five outlets).

Information about the markets in which we operate is limited and not consistently available. As a result, the industry overview section relies on the most relevant Company Industry Sources which vary by region. Although the segments and distribution channels included in this section differ from those presented elsewhere in this Prospectus, they represent the geographies and distribution channels in which we primarily operate and provide an overview of the market in which we conduct our business.

For Spain and the Rest of Europe, the most relevant Company Industry Source for the total bakery and frozen bakery markets (Gira) provides historical data as of 2021 in both volume and value terms. However, this source only provides 2026 forecast data in volume terms. As a result, the 2026 forecasted data in value terms is based on growth rates provided from a different Company Industry Source (Global Market Insights).

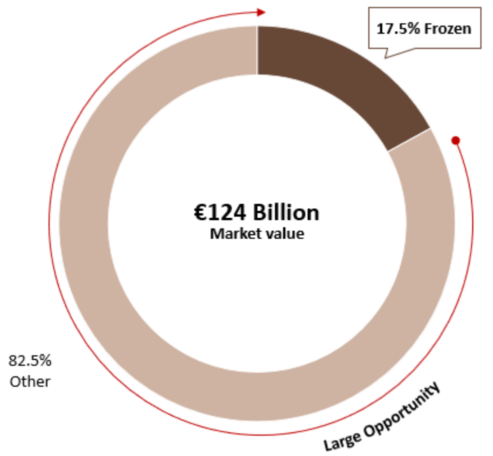
Consequently, for the US, LatAm and the Middle East, although we had certain historical data for years 2022 and 2023, the historical data used from the most relevant Company Industry Source for the total bakery market (Euromonitor International) and for the frozen bakery market (Global Market Insights) is as of 2021 to ensure consistency. These sources provide 2026 forecast data in both volume and value terms.

Overview

We operate in the growing frozen bakery market segment of the large and stable bakery market, through our global operations in Spain, Portugal, the United States, France, the United Kingdom, Mexico and other countries across Europe, LatAm and Middle East.

According to Gira, Global Market Insights and Euromonitor International, the frozen bakery market segment has captured an increasing share of the total bakery market, accounting for 17.5% of total bakery sales in 2021 in the geographies in which we primarily operate, approximately, €22 billion.

Graphic 1: 2021 bread & pastry market[1] sales in the geographies in which we primarily operate – by technology (€bn)

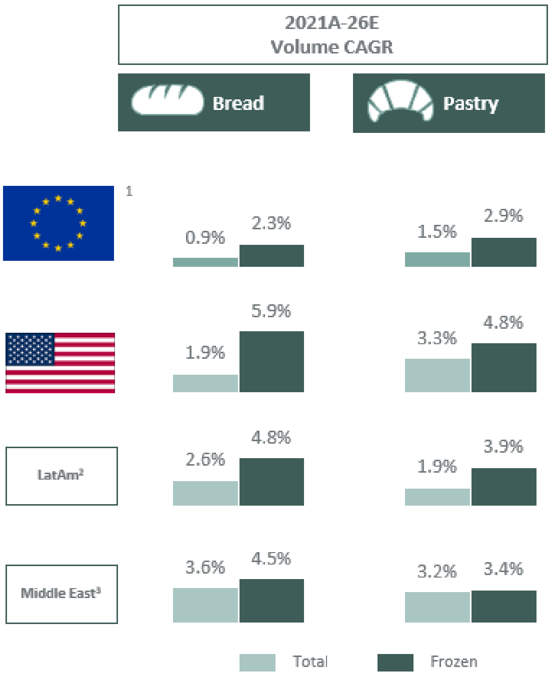


Source: Gira, Global Market Insights and Euromonitor International.

1. Includes bread and pastry in Spain, Portugal, Germany, United Kingdom, Netherlands, Sweden, Denmark, France, Italy, US, Chile, Colombia, Mexico, Saudi Arabia and UAE.

As seen in Graphic 2 below, according to Gira, Global Market Insights and Euromonitor International, the frozen bakery market segment is expected to continue to grow faster than the total bakery market in terms of volume, benefitting from structural customer and end-consumer trends, including convenience, premiumization and focus on health and wellness, among other factors. As a result of faster growth, the frozen bakery market segment is expected to continue gaining market share of the total bakery market in terms of volume.

Graphic 2: Expected 2021-2026 volume growth in frozen bakery



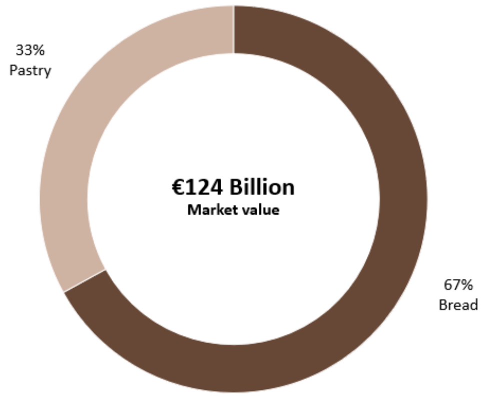
Sources: Gira, Global Market Insights and Euromonitor International.
Note: Growth in volume terms (kT).
1 Includes Spain, Portugal, Germany, the United Kingdom, the Netherlands, Denmark, Sweden, France and Italy.
2 Includes Chile, Colombia and Mexico.
3 Includes Saudi Arabia and United Arab Emirates.

Bakery Market

The bakery market is large and stable. According to Company Industry Sources, in the geographies in which we primarily operate, the bakery market grew at a 1.3% CAGR in terms of sales from 2013 to 2021, generating €124 billion in sales in 2021. In terms of volume, the bakery market grew at a 2.5% CAGR during the same period. The bakery market has two main product segments: breads (including baguettes, multi-grain breads, country breads, ciabattas, artisanal breads, brioche and premium buns and other breads) and pastries (including Viennoiserie, puff pastries and doughnuts). The bakery market can also be segmented based on technological criteria, in two segments: (1) fresh and (2) frozen (or "bake-off"). Fresh involves making products inspired by traditional recipes. Frozen bakery or "bake-off," involves using several industrial processes to deliver frozen bakery products to distributors and customers, as described below under "*Frozen Bakery Segment*".

As seen below in Graphic 3, in 2021 Bread accounted for 67% of the total €124bn bakery market, and Pastry accounted for 33% (*Sources: Gira and Euromonitor International*).

Graphic 3: 2021 bread & pastry market[1] sales in the geographies in which we primarily operate – by category (€bn)



Source: Gira and Euromonitor International.

1. Includes bread, pastry in Spain, Portugal, Germany, United Kingdom, Netherlands, Sweden, Denmark, France, Italy, US, Chile, Colombia, Mexico, Saudi Arabia and UAE.

Bread Market Segment

As seen in Graphic 3 above, the bread market segment in the geographies in which we primarily operate reached €83 billion in sales in 2021, accounting for 67% of total bakery (*Sources: Gira and Euromonitor International*).

Graphic 4: Bread market sales value and volume by region

	2021		2013-19 CAGR		Period impacted by Covid-19 2019-21 CAGR		2021-26F CAGR	
Region	Market Value (EURm)	Market volume (kt)	Volume	Price	Volume	Price	Volume	Price
Spain	5,527	1,790	-0.2%	-0.4%	-2.0%	-0.5%	0.3%	4.2%
Rest of Europe[1]	41,508	12,963	-0.1%	1.1%	-2.8%	0.7%	1.0%	6.0%
USA	25,552	5,484	0.6%	0.0%	5.4%	2.3%	1.9%	5.2%
LatAm[2]	9,584	4,789	1.0%	5.5%	-1.3%	5.9%	2.6%	7.0%
ME[3]	983	687	0.9%	11.0%	0.2%	3.0%	3.6%	4.8%
Total	**83,154**	**25,713**	**0.3%**	**1.1%**	**-0.8%**	**1.7%**	**1.5%**	**5.7%**

Sources: Gira and Euromonitor International.

Note: Market volume and price calculated based on 2023 forex. Prices on EUR/kg basis. Does not include packaged bread except for USA. Does not include unpackaged flatbread in Mexico and Saudi Arabia.

1 Includes Portugal, Germany, the United Kingdom, the Netherlands, Denmark, Sweden, France and Italy.

2 Includes Chile, Colombia, Mexico.

3 Includes Saudi Arabia and United Arab Emirates.

As seen in Graphic 4 above, according to Gira and Euromonitor International, total bread volumes in the geographies in which we primarily operate had CAGRs ranging from -0.2% to 1.0% from 2013 to 2019, with price CAGRs ranging from -0.4% to 11.0%. 2019-2021 was impacted by Covid-19 resulting in negative total volume growth of -0.8% but positive total price growth of 1.7%.

The main factors that may contribute to the growth of the bread market segment are:

- *Convenience and Snacking*: Consumers are demanding one-serving size bread products for convenience and snacking purposes. Additionally, breads for different types of occasions (including burger buns, snacking, catering) are gaining popularity.

- *Premiumization*: Consumers consider quality as a key factor when selecting where to buy bakery goods. Rustic, moist breads are gaining market share at the expense of standard white breads.

- *Innovation*: Health-related innovations, in particular, have been increasing (including gluten-free, multi-grain, no trans fats) to better serve a broad variety of consumer preferences around healthy eating habits.

The bread market segment has also benefited from positive consumer trends, including increases in healthier eating habits and greater willingness to try new varieties of breads (including, for example, focaccia and brioche). As seen in Graphic 4 above, total bread volumes in the geographies in which we primarily operate are expected to have CAGRs from 0.3% to 3.6% in 2021-2026 with highest growth rates noted in LatAm and the Middle East. Prices are expected to increase at 4.2% to 7.0% CAGRs in 2021-2026, with the highest growth rates anticipated in LatAm and Europe (excluding Spain) (*Sources: Gira and Euromonitor International*).

Pastry Market Segment

As seen in Graphic 3 above, the pastry market segment in the geographies in which we primarily operate reached €41 billion in sales in 2021, accounting for 33% of total bakery sales (*Sources: Gira and Euromonitor International*).

Graphic 5: Pastry market sales value and volume by region

	2021		2013-19 CAGR		2019-21 CAGR (Period impacted by Covid-19)		2021-26F CAGR	
Region	Market Value (EURm)	Market volume (kt)	Volume	Price	Volume	Price	Volume	Price
Spain	3,643	535	0.8%	0.3%	-1.2%	1.4%	0.7%	8.5%
Rest of Europe[1]	14,244	1,655	0.9%	1.7%	-3.3%	1.8%	1.7%	6.7%
USA	16,610	1,996	2.4%	0.5%	2.0%	4.2%	3.3%	8.6%
LatAm[2]	4,511	797	-0.9%	5.1%	0.4%	5.8%	1.9%	6.2%
ME[3]	1,944	289	4.1%	2.5%	-0.6%	3.1%	3.2%	5.0%
Total	**40,952**	**5,272**	**1.3%**	**1.4%**	**-0.5%**	**3.8%**	**2.3%**	**7.7%**

Sources: Gira and Euromonitor International.
Note: Market volume and price calculated based on 2023 forex. Prices on EUR/kg basis.
1 Includes Portugal, Germany, the United Kingdom, the Netherlands, Denmark, Sweden, France and Italy.
2 Includes Chile, Colombia, Mexico.
3 Includes Saudi Arabia and United Arab Emirates.

As seen in Graphic 5 above, according to Gira and Euromonitor International, total pastry volumes in the geographies in which we primarily operate had CAGRs ranging from -0.9% to 4.1% from 2013 to 2019, with price CAGRs ranging from 0.3% to 5.1%. 2019-2021 was impacted by Covid-19 resulting in negative total volume growth of -0.5% but positive total price growth of 3.8%.

The main factors that may contribute to the growth of the pastry market segment are similar to the factors that may contribute to the growth of the bread market segment:

- *Convenience and Snacking*: The rise of "on-the-go" eating habits and increased consumer occasions for snacking (*e.g.*, demand for savory and sweet pastries to accompany coffee and other "on-the-go" drinks).

- *Premiumization*: An increase in the use of fillings, toppings, pure butter products and mini-formats combined with a growing demand for higher quality products.

- *Innovation*: Health innovations, in particular, are increasing in the pastry market (*e.g.*, gluten-free, multi-grain, no trans fats, natural fruit and vegetable filings), although at a slower pace compared to breads, to better serve a broad variety of consumer preferences around healthy eating habits.

- *Indulgence*: Despite healthier eating habits, consumers still want to indulge at certain times with pastries. At those moments, consumers want to optimize indulgence moments with pastries without focusing on the health aspects.

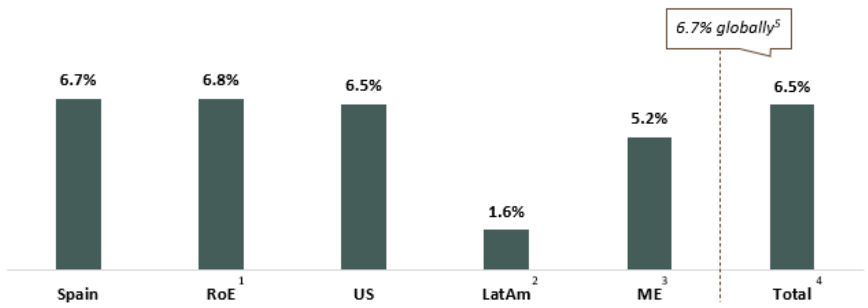
As seen in Graphic 5 above, total pastry market segment volumes in the geographies in which we primarily operate are expected to increase with 0.7% to 3.3% CAGRs in 2021-2026 with highest growth rates noted in the United States and the Middle East. Prices are expected to increase at a range of 5.0% to 8.6% CAGR 2021-2026 with highest growth anticipated in the United States and Spain (*Sources: Gira and Euromonitor International*).

Frozen Bakery Market Segment

According to Company Industry Sources, in the geographies in which we primarily operate, the frozen bakery market segment of the bakery market (which is the market segment in which we operate) generated approximately €22 billion in sales in 2021, representing 17.5% of total bread and bakery sales in the geographies in which we primarily operate (as seen on Graphic 1 above).

As seen on Graphic 6 below, the global frozen bakery market segment (in the geographies in which we primarily operate) is expected to grow at CAGR 2021-2026 of 6.5%, in terms of sales (*Source: Global Market Insights*).

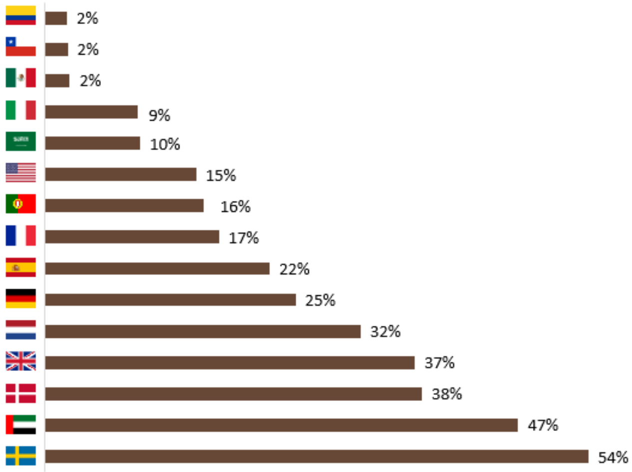
Graphic 6: Global frozen bakery market expected 2021-2026 growth (in market value terms, €)



Source: Global Market Insights.
Note: Includes frozen bread and frozen pastry markets.
1 Includes Portugal, Germany, the United Kingdom, the Netherlands, Denmark, Sweden, France and Italy.
2 Includes Chile, Colombia, Mexico.
3 Includes Saudi Arabia and United Arab Emirates.
4 Total growth for the geographies in which we primarily operate.
5 Global frozen bakery market value growth refers to total growth worldwide across all regions, not limited to the main markets of Europastry.

Penetration rates in the frozen bakery market segment (in terms of market value) are still relatively low on average, leaving significant room to grow in most geographies in which we primarily operate. As seen in Graphic 7 below, some key countries for Europastry, such as Portugal, France, Spain, Germany and Netherlands, still have relatively low penetration rates, ranging from 16% to 32% (*Source: Gira, Global Market Insights and Euromonitor International*). Frozen bread and frozen pastry penetration in LatAm is limited. The main reason for this is that low labor costs still make scratch production an affordable and viable option. However, frozen penetration is expected to grow as labor costs in LatAm increase.

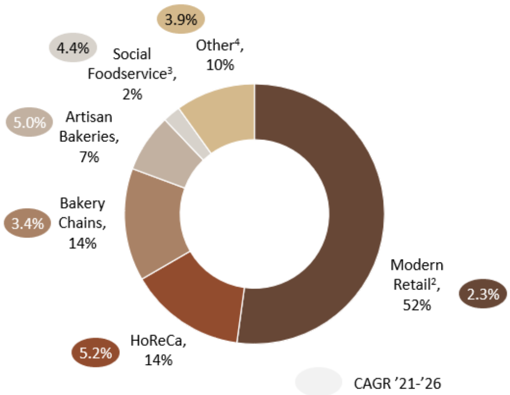
Graphic 7: Total frozen penetration (% - market value) in bread and pastry in the geographies in which we primarily operate (2021)



Source: Gira, Global Market Insights and Euromonitor International.
Note: Total frozen penetration defined as frozen bread & pastries market value over total bread & pastries market value.

As seen in Graphic 8 below, according to Gira and Global Market Insights, frozen bakery products are generally distributed to: (1) modern distribution channels (including hypermarkets, supermarkets and hard-discount stores), (2) HoReCa, (3) social foodservice (including education, workplace and health), (4) bakery chains, (5) artisan bakeries and (6) other channels (including convenience stores, petrol stations, small grocery stores and online channel).

Graphic 8: Total frozen[1] volume distribution by channel (includes other products in addition to bread and pastry)



Sources: Gira and Global Market Insights.

Note: Volume in raw weight. Considers volumes of Spain, Portugal, Germany, UK, Netherlands, Denmark, Sweden, France, Italy, USA, Mexico, Colombia, Chile, Saudi Arabi and United Arab Emirates.

1 Includes other bakery products in addition to bread and pastry (i.e., patisserie and other such as savory pastry).

2 Hypermarkets, supermarkets, hard-discount stores.

3 Education, workplace, health (only considers European data).

4 Convenience stores, petrol stations, small grocery stores and online channel.

Frozen bakery volumes are expected to increase in every channel between 2021-2026. Highest growth rates of 5.2% and 5.0% CAGR 2021-2026 are expected to come from HoReCa and artisan bakery channels respectively (*Sources: Gira and Global Market Insights*). Average of the expected growth rates across the channels is 4.0%.

Frozen bread volumes are particularly expected to increase in modern retail, as fresh bread bought in smaller supermarkets is substituted in part with fully-baked bread. In channels such as bakery chains and artisan bakeries, frozen bread volumes are expected to increase resulting from the "fresh-looking" and other premium characteristics of frozen bread. In HoReCa and social foodservice, frozen volumes are forecasted to grow thanks to the potential to offer small and adapted products at more attractive prices and thanks to an increase in organized HoReCa, as these customers prefer to work with major suppliers and seek standardization.

Frozen pastry volumes are particularly expected to increase in modern retail due to the lower price and greater value proposition of frozen pastry versus fresh pastry products. In bakery chains, artisan bakeries and other, frozen pastry volumes are expected to increase due to offering an increased variety of frozen pastry products, including products that customers would not be able to produce using scratch-baking. In HoReCa and social foodservice, frozen pastry volumes are expected to increase due to the added convenience that frozen pastry provides to customers in easy-to-use formats.

As seen in Graphic 2 above, according to Gira, Global Market Insights and Euromonitor International, the frozen bakery market segment is expected to continue to grow faster than the total bakery market in terms of volume. The main factors that are expected to contribute to this growth are:

- *Higher Convenience*: Consumers now demand freshly baked products throughout the day, not just in the morning. Frozen bakery allows customers in all distribution channels to offer freshly baked products at any time throughout the day, improving the customer experience.

- *Higher Margins / Increased Profitability*: Frozen bakery allows customers to reduce their initial investment, lower labor costs in store and optimize management of their inventory.

- *Reduction of Stock-Outs and Waste*: Frozen bakery permits easy storage and allows customers to better match supply and demand, thereby reducing waste costs.

- *Increased Food Safety*: Frozen bakery products do not require preservatives or additives. In addition, contamination (e.g., allergen) is avoided as customers only have to proof and/or bake these products.

- *Innovation*: Customers are increasingly turning to frozen bakery to respond to end consumers' demands for healthier and more innovative products.

- *Value Proposition:* Frozen bakery products offer a similar quality compared to fresh bakery products at a lower expense.

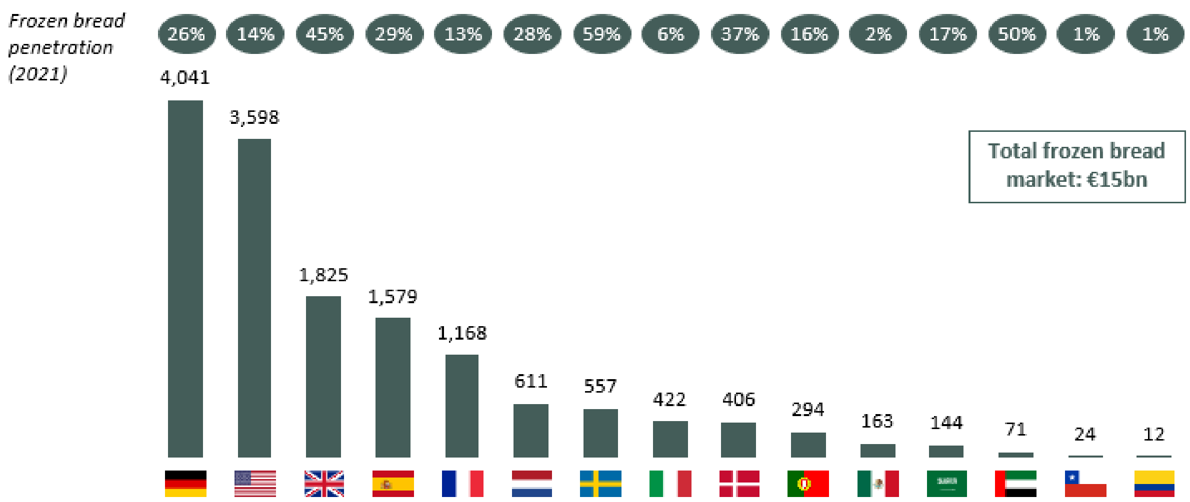
- *Growing Consumption in Channels with Higher Penetration*: Some markets (e.g., Spain), have seen a consumption shift to channels where the frozen bakery share of all bakery products is higher (e.g., modern retailers and bakery chains)

- *Health and Wellness Consumption Patterns*: smaller portions during meals, other substitutes such as vegetable wraps and vegan and free-from products.

Frozen Bread Market Segment

The total frozen bread market in the geographies in which we primarily operate reached €15bn in 2021. As seen in Graphic 9 below, the 5 largest markets are Germany, the United States, the United Kingdom, Spain and France, according to Gira, Global Market Insights and Euromonitor International. Frozen bread penetration across all geographies ranges between 1% and 59%, with penetration rates in our key markets being still significantly low, allowing for a lot of room for future growth.

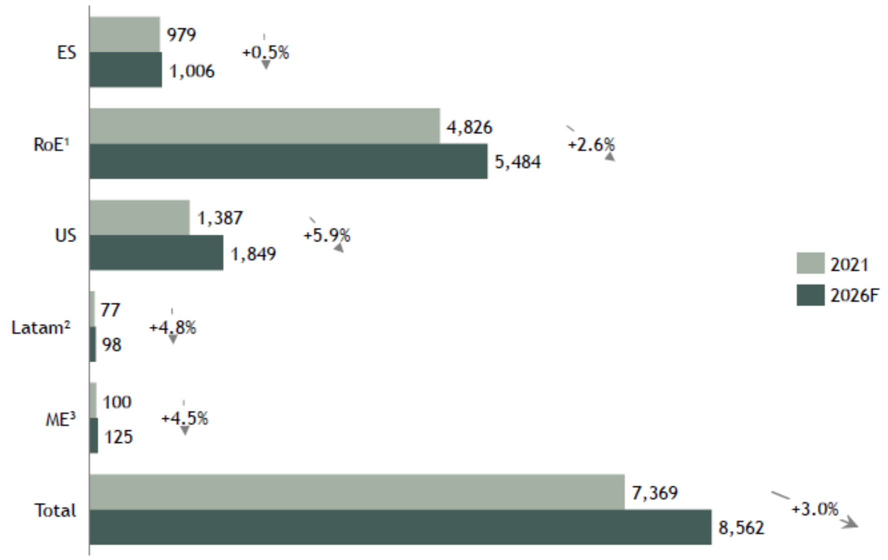
Graphic 9: Frozen bread market by country (2021 - €m) and frozen bread penetration (% - market value)



Sources: Gira, Global Market Insights and Euromonitor International.
Note: Frozen bread penetration defined as frozen bread market value (in € terms) over total bread market value (in € terms).

As seen in Graphic 10 below, according to Gira and Global Market Insights, frozen bread volume in the geographies in which we primarily operate reached 7,369kT in 2021 and is expected to grow between 0.5% and 5.9% CAGR from 2021 to 2026 with highest growth expected in the United States and LatAm.

Graphic 10: Frozen bread volume evolution by region (kT) and 2021-2026 CAGRs

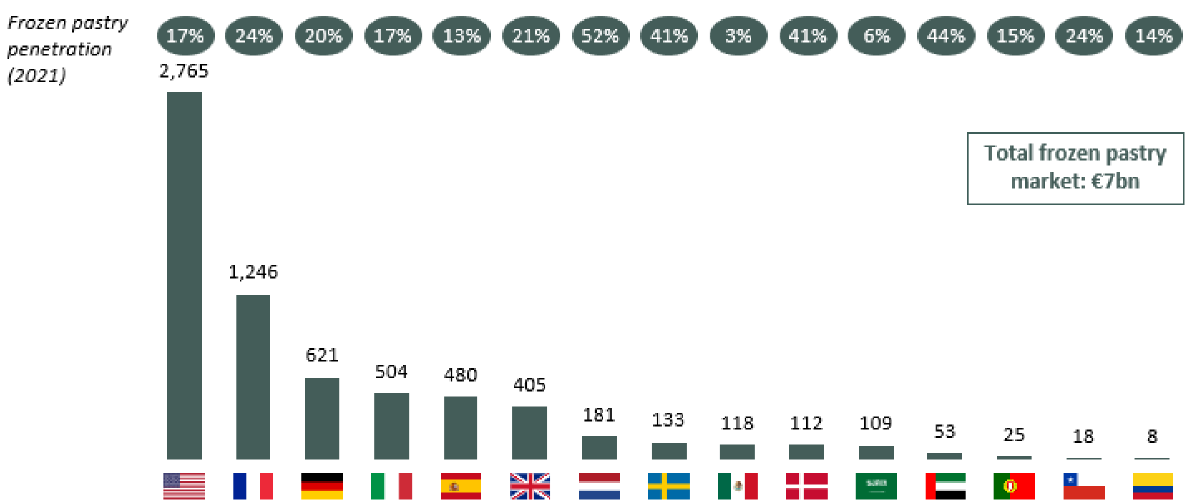


Sources: Gira and Global Market Insights.
Note: Growth in volume terms (kT).
1 Includes Portugal, Germany, the United Kingdom, the Netherlands, Denmark, Sweden, France and Italy.
2 Includes Chile, Colombia, Mexico.
3 Includes Saudi Arabia and United Arab Emirates.

Frozen Pastry Market Segment

The total frozen pastry market in the geographies in which we primarily operate reached €7bn in 2021. As seen in Graphic 11 below, the 5 largest markets are the United States, France, Germany, Italy and Spain, according to Gira, Global Market Insights and Euromonitor International. Frozen pastry penetration across all geographies ranges between 3% and 52%, with penetration rates in our key markets being still significantly low, allowing for a lot of room for future growth.

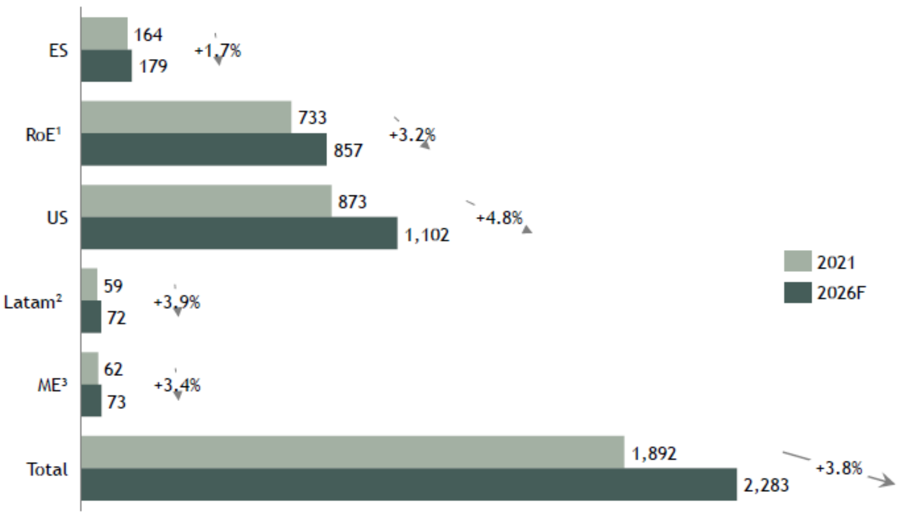
Graphic 11: Frozen pastry market by country (2021 - €m) and frozen pastry penetration (% - market value)



Sources: Gira, Global Market Insights and Euromonitor International.
Note: Frozen pastry penetration defined as frozen pastry market value (in € terms) over total pastry market value (in € terms).

As seen in Graphic 12 below, according to Gira and Global Market Insights, frozen pastry volume in the geographies in which we primarily operate reached 1,892kT in 2021 and is expected to grow between 1.7% and 4.8% CAGR from 2021 to 2026 with highest growth expected in the United States and LatAm.

Graphic 12: Frozen pastry volume evolution by region (kT) and 2021-2026 CAGRs

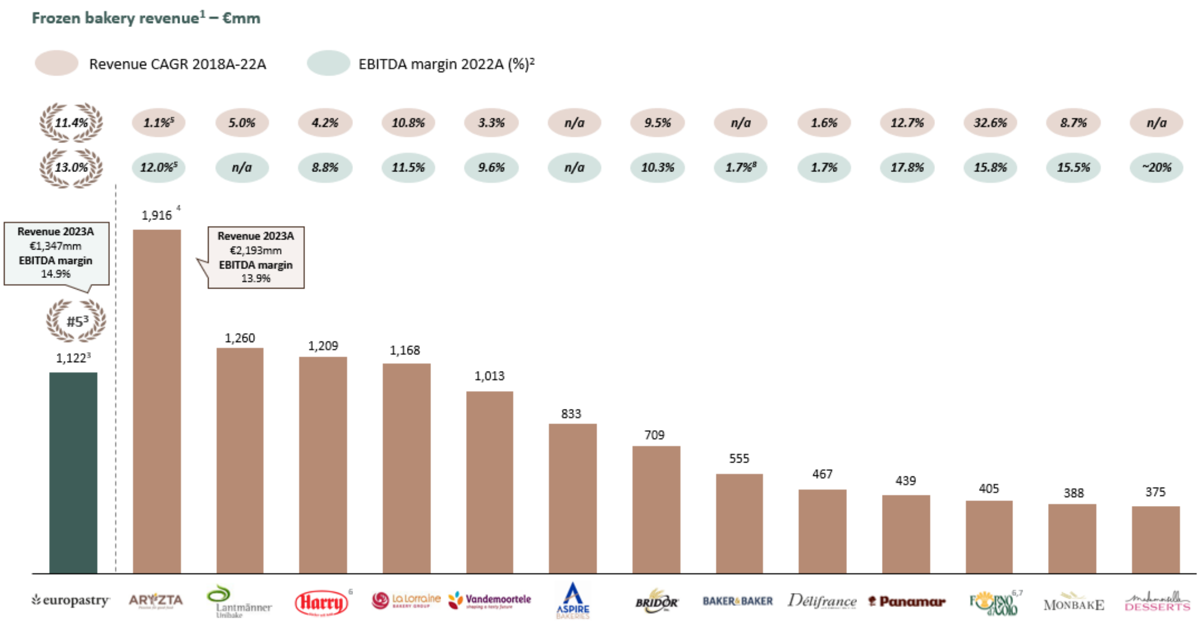


Sources: Gira and Global Market Insights.
Note: Growth in volume terms (kT).
1 Includes Portugal, Germany, the United Kingdom, the Netherlands, Denmark, Sweden, France and Italy.
2 Includes Chile, Colombia, Mexico.
3 Includes Saudi Arabia and United Arab Emirates.

Global Competition

The global frozen bakery market segment is highly fragmented, including a large and diverse group of global companies, smaller bakery chains and individual operators. As seen in Graphic 13 below, we are among the top five players in the global frozen bakery market segment and one of the only pure-frozen bakery player among the market's top 10 companies, according to Company Industry Sources.

Graphic 13: Global frozen bakery revenue (2022)



Sources: Company Industry Sources.
1 2022 data. Includes all company revenue except for Vandemoortele, which includes only bakery revenues (excluding revenues from margarines, culinary oils and fats).
2 2022 EBITDA margin, as reported. Adj. EBITDAAPM for Europastry for 2022 and 2023 was 13.8% and 15.2%, respectively.
3 2022 reported net turnover.
4 Aryzta financials calendarized for Jan-Dec'2022.

5 CAGR of revenue from continuing operations for the period between 2019 and 2022, calendarized for a December year-end.
6 Includes other income.
7 Excludes impact from Sammontana merger in Feb-24.

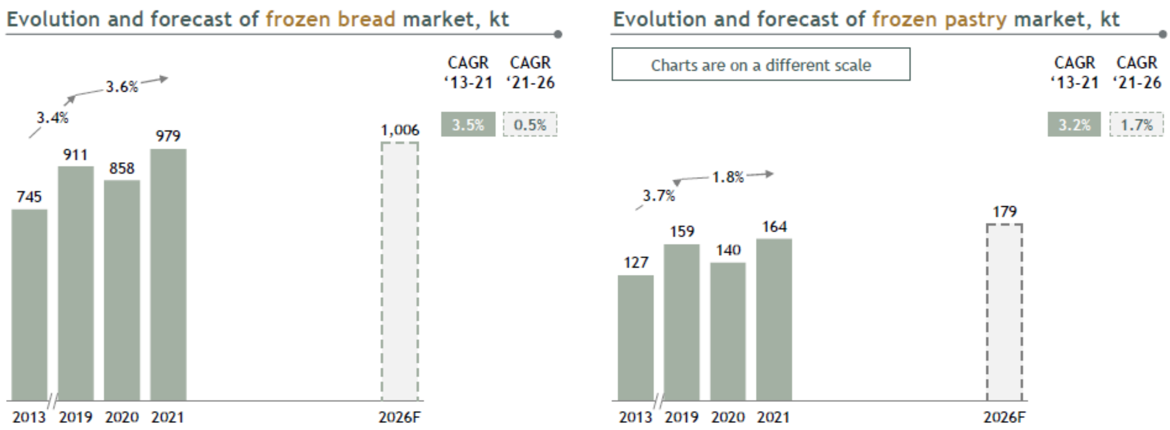
As a pure-frozen bakery player, we can focus all of our resources (including human resources, know-how and capital) on the frozen bakery market segment to gain a competitive advantage. This unique focus allows us to achieve a deeper knowledge of the market and products, and completely dedicate our business towards best-in-class innovation in our market segment. This unique focus, coupled with our superior scale, well-invested global platform, broad and complementary product portfolio and long-standing customer relationships form the basis for our strong, sustainable and competitive advantage.

Frozen Bakery Market Segment Overview by Geography

Spain

In Spain, the frozen bakery market segment (including frozen bread and frozen pastry) generated an aggregate of €2.1 billion in sales in 2021 (according to Gira). As shown in Graphic 14 below, frozen bread market volume comprised 979kT in 2021 with CAGR 2021-2026 anticipated at the level of 0.5%. Frozen pastry market volume comprised 164kT in 2021 with CAGR 2021-2026 expected to reach 1.7%.

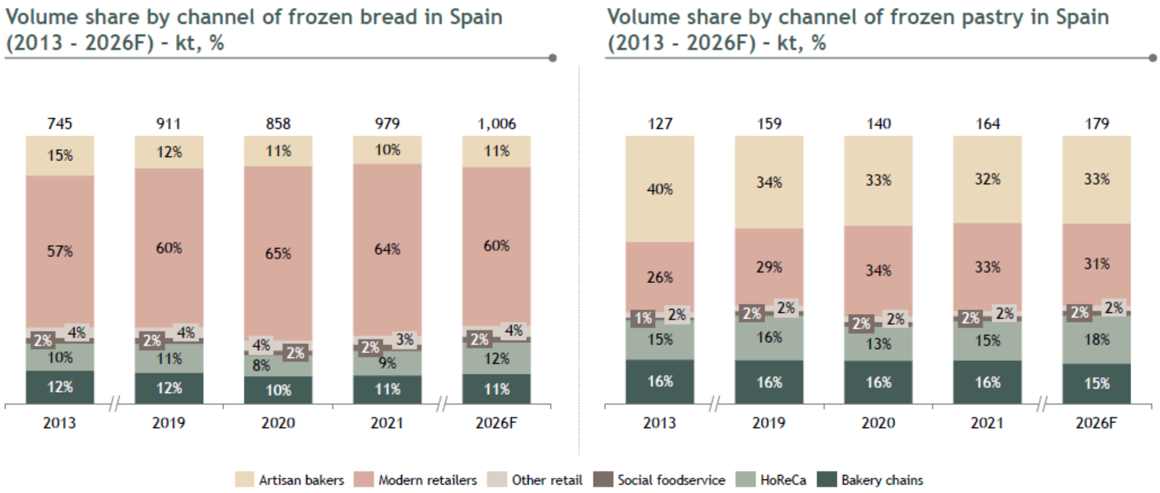
Graphic 14: Volume evolution and forecast of frozen bread and frozen pastry markets (kT)



Sources: Gira.
Note: Growth in volume terms (kT).

According to Gira, frozen bread accounted for 77% of frozen bakery sales in Spain in 2021 and was mainly sold through modern retail and bakery chains. Frozen pastry accounted for 23% of frozen bakery sales in Spain in 2021 and was mainly sold through modern retailers, artisan bakers and bakery chains. As shown in Graphic 15 below, according to Gira, modern retail was the most relevant channel in Spain in 2021 across both frozen bread and pastry segments on a total basis, taking 64% of total volume in frozen bread and 33% in frozen pastry, having gained share at the expense of artisan bakers and HoReCa during the Covid-19 affected years. In the next years, modern retail volumes are expected to converge with pre-Covid share while HoReCa, bakery chains and artisan bakers are expected to re-gain volume market share.

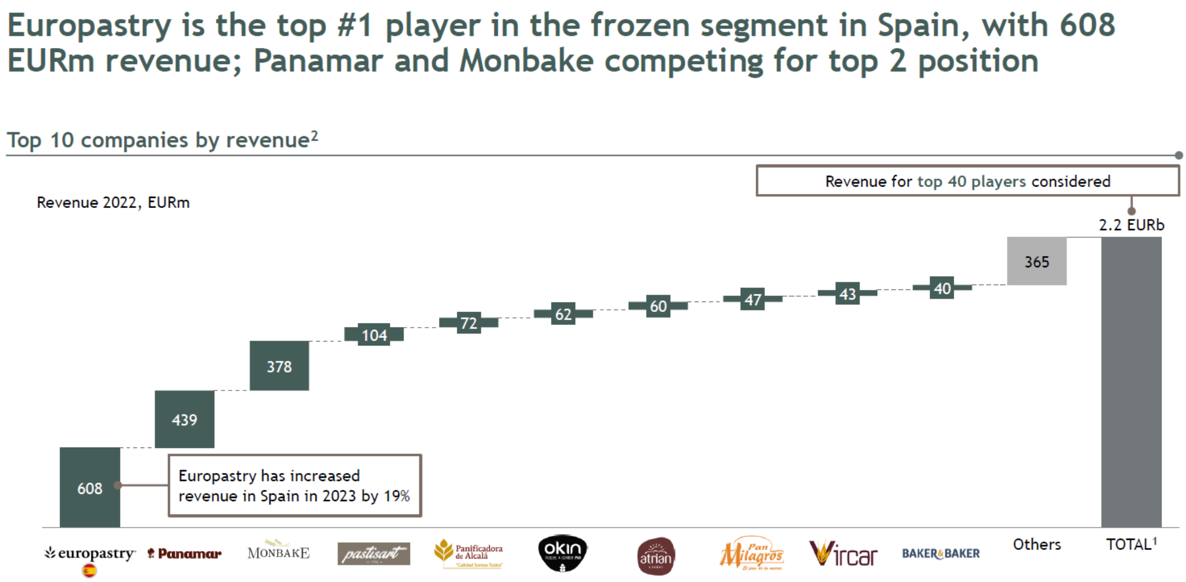
Graphic 15: Volume share by channel of frozen bread and frozen pastry in Spain (2013-2026) – (kT and %)



Sources: Gira.
Note: Volume in raw weight.

As shown in Graphic 16 below, a more mature market has led to further concentration in Spain compared with other European countries as a result of inorganic acquisitions, with the top three players representing about 64% of frozen bakery sales value in 2022, according to Company Industry Sources and Company Information. For example, while the acquisition of Ingapan strengthened our leadership position in Spain, the merger of Berlys and Bellsola (under Ardian's ownership between 2017 and 2024) created our second largest competitor in the Spanish market, this is, Monbake (17% of frozen bakery sales value in 2022). Our largest competitor is Panamar Bakery Group (20% of frozen bakery sales value in 2022). We retain a 27% market share in Spain as of 2022 (based on revenues of the top 40 players).

Graphic 16: Top 10 companies in Spain by revenue



Sources: Company Industry Sources and Company information.
Note: Revenue considers results stated in Spanish accounts which might include foreign sales or non-frozen products for some players including Europastry, Panamar and Monbake; Vandemoortele Ibérica revenue has been excluded because of product mix and lack of consistent information.
1 Total does not consider players with revenues below €1m in 2022.
2 Reported revenue may include exports.

Rest of Europe (excluding Spain)

As seen in Graphics 9 and 11, according to Gira and Global Market Insights, the frozen bakery market segment in Europe (excluding Spain) (including frozen bread and frozen pastry) generated an aggregate of €12.6 billion in sales in 2021. Frozen bread accounted for 74% of frozen bakery sales in Europe (excluding Spain) in 2021. Frozen pastry accounted for 26% of frozen bakery sales in Europe (excluding Spain) in 2021.

As seen in Graphics 10 and 12 above, according to Gira and Global Market Insights, frozen bakery volume in Europe (excluding Spain) reached 5,559kT in 2021 and is expected to grow at a 2.7% volume CAGR 2021-2026 (calculated as the CAGR between the sum of frozen bread and frozen pastry volume in 2021 and the sum of frozen bread and frozen pastry volume in 2026). Frozen bread accounted for 87% of frozen bakery volume in 2021, with frozen pastry accounting for 13%. Throughout Europe (excluding Spain), frozen bread is mainly sold through modern retail, while frozen pastry is mainly sold through modern retail and HoReCa (*Sources: Gira and Global Market Insights*).

As in Spain, other countries in Europe also have mature markets, with high concentration per country and the presence of strong frozen bakery players (including Aryzta, Lantmannen Unibake, Harry, La Lorraine, Vandemoortele, Bridor and Baker & Baker) (see Graphic 17 below). Due to this market maturity, companies in European countries other than Spain are aiming to increase scale to maximize efficiency and optimize innovation investment (*Sources: Company Industry Sources, Company websites and annual reports).* Despite the presence of international players, market leaders often differ in each country due to the relevance of local production in breads. In Europe (excluding Spain), we have a significant market position in pastry, especially regarding doughnuts, where our market position is particularly strong in the Netherlands and Portugal.

Graphic 17: Key players in the frozen bakery segment in Europe

Company	Geographic Presence									Key Markets	Revenue by geography '22 (EURm)		
	Spain	Portugal	Germany	UK	Netherlands	Sweden	Denmark	France	Italy		Revenue on key markets	Rest of Europe	Rest of the World
ARYZTA[1]	✓		✓	✓	✓	✓	✓	✓		Germany, France, Switzerland	Germany 507, France 253, Switzerland 221	549	225
Lantmännen Unibake[2]	✓	✓	✓	✓	✓	✓	✓	✓	✓	Sweden, Germany, Denmark, UK	No revenue reported by geography		
Harry			✓				✓	✓	✓	Germany	Germany 1,134[6]	76	0
La Lorraine	✓		✓	✓	✓	✓	✓		✓	Belgium	Belgium 534	634[4]	N/A
europastry	✓	✓	✓	✓	✓	✓	✓	✓	✓	Spain, Netherlands, Portugal	Spain 608, Netherlands 132, Portugal 55	59	268
Vandemoortele[3]	✓	✓	✓	✓	✓	✓	✓	✓	✓	France, Germany, Belgium, Italy, Netherlands	France 500, Germany 223, Belgium 201	566	78
BRIDOR	✓	✓	✓	✓	✓	✓	✓	✓	✓	France, UK	France 355, UK 84[5]	N/A	271[5]
BAKER & BAKER	✓	✓	✓	✓	✓		✓	✓	✓	UK, France, Germany	No revenue reported by geography		
Délifrance	✓	✓	✓	✓	✓	✓	✓	✓	✓	France, Italy, UK	France 197	N/A	258[5]
Forno d'Asolo / Sammontana	✓	✓	✓	✓	✓	✓	✓	✓	✓	Italy	Italy 260 (726)[7]	68	68 (86)[7]

Sources: Company Industry Sources, Company websites and annual reports.
1 North America sales not included. Based on FY22 (Aug 21-Jul 22).
2 Lantmannen Unibake key markets based on subsidiary sale.
3 Vandemoortele sales by geography includes all company sales no split for bakery is provided.
4 May include sales from outside of Europe.
5 UK sales as subsidiary sales reported in annual report, rest of the World sales remaining as no other geographical information reported.
6 Domestic sales in Germany.
7 Pro forma of Forno d'Asolo and Sammontana (Sam. Geo split reported as Italy/abroad).

The United States

As seen in Graphics 9 and 11, according to Global Market Insights, the frozen bakery market segment in the United States (including frozen bread and frozen pastry) generated an aggregate of €6.4 billion in sales in 2021. Frozen bread accounted for 57% of frozen bakery sales in the United States in 2021. Frozen pastry accounted for 43% of frozen bakery sales in the United States in 2021.

In the United States, frozen bakery is mainly sold through modern retail and HoReCa. Hypermarkets and supermarkets, as well as HoReCa, are expected to contribute the most in absolute terms to frozen bread and bakery volume growth until 2026.

As seen in Graphics 10 and 12 above, according to Global Market Insights, frozen bakery volume in the United States reached 2,260kT in 2021 and is expected to grow at a 5.5% volume CAGR 2021-2026 (calculated as the CAGR between the sum of frozen bread and frozen pastry volume in 2021 and the sum of frozen bread and frozen pastry volume in 2026). Frozen bread accounted for 61% of frozen bakery volume in 2021, with frozen pastry accounting for 39%.

In terms of competition, the United States market is highly fragmented with 6 players in terms of market value presented by General Mills, Conagra Brands, Rich Products, Flowers Foods, Lancaster Colony and J&J Snack Foods (see Graphic 18 below) (*Sources: Company Industry Sources, Company websites and annual reports*).

Graphic 18: Key players in the frozen bakery segment in the United States

Company	Portfolio				Total revenue US-latest (USDm)	# of plants	Presence
	Fresh	Frozen Bread	Frozen Pastry	Other Frozen			
General Mills Inc.	✓	✓	✓	✓	13,849[1]	16	CA, IL, IA, MN, MD, MT, NM, NY, OH, TN, WI
Conagra Brands	✗	✓	✓	✓	11,275[2]	42	AR, CA, CO, IL, IN, IA, MD, MI, MN, MO, NE, NV, OH, PA, TN, WA, WI
Rich Products Corp.	✗	✓	✓	✓	7,150[3]	5	CA, TN, TX, ON
Flowers Foods Inc.	✓	✓	✗	✗	5,091[4]	46	AL, AZ, AR, CA, CO, FL, GA, KS, KY, LA, ME, NV, NC, OR, PA, TN, TX, VA
Lancaster Colony Corp.	✗	✓	✓	✗	1,823[5]	10	AL, CA, IA, KY, MA, MI, OH, WI
J&J Snack Foods Corp	✗	✓	✗	✓	1,559[6]	13	CA, GA, IL, MO, NJ, NY, NC, OR, PA, TX
Aspire Bakeries[7]	✓	✓	✓	✓	889[8]	18	CA, IL, MN, NJ, PA, SC, TX, BC, MB, ON
Turano Baking Co	✓	✓	✗	✗	580[9]	5	FL, GA, IL, NV
Rise Baking Co.	✓	✓	✓	✓	561[10]	10	AR, CA, GA, IL, MN, PA, WI, BC
Bridgford Foods Corp.	✓	✓	✗	✗	252[11]	4	CA, IL, NC, TX
Europastry	✗	✓	✓	✓	215[12] EURm	3	NJ, NY
FGF Brands	✗	✓	✓	✓	NA	4	TX
Dawn Food Products	✗	✗	✗	✗	NA	4	CO, KY, MI, WA

✓ Relevant presence ✗ Non-relevant presence

Dawn focuses on ingredients; Europastry bought Dawn's Frozen Manuf. Business in Europe & Africa, Middle East, Asia and Pacific

Sources: Company Industry Sources, Company websites and annual reports.
Note: Presence denotes presence in individual states, denotes by USA State ID Codes.
1 2023 Retail and Foodservice revenue for North America (excluding Canada-Retail).
2 2023, Excluding "International" sales.
3 2022 estimated for Rich Products Corporation.
4 2023 total sales for fiscal year ended Dec 31.
5 2023 total net sales for year ended Jun 30.
6 2023 total sales for fiscal year ended Sep 30.
7 Former Aryzta, changed name after acquired by Lindsay Goldberg in 2021.
8 2022 estimated for Aspire Bakeries Llc.
9 2022 estimated for Campagna-Turano Bakery Inc.
10 2022 estimated for Rise Baking Company Llc.
11 Fiscal years ended Nov 3, 2023 (53 weeks).
12 USA 2023 net sales from Europastry internal information.

In frozen bread, constant innovation and cost savings are key to remaining competitive and local companies have emerged in order to cover the distribution gaps from national players. In pastry, the ability to differentiate is an essential factor as it increases consumer focus on product quality and innovation, which makes consumers more likely to stay loyal when the product satisfies their expectations. In doughnuts, in particular, local shops are achieving success across the United States thanks to their ability to offer unique, higher quality and differentiated products, versus similar products from local grocery stores.

LatAm

As seen in Graphics 9 and 11, according to Global Market Insights, the frozen bakery market segment in LatAm (including frozen bread and frozen pastry) generated an aggregate of €0.3 billion in sales in 2021. Frozen bread accounted for 58% of frozen bakery sales in LatAm in 2021. Frozen pastry accounted for 42% of frozen bakery sales in LatAm in 2021.

As seen in Graphics 10 and 12 above, according to Global Market Insights, frozen bakery volume in LatAm reached 136kT in 2021 and is expected to grow at a 4.6% CAGR from 2021 to 2026 (calculated as the CAGR between the sum of frozen bread and frozen pastry volume in 2021 and the sum of frozen bread and frozen pastry volume in 2026). According to Company Industry Sources, frozen bread accounted for 57% of total frozen bakery volume in 2021, with frozen pastry accounting for 43%. In LatAm, frozen bakery is mainly sold through modern retail. Hypermarkets and supermarkets are expected to contribute the most in absolute terms to frozen bread and bakery volume growth.

According to Company Industry Sources, frozen bread and frozen pastry penetration in LatAm is limited, even in modern retail. The main reason for this is that low labor costs still make scratch production an affordable and viable option. However, frozen penetration is expected to grow as labor costs in LatAm increase.

In Mexico and Colombia, both local and international players have a significant presence, while in Chile the supply is largely driven by international players. According to Company Industry Sources, Rich's holds a prominent position in Mexico, Pan Pa Ya and Panettiere have a significant presence in Colombia and La Lorraine has a prominent position in Chile.

Middle East

As seen in Graphics 9 and 11, according to Global Market Insights, the frozen bakery market segment in Middle East (including frozen bread and frozen pastry) generated an aggregate of €0.4 billion in sales in 2021. Frozen bread accounted for 57% of frozen bakery sales in Middle East in 2021. Frozen pastry accounted for 43% of frozen bakery sales in Middle East in 2021.

As seen in Graphics 10 and 12 above, according to Global Market Insights, frozen bakery volume in the Middle East reached 162kT in 2021 and is expected to grow at a 4.1% CAGR 2021-2026 (calculated as the CAGR between the sum of frozen bread and frozen pastry volume in 2021 and the sum of frozen bread and frozen pastry volume in 2026). According to Company Industry Sources, frozen bread accounted for 62% of total frozen bakery volume in 2021, with frozen pastry accounting for 38%. In the Middle East, frozen bakery is mainly sold through modern retail. Hypermarkets and supermarkets are expected to contribute the most in absolute terms to frozen bread and bakery volume growth.

In the Middle East, regional and local players have a significant presence in the frozen bakery market segment in key countries, while international players have a more limited presence. According to Company Industry Sources, Almarai and Modern Bakery hold prominent positions in United Arab Emirates and Almarai and Sunbulah Group have a significant presence in Saudi Arabia.

BUSINESS

The operational data provided herein does not include the impact of the August 2024 acquisition of De Groot unless otherwise indicated. As noted in "Management's Discussion and Analysis of Financial Condition and Results of Operations—Change in Segments", the segment figures as of and for the years ended December 31, 2022 and 2021 included herein have not been audited or reviewed by an external auditor.

Overview

We are, first and foremost, bakers who share a passion for bakery culture and strive to perfect it and reinvent it. Our specific vision of the bakery world and our renowned specialization in frozen bakery dough has enabled us to be the leading supplier of frozen bakery products in Spain, with a 27% market share in Spain, which is calculated on the basis of 2022 net turnover of the top 40 players in the Spanish market and excluding players with net turnover below €1,000 thousand, and a top-five player in the global frozen bakery market segment, also based on 2022 net turnover, the last year for which net turnover and EBITDA figures are available for all peers used in the comparison (*source: Company Industry Sources*). We are engaged in the production, marketing and distribution of a broad range of high quality and innovative frozen bread, pastries and other products (including cakes, other patisserie products and ready meals). We operate a portfolio of business-to-business brands, primarily the Europastry, Fripan, Frida, Yaya María, Dots, Cristallino, Gran Reserva, Saint Honoré, Sophie, Ruth's, Wenner Bakery and EuroClassic brands. Our products are marketed and sold frozen on five continents, both directly and through our third-party distributors, to a diversified customer base which includes, among others, hypermarket and supermarket chains, hotel chains, restaurants, coffee shops, bakery and confectionery chains, traditional bakeries and manufacturers. Our integrated business structure includes a network of well-invested production centers, innovation centers (CEREAL innovation centers), regional sales offices and third-party distribution centers that allow us to efficiently serve our customers across geographies with a tailored offering of innovative products that meet changing end-market preferences. For the six months ended June 30, 2024, we had net turnover of €713,634 thousand and adjusted EBITDA^{APM} of €114,182 thousand, compared with net turnover of €666,949 thousand and adjusted EBITDA^{APM} of €99,182 thousand for the six months ended June 30, 2023. For the year ended December 31, 2023, we had net turnover of €1,346,779 thousand and adjusted EBITDA^{APM} of €205,039 thousand, compared with net turnover of €1,121,500 thousand and adjusted EBITDA^{APM} of €155,143 thousand for the year ended December 31, 2022, and net turnover of €845,579 thousand and adjusted EBITDA^{APM} of €120,229 thousand for the year ended December 31, 2021. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Analysis of Unaudited Alternative Performance Measures*" for information regarding adjusted EBITDA^{APM}. In terms of volume, we sold 204 thousand metric tons of frozen bakery products in the six months ended June 30, 2024 (of which approximately 52.7% was breads, 46.3% was pastries and 1.0% was other products), compared with 385 thousand metric tons in 2023 (of which approximately 53.7% was breads, 45.5% was pastries and 0.8% was other products), 362 thousand metric tons in 2022 (of which approximately 58.0% was breads, 41.4% was pastries and 0.6% was other products) and 347 thousand metric tons in 2021 (of which approximately 59.8% was breads, 39.6% was pastries and 0.6% was other products).

Our production is carried out in 27 production centers, including 15 in Spain, three in the United States, three in the Netherlands, two in Mexico, two in Portugal, one in Romania and one in Germany, representing total gross fixed assets of €1,409,233 thousand as of June 30, 2024. Our production centers include 97 production lines and over 2,600 production processes, with a total production capacity of approximately 569 thousand metric tons per year. Our marketing and distribution network comprises 88 storage and transportation logistics centers, 30 regional sales offices in 18 countries, over 650 third-party distributors and over 400 salespeople. Globally, we cover over 6,000 delivery routes per day and service over 89 thousand customer points of sale, both directly through our own sales agents and through third-party distributors. We manage a decentralized transportation system that is capable of moving approximately 46,600 pallets (or 3,000 tractor trailers) per week to regional sales offices, third-party distributors, customers or independent storage and transportation logistics centers. In 2023, we moved 762 thousand metric tons of products through our distribution network, including internal distributions of products between our facilities. Our storage and transportation logistics centers have cold storage capacity for 117 thousand pallets, including 65 thousand pallets in owned or leased facilities operated by us and 52 thousand pallets in facilities operated by third parties.

During the first quarter of 2024, we changed the structure of our reporting segments, and we currently divide our business into two segments: (i) Europe and (ii) International. Europe represented 78.4% of net turnover for the six months ended June 30, 2024 (77.7%, 74.0% and 74.7% for each of the years ended December 31, 2023, 2022 and 2021, respectively), and International represented 21.6% of net turnover for the six months ended June 30, 2024 (22.3%, 26.0% and 25.3% for each of the years ended December 31, 2023, 2022 and 2021, respectively). See "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Change in Segments*" for information on the recent changes made to our segments.

We believe our frozen bread, pastry and other products allow our customers to respond to consumer trends and enlarge their product offering while reducing food waste, benefitting from better quality controls, requiring fewer personnel and lower levels of investment and reducing the complexity of their operations, all of which can help to improve their margins. The global frozen bakery products market is a large and stable market that has experienced significant volume growth, with steadily increasing market share compared to fresh bakery products through 2021, and it is expected to grow at a compound annual growth rate ("**CAGR**") of approximately 6.5%, in terms of revenues, between 2021 and 2026 (*source: Global Market Insights*). The frozen bread market in Spain, in particular, is expected to grow approximately 3%, in terms of volume, between 2021 and 2026, representing a CAGR of approximately 0.5%, and the frozen pastry market in Spain is expected to grow approximately 9%, in terms of volume, over the same period, representing a CAGR of approximately 1.7% (*source: Company Industry Sources*). The market is characterized by increased consolidation and high barriers to entry, based on the need for significant investments in production, distribution and technology. We believe that the frozen bakery product market offers significant growth potential, as this market responds to changes in consumer preferences and habits, as well as to the needs of the wholesale market, increased food safety standards that often exceed the abilities of traditional producers and a more demanding market in which consumers expect a broad range of products. Moreover, we believe frozen bakery products offer a better value proposition for retailers and foodservice operators, driving the increasing penetration of frozen products.

Innovation is important to our business. In 2023, we carried out over 1,500 research and development projects, launched over 480 new products and held more than 500 innovation days (exclusive events that include product demonstrations and customer strategy and idea generation) with key customers. Sales of new products launched in 2023 represented 3.6% of our net turnover for the year ended December 31, 2023, and 29% of products offered in 2023 were added to our product portfolio between 2021 and 2023. We invested €15,600 thousand in research and development over the period from 2021 to 2023.

Sustainability also sits at the core of what we do. Almost all of the ingredients used in our products are free of artificial flavors and colors, and we exercise exhaustive control over the traceability of our wheat and other supplies. We believe that sustainability in the baking sector is closely linked to good practices for planting, growing and milling of the grains (as the sowing and cultivation of wheat account for a substantial part of CO_2 emissions in the sector). Many of the processes in our production centers make use of 100% green energy from renewable sources, and we also strive to reduce our water and gas consumption. We use recyclable packaging for our products, and we distribute them in accordance with sustainability criteria, utilizing sustainable fleets that include natural-gas-powered trucks and mega-trucks with a larger freight capacity, optimization of logistics routes, the use of fuel catalysts to lower pollution and intermodal transport.

History

Europastry, S.A. was established in 1987 by Pere Gallés, who grew up in a family of bakers and who saw in frozen technology a strong business opportunity and a way to meet the needs of both everyday consumers and professionals from the baking and catering industries, offering innovative solutions and top-quality products.

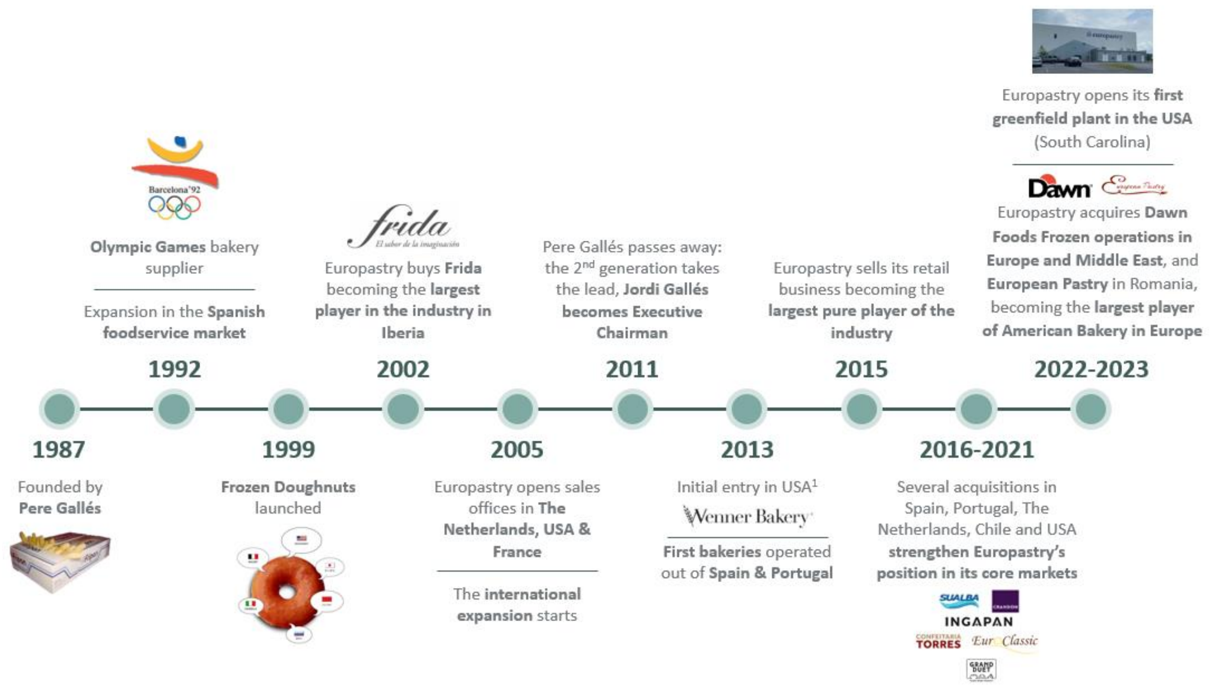
In 1987, we began operating our first production center, a bread facility in Sant Joan Despí (Barcelona), and began marketing our products under the Fripan brand. In 1992, we began to work with the foodservice channel, and the Olympic Games in Barcelona provided us with the opportunity to present our products on an international scale and raised our profile both within Spain and globally. Moreover, in 1994 we began our expansion outside the Barcelona region with the construction of a production center in Azuqueca de Henares (Guadalajara), which provided us with direct access to customers in central and northern Spain and Portugal and confirmed our position as Spain's leading provider of baguettes. In 1995, our Yaya María brand was launched. In 1999, we launched our frozen doughnuts product line, which we currently market under the Dots brand. In 2002, we made our first major business acquisition, Frida Alimentaria, which strengthened our leadership in the frozen bakery product market in Spain, and in 2005 we began our international presence. Beginning in 2012 we acquired a 24% stake in Wenner Bakery in the United States. In 2015, we built our Oldenzaal (Netherlands) production center, expanding our reach to European customers, and reached a 70.6% stake in Wenner Bakery. In 2015, we also divested our retail business, including the Santagloria, El Moli Vell and L'Obrador chains, to Nazca Private Equity. In 2016, we acquired Sualba for the production of the Saint Honoré line of artisanal bread products, launched the following year. In 2017, we acquired Crandon, a food importer and distributor in Chile. In 2018, we significantly strengthened our presence in the United States through the acquisition of the remaining stake in Wenner Bakery and the acquisition of EuroClassic, also in the United States. We also consolidated the Spanish market with the acquisition of Ingapan in the Galicia region of Spain, expanded in Western Europe through the purchase of Grand Duet B.V. in the Netherlands and acquired a 76% stake in Confeitaria Torres in Portugal.

Our growth has continued in recent years with additional strategic acquisitions. In December 2021, we entered into an agreement to acquire up to a 90% stake in European Pastry, formerly one of our distributors, giving us access to European Pastry's product portfolio and its vast trade network in the Romanian market, a highly attractive frozen bakery market in terms of growth potential. The three-stage acquisition was completed in July 2024. In December 2022, we acquired the frozen bakery manufacturing and distribution business in Germany, France, the Netherlands and the United Kingdom of global bakery manufacturer and distributor Dawn Foods, which significantly increased our presence in strategic markets such as the United Kingdom, France, Benelux, Germany and the Middle East, as well as with customers in the foodservice channel. In March 2023, we acquired a 51% stake in Europastry México Incorporated (formerly Pan Justo y Bueno, S.A. de C.V.), giving us access to its product portfolio and commercial network in the Mexican market, another highly attractive frozen bakery market in terms of growth potential. This was followed, in April 2023, by Europastry México Incorporated's acquisition of Pagnifique Mexicana, a frozen bakery business in Mexico. In March 2024, after obtaining the relevant regulatory approvals, we acquired a 94.75% stake in DeWi Back Holding GmbH, a Berlin-based producer of bread, rolls, cakes and pastries, giving us direct access to the German market to develop our presence in the region. In August 2024, we acquired 100% of the shares of De Groot, a Dutch distributor of frozen breads, pastries and other products, increasing our distribution footprint in the region. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Factors Affecting our Results of Operations—Acquisitions*" for additional information on our recent acquisitions and their impact on our Consolidated Financial Statements.

Further, as frozen dough specialists, we have continued to invest in new technical capabilities, increasing the number and sophistication of our production lines, and have devoted significant resources to researching and undertaking technological innovations by creating new products and production processes. For additional information, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Research and new product development*" and "*—Capital expenditures*".

While the family of our founder Pere Gallés has consistently maintained control over us, our shareholding structure has changed over time, with the participation of various financial investors including AB Asesores, Inveralia, Ibersuizas, Banco Pastor, Banco Sabadell, Vall Companys and, most recently, funds managed by MCH Private Equity. As of the date of this Prospectus, MCH Continuation Fund, FICC (managed by MCH Private Equity) holds a 50.01% stake in Exponent, S.à r.l., which, in turn, is the direct owner of approximately 20.7% of our share capital.

The following graphic sets forth some of the primary milestones since our founding in 1987.



Source: Company information

(1) In 2013, the Company became a shareholder of Wenner Bakery with a 24% stake. It acquired an additional 40% stake in 2015 and the remaining 36% stake in 2018.

Key Investment Highlights

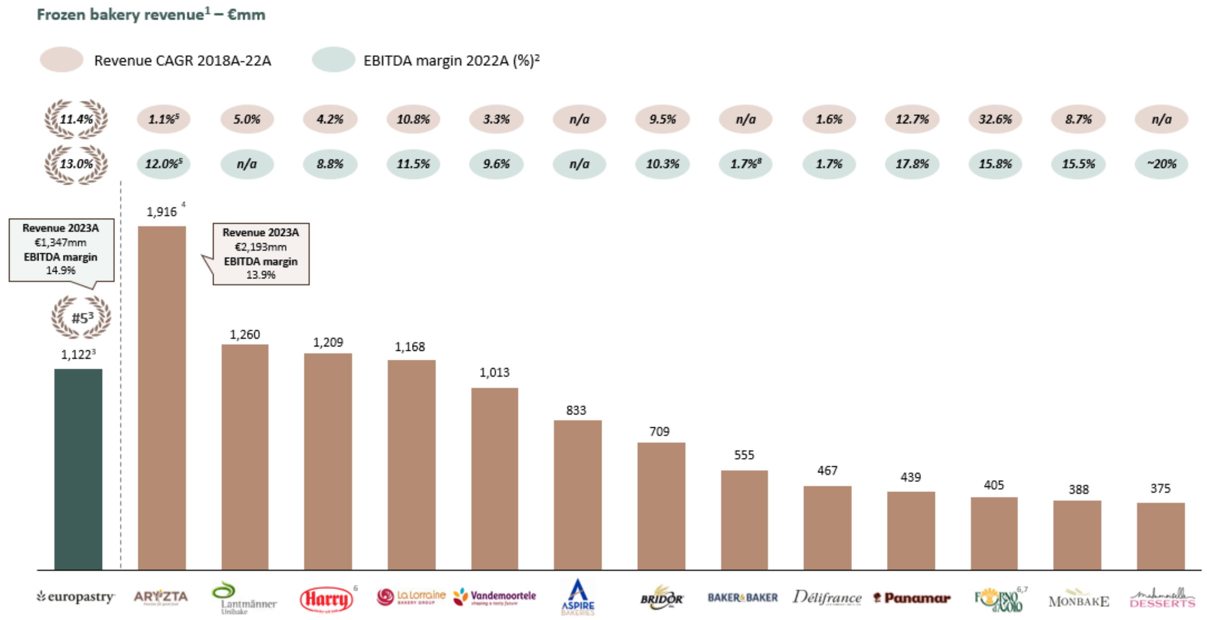
A leading pure player in the frozen bakery market, the fastest-growing segment in the bakery market

The global frozen bakery product market is a large and stable market that has experienced significant volume growth, with steadily increasing market share compared to fresh bakery products through 2021, with additional growth expected going forward. Measured in terms of value (i.e., revenues), the total bread and pastries market in the geographies in which we primarily operate (Spain, Portugal, Germany, the United Kingdom, the Netherlands, Sweden, Denmark, France, Italy, the United States, Chile, Colombia, Mexico, Saudi Arabia and the United Arab Emirates) amounted to €124 billion in 2021, 17.5% of which was represented by frozen bakery. In terms of volume, the frozen bakery market in Spain, Portugal, Germany, the United Kingdom, the Netherlands, Sweden, Denmark, France and Italy together grew at a CAGR of 2.5% from 2013 to 2021. Over the period from 2021 to 2026, the global frozen bakery market, in the geographies in which we primarily operate, is expected to grow at a CAGR of approximately 6.5%, in terms of revenues, while the United States and European frozen bakery markets are expected to grow at CAGRs of approximately 6.5% and 6.8%, respectively, in terms of revenues, over the same period. Between 2021 and 2026, annual market volume growth for both frozen bread and frozen pastry products is expected to outpace annual market volume growth for all bread and pastry products, respectively, across Europe, the United States, Latin America and the Middle East (*source: Gira, Global Market Insights and Euromonitor International*).

From 2022 to 2027, certain product categories in particular are expected to lead the growth in the frozen bakery market. In terms of volume, the markets for buns, American bakery products and doughnuts, and Viennoiserie pastry products (in each case, bake-off products, which involve using several industrial processes to deliver frozen bakery products to distributors and customers) are expected to grow approximately 19%, 11% and 14%, respectively, in Spain, Germany, France, the United Kingdom, Poland and Italy in the aggregate (*source: Company Industry Sources*). Each of these product categories are among our core product categories.

The growth of the frozen bakery market has been driven by structural customer and consumer trends. Consumers increasingly prefer freshly baked, 100% natural, artisanal-quality products over commercial long-life bakery products. Conscious consumers seek products without artificial colorants and flavorings, free of GMOs, low in sodium and sugar and friendly to other dietary restrictions. They care more and more about the quality and sources of the ingredients used to make bakery products too. For these consumers, frozen bakery provides greater convenience and product variety as well as improved health and food safety. The frozen bread, pastry and other products that we offer are aligned with, and allow our customers to respond to, these conscious-consumer trends and enlarge their product offering while reducing food waste, benefitting from better quality controls, requiring fewer personnel and lower levels of investment and reducing the complexity of their operations, all of which can help to improve their margins.

Our adaptability to these evolving trends, among other things, has enabled us to become a leading pure player in the global frozen bakery market, focused exclusively on frozen (not fresh) products. We are a top-five player in the global frozen bakery market segment, based on 2022 net turnover (*source: Company Industry Sources*). The following graphic presents information regarding our competitive position in the global frozen bakery market.



Source: Company Industry Sources

(1) 2022 data. Includes all company revenue except for Vandemoortele, which includes only bakery revenues (excluding revenues from margarines, culinary oils and fats).

(2) 2022 EBITDA margin, as reported. Adjusted EBITDA[APM] margin for Europastry for 2022 and 2023 was 13.8% and 15.2%, respectively.

(3) 2022 reported net turnover.

(4) Aryzta financials calendarized for January to December 2022.

(5) CAGR of revenue from continuing operations for the period between 2019 and 2022, calendarized for a December year-end.

(6) Includes other income.

(7) Excludes impact of Sammontana merger in February 2024.

Based on our internal estimates, we are one of the largest producers in the world of Viennoiserie pastry, American bakery products and Portuguese egg tarts. We are also one of the leading producers in the United States and Iberia of brioche buns, we are a category pioneer in crystal bread (*pan de cristal*) and we are up to speed with market trends with respect to New York rolls and crodots (a mix between croissants and Dots). In addition, we are the leading supplier of frozen bakery products in Spain, with a 27% market share in Spain (which is calculated on the basis of 2022 net turnover of the top 40 players in the Spanish market and excluding players with net turnover below €1,000 thousand), approximately 38% larger than the market share of the number-two player in Spain, also based on 2022 net turnover (*source: Company Industry Sources*).

Solid innovation capabilities and business diversification to create strong competitive advantages

We believe that our operating model, which we refer to as our virtuous cycle of innovation, is at the core of our competitive advantage in the frozen bakery products market. We have been able to invest in innovation, which has in turn increased net turnover and profit and generated more cash flow, a significant portion of which we have traditionally invested back into further innovation. Our ability to manage complexity and scale, flexibility to meet customer requirements, speed to market and distribution capillarity and cost efficiency all allow us to have a significant competitive advantage in a market with high barriers to entry.

We conduct research and development at six innovation centers (CEREAL innovation centers) strategically located in Spain (Sant Joan Despí, Barberà del Vallès and Lugo), the United States (New York), the United Kingdom (Evesham) and the Netherlands (Beuningen). See "—*Research and New Product Development*" below. Made up of approximately 60 master bakers, nutritionists, engineers and biologists as of June 30, 2024, our research and development team focuses on global consumer trends and local market needs, combining artisanal and traditional processes with new technologies and innovation to develop new value-added products. In 2023, we carried out over 1,500 research and development projects, launched over 480 new products and held more than 500 innovation days (exclusive events that include product demonstrations and customer strategy and idea generation) with key customers. Sales of new products launched in 2023 represented 3.6% of net turnover for the year ended December 31, 2023, and sales of products launched between 2021 and 2023 represented 22.9% of net turnover for the year ended December 31, 2023. Our innovation efforts are bolstered by our "Baking the Future" startup-acceleration program. Through this novel open-innovation program, we have partnered with bakery entrepreneurs from around the world, providing them access to our research and development resources, to collaborate on the development of solutions to sustainability, health and customer-experience challenges in the baking industry.

Our industry-leading innovation capabilities are enhanced by our product development process. The speed and flexibility of this process allow us to move from the initial product idea and prototype stages to small-scale production in just a few months. Our products are tested in the market and, if successful, are typically moved into large-scale production, and made available to our customers, within a year. Our agility on the front end of this process allows us to respond to customer demands and market trends quickly. Our market-testing process allows customers to expand their product offerings with relatively low risk, trusting that a product will be a sales success before significant investment is made. Our customers partner with us to develop new products and to enhance their existing product lineup with this process, and we become a part of their core business as a result.

The development of high-quality, value-added products across the frozen bakery spectrum is embedded in our DNA. Throughout our 37-year history, we have been focused on innovation and the development of new products. Our first iconic product was the baguette, launched in 1989, followed shortly after by our iconic *barra* loaves. Since then, we have added thousands of new product offerings—both permanent and seasonal—to our catalog, including pastries, ciabatta, doughnuts, muffins, rolls, butter and savory pastries, patisserie, brioche, premium buns, artisanal breads and, more recently, cookies, brownies and flatbreads, allowing us to serve all our customers' frozen bakery needs. As a result of this consistent innovation and expansion of our product catalog, 29% of products offered in 2023 were added to our product portfolio between 2021 and 2023.

Currently, we offer over 1,500 frozen bread products, which accounted for 41.2% of our net turnover for the six months ended June 30, 2024 (41.7%, 46.6% and 46.4% of net turnover for each of the years ended December 31, 2023, 2022 and 2021, respectively), over 3,100 frozen pastry products, which accounted for 57.1% of our net turnover for the six months ended June 30, 2024 (56.7%, 51.9% and 52.2% of net turnover for each of the years ended December 31, 2023, 2022 and 2021, respectively) and over 250 frozen other products (including cakes, other patisserie products and ready meals), which accounted for 1.7% of our net turnover for the six months ended June 30, 2024 (1.6%, 1.5% and 1.5% of net turnover for each of the years ended December 31, 2023, 2022 and 2021, respectively).

In addition to our diversified product catalog, we have a highly diversified customer base, with established long-term relationships built on strong customer service. We sell our products almost exclusively to various types of retailers, foodservice operators, traditional bakeries and manufacturers, directly or through third-party distributors, rather than to end consumers. See "*Our Customers*" below. For the six months ended June 30, 2024, 56.1% of our net turnover came from retail customers (including hypermarket and supermarket chains and hard-discount stores) accounting for more than 19,250 points of sale, 30.5% of our net turnover came from foodservice customers (including hotel chains, restaurants (including fast food), coffee shops, bakery and confectionery chains) accounting for more than 49,700 points of sale, 11.8% of our net turnover came from traditional bakery customers (including traditional bakery shops, independent foodservice establishments and small convenience stores) accounting for more than 19,850 points of sale and 1.6% of our net turnover came from manufacturer customers (including producers of bakery products) accounting for more than 200 points of sale. Our customer concentration is low, with no single customer accounting for more than 7.7% of our net turnover for the six months ended June 30, 2024 (8.5% for the year ended December 31, 2023). Our top 20 customers accounted for, in the aggregate, 36.4% of our net turnover for the six months ended June 30, 2024 (38.0% for the year ended December 31, 2023).

Fast-growing international operations driven by strategic acquisitions

International expansion has been a key part of our strategy over the past decade. We have quickly and successfully grown our international operations beyond Spain from net turnover of €262,633 thousand (36.0% of total net turnover) for the year ended December 31, 2018 to €738,762 thousand (54.9% of total net turnover) for the year ended December 31, 2023. We have been able to achieve this growth by leveraging our knowledge and capabilities initially developed in Spain to expand into other significant frozen bakery product markets. We have expanded into international markets through disciplined acquisitions, through the establishment of new production centers and through exports to markets in which we do not have production centers, always maintaining the flexibility to adapt to local market preferences.

Our international expansion has contributed to significant growth in our net turnover in recent years. For the year ended December 31, 2023, our net turnover amounted to €1,346,779 thousand, compared with €1,121,500 thousand for the year ended December 31, 2022 and €845,579 thousand for the year ended December 31, 2021. This translates to net turnover growth at a CAGR of 26.2% between 2021 and 2023. The Europe segment generated

€1,046,396 thousand in net turnover for the year ended December 31, 2023, representing 77.7% of our total net turnover for the period, compared with €829,590 thousand in net turnover for the year ended December 31, 2022, or 74.0% of our total net turnover for the period, and €631,485 thousand in net turnover for the year ended December 31, 2021, or 74.7% of our total net turnover for the period. Between 2021 and 2023, the net turnover of our Europe segment grew at a CAGR of 28.7%. The International segment generated €300,383 thousand in net turnover for the year ended December 31, 2023, representing 22.3% of our total net turnover for the period, compared with €291,910 thousand in net turnover for the year ended December 31, 2022, or 26.0% of our total net turnover for the period, and €214,093 thousand in net turnover for the year ended December 31, 2021, or 25.3% of our total net turnover for the period. Between 2021 and 2023, the net turnover of our International segment grew at a CAGR of 18.5%.

This growth has been made possible by our global, well-invested production and distribution footprint, which combines superior scale with a close proximity to our customer base in Europe, the United States and Mexico. We believe that this footprint is difficult for our competitors to replicate. Our production is carried out in 27 production centers, including 15 in Spain, three in the United States, three in the Netherlands, two in Mexico, two in Portugal, one in Romania and one in Germany, representing total gross fixed assets of €1,409,233 thousand as of June 30, 2024. Our production centers include 97 production lines (41 of which are outside Spain) and over 2,600 production processes, with a total production capacity of approximately 569 thousand metric tons per year. Our marketing and distribution network combines key account management with the capillary reach of third-party distributors. We have 88 storage and transportation logistics centers (49 of which are outside Spain), 30 regional sales offices in 18 countries (21 of which regional sales offices are outside Spain), over 650 third-party distributors (over 510 of which are outside Spain) and over 400 salespeople (156 of which are outside Spain). These networks connect us to more than 66 thousand points of sale for customers in Spain, more than 18 thousand points of sale for other European customers outside Spain and more than 4,000 points of sale for customers outside Europe.

We follow a cautious strategy when entering new markets and regions. Generally, after identifying a new region with high growth potential, we first enter into strategic agreements with local distributors and retailers. Once our net turnover and customer reach have expanded sufficiently to justify it, we establish local sales operations and production centers, often through acquisitions.

With our consistent expansion, we have become a global consolidator in a highly fragmented market, with a successful track record of disciplined, value-creating acquisitions. We have completed 12 such acquisitions since 2016. See "*—History*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Factors Affecting our Results of Operations—Acquisitions*" for information regarding our recent acquisitions. The potential targets we monitor and seek out are typically small or medium-sized frozen bakery businesses (with target annual revenues between €10 million and €100 million) and may include complex carve-outs from global businesses, like Dawn Foods Frozen, smaller add-ons acquired for particular distribution or production capabilities, like DeWi Back, or small specialized companies, like Confeitaria Torres. Targets are strategically selected based on their potential to enhance our capabilities and accelerate growth. Relevant criteria includes whether a proposed acquisition would allow us to add new products to our portfolio or technical know-how, consolidate our position in an existing market (including by expanding our production capacity) or access a new market and/or strengthen our logistics capabilities and route-to-market agility. Synergies and integration benefits derived from acquisitions include opportunities for cross-selling and margin expansion, and integration into our business model and corporate culture of the acquired business. We believe there is room for further consolidation and transformational developments in the frozen bakery market, and that our M&A acumen and the availability of financing under the Sustainable Financing Agreement will enable us to seize accretive opportunities when they arise. We seek to negotiate deals bilaterally, outside of any competitive process, leveraging our relationships in the market, and engaging into "owner-to-owner" negotiations.

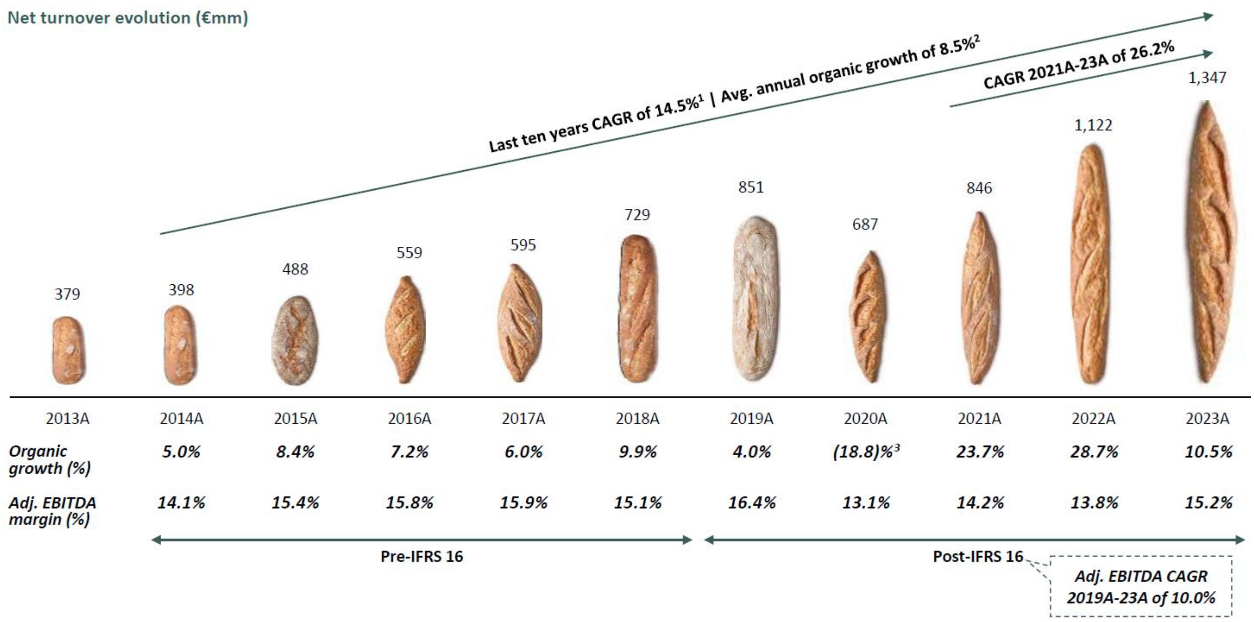
Our expansion within Europe has been recently accelerated by our December 2022 acquisition of the frozen bakery manufacturing and distribution business in Germany, France, the Netherlands and the United Kingdom of global bakery manufacturer and distributor Dawn Foods, which significantly increased our presence in strategic markets such as the United Kingdom, France, Benelux, Germany and the Middle East, as well as with customers in the foodservice channel. In March 2024, after obtaining the relevant regulatory approvals, we acquired a 94.75% stake in DeWi Back Holding GmbH, a Berlin-based producer of bread, rolls, cakes and pastries, giving us direct access to the German market to develop our presence in the region. Net turnover in Germany has been increasing organically since Europastry acquired DeWi Back.

In the United States, a country representing 15.9% of our net turnover for the year ended December 31, 2023, we acquired two of our current production centers as a result of our acquisitions of Wenner Bakery (a three-stage acquisition completed in 2018) and EuroClassic (a two-stage acquisition also completed in 2018). We opened our SOCA (United States) production center in Laurens, South Carolina in September 2022. Additionally, we have grown our presence in Latin America, a region representing 4.3% of our net turnover for the year ended December 31, 2023, through strategic acquisitions, including of Crandon in Chile in 2017 and Europastry México Incorporated in Mexico in 2023. We also opened regional sales offices in Dubai (in 2021) and Singapore (in 2022) to provide direct service to our customers in the Middle East, Africa and Asia.

In light of recent growth across the frozen bakery sector, the market for acquisition transactions has been active, and valuations for the stakes acquired in frozen bakery businesses have been high. In February 2024, Investindustrial, alongside Sammontana, an Italian producer of gelato and other confectionery products, acquired Italian frozen pastry maker Forno d'Asolo. The target, with approximately €500 million in revenues for the year ended December 31, 2023, was valued at approximately 13.0 times its EBITDA, based on a transaction enterprise value of approximately €1,100 million and EBITDA of approximately €85 million for the year ended December 31, 2023 (*source: Transaction press release from BC Partners*). In March 2024, CVC Capital Partners, a private equity fund, acquired the Spanish frozen bakery player Monbake. The target, with approximately €400 million in revenues for the year ended December 31, 2023, was valued at approximately 10.5 times its adjusted EBITDA, based on a transaction enterprise value of approximately €900 million and adjusted EBITDA of approximately €86 million for the year ended December 31, 2023 (*source: Bloomberg, Mergermarket and Expansión*). In July 2024, the Emmi Group announced it had entered into a put option agreement for the contemplated acquisition of Mademoiselle Desserts Group, a French producer of premium dessert products. Mademoiselle Desserts Group had revenues of approximately €428 million for the year ended December 31, 2023 and was valued at approximately 12.0 to 12.9 times its adjusted EBITDA, based on a transaction enterprise value of approximately €900 million and adjusted EBITDA between approximately €70 million and €75 million (*source: Mademoiselle Desserts 2023 Corporate Social Responsibility Report, Mergermarket*).

Long history of growth, profitability and strategic cash flow reinvestment

We have a long history of resilient and profitable growth supported by both organic growth[APM] and acquisitions. Aside from the decline in net turnover experienced in 2020, as a consequence of the COVID-19 pandemic, our growth has been consistent through changing economic cycles, including through the recent high-inflation environment, supporting what we believe is our strong and stable profitability. We have had a positive net consolidated result in each of the last 18 years. The below graphic sets forth the evolution of our net turnover, organic growth[APM] and adjusted EBITDA margin[APM] since 2013. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Analysis of Unaudited Alternative Performance Measures*" for information regarding these alternative performance measures.



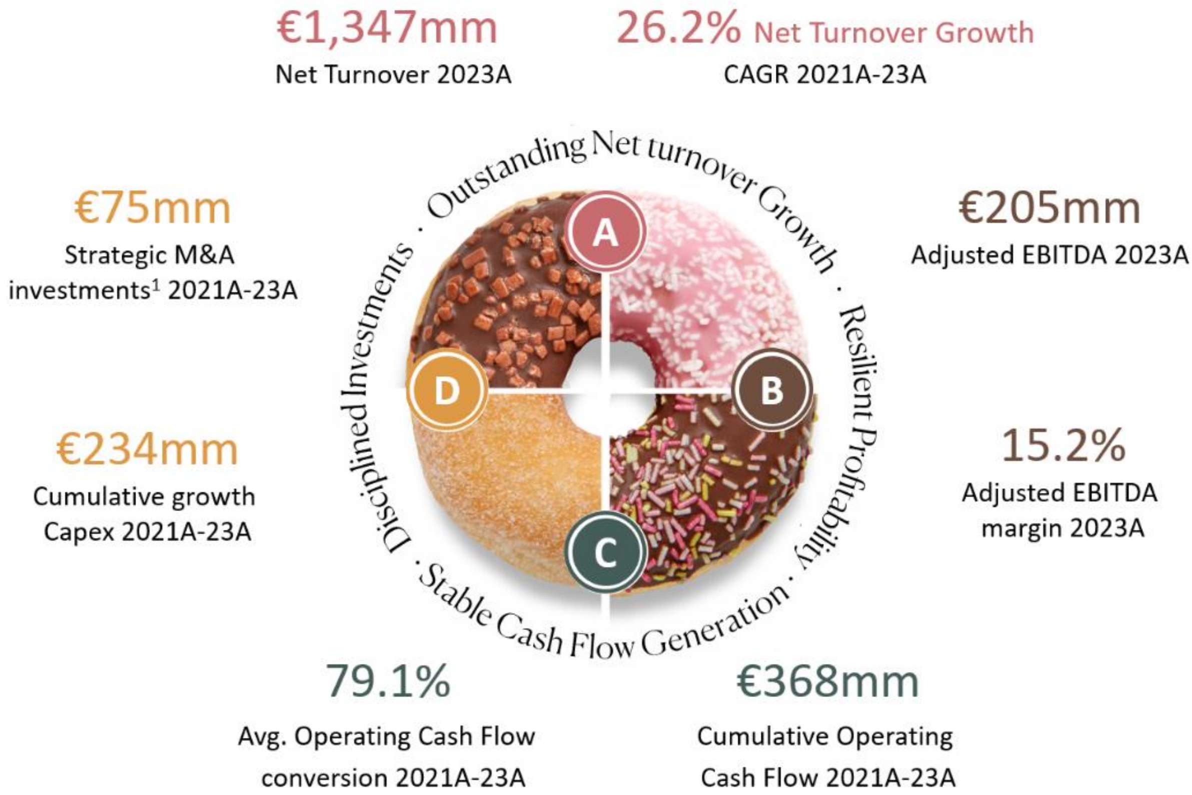
Source: Company information

(1) CAGR of net turnover between 2014 and 2023.

(2) Average annual organic growth[APM] between 2014 and 2023.

(3) Impacted by COVID-19 pandemic.

We have grown significantly over the last five years. From 2018 to 2023, our net turnover increased from €729,004 thousand to €1,346,779 thousand, with average annual organic growth of 9.7% during the same period. Over that same period, our adjusted EBITDA[APM] increased from €110,034 thousand (with an adjusted EBITDA margin[APM] of 15.1%) to €205,039 thousand (with an adjusted EBITDA margin[APM] of 15.2%), and our adjusted net income[APM] increased from €43,891 thousand (with an adjusted net income margin[APM] of 6.0%) to €79,618 thousand (with an adjusted net income margin[APM] of 5.9%). Our EBITDA[APM] for the year ended December 31, 2022, was approximately 250 basis points higher than the average reported EBITDA of certain of our closest competitors, based on average reported EBITDA for the year ended December 31, 2022 of Aryzta, Harry, La Lorraine and Vandemoortele.



Source: Company information

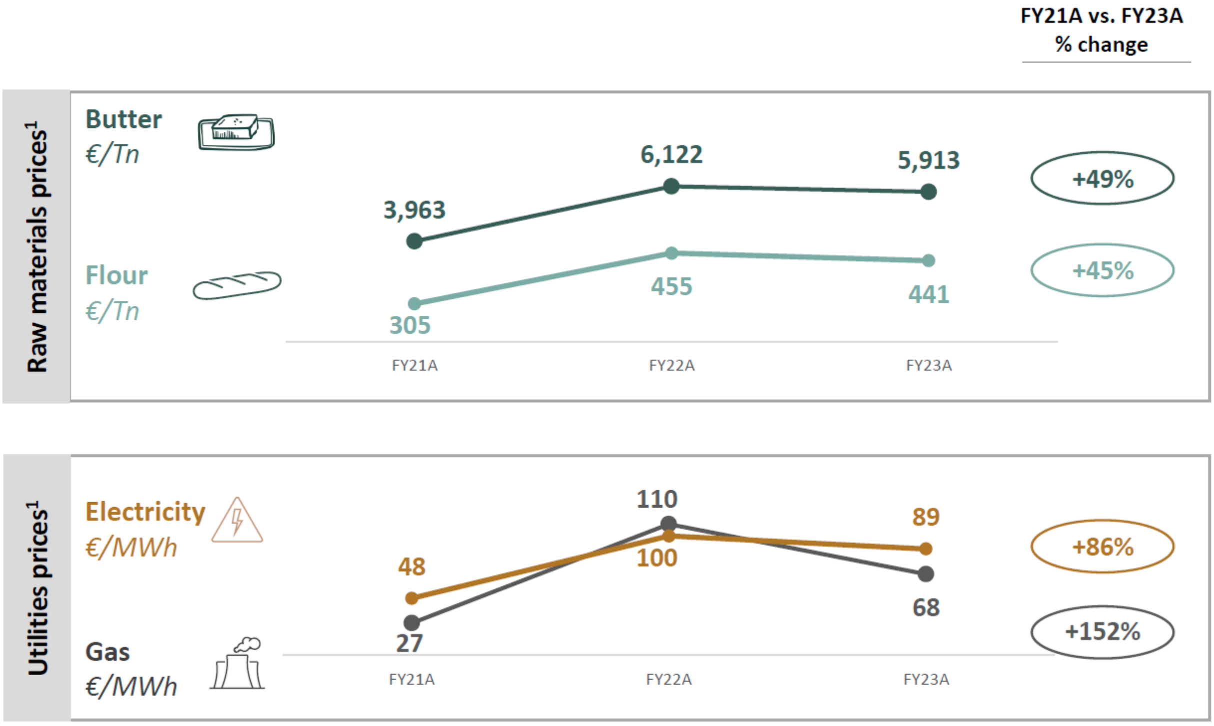
(1) Includes the sum of cash payments, deferred payments and net financial debt assumed to complete the acquisitions undertaken between 2021 and 2023. See "*—History*", "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Factors Affecting our Results of Operations—Acquisitions*" and "*Risk Factors—Risks related to our business and the industry in which we operate—We may not be able to successfully complete favorable transactions or successfully integrate acquired businesses*" for information regarding our recent acquisitions.

See "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Analysis of Unaudited Alternative Performance Measures*" for information regarding these alternative performance measures.

From 2021 to 2023, our net turnover grew at a CAGR of 26.2%, and our average annual organic growth[APM] over the same period was 21.0%. We have been able to achieve this growth through volume substitution for higher value-added products, increases in selling prices, a product mix benefitting from continued innovation in value-added products, capturing new customers, fast growth in international markets and strategic acquisitions. This strong net turnover growth has supported high and resilient profitability, with an average adjusted EBITDA margin[APM] of 14.4% between 2021 and 2023. This profitability is the result of our continued focus on innovation and value-added products, our ability to pass through raw material price increases (between 2021 and 2023, we increased our average price by approximately 30%), a well-balanced presence across customer channels, our selective approach to customer relationships and active management of our raw material and energy costs. We attribute approximately 50% of our organic growth[APM] in recent years to price increases and approximately 50% to volume growth, volume substitution for higher value-added products with higher prices and enhancements to our product mix. For additional information about the evolution of net turnover, organic growth[APM] and adjusted EBITDA[APM] for each of the years ended December 31, 2023, 2022 and 2021, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations*".

Our diversified and flexible business model has allowed us to remain profitable and generate cash for 18 consecutive years, including during the worst of the COVID-19 pandemic period in 2020. While net turnover decreased in 2020 by 19.3% compared to 2019, affecting all our segments and customer channels, our flexible operational expense structure allowed us to decrease operating expenses by 12.8% over the same period, and we reduced our discretionary growth capex^{APM} by 61.7%, from €97,414 thousand for the year ended December 31, 2019 to €37,332 thousand for the year ended December 31, 2020. As a result, we remained profitable in 2020, with adjusted EBITDA^{APM} of €90,097 thousand (compared with €139,901 thousand in 2019), an adjusted EBITDA margin^{APM} of 13.1% (compared with an average annual adjusted EBITDA margin^{APM} of 15.8% from 2017 to 2019) and operating cash flow^{APM} of €70,002 thousand and 77.7% cash conversion (compared with €112,013 thousand and 80.1%, respectively, in 2019). See "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Analysis of Unaudited Alternative Performance Measures*" for information regarding these alternative performance measures.

In recent years, we have also remained profitable in the face of severe supply-chain interruptions and high inflation that resulted in significant increases to our raw material and utilities prices. The graphic below sets forth increases in our raw materials prices and utilities prices from 2021 to 2023:



Source: Company information

(1) Europastry's annual average price per year of key raw materials and utilities.

Notwithstanding these spikes in critical input costs, our adjusted EBITDA margin^{APM} was resilient, increasing 100 basis points over the same period, from 14.2% for the year ended December 31, 2021 to 15.2% for the year ended December 31, 2023. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Analysis of Unaudited Alternative Performance Measures*" for information regarding adjusted EBITDA margin^{APM}. This resiliency is due, in part, to our regular dialogue with suppliers to minimize the impact of volatility on raw materials and utilities prices for periods of six to 12 months, advance negotiations with suppliers to proactively manage raw materials costs, and our flexible cost structure.

Our cash flow in recent years, resulting from our strong EBITDA^{APM} generation, low required maintenance and other capex^{APM} and negative net working capital (impacted in 2023 by certain extraordinary items), has been sound, stable and high. Our operating cash flow conversion^{APM} averaged 79.1% annually from 2021 to 2023, with operating cash flow^{APM} of €124,948 thousand for the year ended December 31, 2023 (with an operating cash flow conversion^{APM} of 60.9%), compared with operating cash flow^{APM} of €139,636 thousand for the year ended December 31, 2022 (with an operating cash flow conversion^{APM} of 90.0%) and operating cash flow^{APM} of €103,813 thousand for the year ended December 31, 2021 (with an operating cash flow conversion^{APM} of 86.3%). This cash flow allowed us to make discretionary platform-enhancing growth investments and acquisitions between 2021 and 2023, including growth capex^{APM} of €234,395 thousand, maintenance and other capex^{APM} of €83,136 thousand,

and strategic mergers and acquisition investments totaling approximately €74,875 thousand (including the sum of cash payments, deferred payments and net financial debt deployed to acquire acquisition targets between 2021 and 2023). The growth capex[APM] investments, in particular, have enabled us to focus on high value-added product substitution, expanding capacity to support our customers, developing new capabilities to lead the market by innovation and building a platform for growth in new regions, all while following a disciplined approach to capital allocation in new projects. Our leverage has also increased as a result of these investments. As of June 30, 2024, we had adjusted net financial debt[APM] of €671,672 thousand and adjusted leverage[APM] of 3.1x. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Analysis of Unaudited Alternative Performance Measures*" for information regarding these alternative performance measures. We expect the New Gross Proceeds received in the Offering to help us reduce our indebtedness and our leverage. See "*Reasons for the Offering and Use of Proceeds*".

We believe these investments have supported our strong net turnover growth in recent years, and we expect to realize significant upside from the ramp-up of recent investments going forward. From 2021 to 2023, we invested €135,361 thousand of capex[APM] in 10 new production lines, currently in a ramp-up phase, with average capacity utilization of approximately 38% in 2023. We attribute €75,331 thousand of our net turnover for the year ended December 31, 2023 to these production-line investments, and, based on these figures, we estimate that we could have generated an additional €148,596 thousand in net turnover for the year ended December 31, 2023 had these production lines been operating at full capacity during the year. We invested an additional €45,649 thousand of capex[APM] from 2021 to 2023 in our logistics centers and the modernization of existing production lines, with the aim of realizing efficiencies in our facilities, and in land acquisitions, to be used for future growth. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Analysis of Unaudited Alternative Performance Measures*" for information regarding capex[APM].

Championing a more sustainable future for the bakery sector

Looking at the long term, we have placed great emphasis on sustainability. We believe that in a not-too-distant future, companies will either be sustainable or no longer exist. This is also part of our conviction as bakers. We believe we can get the best products only if we respect what nature gives us, without forcing its timing. Consistent with these ideas, we have developed an ambitious ESG strategy integrated with our core business (the "**ESG Strategy**"). The ESG Strategy, developed with Ernst & Young to align with the Sustainable Development Goals adopted by the United Nations, is driven by over 30 targets across the following three strategic pillars:

- **Sustainable quality products**: This strategic pillar covers those aspects mainly related to our products and the ESG impacts of the supply chain and logistics of Europastry. By 2030, we aim to, among other things, use 100% GMO-free ingredients in Europe and use only non-hydrogenated oils and fats, and we intend for more than 90% of our products to be preservative-free. Our commitments to sustainability extend throughout the entire value chain. By 2026, we aim to reduce the carbon footprint of our supply chain in Spain (storage and transport) by 35% (compared to 2019), and we aim to have 100% of our cold-storage warehouses powered by renewable energy by 2030. By 2030, we also aim to use 100% recyclable plastics in the packaging and transport of our products and for all of the wood-origin materials we use to be certified by the Forest Stewardship Council or the Programme for the Endorsement of Forest Certification.

- **Our bakers**: This strategic pillar encompasses those initiatives aimed at Europastry's employees, promoting a respectful, equitable and safe work culture, aligned with industry best practices, to foster the well-being and professional development of our people. By 2030, among other things, we aim to ensure employees receive an annual average of around 10 hours of skills training, to reduce by 10% the 2023 gender pay gap (25.0%) and to have all our production centers ISO 45001–certified, for management of occupational health and safety risks.

- **Environmental protection**: This strategic pillar is linked to the management of the main environmental impacts generated by our production centers and other facilities as a result of our activity. Among other things, we aim to reduce our Scope 1 and Scope 2 CO_2 emissions by 50% by 2027 (compared to 2020, on a per-ton-produced basis), obtain zero-waste certification for 50% of our production centers globally by 2030 and to expand Spanish production of responsibly sourced wheat, described below, to 30,000 hectares by 2030. We aim to have 100% of our production centers obtain ISO 14001 certification for their environmental management systems by 2030 and to reduce our annual water consumption by 20% by the same year (compared to 2020, on a per-ton-produced basis).

Our ESG Strategy is underpinned by our consistent historical commitment to ESG principles. Between 2020 and 2023, on a per-ton-produced basis, we reduced our annual Scope 1 and Scope 2 CO_2 emissions by 50% (for a total reduction of 26 thousand tons) and our Scope 3 CO_2 emissions by 18%. Between 2020 and 2023, also on a per-ton-produced basis, we reduced our annual electricity consumption by 10.7%, our annual gas consumption by 7.7% and our annual water consumption by 14.2%.

Moreover, almost all of the ingredients used in our products are free of artificial flavors and colors, and we exercise exhaustive control over the traceability of our wheat and other supplies. We believe that sustainability in the baking sector is closely linked to good practices for planting, growing and milling of the grains, as the sowing and cultivation of wheat account for a substantial part of CO_2 emissions in the sector. One of our initiatives is the commitment to using responsibly sourced wheat, by promoting the implementation of good practices with local farmers, including the use of certified seeds, reduced use of fertilizers, crop rotation and field-to-table traceability. We also ensure that the fields growing responsibly sourced wheat follow the principles of regenerative agriculture, a practice that aims to restore the quality and fertility of degraded soils using less aggressive methods, including by reducing heavy machinery, using green fertilizers, maintaining cover crops and diversifying cropping systems. To identify the products produced according to these principles, we have created the "Responsible Wheat" seal. In the year ended December 31, 2023, there were approximately 5,300 hectares dedicated to this crop, providing us with an estimated 22 thousand tons of Responsible Wheat for use in our production activities in 2023 (compared to a total of 267 thousand tons of wheat consumed by the Company in the year ended December 31, 2023). We aim to expand this area to 30,000 hectares by 2030. In addition, we mostly work with local suppliers, which helps us reduce food miles.

Furthermore, we use recyclable packaging for our products, and, as part of our commitment to the European Lean & Green initiative to reduce the carbon footprint of our storage and transportation operations in Spain by 35% between 2019 and 2026, we distribute these products in accordance with sustainability criteria, utilizing sustainable fleets that include natural-gas-powered trucks and mega-trucks with a larger freight capacity, optimization of logistics routes, the use of lower-pollution fuels and intermodal transport.

We have held various sustainability certificates for years, such as certificates for organic production and labeling, pursuant to Regulation (EU) 2018/848, for our BIO product line, UTZ certification from the Rainforest Alliance for the use of sustainable cocoa for fillings and frostings, and certification from the Roundtable on Sustainable Palm Oil for using only sustainable palm oil in the production of our Dots products. The sourcing of sustainable ingredients supports sustainable agriculture and improves the quality of life for small-scale farmers.

Experienced management team with a clear strategy to deliver profitable growth

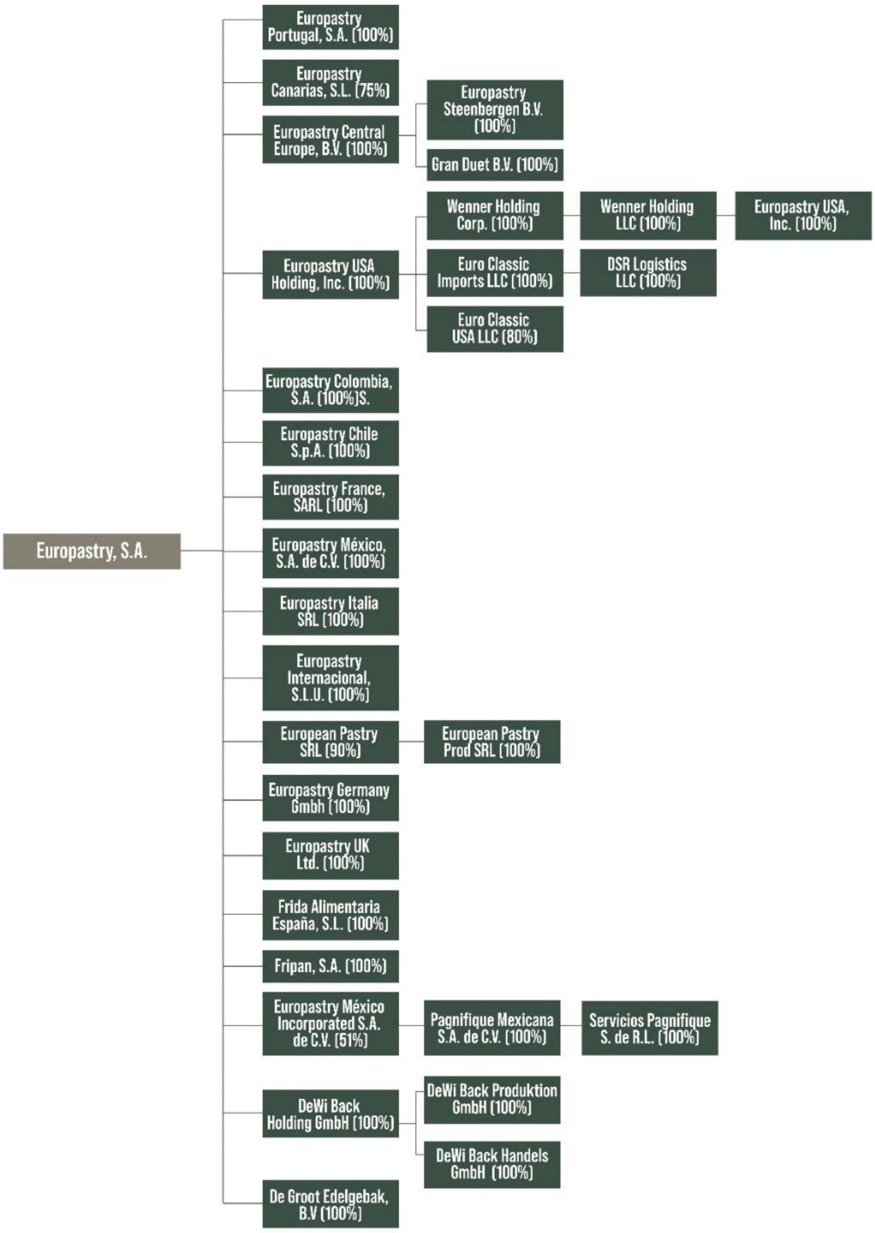
We are a family-owned company, run professionally with entrepreneurial spirit. We are majority-owned by the family of our founder, Pere Gallés, and his son, Jordi Gallés, who is our current executive chairman. While the Gallés family has consistently maintained control over the Company, our shareholding structure has changed over time, with the participation of various financial investors including AB Asesores (1996–2000), Inveralia (2001–2003), Ibersuizas (2001–2003), Banco Pastor (2001–2003), Banco Sabadell (2004–2006), Vall Companys (2007–2010) and, most recently, funds managed by MCH Private Equity (since 2011). The involvement of financial investors over the years has helped mold us into a company that is not only highly entrepreneurial, but also professional and financially disciplined. As a result, we believe we have achieved a unique combination of managerial leadership and family culture. As of the date of this Prospectus, MCH Continuation Fund, FICC (managed by MCH Private Equity) remains an indirect shareholder. See "*Principal and Selling Shareholders*" for details about current shareholdings.

We believe our experienced and multidisciplinary management team, supported by strong family values, has demonstrated its capability by creating and developing a company with leading market positions, a continuously evolving and innovative product portfolio, successful international operations, a strong track record of acquisitions and solid financial performance. We place a strong emphasis on promotion from within, and we expect to rely on our proven management team as we seek to continue growing in the coming years. The members of our management team are talented and relatively young, having on average 16 years' experience in the frozen bakery industry and an average age of 51 years. Much of our management team's experience has been developed internally. Our executive chairman, Jordi Gallés, has 28 years of experience at Europastry, our chief executive officer, Jordi Morral, has 26 years of experience at Europastry, and our chief financial officer, Joaquim Bauló, has nine years of experience at Europastry. The rest of our senior managers have (14 in total) have an average tenure of 15 years at Europastry.

With its substantial experience, marked by a passion for baking and producing excellent products and financial results, we believe our management team is uniquely capable of executing on our strategy to lead the development of the frozen bakery industry, accelerate our international expansion, pursue strategic and value-accretive acquisitions, drive efficiencies and promote sustainability in the sector.

Corporate Structure

The Company is the parent company of the Group. The following graphic illustrates the structure of the Group as of the date of this Prospectus.



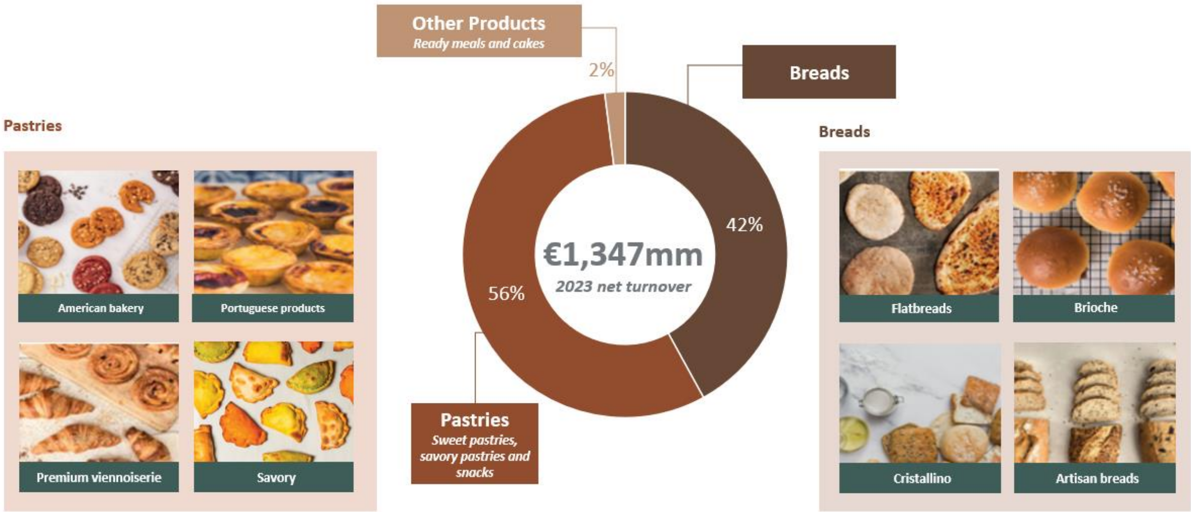
For additional detail, see "*Additional Information—Information on the Group*".

Our Products

We are specialists in frozen dough, with 37 years of experience. In that time, we have invested more than €1 billion in production technology and, as a result, believe we have one of the best and most extensive frozen bakery product portfolios in the world.

We have three principal frozen bakery product categories: breads, pastries and other products (including cakes, other patisserie products and ready meals). We offer over 4,900 stock-keeping units ("**SKUs**"). These three categories represented 41.2%, 57.1% and 1.7%, respectively, of our net turnover for the six months ended June 30, 2024, compared with 41.7%, 56.7% and 1.6%, respectively, of our net turnover for the year ended December 31, 2023, 46.6%, 51.9% and 1.5%, respectively, of our net turnover for the year ended December 31, 2022, and 46.4%, 52.2% and 1.5%, respectively, of our net turnover for the year ended December 31, 2021. For the six months ended June 30, 2024, our net turnover amounted to €713,634 thousand, compared with €666,949 thousand for the six months ended June 30, 2023. In the year ended December 31, 2023, our net turnover amounted to

€1,346,779 thousand, compared with €1,121,500 thousand and €845,579 thousand in each of the years ended December 31, 2022 and 2021, respectively. The below graphic sets forth the relative contributions of our product categories in 2023.



Source: Company information

Breads

We produce over 1,500 bread products. Our main categories of breads include baguettes, multi-grain breads, rustic and artisanal breads, ciabattas, brioche, burger buns, flatbreads, focaccias and mini rustic breads that are designed to be sold to foodservice customers. For the six months ended June 30, 2024, our breads represented net turnover of €293,731 thousand (41.2% of total net turnover), compared with €279,310 thousand (41.9% of total net turnover) for the six months ended June 30, 2023. For the year ended December 31, 2023, our breads represented net turnover of €560,998 thousand (41.7% of total net turnover), compared with €522,232 thousand for the year ended December 31, 2022 (46.6% of total net turnover) and €392,129 thousand for the year ended December 31, 2021 (46.4% of total net turnover). We have 46 production lines for breads in our production centers with an annual production capacity of over 316 thousand metric tons.

We have been increasingly focused on the production of artisanal and high-value-added breads (or premium bakery breads) in recent years. Our Saint Honoré line, launched in 2016, features premium bakery breads that contain an exclusive sourdough and are baked in a stone oven. Our Gran Reserva line features natural triple-proofed sourdough and country breads, and we also produce other high-value-added breads such as whole-grain bread, focaccias and crystal bread (*pan de cristal*), a delicate traditional loaf from the Catalonian region of Spain. In September 2022, we opened our SOCA (United States) production center in Laurens, South Carolina, dedicated to brioche bread products, made from a soft dough that is enriched with butter and eggs. High-value-added breads (which are produced in a total of 26 production lines) represented 79.4% of our net turnover from bread sales for the six months ended June 30, 2024, compared with 78.4%, 76.8% and 75.7% for each of the years ended December 31, 2023, 2022 and 2021, respectively, with basic breads representing 20.6%, 21.6%, 23.2% and 24.3%, respectively. For comparison purposes, in the year ended December 31, 2018, high-value-added breads represented 67.2% of our net turnover from bread sales and were produced in a total of 21 production lines. Our contribution margin (calculated as net turnover less production costs and distribution costs) on high-value-added breads in 2023 was +1,370 basis points higher than for basic breads in the same year.

The distinguishing feature of our bread products is ease of use for customers. Our breads are parbaked and frozen in our facilities, so that the customer only needs to defrost, bake and sell the bread. Because they are stored frozen, our bread products are not easily perishable.

Our breads are produced exclusively in our production centers. The process for producing breads includes adding the proper proportion of ingredients according to our traditional recipes, mixing and kneading, shaping the products, cutting, proofing, parbaking, cooling, freezing, conditioning and packing. After delivery to the customer and after defrosting, only ten to fifteen minutes of baking time are needed. This also applies to our pre-cut breads, which facilitates use for sandwich makers.

We have achieved healthy volume growth, despite significant price increases implemented in recent years. In the six months ended June 30, 2024, we sold 108 thousand metric tons of bread products compared with 102 thousand metric tons in the six months ended June 30, 2023, and in 2023, we sold 207 thousand metric tons of bread products, compared with 210 thousand metric tons in 2022 and 207 thousand metric tons in 2021. We have a strong focus on volume substitution for higher value-added products which have higher selling prices per kilogram and enhancements to our product mix. Our average price per kilogram for bread products in the six months ended June 30, 2024 was €2.7, compared with €2.7 in 2023, €2.5 in 2022 and €1.9 in 2021.

Our bread products are sold primarily to retail and foodservice customers.

Pastries

We produce over 3,100 pastry products which can be classified into frozen raw pastries, pre-proofed frozen pastries and frozen fully baked pastries. The main distinction among these product categories is the amount of time needed to prepare the product once it has been delivered to the relevant customer point of sale. For the six months ended June 30, 2024, our pastries represented net turnover of €407,814 thousand (57.1% of total net turnover), compared with €378,143 thousand for the six months ended June 30, 2023 (56.7% of total net turnover). For the year ended December 31, 2023, our pastries represented net turnover of €763,590 thousand (56.7% of total net turnover), compared with €582,130 thousand for the year ended December 31, 2022 (51.9% of total net turnover) and €441,109 thousand for the year ended December 31, 2021 (52.2% of total net turnover). We have 45 production lines for pastries in our production centers with an annual production capacity of over 242 thousand metric tons. As of the date of this Prospectus, we are building a new cookie production line in our Oldenzaal (Netherlands) production center, a new pastry production center (with one pastry production line) in Carregado (Portugal) and a new pre-proofed frozen pastry production line in our Pagnifique (Mexico) production center.

In addition, we have achieved healthy volume growth, despite significant price increases implemented in recent years. In the six months ended June 30, 2024 we sold 94 thousand metric tons of pastries, compared with 87 thousand metric tons in the six months ended June 30, 2023, and in 2023, we sold 175 thousand metric tons of pastries, compared with 150 thousand metric tons in 2022 and 137 thousand metric tons in 2021. We have a strong focus on volume substitution for higher value-added products which have higher selling prices per kilogram and enhancements to our product mix. Our average price per kilogram for pastry products in the six months ended June 30, 2024 was €4.3, compared with €4.4 in 2023, €3.9 in 2022 and €3.2 in 2021.

Frozen raw pastries

Our frozen raw pastries include, among others, croissants, *napolitana* pastries, puff pastries, sponge cakes, cookie dough and *ensaimadas*, a spiral-shaped pastry typical of the Balearic Island of Mallorca. The process of producing frozen raw pastries includes adding the proper proportion of ingredients, mixing and kneading, rolling, shaping the products, freezing, conditioning and packing. Before reaching the end consumer, many of the products made according to this method require two and a half to three hours of preparation time including a two-hour defrost and proofing process, 20 minutes of baking in a standard oven and a finishing process (for instance, glazing). Frozen raw pastries are sold primarily to traditional bakery customers (in particular, traditional bakery shops and independent foodservice establishments).

Pre-proofed frozen pastries

Our pre-proofed frozen pastries include, among others, croissants, *napolitana* pastries, *ensaimadas* and Danishes. The process for producing pre-proofed frozen pastries is the same as frozen raw pastries, except that the pastries are pre-proofed. This method for producing frozen pastries was launched on the market in 2001 by Frida Alimentaria, a company that we acquired in 2002. The innovative element of this process is pre-proofing the product before freezing, which reduces preparation time for consumers to between 30 and 40 minutes, thereby increasing flexibility as well as time and cost savings. Pre-proofed frozen pastries are sold primarily to foodservice customers (in particular, hotel chains, restaurants (including fast food) and coffee shops).

Frozen fully baked pastries

Our frozen fully baked pastries include, among others, doughnuts ("**Dots**"), croissants, puff pastries, muffins, cookies, pizzas, empanadas and *roscones*, a ring-shaped pastry typically sold at Christmas in Spain. These lines of products follow the same production processes as pre-proofed frozen pastries, though we add the additional processes of cooking. These products require the least amount of preparation by the customer, as they are generally ready to eat after defrosting or heating in an oven. Frozen fully baked pastries are sold primarily to traditional bakery customers (in particular, traditional bakery shops and independent foodservice establishments) as well as foodservice customers (in particular, hotel chains, restaurants (including fast food) and coffee shops).

We began producing frozen Dots, known as doughnuts in the United States, in 1999. Dots were introduced with significant success in Spain and have since captured substantial market share in other countries. We have an estimated 20–25% market share of the Spanish doughnut market, an estimated 10–15% market share in Germany, an estimated 8–10% market share in the United Kingdom and an estimated 5–7% market share in France, in each case based on our net turnover derived from such products and regions in 2023, compared with the estimated value of the respective markets in such countries in 2023 (*source: Company Industry Sources*). Dots are processed, baked, frozen and delivered to the customer, who only needs to defrost the product (approximately 20 minutes to reach room temperature) before being able to serve the product to consumers. Dots have a six-month shelf life while frozen, as compared to 24 hours for fresh doughnuts. Dots, as compared to fresh doughnuts, also allow customers greater flexibility, as they no longer need to depend on daily deliveries from suppliers. Moreover, as compared to industrial pastries, Dots do not contain additives or preservatives designed to extend shelf life.

Other products

In addition to breads and pastries, we also offer more than 250 other products, including over 150 frozen cakes and other frozen patisserie products and over 100 frozen ready meal products, in each case produced by us or purchased from other producers. For the six months ended June 30, 2024, other products represented net turnover of €12,089 thousand (1.7% of total net turnover), compared with €9,496 thousand for the six months ended June 30, 2023 (1.4% of total net turnover). For the year ended December 31, 2023, other products represented net turnover of €22,191 thousand (1.6% of total net turnover), compared with €17,138 thousand for the year ended December 31, 2022 (1.5% of total net turnover) and €12,331 thousand for the year ended December 31, 2021 (1.5% of total net turnover). We have six production lines for other products in our production centers with an annual production capacity of over 10 thousand metric tons. In the six months ended June 30, 2024 we sold 2,009 metric tons of other products, compared with 1,389 metric tons in the six months ended June 30, 2023, and in 2023, we sold 3,081 metric tons of other products, compared with 2,112 metric tons in 2022 and 2,118 metric tons in 2021 (in each case including products produced by Europastry and products purchased from other producers). Our average price per kilogram for other products in the six months ended June 30, 2024 was €6.0, compared with €7.2 in 2023, €8.1 in 2022 and €7.5 in 2021.

Our other products are sold primarily to foodservice customers.

Our Customers

We sell our products, directly or through third-party distributors, almost exclusively to various types of retailers (including hypermarket and supermarket chains and hard-discount stores), foodservice operators (including hotel chains, restaurants (including fast food), coffee shops, bakery and confectionery chains), traditional bakeries (including traditional bakery shops, independent foodservice establishments and small convenience stores) and manufacturers (including producers of bakery products), rather than to end consumers.

We have established long-term relationships with many of our customers, many lasting more than 20 years, built on our robust innovation capabilities and our strong customer service. We supply specific geographic areas for some of the largest supermarket chains and foodservice operators in the world. Below are the corporate logos of some of our most significant customers.

Source: Company information

We have a highly diversified customer base across our various channels and geographies, with no single customer representing more than 7.7% of our total net turnover for the six months ended June 30, 2024 (8.5% for the year ended December 31, 2023). Our top 20 customers accounted for, in the aggregate, 36.4% of our net turnover for the six months ended June 30, 2024 (38.0% for the year ended December 31, 2023). Sales to our number-one, top five and top 10 customers accounted for 7.7%, 20.8% and 29.0%, respectively, of our net turnover for the six months ended June 30, 2024 (8.3%, 21.0% and 29.7%, respectively, for the year ended December 31, 2023).

Sales to retail customers (including hypermarket and supermarket chains and hard-discount stores) account for the majority of our net turnover. For the six months ended June 30, 2024, €400,045 thousand, or 56.1% of our net turnover, originated from sales to retail customers, compared with €370,783 thousand, or 55.6% of our net turnover for the six months ended June 30, 2023. For the year ended December 31, 2023, €746,845 thousand, or 55.5% of our net turnover, originated from sales to retail customers, as compared with €651,070 thousand, or 58.0% of our net turnover, for the year ended December 31, 2022 and €517,259 thousand, or 61.2% of our net turnover, for the year ended December 31, 2021. Insolvency among our customers is very low.

The following table sets forth our net turnover by customer type for the periods indicated:

	For the six months ended June 30,		For the year ended December 31,		
	2024	2023	2023	2022	2021
	(in thousands of euros, except percentages)				
Net turnover by customer type (1)					
Retail	400,045	370,783	746,845	651,070	517,259
As a percentage of total net turnover:	*56.1%*	*55.6%*	*55.5%*	*58.0%*	*61.2%*
Foodservice	218,007	207,935	425,647	314,685	198,583
As a percentage of total net turnover:	*30.5%*	*31.2%*	*31.6%*	*28.1%*	*23.5%*
Traditional Bakery	84,482	76,264	149,143	133,790	113,316
As a percentage of total net turnover:	*11.8%*	*11.4%*	*11.1%*	*11.9%*	*13.4%*
Manufacturers	11,100	11,967	25,144	21,956	16,421
As a percentage of total net turnover:	*1.6%*	*1.8%*	*1.9%*	*2.0%*	*1.9%*
Total	**713,634**	**666,949**	**1,346,779**	**1,121,500**	**845,579**

(1) A small portion of our sales are made directly to end consumers, including through digital channels.

For breakdowns of net turnover by customer type at the segment level, see Note 22 to our Unaudited Condensed Interim Consolidated Financial Statements and Note 26 to our 2023 Consolidated Financial Statements.

Our profitability typically varies across customer channels. We have historically achieved profitability for retail customers of around 10% to 15%, compared with around 15% to 20% for foodservice customers and around 20% for traditional bakery customers.

Our Suppliers

We purchase numerous raw materials and other supplies in connection with the production of our products. In addition, we purchase from third parties certain finished products, such as ready meals and gluten-free products, to expand our product offering, and in the event that we experience a production capacity constraint. The four most important raw material and production input categories are flour, fats (mainly butter and vegetable oils, including margarine), chocolate (increasingly so, since our acquisition of Dawn Foods Frozen) and cardboard (for packing). Some of our most significant suppliers include Puratos, Dawn Foods (for products outside the scope of the Dawn Foods Frozen business acquired by us), Harinera La Meta, US Flour, FrieslandCampina Nederland, Barry Callebaut, Vandemoortele, Harinas Polo and Cargill, among others.

Through our active management of product mix and raw material costs, we have achieved gross margins[APM] (as a percentage of net turnover) of 56.5% for the six months ended June 30, 2024, compared with 54.6%, 54.8% and 57.9% for each of the years ended December 31, 2023, 2022 and 2021, respectively, despite significant increases in the costs of these inputs during these periods. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Factors Affecting our Results of Operations—Raw materials and other supplies*", "*—Energy prices and storage and transportation costs*" and "*—Inflation, foreign exchange rates and interest rates*" for information on the recent increases in the prices of raw materials and supplies and disruptions in supply chains. Our supplier base is large and diverse, with over 1,000 suppliers in 2023. We have a diversified supplier base, with no single supplier representing more than 6.5% of our total cost of sales in the first half of 2024 or in any of 2023, 2022 or 2021. Our top 10 suppliers by purchases in the six months ended June 30, 2024 represented purchases of €19,068 thousand, €18,170 thousand, €14,462 thousand, €14,301 thousand, €13,263 thousand, €9,769 thousand, €8,778 thousand, €7,173 thousand, €5,662 thousand and €5,120 thousand, respectively (compared to €40,451 thousand, €38,120 thousand, €28,142 thousand, €25,296 thousand, €20,976 thousand, €18,815 thousand, €17,255 thousand, €12,953 thousand, €12,719 thousand and €11,087 thousand, respectively, in 2023). Purchases from our top 20 suppliers accounted for, in the aggregate, 47.8% of our cost of sales for the six months ended June 30, 2024 (49.1% for the year ended December 31, 2023). Purchases from our number-one, top five and top 10 suppliers accounted for 6.0%, 25.1% and 36.6%, respectively, of our cost of sales for the six months ended June 30, 2024 (6.5%, 24.5% and 36.1%, respectively, for the year ended December 31, 2023).

To avoid excessive dependence on any single supplier, we have, on average, more than three suppliers per raw material. We maintain regular dialogue with suppliers to minimize the impact of volatility on raw materials and utilities prices for periods of six to 12 months and enter into advance negotiations with suppliers to proactively manage raw materials costs.

The outbreak of the Russia–Ukraine war in February 2022 caused a significant upheaval in the global commodities market, with a direct effect on our business. Ukraine is one of the world's largest grain producers (*source: U.S. Department of Agriculture Foreign Agricultural Service*), and we purchased grains from Ukraine prior to this conflict. This major change in the grain market forced us to secure new supply sources and to adapt our business to the sharp cost increases that followed in the low-supply market. The Russia–Ukraine war also had a significant effect on our energy prices and storage and transportation costs. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Factors Affecting our Results of Operations—Raw materials and supplies*", "*—Energy prices and storage and transportation costs*" and "*—Inflation, foreign exchange rates and interest rates*" for information on the recent evolution in the prices of raw materials and other supplies, energy prices, storage and transportation costs, and disruptions in supply chains.

Distribution Channels and Geographical Coverage

Our products are sold in over 89 thousand customer points of sale on five continents globally as of June 30, 2024 (compared to approximately 80 thousand customer points of sale as of December 31, 2023). We sell to our customers directly, through our own regional sales offices (including telephone sales) and through e-commerce channels, and indirectly, through third-party distributors. For purposes of distribution, we divide our customers into two channels: (i) platform-distribution customers, with centralized purchasing and their own logistics platforms, which we supply directly, and (ii) capillary-distribution customers, customers without centralized purchasing and logistics platforms, to whom deliveries are made at the point-of-sale level by us or by our third-party distributors. Distributions to platform-distribution customers are typically made by larger, higher-capacity tractor trailers, although in some cases platform-distribution customers arrange to collect purchased products directly from our logistics hubs. Distributions to capillary-distribution customers are typically made by smaller, lower-capacity trucks and vans. In Spain, capillary-distribution customers accounted for 55.1% of our net turnover for the year ended December 31, 2023, compared with 35.3% of our net turnover elsewhere in our Europe segment. In our International segment, capillary-distribution customers accounted for 28.2% of our net turnover for the year ended December 31, 2023.

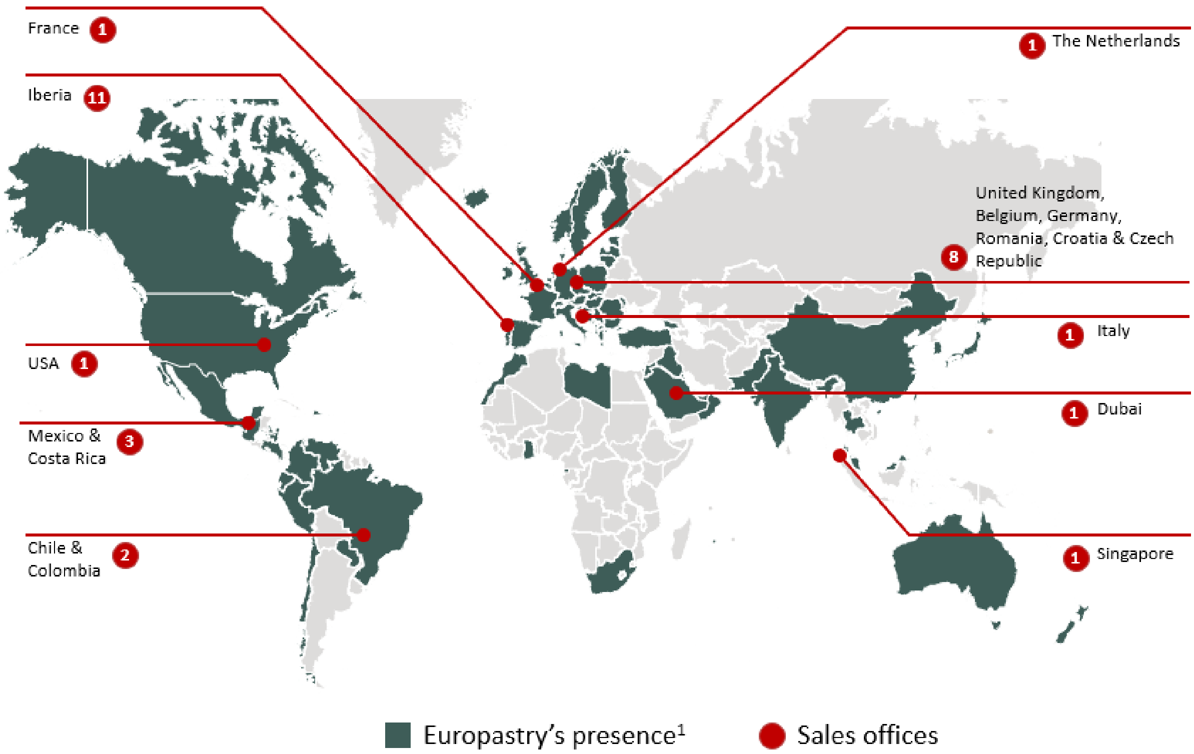
Customers who purchase directly from us are serviced by 30 regional sales offices in 18 countries. Nine of these regional sales offices are in Spain, while the others are in Portugal, the Netherlands, the United States, France, Italy, the United Kingdom, Belgium, Germany, Eastern Europe, Latin America, the Middle East and Asia. Each of our regional sales offices is strategically located in a high-demand area near consumer regions, allowing daily sales and distribution to each type of customer. Regional sales offices are also responsible for developing sales in their allocated territories. Together with our regional sales offices, we also operate regional logistics hubs which include storage and transportation logistics operations. From our integrated logistics operations our products are transported either directly to the customers' points of sale, via our capillary distribution network (or that of one of our distributors), or to our customers' own logistics platforms for subsequent distribution throughout such customers' own distribution network.

Our network of over 650 third-party distributors is our most significant distribution channel, as it allows us to distribute our products to areas in which we do not have regional sales offices. Our products are sold through distributors on five continents, including in countries in which we do not have our own regional sales offices, such as Switzerland, Japan, Denmark, Austria, Poland, Hungary, Croatia, South Korea, Bulgaria, Greece, Finland, Norway, China, Turkey, Australia, Brazil and South Africa. Each distributor is independent from us and uses its own commercial equipment and warehouses.

In Spain and Portugal, we sign exclusive distribution agreements in which distributors are granted licenses to distribute the products of one of our principal trademarks, such as Europastry, Fripan, Frida or Yaya María, in a given area with exclusivity. We had over 160 exclusive distributors in Spain and Portugal as of June 30, 2024. We also sign exclusive distribution agreements with distributors elsewhere in Europe and in our International segment, though exclusivity arrangements are less common in these regions. As a result of limiting distributors to a single brand, we are able to benefit from partnering with multiple distributors in a given geographic area while simultaneously granting each distributor exclusivity within the relevant area. Additionally, because certain of our distributors are specialized by customer type (e.g., retail, foodservice, traditional bakery or manufacturer), we believe that using a variety of third-party distributors enables us to best cover the frozen bakery product market. Our exclusive third-party distributors are generally restricted from distributing competing products in the relevant geographic area.

Under our distribution agreements, we are paid by our distributors directly, who in turn are paid by the customers purchasing our products. Our distributors share with us market information regarding such customers and their purchases. This information, together with information collected by our salespeople from on-site visits with customers serviced directly or through third-party distributors, enables us to track customer and end-consumer demand and market trends. Substantially all of our distribution agreements are long-term agreements.

The below graphic sets forth the geographic distribution of our regional sales offices and our distribution reach, including through third-party distributors.



Source: Company information

(1) Refers to countries in which net turnover was generated in 2023.

Operations

We have a presence in more than 80 countries on five continents. Our business is divided into two segments—Europe and International—to serve customers globally. Our segments are based not on geographic distribution, but instead the manner in which we organize our business. For additional information on our segments and the recent changes thereto, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Change in Segments*".

Europe

The Europe segment includes Spain, Portugal, France, Italy, the United Kingdom, Germany, the Netherlands, Belgium, the Nordic countries and Romania, with relevant operations concentrated mainly in Spain, Portugal and the Netherlands. The Europe segment is serviced by 22 production centers, with a combined annual production capacity of approximately 466 thousand tons, 22 regional sales offices, over 3,800 employees and over 500 third-party distributors. It is home to five of our six CEREAL innovation centers (see "*—Research and New Product Development*" below). As of June 30, 2024, we had 359 salespeople in the region, as well as 95 telesales agents in Spain and Portugal. Management of the Europe segment is structured around two geographic regions: southwest Europe and northeast Europe.

The following table sets forth certain key financial and operational information for the Europe segment for the periods indicated:

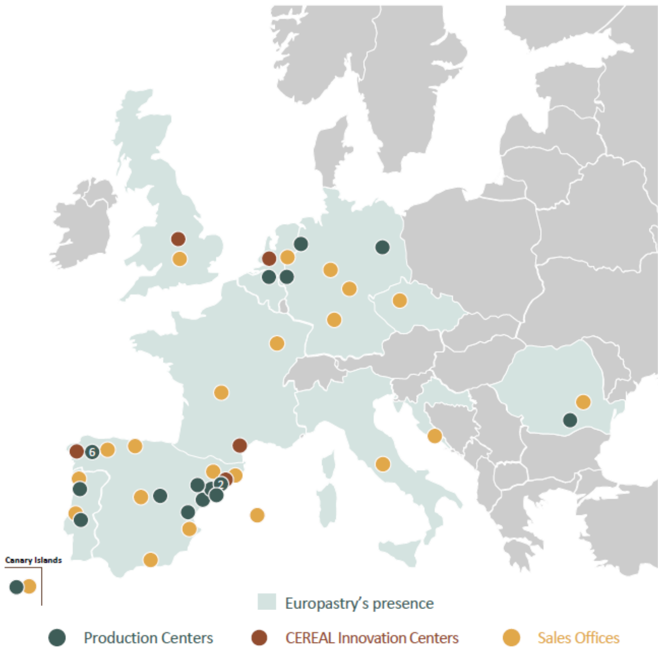
	For the six months ended June 30,		For the year ended December 31,		
	2024	2023	2023	2022	2021
	(in thousands of euros, except percentages and metric tons)				
Net turnover (in thousands of euros)	559,556	514,395	1,046,396	829,590	631,485
As a percentage of total net turnover:	*78.4%*	*77.1%*	*77.7%*	*74.0%*	*74.7%*
Adjusted EBITDA[APM]	94,580	81,301	174,052	121,557	95,133
Adjusted EBITDA margin[APM]	16.9%	15.8%	16.6%	14.7%	15.1%

	For the six months ended June 30,		For the year ended December 31,		
	2024	2023	2023	2022	2021
	(in thousands of euros, except percentages and metric tons)				
Organic growth[APM] (as a percentage of prior period net turnover)	3.6%	25.3%	16.3%	29.4%	25.8%
Metric tons of products sold (in thousands of metric tons)	169	156	317	297	284

See "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Analysis of Unaudited Alternative Performance Measures*" for information regarding the alternative performance measures included in the table above.

We have recently completed certain significant acquisitions in Europe. In March 2024, after obtaining the relevant regulatory approvals, we acquired a 94.75% stake in DeWi Back Holding GmbH, a Berlin-based producer of bread, rolls, cakes and pastries, giving us direct access to the German market to develop our presence in the region. In December 2022, we acquired Dawn Foods Frozen. In December 2021, we entered into an agreement to acquire up to a 90% stake in European Pastry, formerly one of our distributors, giving us access to European Pastry's product portfolio and its vast trade network in the Romanian market. The three-stage acquisition was completed in July 2024. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Factors Affecting our Results of Operations—Acquisitions*" for additional information on our recent acquisitions and their impact on our Consolidated Financial Statements.

The below graphic sets forth the geographic distribution of our production centers, CEREAL innovation centers and regional sales offices within the Europe segment, as well as our distribution reach, including through third-party distributors.



Source: Company information

In the Europe segment, we have low reliance on any particular product (with no single SKU representing more than approximately 1.5% of our global net turnover for the year ended December 31, 2023), customer (with no single customer representing more than 8.5% of our global net turnover for the year ended December 31, 2023) or distribution platform.

Our goal in this segment is to replicate the Spanish business model across other European countries. The pillars of our strategy include (i) maintaining our leadership in the market through continuous innovation and customization of products to secure customer loyalty, (ii) strengthening our position with traditional bakery customers in all countries, (iii) strengthening our position with retail and foodservice customers on the back of the vastness of our portfolio, (iv) taking advantage of our infrastructure backbone to deliver our products anywhere in less than 24 hours, (v) supporting new and existing customers in their expansion strategy, becoming an integral part of their core business, and (vi) gaining further preeminence through strategic partnerships and selective, accretive acquisitions.

Product offering

We offer a comprehensive range of products (over 3,900 SKUs, including more than 1,200 bread products, more than 3,150 pastry products and more than 250 other products) in our Europe segment and have significant penetration in each category of products, making us a dominant player in American bakery products (Dots, cookies and muffins). We have the capacity to deliver the full spectrum of frozen bread, pastries and other products that our customers need, giving us an advantage over competitors in certain European countries. Further, our strong innovation capabilities and premium value proposition improve our pricing power and customer loyalty. In 2023, we offered over 1,200 SKUs of products customized to address customer requests, and sales of new products launched between 2021 and 2023 generated €268,153 thousand of net turnover in our Europe segment in the year ended December 31, 2023. Our bread, pastry and other product categories represented 32.7%, 65.5% and 1.8%, respectively of net turnover of our Europe segment for the six months ended June 30, 2024, compared with 32.9%, 65.3% and 1.8%, respectively, of net turnover of our Europe segment for the year ended December 31, 2023, 36.6%, 61.5% and 1.9%, respectively, of net turnover of our Europe segment for the year ended December 31, 2022, and 36.6%, 61.6% and 1.8%, respectively, of net turnover of our Europe segment for the year ended December 31, 2021.

Our customers

Our products are sold in more than 85,000 customer points of sale in the Europe segment. Our retail customers in our Europe segment include, among others, Continente, Jumbo, MD Discount, Rewe, Edka, Sainbury's and Tesco supermarkets. Our foodservice customers in our Europe segment include, among others, Dunkin', Alsea, McDonald's, Burger King, Ikea, Meliá Hotel & Resorts and Areas. Our traditional bakery customers in our Europe segment include, among others, Bakker Bart and Granier. Our manufacturer customers in our Europe segment include, among others, Pastisart and Croex.

Large foodservice and retail customers in Europe look for sizeable and reliable suppliers that can provide a diverse and customized product offering in a single delivery. This supports a low churn rate in large customers. Further, we benefit from long relationships with independent bakeries.

In the year ended December 31, 2023, 43.4% of our net turnover in Spain originated from sales to retail customers, 35.1% originated from sales to foodservice customers, 20.0% originated from sales to traditional bakery customers, and the remaining 1.5% originated from sales to manufacturer customers. Over the same period, 63.7% of our net turnover in the rest of our Europe segment originated from sales to retail customers, 30.1% originated from sales to foodservice customers, 5.2% originated from sales to traditional bakery customers, and the remaining 0.9% originated from sales to manufacturer customers.

Competition

In Europe, we compete primarily against other frozen bakery product producers, including other international players such as Arytza, Bridor, Délifrance and Vandemoortele, as well as domestic players such as Monbake and Grupo Panstar in Spain.

International

Our International segment includes the United States, Latin America, the Asia Pacific, the Middle East and Africa, with relevant operations concentrated mainly in the United States and Mexico. The International segment is serviced by five production centers, with a combined annual production capacity of approximately 103 thousand metric tons, eight regional sales offices, over 1,100 employees and over 180 third-party distributors. It is home to one of our six CEREAL innovation centers. As of June 30, 2024, we had 48 salespeople in the regions included in the International segment.

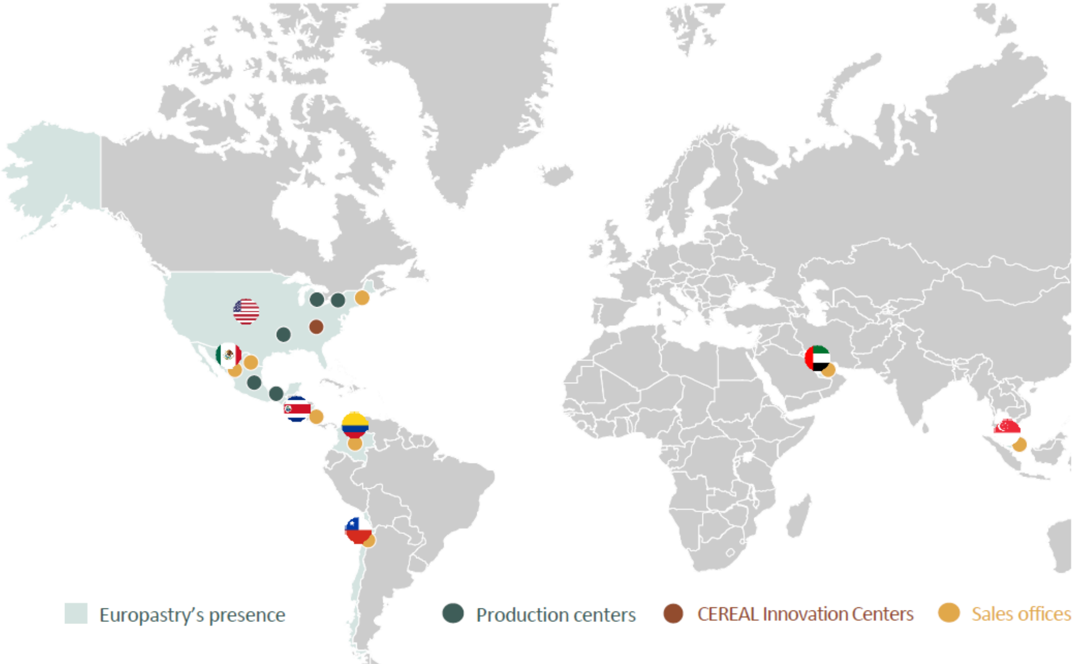
The following table sets forth certain key financial and operational information for the International segment for the periods indicated:

	For the six months ended June 30,		For the year ended December 31,		
	2024	2023	2023	2022	2021
	(in thousands of euros, except percentages and metric tons)				
Net turnover (in thousands of euros)	154,079	152,554	300,383	291,910	214,093
As a percentage of total net turnover:	*21.6%*	*22.9%*	*22.3%*	*26.0%*	*25.3%*
Adjusted EBITDA[APM]	19,601	17,880	30,987	33,586	25,096
Adjusted EBITDA margin[APM]	12.7%	11.7%	10.3%	11.5%	11.7%
Organic growth[APM] (as a percentage of prior period net turnover)	(1.6)%	(3.3)%	(5.9)%	26.5%	17.8%
Metric tons of products sold (in thousands of metric tons)	35	34	68	65	63

See "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Analysis of Unaudited Alternative Performance Measures*" for information regarding the alternative performance measures included in the table above.

Our U.S. presence consists of three production centers and one sales office, as well as over 100 third-party distributors. Our growth in the U.S. market is attributable in large part to our acquisitions of Wenner Bakery (a three-phase acquisition completed in 2018) and EuroClassic (a two-phase acquisition completed in 2018). Our presence in Mexico is more recent and consists of two production centers and two regional sales offices, as well as three third-party distributors. Our Mexico presence was mainly consolidated by our acquisition of a 51% stake in Europastry México Incorporated in March 2023. In turn, Europastry México Incorporated acquired Pagnifique Mexicana in April 2023. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Factors Affecting our Results of Operations—Acquisitions*" for additional information on our recent acquisitions and their impact on our Consolidated Financial Statements. Our current production capabilities in the United States are focused on frozen bread, whereas our production centers in Mexico, strategically located to allow us to serve the rest of the Latin America region, are focused on frozen pastries. Production levels are still in a ramp-up phase, utilizing about half of the production capacity in the United States.

The below graphic sets forth the geographic distribution of our production centers, CEREAL innovation centers and regional sales offices within the International segment, as well as our distribution reach, including through third-party distributors.



Source: Company information

In our international markets, penetration of frozen bakery within the larger bakery market is significantly lower than in Europe, which represents a significant growth opportunity. The pillars of our strategy in this segment include (i) leveraging on our privileged position in the brioche category, one of the largest and fastest growing segments in the U.S. market, with strong expected demand in the retail and foodservice channels, (ii) achieving margin expansion in the foodservice channel through the introduction of core product categories, (iii) achieving margin expansion as a result of the economies of scale and production efficiencies resulting from our newest production plants (in South Carolina, New Brunswick and Mexico), (iv) seizing cross-selling opportunities from our existing customer base, supported by our innovation capabilities, (v) leveraging on our unique position in Mexico, a more profitable region for us than the United States in recent years, as a leading frozen bakery player, thanks to our two state-of-the-art production plants, and (vi) seizing growth opportunities in Asia Pacific, Middle East and Africa, where the frozen bakery market is still emerging and where we already have a strong position in American bakery products.

Product offering

Our bread, pastry and other product categories represented 71.9%, 26.9% and 1.2%, respectively of net turnover of our International segment for the six months ended June 30, 2024, compared with 72.2%, 26.6% and 1.2%, respectively, of net turnover of our International segment for the year ended December 31, 2023, 74.9%, 24.7% and 0.4%, respectively, of net turnover of our International segment for the year ended December 31, 2022, and 75.2%, 24.3% and 0.5%, respectively, of net turnover of our International segment for the year ended December 31, 2021. In 2023, we offered over 400 SKUs of products customized to address customer requests, and sales of new products launched between 2021 and 2023 generated €35,047 thousand of net turnover in our International segment in the year ended December 31, 2023.

Given the geographic diversity of the International segment, our product offering varies by region. For example, in the United States, we offer a differentiated product offering including garlic knots, breads, brioche, sweet pastries, submarine sandwich rolls, dinner rolls, ciabatta and bagels, and we also sell frozen raw dough. In Mexico, our offering is focused mainly on baguettes, muffins, croissants and Dots. In the Middle East, our offering is focused mainly on Dots and American bakery products (i.e., cookies, brownies and muffins). We offer over 1,600 SKUs in our International segment (including over 400 customized SKUs), including more than 700 bread products, more than 850 pastry products and more than 50 other products.

Our customers

Our products are sold in more than 4,000 customer points of sale in the International segment. Our retail customers in our International segment (which contributed 67.8% of the net turnover of our International segment in the year ended December 31, 2023) include, among others, Walmart, Whole Foods, Aldi, Harris Teeter and Trader Joe’s. Our foodservice customers (which contributed 26.7% of such net turnover) include, among others, Alsea, Sysco, Tasty Bran, Newk’s Restaurants and US Foods. Our traditional bakery customers (which contributed 1.5% of such net turnover) include, among others, Tostao. Our manufacturer customers (which contributed 4.0% of such turnover) include, among others, Marzetti. Our major presence with retail customers, ensures us high demand volumes, while our increasing presence in the foodservice channel provides increased profitability and market size potential. Churn in the International segment is very limited as large retail customers look for sizeable and reliable suppliers that can provide diverse and customized products in a single delivery.

Competition

Our competitors vary throughout the International segment by country. In the United States, in particular, we compete primarily against other frozen bakery product producers and importers such as General Mills, Conagra, Rich’s, Flowers Foods, Lancaster Colony, J&J Snack Foods, Aspire Bakeries, Turano Baking, Rise Baking and Bridgford Foods, among others.

Digitalization

We have developed our own e-commerce platform on our website to service our customers in Iberia (i.e., Spain and Portugal). More than 50% of our customers in Spain and more than 30% of our customers in Portugal use our e-commerce platform. In 2023, approximately 32% of our direct sales generated through our regional sales offices in Iberia were generated by orders placed through our e-commerce platform, with e-commerce orders representing an average order value 13% higher than orders placed through traditional means in Iberia. We have more than 12 thousand customer points of sale in Iberia served by our e-commerce platform. Likewise, our telesales agents offer live chat services through our e-commerce platform in order to enrich our relationship with our Iberia customers with an aim to achieve higher levels of cross-selling and upselling.

In addition, in Iberia, we utilize a gamification platform in order to improve the product and strategic knowledge of our salespeople and improve their engagement with the Company. Through this platform our salespeople are trained on our products and best sales practices. We expect to extend this platform to our third-party distributors in Iberia in order to improve our relationships with them.

Finally, across all our segments, we use marketing automation tools such as email marketing with an aim of boosting sales with existing customers, improve cross-selling and upselling and strengthen customer relationships. Through these emails we offer new products, information about the Company and other key data.

Cold Storage and Transportation System

A key element of our business is our ability to maintain cold storage and efficiently transport our products to our customers. In the frozen bakery product market, timely and cost-effective transportation is of utmost importance in order to supply the market while providing high-quality customer service, to maintain frozen temperatures for our products and to deliver our products in conditions that meet our standards, including regulatory standards. Such a storage and transportation system requires significant investments, with costs significantly higher than in other sectors due to the need to maintain a cold transportation chain. We believe this required investment also represents a significant barrier to entry.

We utilize a combination of owned, leased and third-party storage and transportation logistics centers, with our utilization of the latter increasing in recent years. As of June 30, 2024, we operate directly 30 of the 88 storage and transportation logistics centers in our network, including 25 centers in our Europe segment (17 of which are owned by us) and five centers in our International segment (two of which are owned by us). Our utilization of storage and transportation logistics centers operated by third parties is governed by short-term service agreements, pursuant to which we pay service fees that vary based on the amount of cold storage space used and the extent of picking and packing services provided by the third party.

Products are stored in temperature-controlled storage and transportation logistics centers and, thereafter, are transported in a temperature-controlled environment (i) within our network to third-party storage and transportation logistics centers or our regional sales offices, from which products are delivered to our capillary-distribution customers, or (ii) outside our network to our international third-party distributors or our platform-distribution customers' own centralized distribution centers, in each case depending on the needs of the relevant customers and the nature of the products being transported. See "*Distribution Channels and Geographical Coverage*".

We manage a decentralized transportation system that is capable of moving approximately 47 thousand pallets (or 3,000 tractor trailers) per week to regional sales offices, third-party distributors, customers or independent storage and transportation logistics centers. All our transportation services are carried out by third-party transportation companies. Our storage and transportation logistics centers have cold storage capacity for 117 thousand pallets, including 65 thousand pallets in owned or leased facilities operated by us and 52 thousand pallets in facilities operated by third parties. Globally, we cover over 6,000 delivery routes per day and service over 89 thousand customer points of sale. In 2023, we moved 762 thousand metric tons of products through our distribution network, including internal distributions of products between our facilities. We had 397 independent transportation contractors as of June 30, 2024, compared with 394 as of December 31, 2023 and 316 as of December 31, 2022.

For the six months ended June 30, 2024, storage and transportation costs amounted to €122,312 thousand (€45,653 thousand of which were transportation costs), representing 67.0% of our other operating expenses for the period, compared with €106,683 thousand for the six months ended June 30, 2023 (€44,477 thousand of which were transportation costs), representing 63.6% of our other operating expenses for the period. Storage and transportation costs amounted to €213,313 thousand for the year ended December 31, 2023 (€85,707 thousand of which were transportation costs), representing 63.3% of our other operating expenses for the period, compared with €193,482 thousand for the year ended December 31, 2022 (€83,486 thousand of which were transportation costs), representing 63.1% of our other operating expenses for the period, and €162,714 thousand for the year ended December 31, 2021 (€66,150 thousand of which were transportation costs), representing 67.7% of our other operating expenses for the period.

Property, Plant and Equipment

We have 27 production centers, in which we operate 97 production lines. Our production centers have over 2,600 production processes, including over 930 for bread products, over 1,550 for pastries and over 130 for other products. We own 17 of our production centers and rent the remaining 10 production centers from third parties, and we own the majority of the machinery in our production centers. In 2023, we produced a total of 375 thousand metric tons of products (including 200 thousand metric tons of bread and 175 thousand metric tons of pastries), compared with 345 thousand metric tons in 2022, and 336 thousand metric tons in 2021.

We have increasingly focused on adding capacity for high-value-added products and invested €72,267 thousand in growth capex^{APM} in 2023, compared with €94,447 thousand in 2022 and €67,681 thousand in 2021. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Analysis of Unaudited Alternative Performance Measures*" for information on growth capex^{APM}. The following table sets forth the number of production lines by product category as of the dates shown.

	As of June 30,	As of December 31,				
	2024	**2023**	**2022**	**2021**	**2020**	**2019**
Basic bread	20	20	21	21	21	24
High-value-added bread	26	26	24	24	22	22
Frozen raw pastries	12	12	12	12	12	12
Pre-proofed frozen pastries	6	6	5	5	4	4
Frozen fully baked pastries	27	24	20	18	14	13
Others (Patisserie)	3	1	1	1	1	1
Others (Ready meals)	3	3	3	3	2	2
Total	**97**	**92**	**86**	**84**	**76**	**78**

The general characteristics of our production centers are similar, consisting of (i) a storage facility for raw materials, (ii) silos for flour storage, (iii) a production area, (iv) a conditioning area, (v) cooler space for finished product where temperatures are below -18° C (-0.5° F), (vi) a maintenance workshop (including spare parts storage), (vii) a quality control area, (viii) administrative offices and (ix) a loading dock. Our production centers represented total gross fixed assets of €1,409,233 thousand as of June 30, 2024, compared with €1,328,381 thousand as of December 31, 2023, €1,247,516 thousand as of December 31, 2022 and €1,122,083 thousand as of December 31, 2021.

The following table describes certain key features of our production centers as of the date of this Prospectus.

Production center	Location	Production lines	Production capacity (thousands of metric tons per year)	Size (thousands of square meters)
Spain				
CEREAL Innovation Center Sant Joan Despí (1)(2)	Barcelona	3	4.0	3.4
Rubí	Barcelona	7	50.2	24.3
Barberà del Vallès (1)	Barcelona	4	19.6	13.6
CEREAL Innovation Center Barberà del Vallès	Barcelona	2	1.3	2.3
Sarral	Tarragona	10	84.2	32.3
Vallmoll (1)(2)	Tarragona	9	90.6	29.2
Azuqueca de Henares	Guadalajara	1	7.2	8.2
Canary Islands	Tenerife	1	8.0	3.0
Paterna (1)(2)	Valencia	3	15.2	6.0
Koama (1)	Lugo	2	0.7	1.0
Outerio de Rei	Lugo	4	7.9	6.0
CEAO 1	Lugo	1	7.3	5.0
CEAO 2	Lugo	4	15.0	6.0
Begonte	Lugo	4	20.6	8.0
Chousa (1)	Lugo	1	1.5	1.0
Portugal				
Carregado (1)(2)	Lisbon	4	12.9	4.2
Trofa	Porto	4	11.3	2.8
Netherlands				
Oldenzaal	Overijssel	5	44.4	25.6
Beuningen	Gelderland	4	26.4	6.0
Steenbergen	North Brabant	3	17.3	4.1

Production center	Location	Production lines	Production capacity (thousands of metric tons per year)	Size (thousands of square meters)
United States				
New Brunswick (1)	New Jersey	6	63.6	27.8
SOCA................................	South Carolina	1	4.6	9.3
Ronkonkoma (1).................	New York	1	14.6	6.7
Mexico				
Pagnifique (1)	Mexico City	2	14.4	7.0
Centro Operativo Alsea (1)(3)	Mexico City	4	5.3	2.1
Romania				
Rumania............................	Bucharest	2	2.2	1.5
Germany				
Berlin	Berlin	5	18.6	17.9
Total		**97**	**568.8**	**264.3**

(1) Indicates a rented or partially rented production center.

(2) Indicates a production center that is rented from a related party. See "*Related Party Transactions*".

(3) Our Centro Operativo Alsea (Mexico) production center is used by Europastry México Incorporated and by Alsea, S.A.B de C.V., the parent company of PAFS, the minority shareholder in Europastry México Incorporated. The production capacity for the Centro Operativo Alsea (Mexico) production center included in the table above relates to production lines used exclusively by Europastry México Incorporated.

The table below provides information on our leased production centers:

Production center	Location	Building	Termination	Renewable	2023 annual rent (in euros)
Spain					
CEREAL Innovation Center Sant Joan Despí (1)..................	Barcelona	Industrial plant 5-B1	August 31, 2025	Yes	49,999
		Warehouses	March 31, 2025	Yes	467,001
Barberà del Vallès	Barcelona	Industrial plant	May 1, 2037	Yes	44,570
Vallmoll (1)(2)	Tarragona	Warehouses	N/A	N/A	189,526
Paterna (1)....................	Valencia	Industrial plant 3 and 5	October 1, 2028	Yes	23,805
		Industrial plant 5-A	July 31, 2028	Yes	17,400
		Industrial plant 5-B	December 29, 2032	Yes	24,000
		Industrial plant 9-B	December 31, 2026	Yes	17,952
		Industrial plant 7	March 30, 2028	Yes	51,246
		Industrial plant 9-A	March 30, 2028	Yes	21,015
Koama	Lugo	Industrial plant	March 1, 2032	Yes	38,299
Chousa	Lugo	Industrial plant	Indefinite	Yes	64,391
Portugal					
Carregado (1)	Lisbon	Industrial plant	December 31, 2025	Yes	216,000
United States					
New Brunswick	New Jersey	Industrial plant	June 30, 2036	Yes	1,231,963(3)
Ronkonkoma.........	New York	Industrial plant	December 31, 2033	Yes	678,234
Mexico					
Pagnifique............	Mexico City	Industrial plant	July 14, 2027	Yes	184,597
Centro Operativo Alsea	Mexico City	Industrial plant	March 31, 2026	Yes	259,367

(1) Indicates a production center that is rented or partially rented from related parties. See "*Related Party Transactions*".

(2) The related lease agreements terminated on January 1, 2024, following the purchase by Europastry, S.A. of the leased warehouses. See "*Related Party Transactions*".

(3) Includes rent associated with our CEREAL innovation center in New Jersey, sited at the same location.

Some of the most recent additions to our production center lineup have come from our strategic acquisitions. Our Steenbergen (Netherlands) production center, acquired as part of our acquisition of Dawn Foods Frozen in December 2022, is dedicated to the production of cookies and muffins. With a production capacity of over 17 thousand metric tons per year, the Steenbergen (Netherlands) production center expands our already robust production capacity in the densely populated region. Through our acquisition of a 51% stake in Europastry Mexico Incorporated in March 2023, and its subsequent acquisition of Pagnifique Mexicana in April 2023, we added two more production centers, in Mexico City, to our lineup, giving us an aggregate additional production capacity of almost 20 thousand metric tons per year. Our Berlin (Germany) production center, acquired as part of our acquisition of DeWi Back in March 2024, is dedicated to the production of pastries and cakes and added production capacity of over 18 thousand metric tons per year to our production footprint. In addition to these acquired facilities, we opened our SOCA (United States) production center in South Carolina and our Rumania (Romania) production center in Bucharest in September 2022. The SOCA (United States) production center in South Carolina, dedicated to the production of brioche products, added 4,644 metric tons per year to our production capacity in the United States. The Rumania (Romania) production center in Bucharest, dedicated to the production of rustic and specialty breads, added 2,208 metric tons per year to our production capacity in Europe.

As of the date of this Prospectus, we are building a new cookie production line in our Oldenzaal (Netherlands) production center, a new pastry production center in Carregado (Portugal) and a new pre-proofed frozen pastry production line in our Pagnifique (Mexico) production center. The new cookie production line, which will add an annual production capacity of approximately 7 thousand metric tons to our Oldenzaal (Netherlands) production center, is expected to be operational by late 2024. As of June 30, 2024, we had outstanding commitments for capital expenditures related to this production line of approximately €3,515 thousand. The total estimated investment for construction of this production line (including start-up costs) is approximately €19 million, with €8,853 thousand of this investment realized as of June 30, 2024. The production line's estimated annual net turnover potential at full capacity utilization is approximately €36 million, based on average product selling prices in the first half of 2024. The new production center in Carregado (Portugal) is expected to have an annual production capacity of approximately 11 thousand metric tons and to be operational around mid-2025. As of June 30, 2024, we had outstanding commitments for capital expenditures related to this production center of approximately €22,586 thousand. The total preliminary estimated investment for construction of this production center (including start-up costs) is approximately €48 million, with €7,400 thousand of this investment realized as of June 30, 2024. The new production line in our Pagnifique (Mexico) production center is expected to have an annual production capacity of approximately 8 thousand metric tons and to be operational by the second half of 2025. As of June 30, 2024, we had outstanding commitments for capital expenditures related to this production line of approximately €7,596 thousand. The total preliminary estimated investment for construction of this production line (including start-up costs) is approximately €23 million, with €1,759 thousand of this investment realized as of June 30, 2024.

We recently completed an expansion of our Azuqueca de Henares (Spain) production center, focused on bread products. Between 2021 and 2023, we invested approximately €30 million in the construction of a burger bun production line in this production center. While ramp-up of this production line is still ongoing, the production line's estimated annual net turnover potential at full capacity utilization is approximately €37 million, based on average product selling prices in the first half of 2024.

We have consistently sought to increase the production capacity of our production centers in order to meet increased demand for our products. As of June 30, 2024, our annual production capacity was approximately 569 thousand metric tons, compared with 550 thousand metric tons as of December 31, 2023, 575 thousand metric tons as of December 31, 2022 and 557 thousand metric tons as of December 31, 2021. Production capacity decreased between December 31, 2022 and December 31, 2023 as a result of the closing and transfer of production activities carried out in a former production center located in New York to our New Brunswick (United States) production center. For additional information on recent investments in our production capacity, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Factors Affecting our Results of Operations—Capital expenditures*". In 2023, our total capacity utilization across our production centers was approximately 70%, with spare capacity coming mainly from the new production lines deployed between 2021 and 2023, currently in a ramp-up phase.

In addition to the production centers described above, we also lease other properties in order to operate our business, including properties used as our administrative headquarters, regional sales offices, CEREAL innovation centers, administrative offices, storage facilities and parking lots. These leases are generally renewable and are usually signed for terms of two to 10 years. The table below provides information about our material lease agreements related to such properties.

Property(1)	Location	Building	Termination	Renewable	2023 Annual Rent (in euros)
Sant Cugat del Vallés	Barcelona	Office	October 31, 2026	Yes	605,904
Warehouse Cefrusa...........	Madrid	Storage facility	March 1, 2026	Yes	937,102
Warehouse Vallecas	Madrid	Office and storage facility	December 31, 2024	No	304,575
CEREAL Innovation Center New Brunswick..................	New Jersey	Industrial plant	June 30, 2036	Yes	1,231,963(2)

(1) There are additional non-material lease agreements relating to storage and transportation logistics centers, offices and refrigeration plants which have been omitted from this table.

(2) Includes rent associated with our New Brunswick (United States) production center, sited at the same location.

Research and New Product Development

We attribute our leadership position to being one of the most cutting-edge companies in the industry. Our research and development labs, which we refer to as "CEREAL" (Center for Research Europastry Advanced Lab) innovation centers, have the mission of researching and undertaking technological innovations by creating new products and production processes. We conduct research and development at six CEREAL innovation centers strategically located in Spain (Sant Joan Despí, Barberà del Vallès and Lugo), the United States (New York), the United Kingdom (Evesham) and the Netherlands (Beuningen). Some of these CEREAL innovation centers are sited alongside our production centers and others are production centers themselves, with integrated production lines of their own, including three production lines at our CEREAL Innovation Center Sant Joan Despí and two production lines at our CEREAL Innovation Center Barberà del Vallès. See "*—Property, Plant and Equipment*" above. Made up of approximately 60 master bakers, nutritionists, engineers and biologists as of June 30, 2024, our research and development team focuses on global consumer trends and local market needs, combining artisanal and traditional processes with new technologies and innovation to develop new value-added products. In 2023, we carried out over 1,500 research and development projects, launched over 480 new products and held more than 500 innovation days (exclusive events that include product demonstrations and customer strategy and idea generation) with key customers. Sales of new products launched in 2023 represented 3.6% of net turnover for the year ended December 31, 2023, and 29% of products offered in 2023 were added to our product portfolio between 2021 and 2023. Examples of new products developed in recent years include flatbreads, baos, soft buns, cheese pretzels, sandwich bread and New York rolls, among others. We invested an aggregate amount of €15,600 thousand in research and development over the period from January 1, 2021 to December 31, 2023.

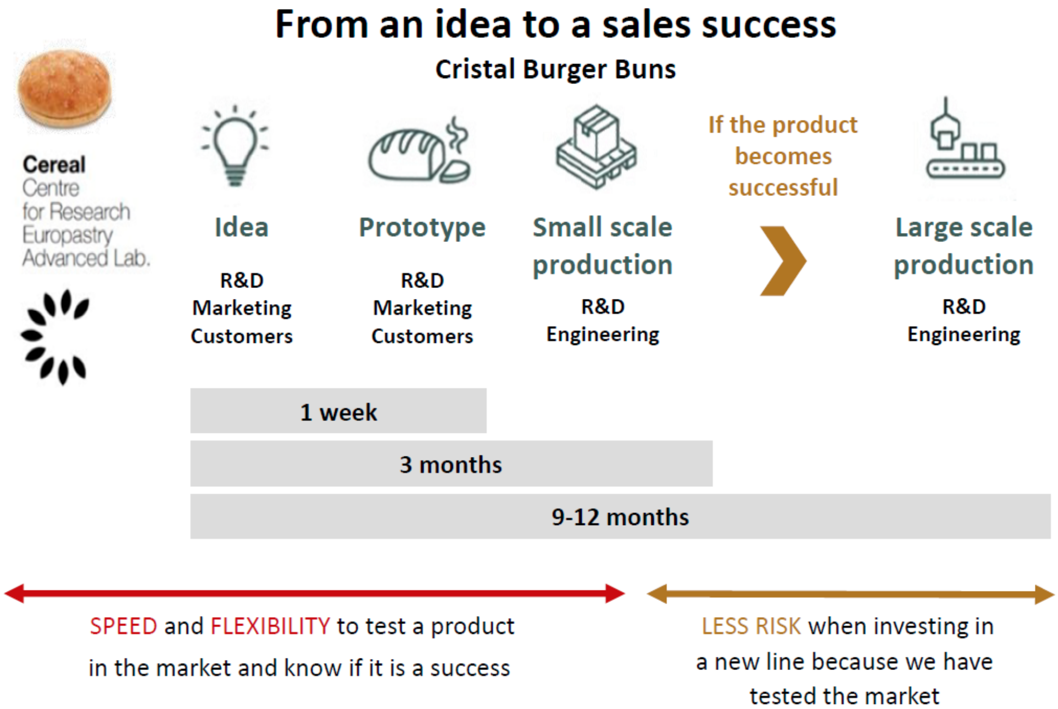
Our industry-leading innovation capabilities are built around our innovation philosophy of "tradnovation" (a combination of the words "tradition" and "innovation") and "massclusivity" (a combination of the words "massive" and "exclusivity"). We believe tradition shows us how to bake the best products, and we remain committed to artisanal baking, following traditional baking techniques and recipes and maintaining focus on each detail of the baking process. We combine our respect for tradition with innovation to produce quality products on an industrial scale. The key to our constant innovation is our concept of "massclusivity", with which we aim to bring exclusive flavors and quality to a large number of customers.

Our CEREAL innovation centers research and monitor new technologies to improve our products and production processes and studies new raw materials, nutrition and packaging on a European and international scale. In addition to independently developing new value-added products, which we present to customers through updated product portfolios three times a year on average, our CEREAL innovation centers also develop new products working closely together with and following the indications of our customers. We believe that customization of products is key to achieving and developing customer loyalty and supporting premium pricing. Customization also increases barriers to entry and switching costs. Large customers, especially supermarket and hypermarket chains, often find it difficult to maintain in-house expertise and innovation capabilities and, accordingly, tend to look for sizeable external suppliers that can provide a diverse and customized product offering. While we take a partnership approach to research and development with our customers, we estimate that approximately half of the customized products we develop for our customers come from our own ideas and we typically own proprietary technology used in partnerships. In 2023, we offered over 1,300 SKUs of products customized to address customer requests. Sales of customized products represented 27.9% of net turnover for the year ended December 31, 2023. We also work with leading brands and franchises, including Lotus, Dunkin', KitKat, Nocilla and Nutella, to develop co-branded solutions in the food space, and we collaborate with Michelin-starred chefs and renowned confectioners, including Albert Adrià and Albert Raurich, to create products and collections designed to satisfy the most demanding gourmet palates.

Finally, our CEREAL innovation centers develop and oversee compliance with our quality policies with respect to the technologies we are using as well as our production practices, and environmental regulations, with an emphasis on food safety. The director of CEREAL oversees our extensive quality control department, the departments focused on bread and pastry technology research and development and the department responsible for production process innovations. Our internal microbiology laboratory has obtained certification according to International Organization for Standardization ("**ISO**") 17025 from the Spanish National Accreditation Entity (ENAC, per its name in Spanish).

We have remained a leader in the global frozen bakery product market by developing new products and adapting to changing consumer preferences, preserving the qualities of traditional baked goods and by remaining concerned with the nutrition of our products. Furthermore, profit margins from new products developed in our CEREAL innovation centers have traditionally been significantly higher than those of existing products.

As shown in the following diagram, CEREAL's innovation process, from the idea stage to industrial production of a new product, typically takes between approximately nine and 12 months, allowing us to meet our customers' immediacy needs. In CEREAL innovation centers that have integrated production lines, small-scale production tests may begin a few months from the idea stage. Acceptance of a new product is tested before any significant investments are made, de-risking the investment cycle.



Source: Company information

Furthermore, we have collaborated with well-recognized publications and reviews such as the *Journal of Food Science*, *Clinical Nutrition*, *Journal of Nutrition* and *Food Chemistry*, which have included research and development projects on the following topics, among others:

- an analysis of aromatic fractioning of bread in relation to sensorial preferences;
- research and development of pastries made without saturated fats; and
- evaluation of physiological responses after the consumption of low-calorie muffins.

Our customers are increasingly motivated by their concern for healthy eating. As a result, health-related considerations are also of critical importance to our research and development of new products.

Our innovation efforts are bolstered by our "Baking the Future" startup-acceleration program. Through this novel open-innovation program, we have partnered with bakery entrepreneurs from around the world, providing them access to our research and development resources, to collaborate on the development of solutions to sustainability, health and customer-experience challenges in the baking industry.

Food Safety and Quality Certifications

In addition to complying with regulations regarding licenses and permits required for the operation of our production centers, we have obtained (as detailed below) numerous non-mandatory certifications that reflect our commitment to preserving high food safety and quality standards for our products.

All our production centers are certified for food safety according to standards recognized by, and benchmarked against the requirements of, the Global Food Safety Initiative ("**GFSI**"), a private international coalition of food retailers and manufacturers, and certain other stakeholders, formed to harmonize food safety standards on a global scale. Our production centers in Europe are certified according to either the British Retail Consortium's (BRC) Global Standard or the International Featured Standards (IFS) Food Standard, depending on the needs of our customers. Our production centers in the United States and Mexico are certified by the Safe Food Quality (SQF) Program.

We have also obtained several religious-based food quality certifications. Most of our Dots, Berliners and muffins are Halal-certified, as are the pastries in our Viennoiserie Caprice and Sélection d'Or premium pastry production lines. In addition, 11 of our products are Kosher-certified.

Our Rubí (Spain) production center has obtained ISO 14001 certification for its environmental management systems and ISO 45001 certification for its occupation health and safety management systems. We also hold certain quality certifications focused on the sustainability of the ingredients we source, such as certificates for organic production and labeling, pursuant to Regulation (EU) 2018/848, for our BIO product line, UTZ certification from the Rainforest Alliance for the use of sustainable cocoa for fillings and frostings, and certification from the Roundtable on Sustainable Palm Oil for using only sustainable palm oil in the production of our Dots products.

Our CEREAL internal microbiology laboratory, where our products are analyzed daily to ensure health protection of our consumers, has obtained the ISO 17025 certification from the Spanish National Accreditation Entity (ENAC, per its name in Spanish). This certification is requested by the European regulations on official controls on food, the National and EU reference laboratories (EURLs). Although this certification is also not mandatory, obtaining this certification demonstrates our willingness to provide quality products.

Intellectual Property

Our principal trademarks are those used to identify our primary brands, which represent the character of each and include Europastry, Fripan, Frida, Yaya María, Dots, Cristallino, Gran Reserva, Saint Honoré, Sophie, Ruth's, Wenner Bakery and EuroClassic. Our Dots products are sold in the United States under the trademark "DotsOriginal" and elsewhere in the world under the internationally registered trademark "Dots".

Our trademarks are the subject of registrations and pending applications at national and international levels for use in connection with a variety of product categories and in connection with retail sales. We continue to expand our worldwide usage and registration of related trademarks. We regard our trademarks and other intellectual property as valuable assets in the marketing of our products and vigorously seek to protect them against infringement.

Our Brands

Our primary brands include Europastry, Fripan, Frida, Yaya María, Dots, Cristallino, Gran Reserva, Saint Honoré, Sophie, Ruth's, Wenner Bakery and EuroClassic. Europastry, Wenner Bakery and Dots brands are the brands primarily sold in the international markets. A well-designed architecture of brands maximizes our geographical reach and allows for capillary distribution in the regions where we operate. An illustration of our most significant brands is set out below:

Material Contracts

Sustainable Financing Agreement

On November 15, 2021, the Company, as borrower, and Europastry Portugal, S.A., Europastry USA Inc., Euro Classic Imports LLC, Europastry Central Europe B.V., Grand Duet B.V. and Ingapan, S.L. (Ingapan, S.L. was subsequently absorbed by the Company in May 2022, and Europastry International, S.L.U. acceded to the Original Sustainable Financing Agreement as an additional guarantor on June 22, 2022), as guarantors (including Europastry International, S.L.U., the "**Initial Guarantors**"), entered into a sustainable financing agreement with Banco Bilbao Vizcaya Argentaria, S.A., ING Bank, N.V., Sucursal en España, ING Bank N.V., Coöperatieve Rabobank U.A., Banco Santander, S.A., Banco de Sabadell, S.A., CaixaBank, S.A., Banca March, S.A. and Bankinter, S.A. (together, the "**Lenders**") for aggregate maximum amounts of €748,000,000 and $64,000,000 (the "**Original Sustainable Financing Agreement**"). The Original Sustainable Financing Agreement was amended and restated on November 23, 2023 (as so amended and restated, the "**Sustainable Financing Agreement**") to, among other things, increase the aggregate maximum amounts to €948,000,000 and $64,000,000. Europastry Germany GmbH, Europastry France, S.à.r.l. and Europastry UK Ltd (together with the Initial Guarantors, the "**Guarantors**") acceded to the Sustainable Financing Agreement as additional guarantors on February 28, 2024.

The main terms and conditions of the Sustainable Financing Agreement are described in "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Financial liabilities—Sustainable Financing Agreement*".

Shareholders' agreement between Europastry, S.A. and Panadería y Alimentos para Foodservice, S.A. de C.V., as shareholders in Europastry México Incorporated, S.A. de C.V.

On March 31, 2023, the Company and Panadería y Alimentos para Foodservice, S.A. de C.V. ("**PAFS**" and, together with the Company, the "**Europastry México Incorporated Shareholders**") entered into a shareholders' agreement (the "**Original Europastry México Incorporated SHA**") in order to establish the terms and conditions governing the relationship between the Company and PAFS as direct shareholders of Europastry México Incorporated, S.A. de C.V. ("**Europastry México Incorporated**"). The Original Europastry México Incorporated SHA was amended on March 7, 2024 (as so amended, the "**Europastry México Incorporated SHA**"). The Company holds 51% of the shares of Europastry México Incorporated, while PAFS holds the remaining 49%.

The Europastry México Incorporated SHA provides each Europastry México Incorporated Shareholder with the right to appoint two directors to the four-member board of directors. The president of the board of directors, who has a tie-breaking vote, is appointed by the Company. Generally, the Europastry México Incorporated board may act by simple majority (which is held by the Company), including with respect to the appointment of the company's chief operating officer and making decisions with respect to the company's business plan and budget. However, the Europastry México Incorporated SHA carves out certain "special matters" requiring the unanimous consent of the board, including: (i) financing arrangements outside the ordinary course of business in excess of 10 million Mexican pesos (approximately €511 thousand based on the exchange rate as of June 30, 2024), (ii) capital expenditures outside the ordinary course of business in excess of 10 million Mexican pesos (approximately €511 thousand based on the exchange rate as of June 30, 2024), (iii) appointment or substitution of Europastry México Incorporated's statutory examiner, (iv) purchases or sales outside the ordinary course of business in excess of 2 million Mexican pesos (approximately €102 thousand based on the exchange rate as of June 30, 2024), (v) creating liens over Europastry México Incorporated assets, or providing guarantees in the name of Europastry México Incorporated, in excess of 10 million Mexican pesos (approximately €511 thousand based on the exchange rate as of June 30, 2024), (vi) significant changes to Europastry México Incorporated's accounting and/or fiscal policies, (vii) forming subsidiaries of Europastry México Incorporated and (viii) any of the foregoing with respect to a subsidiary of Europastry México Incorporated. The Europastry México Incorporated SHA also establishes a number of "special matters" requiring unanimous consent of the Europastry México Incorporated Shareholders, including: (i) amendments to the bylaws of Europastry México Incorporated, (ii) mergers, spin-offs, transformations, dissolutions, liquidation, bankruptcies or insolvency proceedings of Europastry México Incorporated, (iii) appointment of the auditors of Europastry México Incorporated, (iv) increases or decreases in Europastry México Incorporated's share capital, or the issuance or cancellation of any shares representative of share capital, (v) agreements between Europastry México Incorporated and any party related to one of the

Europastry México Incorporated Shareholders, (vi) changes to Europastry México Incorporated's dividend policy and (vii) any of the foregoing with respect to a subsidiary of Europastry México Incorporated.

The Europastry México Incorporated SHA permits the Europastry México Incorporated Shareholders to transfer their shares only: (i) in favor of a subsidiary, affiliate or a company controlled by the transferring Europastry México Incorporated Shareholder ("**Permitted Transferees**"); (ii) from March 31, 2023 to March 31, 2025, in favor of a person who is not a Permitted Transferee, subject to the prior written consent of the non-transferring Europastry México Incorporated Shareholder; or (iii) after March 31, 2025, in favor of any third party, subject to a right of first refusal in favor of the non-transferring Europastry México Incorporated Shareholder. The agreement also includes a non-competition provision pursuant to which the Company has agreed that, without the prior written consent of PAFS, neither it nor any of its subsidiaries or affiliates will sell, in Mexico or for Mexico, any of the bakery products of the Europastry Group or any of the products produced or commercialized by Europastry México Incorporated from time to time. In addition, PAFS has agreed that, without the prior consent of the Company, neither it nor its affiliates (including its parent company, Alsea, S.A.B. de C.V.) will (i) enter into or be a part of a business of production of frozen dough for bakery products in Mexico or (ii) produce or acquire from third parties, for their commercialization in Mexico, any bakery products commercialized by Europastry México Incorporated from time to time.

Under the terms of the Europastry México Incorporated SHA, Europastry México Incorporated and its subsidiaries are generally required to reinvest all profits toward the growth of the business of Europastry México Incorporated. However, dividends may be distributed to the Europastry México Incorporated Shareholders if surplus profits exceed what is necessary to cover expenses in the ordinary course of business, subject to certain other conditions.

Additionally, under the Europastry México Incorporated SHA, the Europastry México Incorporated Shareholders undertake to provide shareholder loans to the Europastry México Incorporated, in proportion to the percentage of their respective shareholdings, in an amount sufficient to cover the initial working capital and operating needs of Europastry México Incorporated. The parties have agreed that for future financing, similar shareholder loans will be prioritized over requiring additional capital contributions from the Europastry México Incorporated Shareholders.

The term of the Europastry México Incorporated SHA is indefinite, though it may be terminated (i) by unanimous written consent of the parties, (ii) upon the dissolution or liquidation of Europastry México Incorporated or (iii) with respect to a Europastry México Incorporated Shareholder upon such shareholder's ceasing to hold shares in Europastry México Incorporated.

Legal Proceedings

We have been, and may from time to time be, a party to legal disputes and administrative proceedings within the scope of our business activities, including tax and labor claims and inspections (see "*Risk Factors—Legal, Regulatory and Compliance Risk—Tax matters, including changes in tax rates, disagreements with taxing authorities and the imposition of new taxes could impact our results of operations and financial condition*"), as well as commercial disputes with suppliers and other counterparties. Although the outcome of these legal disputes and administrative proceedings cannot be predicted with certainty, we do not believe, based on our experience, that the adverse resolution of any pending disputes or proceedings, individually or in the aggregate, would have a material adverse effect on our business, results of operations or financial condition. However, we can provide no assurance regarding the results of any pending or future disputes or proceedings.

As of June 30, 2024, we had no provisions for legal proceedings and have not identified any significant contingent liabilities in respect of legal proceedings.

Employees

For the six months ended June 30, 2024, we had an average of 5,344 employees (compared with 4,946 employees, 4,185 employees and 3,702 employees for the years ended December 31, 2023, 2022 and 2021, respectively). The following table sets forth information with respect to our average employees by segment for the six months ended June 30, 2024:

	Segment		
	Europe	International	Total number of employees
Category of activity:			
Sales	359	48	407

	Segment		
	Europe	**International**	**Total number of employees**
Administrative staff	222	69	291
Manufacturing	3,071	923	3,994
Logistics	525	79	604
Executive staff	29	19	48
Total	**4,206**	**1,138**	**5,344**

We hire temporary employees to ensure adequate coverage in our production centers and distribution facilities through the summer holidays and during times of elevated demand. For the year ended December 31, 2023, 338 of our 4,946 average total employees were temporary employees (including 337 from the Europe segment and one from the International segment).

Employees in our production centers and storage and transportation logistics centers in Spain, Portugal and the Netherlands are covered by collective bargaining agreements. Employees covered by such collective bargaining agreements accounted for approximately 76% of our total workforce as of December 31, 2023.

We make contributions to statutory social security and retirement programs as required pursuant to applicable employment laws. In addition, we sponsor a 401(k) retirement plan for employees in the United States. Pursuant to a collective bargaining agreement, we provide a defined-contribution pension program, managed by an external pension fund, for employees in the Netherlands.

Insurance

We maintain insurance policies that we consider sufficient to protect us against potential damage and liabilities incurred in the ordinary course of our business. In particular, we maintain insurance policies covering damage to our property and equipment, business interruption, workplace accidents, defective products and other civil responsibilities, cybersecurity and the liability of our directors and officers. See "*Management and Board of Directors—Compensation—D&O insurance policy*".

Medium-term Guidance

IMPORTANT NOTICE: The data provided in this section does not constitute a profit forecast or estimate, but rather medium-term guidance with respect to certain of our key financial metrics. This medium-term guidance has been developed based upon assumptions with respect to future business decisions and market conditions that are subject to change. As a result, our actual results may vary from the medium-term guidance set forth below, and those variations may be material. We do not undertake to publish updates as to our progress towards achieving any of the below medium-term guidance or to reflect the occurrence of unanticipated events or circumstances. Accordingly, investors should not place any reliance on this medium-term guidance in deciding whether to invest in the Offer Shares. In addition, prior to making any investment decision, prospective investors should carefully consider the risk factors described in the "Risk Factors" section of this Prospectus. See also "Cautionary Note Regarding Forward-looking Statements". Additionally, we have not defined the term "medium term" by reference to any specific period, and, unless otherwise specified, the medium-term guidance targets below are not to be read as indicating that we are targeting or expecting such metrics in respect of any particular financial year.

In the medium term, Europastry has set the following targets:

- **Net turnover**. We are targeting net turnover growth for 2024 of low-to-mid teens (including the impact of the March 2024 acquisition of DeWi Back and the August 2024 acquisition of De Groot). We are targeting an average organic growth for 2025 onwards of a high single digit. We expect this growth to be driven by, among other things, expansion of our customer base, new contract wins, product innovation and the integration of DeWi Back. These targets assume no additional acquisitions, although strategic acquisitions remain at the core of Europastry's business, and we expect to consider acquisitions aligned with our growth strategy. These targets also assume a slight increase in capacity utilization across our production centers, offset in part by the ramp-up phase for any new investments.

- **Profitability**. We expect adjusted EBITDA margin^{APM} to slightly increase relative to 2023 levels, driven by the optimization of our product mix and operational leverage, diversification of distribution channels, the phase out of ramp-up costs from growth investments, the crystallization of synergies from recent acquisitions and improved profitability from our International segment.

- **Capex[APM]**. We target maintenance and other capex[APM] as a percentage of net turnover of approximately 2.0%. We anticipate an annual budget of approximately €100 million in growth capex[APM] in the next three to five years, with approximately €90 million budgeted for 2024.

- **Working capital**. We expect negligible changes in net working capital in the medium term.

- **Net Financial Debt/EBITDA Ratio and Adjusted leverage[APM]**. We intend to apply approximately €109.1 million of New Gross Proceeds to reduce our indebtedness, as required under the terms of the Sustainable Financing Agreement, to lower our Net Financial Debt/EBITDA Ratio below 2.5x. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Financial liabilities—Sustainable Financing Agreement*" for a description of how Net Financial Debt/EBITDA Ratio is calculated under the Sustainable Financing Agreement. In the medium term, we target an adjusted leverage[APM] of around 2.0x, although additional strategic acquisitions could cause this figure to temporarily increase from time to time.

- **Dividends**. For information regarding our dividend policy, see "*Dividends and Dividend Policy*".

- **Tax.** We expect our effective tax rate in the medium term to be in line with our historical average.

See "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Analysis of Unaudited Alternative Performance Measures*" for information regarding the above alternative performance measures.

Current Trading

For the period from July 1, 2024 to August 31, 2024, net turnover was €272,517 thousand, an increase of 15.7% compared to net turnover from July 1, 2023 to August 31, 2023. Approximately 8.5 percentage points of this net turnover growth was organic and approximately 7.7 percentage points of this net turnover growth was inorganic, with a foreign exchange effect of approximately (0.5) percentage points. These net turnover figures, drawn from our accounting records, are unaudited, have not been approved by the Board of Directors or any committee thereof and may ultimately differ from the figures to be included in the Company's audited financial statements for the year ending December 31, 2024.

Since June 30, 2024, management believes the Group's performance has remained in line with the medium-term targets described under "*—Medium-term Guidance*" above. The year-over-year evolution of the Company's net turnover for the year ending December 31, 2024 has been positive to date. The Company's net consolidated result for the six months ended June 30, 2024 was lower than its net consolidated result for the six months ended June 30, 2023, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Results of Operations—Six months ended June 30, 2024 compared with the six months ended June 30, 2023*", and followed a similar trend for the period from July 1, 2024 to August 31, 2024. As of the date of this Prospectus, the Company is not aware of any development since June 30, 2024 that it would expect to result in a material adverse change in the results of operations or financial position of the Company.

Recent Developments

On July 18, 2024, we entered into a share purchase agreement for the purchase of 100% of the shares of De Groot, a Dutch distributor of frozen breads, pastries and other products at a purchase price of €26.5 million, subject to certain adjustments for working capital and net debt. In addition to the purchase price, the seller will also be entitled to receive an earn-out of €1.5 million if the acquired company's EBITDA for the year ending December 31, 2024 exceeds €3.6 million. The closing of the transaction, which was subject to the satisfaction of certain conditions precedent, occurred on August 2, 2024. For additional information with respect to this acquisition, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Factors Affecting our Results of Operations—Acquisitions*".

REGULATION

Set forth below is a summary discussion of the most relevant aspects of the European Union, Spanish and United States regulatory framework relating to the food industry together with certain relevant considerations on environmental laws applicable to our business. This discussion is intended to provide a general outline of the most relevant regulations that may be applicable to our Group and is therefore not intended to be a comprehensive discussion or detailed description of such regulations or of any other food industry or environmental related regulations. You should consider the regulatory framework discussion below as it could have a material impact on our business and results of operations in the future. Amendments to the current regulations may arise from time to time and new regulations may be passed at a European, United States, national, federal, state or local level, as applicable.

European Union Regulations

Food safety

A number of regulations at the European Union level apply to the food industry and are directly applicable in all the Member States where we operate, including Spain, the Netherlands, Portugal, Romania and Germany. Regulation (CE) 178/2002, of January 28, last amended by Regulation (EU) 2019/1381, of the European Parliament and of the Council, of June 20 sets forth principles and general requirements related to food processing, establishes the European Food Safety Authority and lays down procedures in relation to food safety matters. Such regulation applies to all stages of production, processing and transportation. Defective products are subject to Directive 85/374/CEE, of July 25, which creates liability for damages. In addition, Regulation 852/2004 of the European Parliament and Council of 29 April, last amended by Commission Regulation (EU) 2021/382, of March 3, regulates hygiene, distribution and the export of food products. European Community regulations also regulate hygiene at microbiological level, applicable to, for instance, yeast and certain leavens, in accordance with Regulation (CE) 2073/2005, of November 15, last amended by Commission Regulation (EU) 2020/205, of February 14. Regulation 2023/915, of April 25, fixes maximum levels for certain contaminants in food.

There are also specific European rules directly applicable to the products manufactured in our facilities such as (i) Regulation (EC) 1924/2006, of December 20 (as amended from time to time), on nutrition and health claims made on foods, (ii) Regulation (EU) 1169/2011, of October 25, last amended by Regulation (EU) 2015/2283, of November 25, of The European Parliament and of the Council, on the provision of food information to consumers, and (iii) Regulation (EC) 37/2005, of January 12, on the monitoring of temperatures in the means of transport, warehousing and storage of quick-frozen foodstuffs intended for human consumption.

Environmental

The European Union has driven Member States' main environmental regulations by approving several Directives. From a legal standpoint, while such Directives are not directly applicable, they have to be transposed by each Member State into its own national legislation.

The main rules passed by the European authorities on environmental matters applicable throughout the European Union to the food industry are (i) Directive 2011/92/EU of the European Parliament and of the Council, of December 13 on the assessment of the effects of certain public and private projects on the environment, amended by Directive (EU) 2014/52, of the European Parliament and of the Council, of April 16, (ii) Directive 2010/75/EU of the European Parliament and of the Council of November 24 on industrial emissions (integrated pollution prevention and control) amended by Directive (EU) 2024/1785, (iii) Directive 2008/98/EC of the European Parliament and of the Council of November 19 on waste, amended by Directive (EU) 2018/851, of the European Parliament and of the Council, of May 30 and, last amended by Regulation (EU) 2023/1542, of the European Parliament and of the Council, of July 12, (iv) Directive 1994/62/EC, of the European Parliament and of the Council of December 20, which regulates containers and waste containers, amended by Directive (EU) 2018/852, of May 30, on containers and waste containers, (v) Directive 2002/49/EC of the European Parliament and of the Council, of June 25, last amended by Commission Delegated Directive (EU) 2021/1226, of December 21, relating to the assessment and management of environmental noise, (vi) Directive (EU) 2016/2284 of the European Parliament and of the Council, of December 14, on the reduction of national emissions of certain atmospheric pollutants, amended by Commission Delegated Directive (EU) 2024/299 of 27 October 2023 amending Directive (EU) 2016/2284 of the European Parliament and of the Council on the methodology for the reporting of projected emissions of certain atmospheric pollutants, of October 27, Directive 2001/42/EC of the European Parliament and of the Council, of June 27, on the assessment of the effects of certain plans and programs on the environment and (vii) Directive 2000/60/EC of the European Parliament and of the Council, of October 23 establishing a framework for Community action in the field of water policy, last amended by Commission Delegated Directive (EU) 2014/101/EU, of October 30.

Spanish Regulations

In Spain, our activities are subject to administrative, environmental and food safety regulations at a national, regional and local level, both prior to operations (obtaining the necessary permits and licenses) and during operations.

Food safety

(a) National Regulations

Food processors must be registered with the General Health Registry for Alimentary Companies and Foods (*Registro General Sanitario de Empresas Alimentarias*), as well as with- the corresponding registries at the regional level. The General Health Registry for Alimentary Companies and Foods (*Registro General Sanitario de Empresas Alimentarias*) is regulated by Royal Decree 191/2011, of February 18, at the national level, amended by Royal Decree 682/2014, of August 1. In case any aspect of the mandatory data provided to the Registry is modified, we shall communicate such amendment to the competent regional authority. We are also required to have prior sanitary authorizations before conducting our activities.

We must comply with all applicable regulations regarding food security and nutrition such as Law 17/2011, of July 5, on food security and nutrition, Law 12/2013, of August 2, on measures to improve the functioning of the food chain, as amended by Law 16/2021, of December 14, Law 28/2015, of July 30, for the defence of food quality, and Royal Decree 1801/2003, of December 26, on general product safety. Likewise, we must comply with Hazard Analysis Critical Control Points (HAACP), both at the national and autonomous region level. HAACP guarantees that auto-control systems and traceability systems are in place and ensures that products comply with hygiene and food safety standards.

We are also required to comply with the Technical Regulation on Sanitation of pastry products (Royal Decree 496/2010, of April 30), and bread (Royal Decree 308/2019, of April 26, as amended by Royal Decree 773/2023), as well as specific regulations on hygiene applicable to prepared foods (Royal Decree 1021/2022, of December 13).

The packaging and marketing of our goods is subject to the terms of Royal Decree 1334/1999, of July 31 (amended by Royal Decree 2220/2004, of November 26 and by Royal Decree 890/2011, of June 24). We are obligated to provide certain nutritional information on our packaging in accordance with Royal Decree 930/1992, of July 17 (amended by Royal Decree 1669/2009, of November 6) and Regulation (EC) 1924/2006, of December 20 (amended by Regulation (EC) 1047/2012, of November 8). Warehousing frozen food products destined for human consumption is also regulated by Royal Decree 1109/1991, of July 12 (amended by Royal Decree 380/1993, of March 12) and Regulation (EC) 37/2005, of January 12, on the monitoring of temperatures in the means of transport, warehousing and storage of quick-frozen food intended for human consumption. From a micro-biological point of view, we must comply with Royal Decree 280/1994, of February 18 (amended by Royal Decree 578/2017, of June 12), which sets forth the applicable thresholds for pesticide residues.

In terms of transport of food products, in addition to the applicable provisions for each specific food category, we must comply with the general requirements for land transport set forth in Law 16/1987, of July 30 (amended by Law 9/2013, of July 4) and Royal Decree 1211/1990, of September 28, last amended by Royal Decree 613/2024, of July 2. In addition, the transport of breads is subject to Regulation (EC) 37/2005, of January 12 on the monitoring of temperatures in the means of transport, warehousing and storage of quick-frozen food intended for human consumption. Vehicles and containers must comply with the hygiene requirements set forth in such law and such vehicles that are refrigerated must ensure no rupture in the cold chain. We must also comply with the technical terms and the sanitary standards set forth in Royal Decree 237/2000, of February 18, which regulate inspections and documentation related to each vehicle (last amended by Royal Decree 402/2021, of June 8). We are also subject to Royal Decree 1021/2022, of December 13, that sets forth certain hygiene requirements for the production and marketing of food products in retail establishments.

(b) Regional Regulations

Certain Spanish autonomous regions ("**Autonomous Communities**") regulate hygiene and sanitary standards, according to the European Law Food Safety Regulations framework. We must comply with the health laws and sanitary standards developed, as the case may be, by those Autonomous Communities in which our production centers are located in order to obtain the required permits and carry out our activities:

- In Catalonia: Law 18/2009, of October 22, Catalonia's public health act, Law 14/2003, of June 13, Catalonia's agrifood quality act, Law 15/1983, of July 14, of hygiene and control on food industries, and Decree 285/2006, of July 4, which develops Law 14/2003, of June 13, on agrifood quality and Law 7/2003, of April 25, on the Protection of Health.

- In Galicia: Law 1/2024, of January 11, on food quality, Law 8/2008, of July 10, on health in Galicia, and Decree 204/2012, of October 4, creating the Sanitary Registry of food companies and establishments of Galicia.

- In Valencia: Law 10/2014, of December 29, on health of the Region of Valencia.

- In Canary Islands: Law 11/1994, of July 26, of health management in the Canary Islands; Law 6/2019, of April 9, of agrifood quality and Orden of June 23, 2021, which creates the Registry of Food Companies of the Canary Islands and regulates the procedure for health operating authorization and prior communication of activity of food companies.

- In Castilla – La Mancha: Law 7/2007, of March 15, on agri-food quality and Decree 56/2021, of May 11, which creates the Sanitary Registry of Food Companies and Establishments of Castilla-La Mancha and regulates the procedures of prior communication and authorization.

Environmental and planning

(a) National Regulations

In order to conduct our operations, we are required to obtain certain permits and licenses and are subject to specific environmental legislation. Undertaking the production of breads, frozen pastries and our other products, requires obtaining an integrated environmental authorization or an environmental permit for each production center (depending on the specific capacity and size of the facilities), in accordance with Royal Legislative Decree 1/2016, of December 16, approving the revised text of the Law on integrated prevention and control of pollution, and the environmental laws passed by the Regional Authorities. Law 21/2013, of December 9, on environmental evaluation, Law 26/2007, of October 23, on Environmental Responsibility and Royal Decree 2090/2008, of December 22, which approves the Regulation of partial development of Law 26/2007, of October 23, on Environmental Responsibility, are also applicable.

We are also subject to laws that regulate waste production and management. The main applicable rules are Law 7/2022, of April 8, on Waste and Polluted Soils, Royal Legislative Decree 1/2001, of July 20 approving Law on Waters and Royal Decree 849/1986, of April 11, which approves the Regulation of the Hydraulic Public Domain, and Royal Decree 1055/2022, of December 27, which regulates containers and waste containers. Among other obligations, the rules relating to waste production and management require to be registered in the Registry of Waste Producers or obtaining the relevant administrative authorization at the autonomous region level. Furthermore, it is mandatory to subcontract waste removal and management to an authorized entity, and to comply with the terms of the norm applicable to waste production and management until removal by an authorized entity. The main waste that we produce is used cooking oil. Regarding non-hazardous waste, in addition to wood and paper, we produce leftover dough, which is sold and used in animal feed.

In accordance with the Law on Waters, approved by Royal Legislative Decree 1/2001, of July 20, and Royal Decree 849/1986, of April 11, which approves the Regulation of the Hydraulic Public Domain, direct or indirect water spills and waste products likely to contaminate water supplies or any other element in the public domain, require prior administrative authorization. We have two water purification plants at our production centers located at Sarral (Tarragona) and Rubí (Barcelona), and we are planning the construction of another of such plants at our Vallmoll (Tarragona) production center.

We also undertake activities that could be included in the Catalogue of Annex IV of Law 34/2007, of November 15, on the Protection of the Atmosphere, as activities that could potentially contaminate the atmosphere (so called, group B, code 04060501). These are subject to certain control and remission reduction measures and to a number of applicable regulations such as Royal Decree 815/2013, of October 18, which approves the regulation of industrial emissions and Royal Legislative Decree 1/2016 on integrated prevention and control of pollution, Royal Decree 102/2011, of January 28, concerning the improvement of air quality and Royal Decree 100/2011, of January 28, which updates the catalogue of potentially polluting activities in the atmosphere and establishes the basic provisions for its application.

All of our activities are subject to the limitations set forth in the applicable rules concerning noise pollution (mainly through municipal ordinances), and we must comply with the limits established by the Law 37/2003, of November 17, Royal Decree 1367/2007, of October 19, by which Law 37/2003, of November 17, of Noise, is developed in terms of acoustic zoning, quality objectives and acoustic emissions and Royal Decree 1513/2005, of December 16, by which Law 37/2003, of November 17, of Noise is developed in relation to the evaluation and management of environmental noise. Only our facilities located in Barcelona are near residential areas. We are also subject to acoustic pollution control measures set forth in Law 37/2003, of November 17, on Noise.

Soil contamination is regulated in Royal Decree 9/2005, of January 14, which describes activities that could potentially contaminate soil and lists the criteria and standards for determining whether soil is contaminated. Operators which conduct activities that fall within the scope of such law must complete reports describing soil conditions and must proceed with remediation where authorities determine soil to be contaminated. Our activities are not included in the List of Activities that could Potentially Contaminate Soil, set forth in Annex I of the Royal Decree.

(b) Regional Regulations

Each Autonomous Community further develops European Union and national environmental legislation, setting forth regional regulations with certain specific provisions applicable to our production facilities depending on its location. Regarding planning matters each Autonomous Community also develops their own regulation. This is the list of the main applicable regulations:

- In Canary Islands: Law 4/2017, of July 13, Canary Islands' land and nature protection areas, Decree 147/2007, of May 24, on Canary Islands' polluted soils, Law 1/1999, of January 29, Canary Islands' waste act, and Law 12/1990, of July 26, Canary Islands' water act.

- In Catalonia: Law 16/2017, of August 1, Catalonia´s climate change act, Laws 9/2014, of July 31, and 12/2008, of July 31, Catalonia's industrial security acts, Law 20/2009, of December 4, on prevention and environmental control of activities of Catalonia, Legislative Decree 1/2009, of July 21, Catalonia's waste act, Law 6/2009, of April 28, on environmental evaluation of Catalonia, Legislative Decree 3/2003, of November 4, Catalonia's water act, Law 16/2002, of June 28, Catalonia's noise pollution act, Law 22/1983, of November 21, on protection of the atmospheric environment of Catalonia and Decree 322/1987, of September 23 by which the Law 22/1983 is developed; and Legislative Decree 1/2010, of August 3, on urban planning.

- In Galicia: Decree 106/2015, of July 9, on Galicia's acoustic pollution, Legislative Decree 1/2015, of February 12, Galicia's industrial policies act, Law 9/2010, of November 4, Galicia's water act, Law 6/2021, of February 17, Galicia's waste and polluted soils act, Law 8/2002, of December 18, on protection of the atmospheric environment of Galicia, Law 1/1995, of January 2, regarding the protection of the environment of Galicia, and Law 2/2016, of February 10, on urban planning and land.

- In Valencia: Law 6/2014, of July 25, on Valencian Community's Pollution Prevention and Environmental Quality, Law-Decree 4/2016, of June 10, on the establishment of urgent measures to guarantee municipal waste management, Legislative Decree 1/2021, of June 18, Valencian Community's planning policies, urban development and landscape act, Law 7/2002, of December 3, Valencian Community's noise pollution protection act, Law 5/2022, of November 29, on waste and polluted soils, Decree 266/2004, of December 3, which establishes rules for prevention and correction of noise pollution in relation to activities, facilities, buildings, works and services, and Decree 104/2006, of July 14, on planning and management of noise pollution.

- In Castilla-La Mancha: Law 2/2020, of February 7 on environmental assessment, Law 2/2022, of February 18 on water, Law 7/2019, of November 29, on circular economy in Castilla-La Mancha, Decree 35/2024, of July 2, approving the Prevention and waste management Plan in Castilla La Mancha 2030; Legislative Decree 1/2023, of February 28, on urban planning and urban development.

(c) Local Regulations

In addition, from a planning perspective, development permits and occupancy permits issued by local governments are required for the construction, use and refurbishment of the facilities, which are granted in accordance with the urban planning instruments approved by each municipality.

Finally, prior to operations, we must also obtain municipal operating permits for our facilities in order to comply with municipal laws and ordinances. In the same way, prior communication to the competent Administration is required in order to modify our operations or facilities.

U.S. Government Regulation

Food safety

As a manufacturer and distributor of food products, we are subject to a number of food-related regulations, including the Federal Food, Drug and Cosmetic Act and regulations promulgated thereunder by the U.S. Food and Drug Administration ("**FDA**"). This comprehensive regulatory framework governs the manufacture (including composition and ingredients), labeling, packaging and safety of food in the United States. The FDA:

- regulates manufacturing practices for foods through its current good manufacturing practices regulations;
- specifies the standards of identity for certain foods, including many of the products we sell; and
- prescribes the format and content of certain information required to appear on food product labels.

We are also subject to the Food Safety Modernization Act of 2011, which, among other things, mandates the FDA to adopt preventative controls to be implemented by food facilities in order to minimize or prevent hazards to food safety. In addition, the FDA enforces the Public Health Service Act and regulations issued thereunder, which authorizes regulatory activity necessary to prevent the introduction, transmission or spread of communicable diseases. We are subject to numerous other federal, state and local regulations involving such matters as the licensing and registration of manufacturing facilities, enforcement by government health agencies of standards for our products, inspection of our facilities and regulation of our trade practices in connection with the sale of food products.

Moreover, we are subject to various labeling requirements with respect to our products at the U.S. federal, state and local levels. At the U.S. federal level, the FDA has authority to review product labeling, and the U.S. Federal Trade Commission may review labeling and advertising materials, including online and television advertisements, to determine if advertising materials are misleading. We believe we are in material compliance with all labeling laws and regulations applicable to our business.

Environmental

With respect to our U.S. operations, we are subject to various U.S. state and federal environmental laws, regulations and directives, including the Food Quality Protection Act of 1996, the Clean Air Act, the Clean Water Act, the Resource Conservation and Recovery Act, the Federal Insecticide, Fungicide and Rodenticide Act and the Comprehensive Environmental Response Compensation and Liability Act of 1980, as amended.

We believe that we are in material compliance with the environmental regulations applicable to our business. We do not expect the cost of our continued compliance to have a material impact on our capital expenditures, earnings, cash flows or competitive position in the foreseeable future.

REASONS FOR THE OFFERING AND USE OF PROCEEDS

Reasons for the Offering

We expect that the Offering will provide us with better brand recognition and increased visibility in the market, together with a stronger position to retain and attract key personnel. We also believe that the Offering will strengthen our overall corporate profile, improve our competitive position, diversify our operations and enhance our transparency and prestige as a result of becoming a listed company. The Offering will help us reduce our existing indebtedness, as we intend to apply approximately €109.1 million of New Gross Proceeds to reduce our indebtedness, which we expect will allow us to achieve a Net Financial Debt/EBITDA Ratio lower than 2.5x, based on our consolidated financial position as of June 30, 2024 (see "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Financial liabilities—Sustainable Financing Agreement*"). The rest of the New Gross Proceeds received by us from the issue of the New Offer Shares (i.e., approximately €89.6 million, after deducting from the New Gross Proceeds (i) the amount to be used to reduce our indebtedness and (ii) the underwriting and placing commissions and other fees and expenses of the Offering expected to be paid by us in relation to the New Offer Shares, assuming the Offering Price is the mid-point of the Offering Price Range) and, if any, those net proceeds received from the sale of the Over-allotment Shares offered by us (after deducting the underwriting and placing commissions and other fees and expenses of the Offering expected to be paid by us in relation to the Over-allotment Shares), will enable us to capture potential investments for inorganic growth opportunities, such as mergers and acquisitions, that the Company may come across in the short or medium term. For information on our indebtedness, see "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Financial liabilities*".

Additionally, the Offering is also expected to expand our shareholder base, introducing institutional long-term investors and a diversified base of international shareholders. We believe this can improve our access to public capital markets and make it easier for us to obtain financing (including, as the case may be, future debt financing) to be used for our future growth.

Regarding the expansion of our shareholder base, we believe that the Offering will enable us to reach a free float of between 29.2% (assuming that the Offering Price is the mid-point of the Offering Price Range and no exercise of the Over-allotment Option) and 31.7% (assuming that the Offering Price is the mid-point of the Offering Price Range and the Over-allotment Option is exercised in full) of our total issued share capital upon Admission. If, for whatever reason, the minimum threshold of distribution of shares required for admission to trading on the Spanish Stock Exchanges through the AQS (which, in accordance with Spanish Royal Decree 814/2023 of November 8, and subject to certain exceptions, involves reaching a free float of at least 25% of the shares admitted to trading) was not to be satisfied, the Company shall request a waiver from said obligation from the CNMV pursuant to article 66.7 of Spanish Royal Decree 814/2023 of November 8.

Moreover, the Offering will provide an opportunity for the Selling Shareholders to partially (or totally in the case of Exponent S.à r.l.) monetize their investment in the Company (see "—*Use of Proceeds*" below). However, Mr. Jordi Gallés Gabarró, through the Selling Shareholder Gallés Office, S.L., which is the Gallés Family investment vehicle in the Company, will continue to exercise control over us upon completion of the Offering (and even if the Over-allotment Option is exercised in full), maintaining an expected controlling stake of around 62.2% of our share capital (assuming that the Offering Price is at the mid-point of the Offering Price Range) and a key role for its members in our governing bodies (see "*Principal and Selling Shareholders—Change of Control of the Company*" and "*Board of Directors and Management*").

Use of Proceeds

We intend to raise New Gross Proceeds of approximately €210.0 million from the issue of the New Offer Shares. Depending on the number of Over-allotment Shares with respect to which the Over-allotment Option is exercised, we will issue up to a maximum of 2,208,618 Over-allotment Shares (assuming that the Offering Price is the mid-point of the Offering Price Range). If the Over-allotment Option were exercised in full, we would raise additional gross proceeds of approximately €38.2 million (assuming that the Offering Price is the mid-point of the Offering Price Range).

The total amount of underwriting and placing commissions, fees and expenses of the Offering (assuming that the Offering Price is the mid-point of the Offering Price Range and the Over-allotment Option is exercised in full) is expected to be approximately €22.6 million, of which (i) approximately €11.3 million is to be paid by us in relation to the New Offer Shares, (ii) approximately €1.3 million is to be paid by us in relation to the Over-allotment Shares offered by us, (iii) approximately €0.4 million is to be paid by Gallés Office, S.L. in relation to the Over-allotment Shares offered by it, and (iv) approximately €9.6 million is to be paid by the Selling

Shareholders in the aggregate in relation to the Secondary Offer Shares (see "*Plan of Distribution*" and "*Expected Timetable of Principal Events and Offer Statistics*"). Accordingly, based on the aforementioned assumptions, we expect to raise net proceeds of approximately €235.6 million from the Offering.

We intend to apply approximately €109.1 million of New Gross Proceeds to reduce our existing indebtedness as pursuant to the Sustainable Financing Agreement we are required to use such amount of our proceeds from the Offering for the repayment of facilities drawn thereunder, so that our Net Financial Debt/EBITDA Ratio is lower than 2.5x. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Financial liabilities—Sustainable Financing Agreement*". The rest of the New Gross Proceeds received by us from the issue of the New Offer Shares (i.e., approximately €89.6 million, after deducting from the New Gross Proceeds (i) the amount to be used to reduce our indebtedness and (ii) the underwriting and placing commissions and other fees and expenses of the Offering expected to be paid by us in relation to the New Offer Shares, assuming the Offering Price is the mid-point of the Offering Price Range) and, if any, those net proceeds received from the sale of the Over-allotment Shares offered by us (after deducting the underwriting and placing commissions and other fees and expenses of the Offering expected to be paid by us in relation to the Over-allotment Shares), will enable us to capture potential investments for inorganic growth opportunities, such as mergers and acquisitions, that the Company may come across in the short or medium term. In particular, the Company actively explores and analyses acquisition opportunities for inorganic growth to pursue its strategic objectives – see "*Risk Factors—Risks related to our business and the industry in which the Company operates—We may not be able to successfully complete favorable transactions or successfully integrate acquired businesses*" and "*Business—Key Investment Highlights—Fast-growing international operations driven by strategic acquisitions*". Whether any of the identified acquisition opportunities that the Company is currently analyzing realizes or not will depend on, among other factors, the Company's ability to enter into acceptable acquisition agreements with third parties. If any such acquisition opportunities are finally completed, the Company expects to use a part of the remaining New Gross Proceeds (i.e., approximately €89.6 million after deducting from the New Gross Proceeds (i) the amount to be used to reduce our indebtedness and (ii) the underwriting and placing commissions and other fees and expenses of the Offering expected to be paid by us in relation to the New Offer Shares, assuming that the Offering Price is the mid-point of the Offering Price Range) to implement such acquisitions.

Likewise, Gallés Office, S.L. intends to raise gross proceeds of approximately €15.2 million (including those arising from the sale of the Over-allotment Shares offered by Gallés Office, S.L. and assuming that the Offering Price is in the mid-point of the Offering Price Range). Exponent S.à r.l. (whose majority shareholder is MCH Continuation Fund, FICC, a fund managed by MCH Private Equity) and Indinura, S.L. (controlled by Mr. Jordi Morral Hospital) intend to raise gross proceeds of approximately €248.9 million and €18.0 million, respectively, assuming that the Offering Price is in the mid-point of the Offering Price Range. If the Over-allotment Option is exercised, it will be exercised (i) first with respect to the Over-allotment Shares offered by Gallés Office, S.L., which will consist of the number of Over-allotment Shares that, at the Offering Price, would represent an amount of approximately €10.0 million, – representing between 2.0% and 2.2% of the Initial Offer Shares based on the Offering Price Range – and (ii) subsequently, to the extent that the exercise of the Over-allotment Option has exhausted all of the Over-allotment Shares offered by Gallés Office, S.L., with respect to the Over-allotment Shares offered by us, which will consist of up to the remaining Over-allotment Shares (which, at the Offering Price, would represent an amount of approximately between €35.9 and €40.5 million and between 7.8% and 8.0% of the Initial Offer Shares based on the Offering Price Range).

We will not receive any of the proceeds from the sale of Secondary Offer Shares by the Selling Shareholders in the Offering or from the sale of the Over-allotment Shares offered by Gallés Office, S.L. (if the Over-allotment Option is exercised), all of which will be paid to the relevant Selling Shareholders (or to such persons as such Selling Shareholders may direct) and, in turn, the Selling Shareholders will not receive any proceeds from the issue and subscription of New Offer Shares or from the issue and subscription of the Over-allotment Shares offered by us (if the Over-allotment Option is exercised) in the Offering.

DIVIDENDS AND DIVIDEND POLICY

Distribution of Dividends

The following table sets forth the total dividends approved by us in respect of each financial year for the period covered by the historical financial information.

	Type of Dividend	Total Amount	Dividends per share
Year ended December 31,		**(in thousands of euros)**	**(euros)**
2021	Extraordinary (with a charge to voluntary reserves)	10,000	57.63
2022	Extraordinary (with a charge to voluntary reserves)	10,000	57.63
2023	Extraordinary (with a charge to voluntary reserves and share premium) (1) (2)	50,000	288.18

(1) Although our capacity to distribute dividends is restricted by the terms of the Sustainable Financing Agreement (see for further details "—*Contractual Restrictions*" below) we received a specific waiver of the Lenders authorizing this dividend distribution.

(2) €35,124 thousand charged to voluntary reserves and €14,876 thousand charged to the share premium.

Dividend Policy

As of the date of this Prospectus, no dividend policy has been approved by the Company. In the past, we have used a substantial part of our earnings to finance the development and expansion of our business. We may decide to distribute cash dividends in the future in a prudent manner. In such case, holders of Shares will be entitled to receive such declared dividends on the basis set out in our bylaws. The Shares will be eligible for any dividends paid or declared after the Offering, although any ordinary dividend payment that we may declare must be approved by the shareholders at the shareholders' meeting.

Our ability to pay dividends in the future will depend on a number of factors, including the performance and prospects of our business, our capital structure and financing needs, general and capital market conditions, and other factors that the Board of Directors and our shareholders may deem relevant from time to time, as well as the applicable legal, regulatory and contractual restrictions (see "—*Legal and Regulatory Restrictions*" and "—*Contractual Restrictions*" below). For instance, Spanish corporate law requires companies to contribute at least 10% of their yearly profits to a legal reserve until the balance of such reserve is equivalent to at least 20% of the share capital. As a consequence of the share capital increase against voluntary reserves for a total amount of €6,766,461 through the increase of the par value of the Shares (i.e., €0.0025) to €0.1 each, approved by the general shareholders' meeting on June 6, 2024 (see "*Description of Share Capital—General*"), as of the date of this Prospectus, the balance of our legal reserve is €40,000.18, which is significantly below the aforementioned threshold of 20% of our share capital, which would amount to €1,387,992. Therefore, in compliance with the foregoing legal requirements, we will have to contribute 10% of our yearly profits to legal reserves until our legal reserve amounts to, at least, 20% of our issued share capital.

Although the Board of Directors has not passed any resolution in this respect, to the extent legally permitted, our intention is to pay the first post-Offering dividend in 2025, and we target to distribute up to 30% of our results for the year ending December 31, 2024. We also intend to target dividend payments of up to 30% of our results in subsequent years, subject to any contractual restrictions (see "—*Legal and Regulatory Restrictions*" and "—*Contractual Restrictions*" below).

Our expectations in relation to dividends, distributable reserves, business performance and market conditions are subject to numerous assumptions, risks and uncertainties, which may be beyond our control. For a discussion of risks faced by our business which may have an impact on our ability to pay dividends, see "*Risk Factors*".

Legal and Regulatory Restrictions

Our capacity to distribute dividends may be restricted under general Spanish corporate law rules. The conditions under which we may declare dividends based on Spanish law and our bylaws are described under "*Description of Share Capital—Dividend and Liquidation Rights*". Other than these restrictions, as of the date of this Prospectus, there are no legal or regulatory restrictions to our capacity to distribute dividends.

According to our bylaws and the Spanish Companies Act, dividends are declared and paid *pro rata* according to the number of Shares held by each shareholder in the Company. Dividends declared but not yet accrued do not bear interest.

Contractual Restrictions

Our capacity to distribute dividends is restricted by the terms of the Sustainable Financing Agreement (see "*Business—Material Contracts—Sustainable Financing Agreement*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Financial liabilities—Sustainable Financing Agreement*"). Under such agreement, all kinds of distributions to shareholders (dividends, refunds of contributions in the event of a share capital decrease, distribution of reserves and any other kind of remuneration or payment) are generally prohibited, except for: (i) the distribution of annual dividends for a maximum amount of €10,000 thousand, provided (a) such distribution does not entail the infringement of the Financial Covenants; and (b) no early termination of the Sustainable Financing Agreement has been declared; and (ii) any other payment to shareholders, provided that (a) such payment does not entail the infringement of the Financial Covenants; (b) no early termination of the Sustainable Financing Agreement has been declared; (c) the resulting Net Financial Debt/EBITDA Ratio after such payment is below 2.5x (as of June 30, 2024 the Net Financial Debt/EBITDA Ratio was 3.0x); and (d) the payment is below 75% of the annual net consolidated income. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Financial liabilities—Sustainable Financing Agreement*" for further information regarding the financial covenants under the Sustainable Financing Agreement.

Based on our financial position as of June 30, 2024, in order to reduce our aforementioned Net Financial Debt/EBITDA Ratio below 2.5x by using exclusively New Gross Proceeds, we will need to use approximately €109.1 million, representing approximately 52.0% of the New Gross Proceeds, to reduce our existing indebtedness. See "*Reasons for the Offering and Use of Proceeds—Use of Proceeds*".

Taxation on Dividends Under Spanish Law

Under current tax legislation, any distributions made in the future will be subject to tax under Spanish law. See "*Taxation*" for further information regarding taxation of dividends.

CAPITALIZATION AND INDEBTEDNESS

The following section presents the capitalization and indebtedness of the Company as of June 30, 2024. This section should be read together with "Reasons for the Offering and Use of Proceeds", "Presentation of Financial and Other Information", "Selected Financial Information" and "Management's Discussion and Analysis of Financial Condition and Results of Operations", as well as the Consolidated Financial Statements and related notes thereto included elsewhere in or incorporated by reference into this Prospectus, as applicable.

Representation Concerning Working Capital

As of December 31, 2023, the Group had working capital amounting to €28,471 thousand. In our opinion, the working capital available to the Company is sufficient for our present requirements and, in particular, is sufficient for at least the next 12 months from the date of this Prospectus. In forming this opinion, we have not taken into account the proceeds of the Offering and have considered guidelines 29 to 35 of the ESMA Guidelines on disclosure requirements under the Prospectus Regulation.

Capitalization and Indebtedness

The tables below set out our capitalization and indebtedness as of June 30, 2024 (i) on a historical basis, and (ii) as adjusted to give effect to the Offering with, alternatively, no exercise of the Over-allotment Option and exercise in full of the Over-allotment Option, assuming in each case that the Offering Price is €17.30 per Offer Share (i.e., the mid-point of the Offering Price Range) and assuming the issuance of 12,138,728 New Offer Shares. If the Over-allotment Option is exercised, it will be exercised (i) first with respect to the Over-allotment Shares offered by Gallés Office, S.L., which will consist of the number of Over-allotment Shares that, at the Offering Price, would represent an amount of approximately €10.0 million, – representing between 2.0% and 2.2% of the Initial Offer Shares based on the Offering Price Range – and (ii) subsequently, to the extent that the exercise of the Over-allotment Option has exhausted all of the Over-allotment Shares offered by Gallés Office, S.L., with respect to the Over-allotment Shares offered by us, which will consist of up to the remaining Over-allotment Shares (which, at the Offering Price, would represent an amount of approximately between €35.9 and €40.5 million and between 7.8% and 8.0% of the Initial Offer Shares based on the Offering Price Range).

	As of June 30, 2024	**After giving effect to the Offering and assuming no exercise of the Over-allotment Option**	**After giving effect to the Offering and assuming full exercise of the Over-allotment Option**
Total current debt[(1)]	**27,076**	**27,076**	**27,076**
of which guaranteed	14,621	14,621	14,621
of which secured	1,500	1,500	1,500
of which unsecured not guaranteed	10,955	10,955	10,955
Total non-current debt[(2)]	**744,773**	**635,669**	**635,669**
of which guaranteed	741,158	632,054	632,054
of which secured	8,400	8,400	8,400
of which unsecured not guaranteed[(3)]	(4,785)	(4,785)	(4,785)
Shareholders' Equity	**342,838**	**541,571**	**578,433**
Issued share capital	6,940	8,154	8,375
Legal reserve	40	40	40
Other reserves	335,858	533,378	570,019
Total	**1,114,687**	**1,204,316**	**1,241,178**

(1) Please see letter G of the following table.

(2) Please see letter L of the following table.

(3) Includes derivative financial instruments, which amount to €13,669 thousand.

	As of June 30, 2024	After giving effect to the Offering and assuming no exercise of the Over-allotment Option	After giving effect to the Offering and assuming full exercise of the Over-allotment Option
		(in thousands of euros) (unaudited)	
A. Cash	-	-	-
B. Cash equivalents (Bank balances) (1)	104,000	193,629	230,491
C. Other current financial assets	679	679	679
D. Liquidity (A)+(B)+(C)	**104,679**	**194,308**	**231,170**
E. Current financial debt (including debt instruments, but excluding current portion of non-current financial debt) (2)	25,466	25,466	25,466
F. Current portion of non-current financial debt (3)	1,610	1,610	1,610
G. Current financial indebtedness (E)+(F)	**27,076**	**27,076**	**27,076**
H. Net current financial indebtedness (G)-(D)	**(77,603)**	**(167,232)**	**(204,094)**
I. Non-current financial debt (excluding current portion and debt instruments) (4)	744,773	635,669	635,669
J. Debt instruments	-	-	-
K. Non-current trade and other payables	-	-	-
L. Non-current financial liabilities (I)+(J)+(K)	**744,773**	**635,669**	**635,669**
M. Total financial indebtedness (H)+(L)	**667,170**	**468,437**	**431,575**

(1) Includes the short-term liquid cash held within the Group's banking accounts, which are accessible for ordinary business operations at any given time.

(2) Includes current debts with financial institutions, which amounted to €19,611 thousand, and short-term lease liabilities, which amounted to €5,855 thousand.

(3) Includes the current portion of non-current financial liabilities according to the following detail: €(201) thousand from debts with financial institutions and €1,811 thousand from long-term lease liabilities. These amounts are recorded under non-current financial liabilities as of June 30, 2024, but are to be liquidated within 12 months of the date of this Prospectus.

(4) Includes non-current debts with financial institutions, which amounted to €741,585 thousand, minus the current portion of non-current debts with financial institutions, which amounted to €(201) thousand; long-term lease liabilities, which amounted to €18,168 thousand, minus the current portion of long-term lease liabilities, which amounted to €1,811 thousand; non-current other financial liabilities, which amounted to €299 thousand; and derivative financial instruments, which amounted to €(13,669) thousand.

In addition, it should be noted that, as of June 30, 2024, we also had commitments of up to €42,598 thousand related to our capex[APM] investments, as well as cross-call and put options arising from the M&A transactions, which amount to €1,386 thousand in the short term and €3,116 thousand in the long term. See "*Selected Financial Information—Consolidated Balance Sheet", "Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Factors Affecting our Results of Operations—Capital expenditures" "Business — Property, Plant and Equipment" and "Risk Factors—Risks related to our business and the industry in which we operate—We may not be able to successfully complete favorable transactions or successfully integrate acquired businesses*".

The following are the transactions materially affecting our capitalization and indebtedness since June 30, 2024:

- On July 4, 2024, we exercised the right to acquire the final 15% of the shares of European Pastry SRL that were the subject of a December 10, 2021 purchase agreement for a final purchase price, based on European Pastry SRL's EBITDA and debt, of €1,920 thousand. See Note 1.b) to the Unaudited Condensed Interim Consolidated Financial Statements and "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Factors Affecting our Results of Operations—Acquisitions*".

- On July 11, 2024, we agreed to extend the lease with respect to our New Brunswick (New Jersey) production center and the associated CEREAL innovation center through June 30, 2036, which will have an impact of approximately €30 million on our indebtedness as of the date of the Prospectus. See "*Business—Property, Plant and Equipment*".

- On August 2, 2024, we acquired 100% of the shares of De Groot, for a purchase price of €26.5 million, which was disbursed, with cash on hand and without incurring any additional debt, upon completion of the acquisition, subject to certain adjustments for working capital and net debt. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Factors Affecting our Results of Operations— Acquisitions*".

SELECTED FINANCIAL INFORMATION

The following tables present our selected consolidated financial information as of and for the years ended December 31, 2023, 2022 and 2021, as of June 30, 2024 and for the six months ended June 30, 2024 and 2023. The selected consolidated financial information as of and for the years ended December 31, 2023, 2022, and 2021 is derived from, and should be reviewed together with, the Audited Annual Consolidated Financial Statements, including the related notes thereto, prepared in accordance with IFRS-EU and which are incorporated by reference into this Prospectus. The selected financial information as of June 30, 2024 and for the six months ended June 30, 2024 and 2023 has been derived from, and should be reviewed together with, the Unaudited Condensed Interim Consolidated Financial Statements, including the related notes thereto, prepared in accordance with IAS 34 and which are also incorporated by reference into this Prospectus.

The selected financial information set out below is a summary only. It may not contain all the information that is important to prospective investors and, accordingly, should be read in conjunction with "*Risk Factors*", "*Presentation of Financial Information*", "*Capitalization and Indebtedness*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*", as well as the Consolidated Financial Statements and related notes thereto included elsewhere in or incorporated by reference into this Prospectus, as applicable.

Consolidated Balance Sheet

	As of June 30,	As of December 31,		
	2024	**2023**	**2022**	**2021**
	(in thousands of euros)			
<u>Non-current assets</u>				
Intangible assets	**330,331**	**326,440**	**322,554**	**264,248**
Goodwill	204,877	199,793	201,120	178,042
Other intangible assets	125,454	126,647	121,434	86,206
Property, plant & equipment	**712,209**	**664,671**	**627,856**	**555,122**
Land and buildings	249,767	222,725	199,312	182,496
Technical installations and other tangible assets	404,255	388,828	323,864	326,420
Fixed assets under construction and advances	58,187	53,118	104,680	46,206
Rights of Use Assets	**23,377**	**23,932**	**13,877**	**15,949**
Land and buildings	16,603	16,770	8,899	11,384
Technical installations and other tangible assets	6,774	7,162	4,978	4,565
Non-current financial investments	**21,002**	**21,848**	**40,434**	**10,963**
Derivative financial instruments	13,669	17,053	30,951	
Other financial assets	7,333	4,795	9,483	10,963
Deferred tax assets	**9,047**	**9,274**	**11,271**	**11,934**
Total non-current assets	**1,095,966**	**1,046,165**	**1,015,992**	**858,216**
<u>Current assets</u>				
Inventories	**143,264**	**122,637**	**109,658**	**81,228**
Trade receivables	**191,476**	**170,355**	**141,557**	**91,194**
Customers for sales and services	165,573	149,717	118,563	70,612
Current tax assets	2,108	2,112	364	433
Other receivables	7,184	7,203	12,692	8,236
Other receivables from Public Authorities	16,611	11,323	9,938	11,913
Current prepayments and accruals	**13,145**	**7,508**	**4,617**	**2,016**
Cash and cash equivalents	**104,679**	**51,104**	**67,440**	**65,025**
Total current assets	**452,564**	**351,604**	**323,272**	**239,463**
Total assets	**1,548,530**	**1,397,769**	**1,339,264**	**1,097,679**
<u>Equity</u>				
Shareholder equity	**342,838**	**310,915**	**292,837**	**267,330**
Share capital	6,940	173	173	173
Share premium	3,869	3,869	18,745	18,745
Reserves	300,106	238,657	237,917	224,330
Profit for the period attributable to the Parent Company	31,923	68,216	36,002	24,081
Adjustments for changes in value	**14,181**	**12,208**	**28,125**	**(5,628)**
Translation differences	3,930	(581)	4,912	(4,398)
Derivative financial instruments and other	10,251	12,789	23,213	(1,230)
Equity attributable to owners of the Company	**357,019**	**323,123**	**320,962**	**261,702**
Equity attributable to non-controlling interests	**16,232**	**11,869**	**6,293**	**4,728**
Total equity	**373,251**	**334,992**	**327,255**	**266,430**

	As of June 30,	As of December 31,		
	2024	2023	2022	2021
	(in thousands of euros)			
Non-current liabilities				
Provisions for other liabilities and charges	**2,739**	**2,575**	**1,697**	**1,438**
Non-current financial liabilities	**763,168**	**682,807**	**626,162**	**548,692**
Debts with financial institutions	741,585	662,421	614,225	534,783
Lease liabilities	18,168	18,970	9,436	10,271
Other financial liabilities	3,415	1,416	2,501	2,000
Derivative financial instruments	-	-	-	1,638
Deferred tax liabilities	**55,918**	**53,244**	**54,974**	**38,222**
Deferred income	**986**	**1,018**	**944**	**983**
Total non-current liabilities	**822,812**	**739,644**	**683,777**	**589,335**
Current liabilities				
Current financial liabilities	**26,852**	**39,005**	**43,158**	**48,255**
Debts with financial institutions	19,611	32,009	37,415	41,657
Lease liabilities	5,855	6,096	5,743	6,598
Other financial liabilities	1,386	900	-	-
Trade payables and other liabilities	**325,615**	**284,128**	**285,074**	**193,659**
Suppliers and payables	261,882	229,944	229,458	167,112
Current tax liabilities	15,487	9,626	4,563	2,715
Other accounts payable	27,108	33,053	44,457	17,257
Other accounts payable to public administrations	21,138	11,505	6,596	6,576
Total current liabilities	**352,467**	**323,133**	**328,232**	**241,914**
Total equity and liabilities	**1,548,530**	**1,397,769**	**1,339,264**	**1,097,679**

Consolidated Profit and Loss Statement

	For the six months ended June 30,		For the years ended December 31,		
	2024	2023	2023	2022	2021
	(in thousands of euros, except earnings per share)				
Net turnover	713,634	666,949	1,346,779	1,121,500	845,578
Other operating income	680	811	2,136	2,020	2,335
Stock variation	5,384	1,936	13,714	16,597	19,401
Cost of sales	(316,017)	(311,711)	(625,477)	(523,161)	(375,128)
Personnel expenses	(117,425)	(96,755)	(208,398)	(172,342)	(145,987)
Other operating expenses	(182,658)	(167,740)	(337,153)	(306,502)	(240,377)
Work carried out for own fixed assets	5,498	5,166	9,217	7,432	10,425
Depreciation and amortization	(45,680)	(39,102)	(83,360)	(70,494)	(67,427)
Impairment and profit/(loss) on disposals of fixed assets	(30)	(294)	(942)	(709)	-
Operating result	**63,386**	**59,260**	**116,516**	**74,341**	**48,820**
Financial income	1,246	3,787	8,107	2,744	1,935
Financial expenses	(21,324)	(14,313)	(34,633)	(29,980)	(25,970)
Financial result	**(20,078)**	**(10,526)**	**(26,526)**	**(27,236)**	**(24,035)**
Consolidated profit before tax	**43,308**	**48,734**	**89,990**	**47,105**	**24,785**
Corporate income tax	(10,784)	(12,135)	(21,095)	(10,806)	(454)
Net consolidated result	**32,524**	**36,599**	**68,895**	**36,299**	**24,331**
Attributable to:					
Net result from non-controlling interests	**601**	**843**	**679**	**297**	**249**
Net result for the period attributable to the Parent Company	**31,923**	**35,756**	**68,216**	**36,002**	**24,081**
Earnings per share[(1)]	**0.46**[(2)]	**0.52**[(3)]	**393**	**208**	**139**

(1) In euros.

(2) Includes the impact of the 400x split of the Shares approved by the general shareholders' meeting on June 6, 2024, pursuant to which the par value of the Shares was reduced from €1 to €0.0025 and the 173,499 Shares into which the share capital was divided at such time were split into 69,399,600 Shares. See "*Description of Share Capital—General*". Without such split, earnings per share would have been €184.

(3) Adjusted to show the impact of the 400x split of the Shares approved by the general shareholders' meeting on June 6, 2024, pursuant to which the par value of the Shares was reduced from €1 to €0.0025 and the 173,499 Shares into which the share capital was divided at such time were split into 69,399,600 Shares. See "*Description of Share Capital—General*". Without adjusting for such split, earnings per share was €206.

Consolidated Statement of Comprehensive Income

	For the six months ended June 30,		For the years ended December 31,		
	2024	2023	2023	2022	2021
	(in thousands of euros)				
Consolidated result for the year	**32,524**	**36,599**	**68,895**	**36,299**	**24,331**
Other comprehensive income					
Items that will not be reclassified to profit or loss	**-**	**-**	**-**	**-**	**-**
Items that may be reclassified to profit or loss	**1,370**	**(3,887)**	**(15,917)**	**33,753**	**12,771**
Income and expenses recognized directly in equity:					
For cash flow hedges	(3,384)	(1,650)	(13,898)	32,590	1,006
For translation differences	3,908	(2,649)	(5,493)	9,310	12,018
Tax effect of cash flow hedges	846	412	3,474	(8,147)	(253)
Other comprehensive income for the year, net of tax	**1,370**	**(3,887)**	**(15,917)**	**33,753**	**12,771**
Total overall profit and loss for the year	**33,894**	**32,713**	**52,978**	**70,053**	**37,102**
Attributable to non-controlling interests	(2)	843	679	297	249
Attributable to owners of the Company	33,896	31,869	52,299	69,755	36,853

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion of our results of operations and financial condition should be read in conjunction with "Presentation of Financial and Other Important Information", "Selected Financial Information" and our Consolidated Financial Statements, including their related notes, incorporated by reference into this Prospectus. This discussion contains certain forward-looking statements that involve risks and uncertainties. Our future results could differ materially from those discussed below. Factors that could cause or contribute to such differences include, without limitation, those discussed in the sections entitled "Risk Factors", "Cautionary Note Regarding Forward-looking Statements" and "Business" in this Prospectus.

Overview

We are, first and foremost, bakers who share a passion for bakery culture and strive to perfect it and reinvent it. Our specific vision of the bakery world and our renowned specialization in frozen bakery dough has enabled us to be the leading supplier of frozen bakery products in Spain, with a 27% market share in Spain, which is calculated on the basis of 2022 net turnover of the top 40 players in the Spanish market and excluding players with net turnover below €1,000 thousand, and a top-five player in the global frozen bakery market segment, also based on 2022 net turnover, the last year for which net turnover and EBITDA figures are available for all peers used in the comparison (*source: Company Industry Sources*). We are engaged in the production, marketing and distribution of a broad range of high quality and innovative frozen bread, pastries and other products (including cakes, other patisserie products and ready meals). We operate a portfolio of business-to-business brands, primarily the Europastry, Fripan, Frida, Yaya María, Dots, Cristallino, Gran Reserva, Saint Honoré, Sophie, Ruth's, Wenner Bakery and EuroClassic brands. Our products are marketed and sold frozen on five continents, both directly and through our third-party distributors, to a diversified customer base which includes, among others, hypermarket and supermarket chains, hotel chains, restaurants, coffee shops, bakery and confectionery chains, traditional bakeries and manufacturers. Our integrated business structure includes a network of well-invested production centers, innovation centers (CEREAL innovation centers), regional sales offices and third-party distribution centers that allow us to efficiently serve our customers across geographies with a tailored offering of innovative products that meet changing end-market preferences. For the six months ended June 30, 2024, we had net turnover of €713,634 thousand and adjusted EBITDA^{APM} of €114,182 thousand, compared with net turnover of €666,949 thousand and adjusted EBITDA^{APM} of €99,182 thousand for the six months ended June 30, 2023. For the year ended December 31, 2023, we had net turnover of €1,346,779 thousand and adjusted EBITDA^{APM} of €205,039 thousand, compared with net turnover of €1,121,500 thousand and adjusted EBITDA^{APM} of €155,143 thousand for the year ended December 31, 2022, and net turnover of €845,579 thousand and adjusted EBITDA^{APM} of €120,229 thousand for the year ended December 31, 2021. See "*—Analysis of Unaudited Alternative Performance Measures*" for information regarding adjusted EBITDA^{APM}. In terms of volume, we sold 204 thousand metric tons of frozen bakery products in the six months ended June 30, 2024 (of which approximately 52.7% was breads, 46.3% was pastries and 1.0% was other products), compared with 385 thousand metric tons in 2023 (of which approximately 53.7% was breads, 45.5% was pastries and 0.8% was other products), 362 thousand metric tons in 2022 (of which approximately 58.0% was breads, 41.4% was pastries and 0.6% was other products) and 347 thousand metric tons in 2021 (of which approximately 59.8% was breads, 39.6% was pastries and 0.6% was other products).

Our production is carried out in 27 production centers, including 15 in Spain, three in the United States, three in the Netherlands, two in Mexico, two in Portugal, one in Romania and one in Germany, representing total gross fixed assets of €1,409,233 thousand as of June 30, 2024. Our production centers include 97 production lines and over 2,600 production processes, with a total production capacity of approximately 569 thousand metric tons per year. Our marketing and distribution network comprises 88 storage and transportation logistics centers, 30 regional sales offices in 18 countries, over 650 third-party distributors and over 400 salespeople. Globally, we cover over 6,000 delivery routes per day and service over 89 thousand customer points of sale, both directly through our own sales agents and through third-party distributors. We manage a decentralized transportation system that is capable of moving approximately 46,600 pallets (or 3,000 tractor trailers) per week to regional sales offices, third-party distributors, customers or independent storage and transportation logistics centers. In 2023, we moved 762 thousand metric tons of products through our distribution network, including internal distributions of products between our facilities. Our storage and transportation logistics centers have cold storage capacity for 117 thousand pallets, including 65 thousand pallets in owned or leased facilities operated by us and 52 thousand pallets in facilities operated by third parties.

During the first quarter of 2024, we changed the structure of our reporting segments, and we currently divide our business into two segments: (i) Europe and (ii) International. Europe represented 78.4% of net turnover for the six months ended June 30, 2024 (77.7%, 74.0% and 74.7% for each of the years ended December 31, 2023, 2022 and 2021, respectively), and International represented 21.6% of net turnover for the six months ended June 30, 2024 (22.3%, 26.0% and 25.3% for each of the years ended December 31, 2023, 2022 and 2021, respectively). See "*—Change in Segments*" for information on the recent changes made to our segments.

We believe our frozen bread, pastry and other products allow our customers to respond to consumer trends and enlarge their product offering while reducing food waste, benefitting from better quality controls, requiring fewer personnel and lower levels of investment and reducing the complexity of their operations, all of which can help to improve their margins. The global frozen bakery products market is a large and stable market that has experienced significant volume growth, with steadily increasing market share compared to fresh bakery products through 2021, and it is expected to grow at a CAGR of approximately 6.5%, in terms of revenues, between 2021 and 2026 (*source: Global Market Insights*). The frozen bread market in Spain, in particular, is expected to grow approximately 3%, in terms of volume, between 2021 and 2026, representing a CAGR of approximately 0.5%, and the frozen pastry market in Spain is expected to grow approximately 9%, in terms of volume, over the same period, representing a CAGR of approximately 1.7% (*source: Company Industry Sources*). The market is characterized by increased consolidation and high barriers to entry, based on the need for significant investments in production, distribution and technology. We believe that the frozen bakery product market offers significant growth potential, as this market responds to changes in consumer preferences and habits, as well as to the needs of the wholesale market, increased food safety standards that often exceed the abilities of traditional producers and a more demanding market in which consumers expect a broad range of products. Moreover, we believe frozen bakery products offer a better value proposition for retailers and foodservice operators, driving the increasing penetration of frozen products.

Innovation is important to our business. In 2023, we carried out over 1,500 research and development projects, launched over 480 new products and held more than 500 innovation days (exclusive events that include product demonstrations and customer strategy and idea generation) with key customers. Sales of new products launched in 2023 represented 3.6% of our net turnover for the year ended December 31, 2023, and 29% of products offered in 2023 were added to our product portfolio between 2021 and 2023. We invested €15,600 thousand in research and development over the period from 2021 to 2023.

Sustainability also sits at the core of what we do. Almost all of the ingredients used in our products are free of artificial flavors and colors, and we exercise exhaustive control over the traceability of our wheat and other supplies. We believe that sustainability in the baking sector is closely linked to good practices for planting, growing and milling of the grains (as the sowing and cultivation of wheat account for a substantial part of CO_2 emissions in the sector). Many of the processes in our production centers make use of 100% green energy from renewable sources, and we also strive to reduce our water and gas consumption. We use recyclable packaging for our products, and we distribute them in accordance with sustainability criteria, utilizing sustainable fleets that include natural-gas-powered trucks and mega-trucks with a larger freight capacity, optimization of logistics routes, the use of fuel catalysts to lower pollution and intermodal transport.

Key Factors Affecting our Results of Operations

Our results of operations are affected by a number of factors, including the following.

Changing demand drivers

There are a number of trends in consumer preferences that drive demand for our products and as such affect our results of operations. These include changing consumer dietary trends and the availability of substitute products, among others. For example, due to an increasing emphasis on health and wellness (which affects principally daily consumption products, such as bread), consumers have increasingly preferred low-carbohydrate diets and sustainable, gluten-free, locally grown and organic products in recent years. Similarly, demand for our products could be affected by consumer concerns regarding the health effects of ingredients such as sodium, GMOs, sugar, processed wheat, palm oil, or other product ingredients or attributes. Changing consumer eating habits also occur due to generational shifts. In recent years, we have seen increasing demand for more artisanal and healthier products. We endeavor to anticipate the tastes, eating habits and purchasing behaviors of consumers in order to expand our product portfolio and offer products that appeal to their preferences. Changes in consumer eating habits have in the past led us to modify or discontinue sales of certain items in our product portfolio and to research, develop and promote new products, all of which entail additional costs for us.

Raw materials and other supplies

We use significant quantities of raw materials and other supplies, including flour, fats (mainly butter and vegetable oils, including margarine), chocolate (in increasing quantities, since our acquisition of Dawn Foods Frozen) and cardboard (for packing). Raw materials and other supplies are subject to fluctuations in availability and price and are subject to global markets that can be affected by events occurring in places far from where our raw materials and other supplies are produced or purchased. Prices of raw materials depend on factors affecting supply and demand, such as production shortages caused by weather conditions and natural or manmade disasters, supply chain disruptions and fluctuations in worldwide demand.

The global commodities market is currently facing a number of extraordinary challenges. The Russia–Ukraine war initiated in early 2022, the largest military conflict in Europe since World War II, has led to significant production and supply chain disruptions, particularly of grain products, as Ukraine is one of the world's largest grain producers (*source: U.S. Department of Agriculture Foreign Agricultural Service*). Our annual average cost of flour increased from €305 per ton for the year ended December 31, 2021 to €455 per ton for the year ended December 31, 2022, a year-on-year increase of 49.2%. This significant cost increase, a result of the production and supply disruptions caused by the Russia–Ukraine war, made 2022 a year of great operational complexity for the business, requiring us to resort to new suppliers. Further, the ongoing conflicts in the Middle East and, prior to that, the COVID-19 pandemic, have also contributed to increases in the prices of commodities and the disruption of supply chains. Overall, the annual average price paid by the Group (per ton) for flour and butter increased by 44.6% and 49.2%, respectively, in the 2021-2023 period. See "*Business—Key Investment Highlights—Long history of growth, profitability and strategic cash flow reinvestment*" for additional detail on the evolution of flour and butter prices during the 2021-2023 period. While our annual average prices for flour and butter slightly decreased in 2023 after a large increase in 2022, the prices of flour, butter and other raw materials and other supplies, like chocolate and olive oil, have remained elevated and subject to volatility in the first half of 2024. See also "*—Energy prices and storage and transportation costs*" and "*—Inflation, interest rates and foreign exchange rates*".

While we engage in regular dialogue with suppliers to minimize the impact of volatility on raw materials and utilities prices for periods of six to 12 months and enter into advance negotiations with suppliers to proactively manage raw materials costs, we do not have long-term supply agreements for raw materials in place to mitigate the effects of raw material price fluctuations. As set forth in Note 6.1.a.iii) to our 2023 Consolidated Financial Statements, we undertook a sensitivity analysis to model the impact on our consolidated operating result from variations in the combined price of flour and fats. We estimate that a 3% increase in such combined price would have had a negative impact of €7,332 thousand on our 2023 consolidated operating result. We estimate that a 5% increase in such combined price would have had a negative impact of €12,221 thousand on our 2023 consolidated operating result. For our sensitivity analysis with respect to our consolidated operating result for the six months ended June 30, 2024, see Note 5.1.a.iii) to the Unaudited Condensed Interim Consolidated Financial Statements.

Further, the major market disruptions experienced in recent years forced us to take certain exceptional measures to secure our supply sources in the face of shortages of many materials (including resorting to new suppliers) and adapt our business to the sharp increases in costs, including by adapting our products and recipes (further increasing our focus on high-value-added products, which are generally less sensitive to fluctuations in prices for raw materials) to optimize our cost structure.

Energy prices and storage and transportation costs

Our production centers and other facilities use electricity, natural gas and propane for operating machinery, firing ovens and powering refrigeration and cooling units. Further, we require the use of refrigerated storage and transportation logistics centers and vehicles to store and ship our products. As a result, our storage and transportation costs, which represent an important element of our cost structure, are sensitive to fluctuations in energy prices. For the six months ended June 30, 2024, our energy expenses amounted to €17,920 thousand, representing 9.8% of our other operating expenses for the period, compared with €47,851 thousand for the year ended December 31, 2023, representing 14.2% of our other operating expenses for the period, €54,325 thousand for the year ended December 31, 2022, representing 17.7% of our other operating expenses for the period, and €29,274 thousand for the year ended December 31, 2021, representing 12.2% of our other operating expenses for the period. For the six months ended June 30, 2024, storage and transportation costs amounted to €122,312 thousand (€45,653 thousand of which were transportation costs), representing 67.0% of our other operating expenses for the period, compared with €106,683 thousand for the six months ended June 30, 2023 (€44,477 thousand of which were transportation costs), representing 63.6% of our other operating expenses for the period. Storage and transportation costs amounted to €213,313 thousand for the year ended December 31, 2023 (€85,707 thousand of which were transportation costs), representing 63.3% of our other operating expenses for the period, compared with €193,482 thousand for the year ended December 31, 2022 (€83,486 thousand of which were transportation costs), representing 63.1% of our other operating expenses for the period, and €162,714 thousand for the year ended December 31, 2021 (€66,150 thousand of which were transportation costs), representing 67.7% of our other operating expenses for the period. Transportation costs for bread products are typically higher than for pastry products, which affects our decisions regarding the location of our production plants.

Energy prices have fluctuated significantly over the past few years, particularly oil prices, from lows in 2020 and 2021 due to the COVID-19 pandemic, to record highs following the start of the Russia–Ukraine war in 2022. The annual average price paid by the Group (per MWh) for electricity and gas increased by 85.5% and 151.9%, respectively, in the 2021-2023 period. See "*Business—Key Investment Highlights—Long history of growth, profitability and strategic cash flow reinvestment*" for additional detail on the evolution of energy prices during the 2021-2023 period. As a result of the Russia–Ukraine war and the ongoing conflicts in the Middle East, among other factors, energy prices may remain elevated in the medium-term. We have made investments in renewable energy sources, such as solar panels, in our production centers to help to mitigate some of the volatility in energy prices.

Inflation, interest rates and foreign exchange rates

In recent years, our results of operations have been affected by inflation, increases in interest rates by central banks and fluctuations in foreign exchange rates.

The primary inflationary factors affecting our operations are (i) raw materials and other supplies, (ii) energy prices and storage and transportation costs, and (iii) personnel expenses. For additional information on (i) and (ii), see "*—Raw materials and other supplies*" and "*—Energy prices and storage and transportation costs*" above. With respect to personnel expenses, our operations are subject to state minimum wage requirements and other laws governing working conditions and overtime pay. A significant number of our employees are paid at rates linked to the state minimum wage or otherwise adjusted based on the annual inflation rate. Accordingly, increases in the state minimum wage or in inflation rates result in increases in our personnel expenses.

While we have been able to partially offset the impact of inflation on our operating expenses by gradually increasing prices, adapting our products and recipes, optimizing costs in our production centers and achieving greater economies of scale by increasing our production capacity (both organically and inorganically), there can be no assurance that we will be able to continue to do so in the future. From time to time, competitive conditions could limit our ability to increase prices. In addition, prevailing macroeconomic conditions, adversely impacting the purchasing power of our customers or consumers, could make additional price increases inadvisable. There can be no assurance that future cost increases can be offset by increased prices or that increased prices will be fully absorbed by our customers without any resulting change to their purchasing patterns. In addition, there can be no assurance that we will generate the same sales growth in an amount sufficient to offset inflationary or other cost pressures.

In addition, we are exposed to the risk of changes in interest rates, which have significantly increased in the past two years and have led to an increase in our financial expenses. As of June 30, 2024, our total debt with financial institutions amounted to €761,196 thousand. We are exposed to interest rate risk mainly from indebtedness with variable interest rates. As of June 30, 2024, all of our interest-bearing indebtedness was subject to variable interest rates, and our average cost of debt^{APM} for the six months ended June 30, 2024 was 4.7% per annum. See "*—Analysis of Unaudited Alternative Performance Measures—Adjusted financial result^{APM} and average cost of debt^{APM}*". As of June 30, 2024, approximately 61% of our exposure to variable interest rates under our outstanding indebtedness was hedged through hedging arrangements. See "*—Quantitative and Qualitative Disclosure About Market Risk—Interest rate risk—Hedging arrangements (interest rate swaps)*" below.

As set forth in Note 6.1.a.ii) to our 2023 Consolidated Financial Statements, we undertook a sensitivity analysis to model the impact on our consolidated financial result from fluctuations in interest rates. Considering the impact of our hedge instruments, we estimate that a 1% increase in interest rates would have had a negative impact of €2,212 thousand on our 2023 consolidated financial result. We estimate that a 2% increase in interest rates would have had a negative impact of €4,424 thousand on our 2023 consolidated financial result. For our sensitivity analysis with respect to our consolidated financial result for the six months ended June 30, 2024, see Note 5.1.a.ii) to the Unaudited Condensed Interim Consolidated Financial Statements.

Furthermore, our international expansion outside the Eurozone has led to increased exposure to exchange rate risk, as an increasing portion of our revenues and expenses are denominated in currencies other than the euro. In particular, we are exposed to exchange rate risk in our commercial transactions, since we operate in several currencies internationally, mainly the U.S. dollar. Sales in currencies other than the euro accounted for 26.1% of our net turnover for the year ended December 31, 2023. Although our reporting currency is the euro, certain of our subsidiaries have different functional and accounting currencies, principally the U.S. dollar and the Mexican peso. If such currencies depreciate against the euro, the euro value of the results of such subsidiaries that is included in our consolidated financial statements declines, even if, in local currency terms, their results of operations and financial condition have remained the same. By contrast, the appreciation of these currencies against the euro would have the opposite effect. Accordingly, changes in exchange rates may limit the ability of our results of operations, stated in euro, to fully show the performance in local currency terms of our subsidiaries.

The assets and liabilities of our subsidiaries that maintain their accounts in currencies other than the euro have been converted to the euro at the period-end exchange rates for inclusion in our Consolidated Financial Statements, and profit and loss statement items have been converted at the average exchange rates for the period.

The following table sets forth the average and period-end exchange rates of the main non-euro currencies for the Group against the euro, expressed in local currency per €1.00 as of and for the six months ended June 30, 2024 and 2023 and the years ended December 31, 2023, 2022 and 2021, according to the European Central Bank.

	Average Exchange Rates					**Period-End Exchange Rates**			
	Six Months ended June 30, 2024	**Six Months ended June 30, 2023**	**Year ended December 31, 2023**	**Year ended December 31, 2022**	**Year ended December 31, 2021**	**As of June 30, 2024**	**As of December 31, 2023**	**As of December 31, 2022**	**As of December 31, 2021**
U.S. dollar	1.0813	1.0807	1.0813	1.0530	1.1827	1.0705	1.1050	1.0666	1.1326
Mexican peso	18.5089	19.6457	19.1830	21.1869	23.9852	19.5654	18.7231	20.8560	23.1438

During the six months ended June 30, 2024, the U.S. dollar depreciated against the euro by approximately 0.1% in average terms compared with the average exchange rate for the six months ended June 30, 2023. On the other hand, the Mexican peso appreciated against the euro by approximately 5.8% in average terms compared with the average exchange rate for the six months ended June 30, 2023. In terms of period-end exchange rates, the U.S. dollar appreciated against the euro compared to December 31, 2023, while the Mexican peso depreciated against the euro compared to December 31, 2023. The overall effect of changes in exchange rates was negative for the period-on-period comparison of the Group's profit and loss statement (€(1,522) thousand) and positive for the period-end comparison of the Group's balance sheet (€3,908 thousand).

During 2023, the U.S. dollar depreciated against the euro by approximately 2.6% in average terms compared with the average exchange rate for the prior year. On the other hand, the Mexican peso appreciated against the euro by approximately 10.4% in average terms compared with the average exchange rate for the prior year. In terms of period-end exchange rates, the U.S. dollar depreciated against the euro while the Mexican peso appreciated against the euro. The overall effect of changes in exchange rates was positive for the period-on-period comparison of the Group's profit and loss statement (€2,922 thousand) and negative for the period-end comparison of the Group's balance sheet (€(5,493) thousand).

During 2022, the U.S. dollar and the Mexican peso appreciated against the euro by approximately 12.3% and 13.2%, respectively, in average terms compared with the average exchange rate for the prior year. In terms of period-end exchange rates, the U.S. dollar and the Mexican peso appreciated against the euro. The overall effect of changes in exchange rates was negative for the period-on-period comparison of the Group's profit and loss statement (€(2,404) thousand) and positive for the period-end comparison of the Group's balance sheet (€9,310 thousand).

As set forth in Note 6.1.a.i) to our 2023 Consolidated Financial Statements, we undertook a sensitivity analysis to model the impact on our consolidated financial result from fluctuations in the euro to U.S. dollar exchange rate. A 10% depreciation of the U.S. dollar would have had a negative impact of €328 thousand on our 2023 consolidated financial result. A 5% depreciation of the U.S. dollar would have had a negative impact of €164 thousand on our 2023 consolidated financial result. For our sensitivity analysis with respect to our consolidated financial result for the six months ended June 30, 2024, see Note 5.1.a.i) to the Unaudited Condensed Interim Consolidated Financial Statements.

For additional information about our exposure to market risk and our efforts to evaluate and mitigate our main market risks, see "—*Quantitative and Qualitative Disclosure About Market Risk*" below.

Acquisitions

A significant portion of our growth in recent years has come from corporate transactions. As part of our expansion strategy, we typically acquire controlling interests in other entities that become our subsidiaries. As a general rule, subsidiaries are consolidated from the date on which control is transferred to us.

In the past three years, we have undertaken certain strategic transactions that have had a significant impact on our operating results. The amounts paid in connection with such transactions amounted to €37,688 thousand in the six months ended June 30, 2024, €11,860 thousand in 2023 and €58,344 thousand in 2022. No significant transactions were undertaken in 2021. As of June 30, 2024, a total of €4,502 thousand was pending to be paid as deferred payments in connection with purchases of shares in European Pastry and DeWi Back, compared with a total of €1,886 thousand as of December 31, 2023 and 2022 in connection with purchases of shares in Europastry Central Europe B.V. (in connection with the acquisition of Grand Duet B.V.) and European Pastry. See "*Additional Information—Information on the Group*". These transactions undertaken in the past three years have been aimed mainly at expanding both our existing range of products and the geographic scope of our business.

The acquisitions made in 2024 consist of:

- *DeWi Back*

  On March 22, 2024, after obtaining the relevant regulatory approvals, we acquired 94.75% of the shares in DeWi Back Holding GmbH ("**DeWi Back**") for an aggregate purchase price of €37.7 million. Headquartered in Berlin, DeWi Back produces a range of frozen bakery products, including croissants, pies, breads, cakes, and rolls, with higher customer concentrations in the foodservice and traditional bakery channels. The purchase agreement includes mutual call and put options with respect to the remaining 5.25% of the shares of DeWi Back, described below.

  The main reasons for this transaction were the acquisition of the product portfolio of DeWi Back and its commercial network (including more than 6 thousand customer points of sale), which we expect to allow us to maximize our penetration in the German market, as well as the acquisition of DeWi Back's production facilities in Berlin, which give us direct production capabilities in the German market for the first time. Further, we expect to take advantage of DeWi Back's commercial network to further distribute in Germany products produced in our production centers located in the Netherlands, thereby reducing the exposure of such centers to the lower-profitability retail channel.

  The acquisition of DeWi Back was completed on March 22, 2024, and DeWi Back was included within the scope of consolidation, at 100%, for purposes of the consolidated balance sheet of the Group as of June 30, 2024. Between March 22, 2024 and June 30, 2024, DeWi Back contributed €30,367 thousand to our net turnover (€1,973 thousand to our net consolidated result) for the six months ended June 30, 2024 on a fully consolidated basis. For additional information, see Note 6 to the Unaudited Condensed Interim Consolidated Financial Statements.

- *De Groot*

  On July 18, 2024, we entered into a share purchase agreement for the purchase of 100% of the shares of De Groot Edelgebak, B.V. ("**De Groot**"), a Dutch distributor of frozen breads, pastries and other products at a purchase price of €26.5 million, subject to certain adjustments for working capital and net debt. In addition to the purchase price, the seller will also be entitled to receive an earn-out of €1.5 million if the acquired company's EBITDA for the year ending December 31, 2024 exceeds €3.6 million. The closing of the transaction, which was subject to the satisfaction of certain conditions precedent, occurred on August 2, 2024.

  The main reason for this transaction was the acquisition of the commercial network of De Groot (including more than 2 thousand customer points of sale), which we expect to increase our penetration in the Netherlands market and, in particular, in the foodservice and traditional bakery channels. As with DeWi Back, we intend to use De Groot's commercial network to distribute in the Netherlands products produced in our production centers located there, thereby reducing the exposure of such centers to the lower-profitability retail channel.

  De Groot is not included within the scope of consolidation for purposes of the Unaudited Condensed Interim Consolidated Financial Statements.

The acquisitions made in 2023 consist of:

- *Europastry México Incorporated (formerly known as Pan Justo y Bueno, S.A. de C.V.)*

  On March 31, 2023, we acquired 5.2% of the shares of Europastry México Incorporated S.A. de C.V. ("**Europastry México Incorporated**") following our contribution of certain assets and rights to Europastry México Incorporated. On the same date, we increased our stake to 51.0% by acquiring shares representing 45.8% of Europastry México Incorporated's share capital for 94,380 thousand Mexican pesos (approximately €4,796 thousand based on the exchange rate as of such date). From this date, we acquired control of Europastry México Incorporated and have consolidated its accounts in our consolidated financial statements. PAFS (as defined herein) holds the remaining 49.0% stake in Europastry México Incorporated. We have entered into the Europastry México Incorporated SHA with PAFS in order to establish the terms and conditions governing our mutual relationship as direct shareholders of Europastry México Incorporated. For information on the Europastry México Incorporated SHA, see "*Business—Material Contracts—Shareholders' agreement between Europastry, S.A. and Panadería y Alimentos para–Food Service, S.A. de C.V., as shareholders in Europastry México Incorporated, S.A. de C.V.*".

The main reasons for this transaction were the acquisition of the product portfolio of Pan Justo y Bueno, S.A. de C.V. (the former legal name of Europastry México Incorporated) and its commercial network and customer relationships (including those of Alsea, the parent company of PAFS, whose customer base includes more than 2,300 stores across Mexico), as well as the expansion of production capabilities in the region, with a view to improving penetration in the Mexican market and other regions in Latin America. Between March 31, 2023 and December 31, 2023, Europastry México Incorporated contributed €12.7 million to our net turnover (€1.4 million to our net consolidated result) for the year ended December 31, 2023 on a fully consolidated basis. Between March 31, 2023 and June 30, 2023, Europastry México Incorporated contributed €8,413 thousand to our net turnover (€894 thousand to our net consolidated result) for the six months ended June 30, 2023 on a fully consolidated basis. For additional information, see Note 7 to our 2023 Consolidated Financial Statements and Note 6 to the Unaudited Condensed Interim Consolidated Financial Statements.

- *Pagnifique Mexicana S.A. de C.V. and Servicios Pagnifique S. de R.L.*

  On April 28, 2023, Pagnifique Mexicana S.A. de C.V. ("**Pagnifique Mexicana**"), which in turn holds 100% of Servicios Pagnifique S. de R.L. ("**Servicios Pagnifique**"), carried out a share capital increase that was fully subscribed by Europastry México Incorporated for €7 million. The new shares represented 99.9% of the company's shares and, subsequently, Europastry México Incorporated acquired the remaining 0.1% from former shareholders.

  The main reasons for this transaction were the acquisition of Pagnifique Mexicana's product portfolio and its commercial network and customer relationships, as well as the expansion of production capabilities in the region, with a view to maximizing penetration in the Mexican market and other regions in Latin America. Between April 28, 2023 and December 31, 2023, Pagnifique Mexicana contributed €7.3 million to our net turnover (€910 thousand loss to our net consolidated result) for the year ended December 31, 2023 on a fully consolidated basis. Between April 28, 2023 and June 30, 2023, Pagnifique Mexicana contributed €1,588 thousand to our net turnover (€298 thousand to our net consolidated result) for the six months ended June 30, 2023 on a fully consolidated basis. For additional information, see Note 7 to our 2023 Consolidated Financial Statements and Note 6 to the Unaudited Condensed Interim Consolidated Financial Statements.

The acquisitions made in 2022 consist of:

- *Dawn Foods Frozen*

  On December 5, 2022, we acquired the frozen bakery manufacturing and distribution business in Germany, France, Netherlands and the United Kingdom of global bakery manufacturer and distributor Dawn Foods. In particular, we acquired 100% of the shares of Dawn Foods Frozen Netherlands Holding, which in turn held 100% of the companies Dawn Foods Frozen Holding B.V., Dawn Foods Frozen France B.V. and Dawn Foods Frozen Germany GmbH. Additionally, we acquired 100% of the shares of Dawn Foods Frozen Ltd (collectively with the entities referred to in the preceding sentence, "**Dawn Foods Frozen**"). The aggregate cash consideration paid for the acquired shares was €55,054 thousand.

  We believe the purchase of Dawn Foods Frozen complemented our business well, not only in terms of product portfolio—adding high-quality cookies and muffins to our lineup—but also because it significantly increased our presence in strategic markets such as the United Kingdom, France, Benelux, Germany and the Middle East, as well as with customers in the foodservice channel. We also acquired our Steenbergen (Netherlands) production center and our CEREAL innovation center in Evesham (United Kingdom) as part of the acquisition. Further, Dawn Foods agreed to produce frozen bakery products in their production center in Evesham (United Kingdom) that we then distribute.

  Between December 5, 2022 and December 31, 2022, Dawn Foods Frozen contributed €7,367 thousand to our net turnover (€107 thousand to our net consolidated result) for the year ended December 31, 2022 on a fully consolidated basis. For additional information, see Note 7 to our 2023 Consolidated Financial Statements.

- *European Pastry*

  On December 10, 2021, we entered into an agreement to acquire up to 90% of the shares of European Pastry SRL, which, in turn, held 100% of the shares of European Pastry Prod SRL (collectively, "**European Pastry**"), for an aggregate initial purchase price of €4,276 thousand. Pursuant to the terms of that agreement, the acquisition would take place in three phases. We acquired 55% of the shares of European Pastry SRL on February 10, 2022, and an additional 20% of the shares of European Pastry SRL on July 28, 2022, for aggregate cash consideration of €3,290 thousand. The acquisition of the final 15% of the shares of European Pastry SRL subject to the agreement was completed on July 4, 2024, as described below.

  Prior to this transaction, European Pastry distributed our products in the Romanian market. The main reasons for this transaction were the acquisition of European Pastry's product portfolio and its vast trade network in the Romanian market. Between January 1, 2022 and December 31, 2022, European Pastry contributed €9.6 million to our net turnover (€515 thousand to our net consolidated result) for the year ended December 31, 2022 on a fully consolidated basis. Notwithstanding the three-phase acquisition structure, we have included European Pastry within the scope of consolidation, at 90%, for purposes of the consolidated balance sheet and consolidated profit and loss statement of the Group since January 2022. For additional information, see Note 7 to our 2023 Consolidated Financial Statements.

We expect to continue our strategy of pursuing selective acquisitions in businesses and geographical areas with opportunities for growth.

In connection with certain of the above-described acquisitions and other historical transactions, we have outstanding mutual call and put options with respect to minority positions in several Group companies. As of June 30, 2024, we had recorded liabilities for deferred payment obligations in connection with the following:

- Mutual call and put options with respect to the remaining 5.25% of the shares of DeWi Back, pursuant to the purchase agreement for the acquisition of DeWi Back. In each case, these options are exercisable between March 22, 2026 and June 30, 2026 at a price established by a formula, included in the purchase agreement, based on the EBITDA to be generated by DeWi Back in 2025 as well as DeWi Back's net debt and working capital variation. In connection with these options, as of June 30, 2024, we have recorded a liability for a deferred payment obligation in an amount of €3,116 thousand.

- The right to acquire the final 15% of the shares of European Pastry SRL that are the subject of the purchase agreement for the acquisition of European Pastry, pursuant to such purchase agreement. In connection with this third phase of the acquisition, as of June 30, 2024, we have recorded a liability for a deferred payment obligation in an amount of €1,386 thousand. We exercised the right to acquire these shares on July 4, 2024 for a final purchase price, based on European Pastry's EBITDA and debt, of €1,920 thousand. See Note 1.b) to the Unaudited Condensed Interim Consolidated Financial Statements.

In addition, as of December 31, 2023, we had a recorded liability in an amount of €900 thousand for deferred payment obligations in connection with mutual call and put options with respect to class B shares of Europastry Central Europe B.V. ("**Europastry Central Europe**") representing approximately 0.4% of the share capital of Europastry Central Europe. On June 25, 2024, the Company exercised its option to purchase these Class B shares for a purchase price of €875 thousand. For additional information, see "*Additional Information—Information on the Group*" and Note 1.b) to the Unaudited Condensed Interim Consolidated Financial Statements.

Research and new product development

We attribute our leadership position to being one of the most cutting-edge companies in the industry and we devote significant resources to researching and undertaking technological innovations by creating new products and production processes. We conduct research and development at our six CEREAL innovation centers strategically located in Spain (Sant Joan Despí, Barberà del Vallès and Lugo), the United States (New York), the United Kingdom (Evesham) and the Netherlands (Beuningen). Made up of approximately 60 master bakers, nutritionists, engineers and biologists as of June 30, 2024, our research and development teams focus on global consumer trends and local market needs, seeking to combine artisanal and traditional processes with new technologies and innovation to develop new value-added products. In 2023, we carried out over 1,500 research and development projects, launched over 480 new products and held more than 500 innovation days (exclusive events that include product demonstrations and customer strategy and idea generation) with key customers. For additional information on our research and development activities, see "*Business—Research and New Product Development*". Researching and developing new products and production processes requires substantial expenditure. Therefore, we follow a very selective approach when choosing projects. Research and development investments totaled €5,498 thousand in the six months ended June 30, 2024 and €6,207 thousand in the year ended December 31, 2023 (€4,433 thousand and €4,960 thousand in the years ended December 31, 2022 and 2021, respectively).

Capital expenditures

As frozen dough specialists, we continuously invest in expanding our production capacity and technical capabilities. As a result, our results of operations are affected by investments in property, plant and equipment and other capital expenditures. In particular, the construction of new production centers and the introduction of new production lines in existing production centers may require significant investments and, in the case of the introduction of new production lines in existing production centers, may lead to temporary interruptions or other disruptions in the operations of existing production lines. In recent years, the required investment to introduce a new production line has typically been between approximately €20 million and €30 million. Moreover, the income-generating potential of our recent and ongoing capital expenditures may not be fully reflected in our Consolidated Financial Statements since they either were recently completed or are still ongoing.

Our main capital expenditures (excluding acquisitions (see "—*Acquisitions*" above)) since 2021 were as follows:

- In the six months ended June 30, 2024, growth capex$^{\text{APM}}$ totaling €32,672 thousand, which included the continuation of the works initiated in 2023 (including a new cookie production line in our Oldenzaal (Netherlands) production center) and the beginning of works for a new production center in Carregado (Portugal), dedicated to pastry products, and a new production line in our Pagnifique (Mexico) production center, dedicated to pre-proofed frozen pastry products. We also purchased certain of the plants that make up our Vallmoll (Spain) production center, which were previously leased. See "*Related Party Transactions—Transactions with Related Parties—Real Estate—Vallmoll Production Center*".

- In the year ended December 31, 2023, growth capex$^{\text{APM}}$ totaling €72,267 thousand, which included the completion of the works initiated in 2022 (including in connection with the new Dots line in our Oldenzaal (Netherlands) production center, construction of our SOCA (United States) production center in Laurens, South Carolina, dedicated to brioche bread products, and the expansion of our Azuqueca de Henares (Spain) production center, focused on bread products) and the beginning of works for a new cookie production line in our Oldenzaal (Netherlands) production center. We also opened our Rumania (Romania) production center in Bucharest, dedicated to the production of rustic and specialty breads.

- In the year ended December 31, 2022, growth capex$^{\text{APM}}$ totaling €94,447 thousand, which included our SOCA (United States) production center in Laurens, South Carolina, dedicated to brioche bread products, the expansion of our Azuqueca de Henares (Spain) production center, focused on bread products, and the expansion of our Oldenzaal (Netherlands) production center, including for a new Dots production line.

- In the year ended December 31, 2021, growth capex$^{\text{APM}}$ totaling €67,681 thousand, which included a new production line for PopDots in our Oldenzaal (Netherlands) production center, the new line of Saint Honoré rustic breads in our Begonte (Spain) production center and our CEREAL innovation center in Barberà del Vallès (Spain).

For the year ended December 31, 2023, the average capacity utilization rate of the 10 production lines in respect of which capital expenditures were made during the three years ended December 31, 2023 (which resulted in an aggregate capital expenditure of €135 million) was approximately 38%. Net turnover attributable to these production lines amounted to €75 million for the year ended December 31, 2023. Accordingly, there is significant expected upside from the ramp-up of these recent investments, which is also supported by the availability of land plots and facilities for future growth and ongoing optimization of logistics and customer service.

We generally target a return on invested capital of around 15% for each growth capex$^{\text{APM}}$ project. For more information on our capital expenditures (excluding acquisitions) since 2021, see "—*Analysis of Unaudited Alternative Performance Measures—Capex*$^{\text{APM}}$".

As of June 30, 2024, we had outstanding commitments with respect to capital expenditures in an aggregate amount of €42,598 thousand, mainly related to the construction of the new cookie production line in our Oldenzaal

(Netherlands) production center, the construction of the new production center in Carregado (Portugal) and the construction of the new production line in our Pagnifique (Mexico) production center mentioned above.

Health, safety and environmental regulation

We are subject to numerous laws and regulations in the jurisdictions in which we operate. These regulations address the processing, packaging, storage, distribution, advertising and labeling of our products. Our manufacturing facilities are subject to detailed inspections by the competent regulatory authorities responsible for monitoring compliance with these extensive regulations. We are also regulated with respect to matters such as licensing requirements, trade and pricing practices, tax, anticorruption compliance and advertising matters.

We are also subject to extensive and complex environmental laws and regulations in the jurisdictions in which we operate. Environmental regulations generally include, among other things, the prevention and control of contamination, and in particular, address the reduction of industrial pollutants, the discharge of pollutants into the air and water, noise pollution and other forms of pollution. In order to develop our operations, we are required to obtain various permits and authorizations governing environmental matters from several agencies at the local, regional, national and international levels. Environmental regulations are also becoming increasingly stringent. See "*Regulation*".

Key Factors Affecting the Comparability of our Financial Condition and Results of Operations

As a result of the following factors, our financial condition and results of operations as of and for certain of the financial periods discussed in this document may not be directly comparable with our financial condition and results of operations as of and for other financial periods discussed herein or future financial periods.

Acquisitions

Acquisitions carried out in the past three years affect the comparability of our operating results for the periods under review. We account for acquisitions from the date of acquisition. The assets, liabilities and contingent liabilities are measured at their market value as of the relevant acquisition date, and we consolidate the accounts of acquired subsidiaries when we effectively obtain control of them. See "*—Key Factors Affecting Our Results of Operations—Acquisitions*" above for a list of certain acquisitions we have made during the periods under review.

COVID-19 pandemic

During the COVID-19 pandemic, we experienced periods of significant disruption to our operations, as the implementation of social distancing and "stay at home" mandates resulted in reduced production and the closure or limited operations of many of our customers. Government-imposed curfews during the COVID-19 pandemic, which ended in most of Spain on May 9, 2021, adversely affected our results of operations for 2021, affecting their comparability with our results of operations for 2022. Further, we experienced inflationary pressures due to disruptions in supply chains resulting in increased prices of raw materials and other supplies.

Change in Segments

During the first quarter of 2024, we changed the structure of our operating and reporting segments, mainly with the purpose of aligning our operating model with our strategy, size and broader footprint and further simplifying our business. Segment information included in our Unaudited Condensed Interim Consolidated Financial Statements is presented under the new reporting segment criteria, that is (i) Europe, and (ii) International. Each of our 2023 Consolidated Financial Statements, 2022 Consolidated Financial Statements and 2021 Consolidated Financial Statements includes segment information based on our previous reporting segments, which were as follows: (i) Iberia, (ii) United States, (iii) Northern Europe and (iv) the Rest of the World. Further, our 2023 Consolidated Financial Statements include certain reporting segment information presented under the new segment criteria as of and for the year ended December 31, 2023 (see Notes 26 and 29 to the 2023 Consolidated Financial Statements).

To make the segment information included in this Prospectus comparable among periods, segment figures as of and for the years ended December 31, 2023, 2022 and 2021 are being presented in accordance with our new reporting segment structure. The revised segment figures as of and for the years ended December 31, 2022 and 2021 included herein have not been audited or reviewed by an external auditor.

Our segments are based not on geographic distribution, but instead the manner in which we organize our business. As such, balances and transactions are recorded based on the relevant management area instead of based on the geographical area in which a transaction occurs.

Principal Consolidated Profit and Loss Statement Line Items

The following is a brief description of the principal line items of our consolidated profit and loss statement.

Net turnover

Net turnover includes sales of our products. Revenue is recognized at the fair value of the consideration receivable and represents the amounts receivable for goods delivered and services rendered in the ordinary course of the Group's business, less returns, rebates, discounts, value-added tax and any other sales-related taxes. The Group recognizes revenue when the amount of revenue can be measured reliably and it is probable that future economic benefits will flow to the Group, which is generally when the Group entity has delivered the products to the customer, the customer has accepted the products, and the collectability of the related receivables is reasonably assured. For additional information, see Note 5.21.a) to the 2023 Consolidated Financial Statements.

Other operating income

Other operating income includes income from grants and other sources.

Stock variation

Stock variation records the difference between the prior period's ending stocks and the current period's ending stocks of work in progress and finished products.

Cost of sales

Cost of sales includes purchases of goods, purchases of raw materials and other supplies and changes in stocks of commercial inventories and raw materials and other supplies.

Personnel expenses

Personnel expenses includes primarily wages, salaries and social security contributions.

Other operating expenses

Other operating expenses consist of costs related to logistics services, supplies, maintenance and repairs, professional services, advertising, transport and other external services, change in trade provisions and taxes.

Work carried out for own fixed assets

Work carried out for own fixed assets represents the value of work performed for internal purposes and capitalized and primarily includes internal costs assumed in development and costs associated with the design, installation and assembly of new production lines, and the testing of their correct operation.

Depreciation and amortization

Depreciation and amortization includes the amortization of intangible assets, as well as depreciation of property, plant and equipment.

Impairment and profit/(loss) on disposals of fixed assets

Impairment and profit/(loss) on disposals of fixed assets includes impairment on fixed assets (goodwill, other intangible assets, property, plant and equipment and rights of use assets) and the disposal proceeds from the sale of fixed assets less their carrying value.

Financial income and financial expenses

Financial income consists mainly of interest income on our bank deposits and, to a lesser extent, gains on other financial assets. Financial expenses consists mainly of the interest accrued on our debts. In addition, the gains or losses relating to the effective portion of interest rate swaps hedging floating rate loans are recognized within financial expenses at the same time as the interest expense on such hedged loans. For additional information on the accounting treatment of derivative financial instruments and hedging activities, see Note 5.9 to our 2023 Consolidated Financial Statements. Further, foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized as financial income or financial expenses, except if deferred in other comprehensive income as qualifying cash flow hedges and, if applicable, qualifying net investment hedges. For additional information, see Note 5.2.b) to our 2023 Consolidated Financial Statements.

Corporate income tax

The corporate income tax rate in Spain was 25% during each of the years presented in this Prospectus. As of December 31, 2023, we had deferred taxes of €9,274 thousand that we expect to be able to apply to future periods.

Our effective tax rate (the percentage resulting from dividing corporate income tax by consolidated profit before tax) was 23.4% in the year ended December 31, 2023, 22.9% in the year ended December 31, 2022 and 1.8% in the year ended December 31, 2021.

Results of Operations

Six months ended June 30, 2024 compared with the six months ended June 30, 2023

The following table sets forth our consolidated profit and loss statements for the six months ended June 30, 2024 and 2023.

	For the six months ended June 30,		**2024/2023**
	2024	**2023**	**% change**
	(in thousands of euros, except percentages)		
Net turnover	713,634	666,949	7.0
Other operating income	680	811	(16.2)
Stock variation	5,384	1,936	178.1
Cost of sales	(316,017)	(311,711)	1.4
Personnel expenses	(117,425)	(96,755)	21.4
Other operating expenses	(182,658)	(167,740)	8.9
Work carried out for own fixed assets	5,498	5,166	6.4
Depreciation and amortization	(45,680)	(39,102)	16.8
Impairment and profit/(loss) on disposals of fixed assets	(30)	(294)	(89.8)
Operating result	**63,386**	**59,260**	7.0
Financial income	1,246	3,787	(67.1)
Financial expenses	(21,324)	(14,313)	49.0
Financial result	**(20,078)**	**(10,526)**	90.7
Consolidated profit before tax	**43,308**	**48,734**	(11.1)
Corporate income tax	(10,784)	(12,135)	(11.1)
Net consolidated result	**32,524**	**36,599**	(11.1)
Attributable to:			
Net result from non-controlling interests	601	843	(28.7)
Net result for the period attributable to the Parent Company	31,923	35,756	(10.7)

Net turnover. Net turnover increased 7.0% to €713,634 thousand in the six months ended June 30, 2024 from €666,949 thousand in the six months ended June 30, 2023, driven principally by the acquisitions of DeWi Back in March 2024 and Europastry México Incorporated and Pagnifique Mexicana in March and April 2023, respectively, offset in part by a decrease in organic growth^{APM} in the International segment during the period. The period-on-period increase included a 7.7% increase in the volume (weight) of goods sold and a 0.7% decrease in the average sales price, which includes the impact of changes in our product mix (as we continued to focus on high-value-added products, with increased sales of certain products with lower prices within these higher-margin categories). Organic growth^{APM} (as a percentage of prior period net turnover) was 2.4% in the six months ended June 30, 2024 compared with 17.4% in the six months ended June 30, 2023. See "*—Analysis of Unaudited Alternative Performance Measures—Organic growth^{APM}*".

Net turnover from bread products increased 5.2% to €293,731 thousand in the six months ended June 30, 2024 from €279,310 thousand in the six months ended June 30, 2023. Net turnover from pastries increased 7.8% to €407,814 thousand in the six months ended June 30, 2024 from €378,143 thousand in the six months ended June 30, 2023. Net turnover from other products increased 27.3% to €12,089 thousand in the six months ended June 30, 2024 from €9,496 thousand in the six months ended June 30, 2023, driven in part by the March 2024 acquisition of DeWi Back and the March 2023 acquisition of Europastry México Incorporated, both of which produce patisserie products. For information on our net turnover per customer channel, see Note 18 to the Unaudited Condensed Interim Consolidated Financial Statements, "*Business—Our Products*" and "*Business—Our Customers*".

The following table sets forth net turnover for each of our reporting segments for the periods indicated.

	For the six months ended June 30,		2024/2023
	2024	2023	% change
	(in thousands of euros, except percentages)		
Europe	559,555	514,395	8.8
International	154,079	152,554	1.0
Total	**713,634**	**666,949**	7.0

Net turnover in our Europe segment increased 8.8% to €559,555 thousand in the six months ended June 30, 2024 from €514,395 thousand in the six months ended June 30, 2023, mainly due to the March 2024 acquisition of DeWi Back, the gradual increase in prices as a result of inflation during 2023, still reflected in pricing during the first half of 2024, and the appreciation of the British pound against the euro. Our Europe segment represented approximately 78.4% of our net turnover in the six months ended June 30, 2024, with Spain representing approximately 42.7% of our net turnover in such period. Spain has historically delivered a higher profitability than other regions given the considerable capillarity of the distribution channels and our long-term industrial know-how.

Net turnover in our International segment increased 1.0% to €154,079 thousand in the six months ended June 30, 2024 from €152,554 thousand in the six months ended June 30, 2023, mainly due to the increase in net turnover in Mexico, driven by the acquisitions of Europastry México Incorporated and Pagnifique Mexicana in March and April 2023, respectively, offset in part by the decrease in net turnover in the United States as a result of decreased sales volume to two significant customers (compensated in part by increased sales to other customers) and the period-on-period depreciation against the euro of the Mexican peso, the Chilean peso and other currencies. Our International segment represented approximately 21.6% of our net turnover in the six months ended June 30, 2024, with the United States representing approximately 15.3% of our net turnover in such period. Our United States activities are still in the ramp-up phase, with low capacity-utilization rates for our production lines. An action plan is in place to achieve a full ramp-up.

For additional information on our net turnover by segment per type of product and customer channel, see Note 22 to the Unaudited Condensed Interim Consolidated Financial Statements, "*Business—Our Products*" and "*Business—Our Customers*".

Other operating income. Other operating income decreased 16.2% to €680 thousand in the six months ended June 30, 2024 from €811 thousand in the six months ended June 30, 2023.

Stock variation. Stock variation increased 178.1% to €5,384 thousand in the six months ended June 30, 2024 from €1,936 thousand in the six months ended June 30, 2023. The greater variation in the six months ended June 30, 2024 was mainly due to increases in stock in connection with the March 2024 acquisition of DeWi Back, offset in part by the relative stabilization in the prices of raw materials during the period (compared to the increases in the prices of raw materials experienced between January 1 and June 30, 2023).

Cost of sales. Cost of sales increased 1.4% to €316,017 thousand in the six months ended June 30, 2024 from €311,711 thousand in the six months ended June 30, 2023, mainly due to increased activity levels, including as a result of the March 2024 acquisition of DeWi Back, offset in part by decreases in the prices of certain raw materials and other supplies, including flour and butter.

Personnel expenses. Personnel expenses increased 21.4% to €117,425 thousand in the six months ended June 30, 2024 from €96,755 thousand in the six months ended June 30, 2023, mainly due to the increase in the number of employees from an average of 4,487 employees in the six months ended June 30, 2023 to 5,344 employees in the six months ended June 30, 2024 (driven mainly by the March 2024 acquisition of DeWi Back and other hiring in Spain, the Netherlands and the United States in response to increased activity and the opening of new production lines), a €2,285 thousand provision recorded for extraordinary compensation awards to be paid to executive directors and Senior Managers in connection with the completion of the Offering and salary increases for employees (driven mainly by inflation).

Other operating expenses. Other operating expenses increased 8.9% to €182,658 thousand in the six months ended June 30, 2024 from €167,740 thousand in the six months ended June 30, 2023, mainly due to an increase in activity levels, including as a result of the March 2024 acquisition of DeWi Back, inflation and expenses incurred in connection with the Offering. In the six months ended June 30, 2024, approximately 67.0% of our other operating expenses were logistics-related expenses (which includes expenses incurred in connection with logistics, transportation and other external services) and approximately 9.8% were utilities expenses.

Work carried out for own fixed assets. Work carried out for own fixed assets increased 6.4% to €5,498 thousand in the six months ended June 30, 2024 from €5,166 thousand in the six months ended June 30, 2023, mainly due to an increase in capital expenditure projects carried out internally, consisting mostly of research and development projects.

Depreciation and amortization. Depreciation and amortization increased 16.8% to €45,680 thousand in the six months ended June 30, 2024 from €39,102 thousand in the six months ended June 30, 2023, mainly due to the period-on-period increase in fixed assets resulting from the March 2024 acquisition of DeWi Back and capex^{APM} investments made in 2023.

Impairment and profit/(loss) on disposals of fixed assets. Impairment and profit/(loss) on disposals of fixed assets decreased 89.8% to €30 thousand in the six months ended June 30, 2024 from €294 thousand in the six months ended June 30, 2023.

Operating result. As a result of the foregoing, operating result increased 7.0% to €63,386 thousand in the six months ended June 30, 2024 from €59,260 thousand in the six months ended June 30, 2023.

The following table sets forth the operating result for each of our reporting segments for the periods indicated.

	For the six months ended June 30,		2024/2023
	2024	**2023**	**% change**
	(in thousands of euros, except percentages)		
Europe	53,843	49,500	8.8
International	9,543	9,760	(2.2)
Total	**63,386**	**59,260**	7.0

The operating result of our Europe segment increased 8.8% to €53,843 thousand in the six months ended June 30, 2024 from €49,500 thousand in the six months ended June 30, 2023, principally due to increased profitability in southern Europe. The operating result of our International segment decreased 2.2% to €9,543 thousand in the six months ended June 30, 2024 from €9,760 thousand in the six months ended June 30, 2023. The period-on-period decrease in the operating result of our International segment was mainly due to increased depreciation and amortization of fixed assets in our production centers in Mexico, offset in part by the contribution to operating result by Europastry México Incorporated (since March 2023) and Pagnifique Mexicana and Servicios Pagnifique (since April 2023). The operating result in our International segment, in proportion to net turnover, has been historically lower than in our Europe segment as a result of our larger exposure to the retail channel (which is less profitable than other customer channels) in our International segment and the fact that our International operations are still in a ramp-up stage.

Financial income. Financial income decreased 67.1% to €1,246 thousand in the six months ended June 30, 2024 from €3,787 thousand in the six months ended June 30, 2023, mainly as a result of the adverse impact of the depreciation of certain non-euro currencies in average terms compared with the average exchange rate for the six months ended June 30, 2023, on certain monetary assets and liabilities.

Financial expenses. Financial expenses increased 49.0% to €21,324 thousand in the six months ended June 30, 2024 from €14,313 thousand in the six months ended June 30, 2023, mainly due to (i) the €66,766 thousand period-on-period increase in debt with financial institutions, (ii) the increase in interest rates (in connection mainly with the unhedged portion of our Sustainable Financing Agreement) and (iii) the impact of the depreciation of certain non-euro currencies, including the U.S. dollar, against the euro, in average terms compared with the average exchange rate for the six months ended June 30, 2023, on certain monetary assets and liabilities.

Financial result. As a result of the foregoing, financial result was an expense of €20,078 thousand in the six months ended June 30, 2023 compared with an expense of €10,526 thousand in the six months ended June 30, 2023.

Consolidated profit before tax. As a result of the foregoing, consolidated profit before tax decreased 11.1% to €43,308 thousand in the six months ended June 30, 2024 from €48,734 thousand in the six months ended June 30, 2023.

Corporate income tax. Corporate income tax decreased 11.1% to €10,784 thousand in the six months ended June 30, 2024 from €12,135 thousand in the six months ended June 30, 2023, in line with the decrease in consolidated profit before tax.

Net consolidated result. As a result of the foregoing, net consolidated result decreased 11.1% to €32,524 thousand in the six months ended June 30, 2024 from €36,599 thousand in the six months ended June 30, 2023.

Year ended December 31, 2023 compared with the year ended December 31, 2022

The following table sets forth our consolidated profit and loss statements for the years ended December 31, 2023 and 2022.

	For the year ended December 31,		**2023/2022**
	2023	**2022**	**% change**
	(in thousands of euros, except percentages)		
Net turnover	1,346,779	1,121,500	20.1
Other operating income	2,136	2,020	5.7
Stock variation	13,714	16,597	(17.4)
Cost of sales	(625,477)	(523,161)	19.6
Personnel expenses	(208,398)	(172,342)	20.9
Other operating expenses	(337,153)	(306,502)	10.0
Work carried out for own fixed assets	9,217	7,432	24.0
Depreciation and amortization	(83,360)	(70,494)	18.3
Impairment and profit/(loss) on disposals of fixed assets	(942)	(709)	32.9
Operating result	**116,516**	**74,341**	56.7
Financial income	8,107	2,744	195.4
Financial expenses	(34,633)	(29,980)	15.5
Financial result	**(26,526)**	**(27,236)**	(2.6)
Consolidated profit before tax	**89,990**	**47,105**	91.0
Corporate income tax	(21,095)	(10,806)	95.2
Net consolidated result	**68,895**	**36,299**	89.8
Attributable to:			
Net result from non-controlling interests	679	297	128.6
Net result for the period attributable to the Parent Company	68,216	36,002	89.5

Net turnover. Net turnover increased 20.1% to €1,346,779 thousand in the year ended December 31, 2023 from €1,121,500 thousand in the year ended December 31, 2022, mainly due to the acquisitions completed in late 2022 and 2023 and the increases in our sales prices, as further detailed below. The year-on-year increase included a 7.0% increase in the volume (weight) of goods sold and a 13.1% increase in the average sales price. Organic growth[APM] (as a percentage of prior period net turnover) was 10.5% in the year ended December 31, 2023 compared with 28.7% in the year ended December 31, 2022. See "—*Analysis of Unaudited Alternative Performance Measures—Organic growth[APM]*".

Net turnover from bread products increased 7.4% to €560,998 thousand in the year ended December 31, 2023 from €522,232 thousand in the year ended December 31, 2022. Net turnover from pastries increased 31.2% to €763,590 thousand in the year ended December 31, 2023 from €582,130 thousand in the year ended December 31, 2022, driven in part by the acquisition of Dawn Foods Frozen in late 2022. Net turnover from other products increased 29.5% to €22,191 thousand in the year ended December 31, 2023 from €17,138 thousand in the year ended December 31, 2022, driven in part by the March 2023 acquisition of Europastry México Incorporated, which produces patisserie products. For information on our net turnover per customer channel, see Note 22.b) to the 2023 Consolidated Financial Statements, "*Business—Our Products*" and "*Business—Our Customers*".

The following table sets forth net turnover for each of our reporting segments for the periods indicated. The segment figures as of and for the year ended December 31, 2022 included herein have not been audited or reviewed by an external auditor. See "—*Change in Segments*".

	For the year ended December 31,		2023/2022
	2023	**2022**	**% change**
	(in thousands of euros, except percentages)		
Europe	1,046,396	829,590	26.1
International	300,383	291,910	2.9
Total	**1,346,779**	**1,121,500**	20.1

Net turnover in our Europe segment increased 26.1% to €1,046,396 thousand in the year ended December 31, 2023 from €829,590 thousand in the year ended December 31, 2022, mainly due to the contribution to net turnover by Dawn Foods Frozen, whose results were consolidated in our consolidated financial statements for the whole of 2023, compared to less than one month in 2022, and the increase in sales prices implemented by the Group in response to inflation, as had been done in the previous year. Our Europe segment represented approximately 77.7% of our net turnover in the year ended December 31, 2023, with Spain representing approximately 45.1% of our net turnover in such year.

Net turnover in our International segment increased 2.9% to €300,383 thousand in the year ended December 31, 2023 from €291,910 thousand in the year ended December 31, 2022, mainly due to the contribution to net turnover by Europastry México Incorporated (since March 2023) and Pagnifique Mexicana and Servicios Pagnifique (since April 2023), the increase in sales prices implemented by the Group in response to inflation and, to a lesser extent, the contribution to net turnover by the international business of Dawn Foods Frozen (whose results were consolidated in our consolidated financial statements for the whole of 2023, compared to less than one month in 2022, and whose significant presence in Saudi Arabia and the United Arab Emirates boosted our sales in these countries). These factors were offset in part by a decrease in net turnover in the United States due to the attrition of certain low-profitability customers with complex production and distribution requirements, and the depreciation of the U.S. dollar against the euro in average terms compared with the average exchange rate for the prior year. Our International segment represented approximately 22.3% of our net turnover in 2023, with the United States representing approximately 15.9% of our net turnover in such year.

For additional information on our net turnover by segment per type of product and customer, see Note 26 to the 2023 Consolidated Financial Statements, "*Business—Our Products*" and "*Business—Our Customers*".

Other operating income. Other operating income increased 5.7% to €2,136 thousand in the year ended December 31, 2023 from €2,020 thousand in the year ended December 31, 2022.

Stock variation. Stock variation decreased 17.4% to €13,714 thousand in the year ended December 31, 2023 from €16,597 thousand in the year ended December 31, 2022. The greater variation in the year ended December 31, 2022 was mainly due to the relatively greater impact on stock levels of the acquisition of Dawn Foods Frozen in 2022 compared to the acquisitions of Europastry México Incorporated and Pagnifique Mexicana in 2023, as well as certain decreases in the price of raw materials experienced in the last quarter of 2023, lowering overall costs per unit.

Cost of sales. Cost of sales increased 19.6% to €625,477 thousand in the year ended December 31, 2023 from €523,161 thousand in the year ended December 31, 2022, mainly due to the increase in activity levels (driven in part by the acquisitions completed in late 2022 and 2023) and, to a lesser extent, inflation.

Personnel expenses. Personnel expenses increased 20.9% to €208,398 thousand in the year ended December 31, 2023 from €172,342 thousand in the year ended December 31, 2022, mainly due to the increase in the number of employees from an average of 3,789 employees in 2022 to 4,752 employees in 2023 (driven mainly by the acquisitions completed in late 2022 and 2023) and, to a lesser extent, salary increases (driven mainly by inflation).

Other operating expenses. Other operating expenses increased 10.0% to €337,153 thousand in the year ended December 31, 2023 from €306,502 thousand in the year ended December 31, 2022, mainly due to the increase in activity levels (driven in part by the acquisitions completed in late 2022 and 2023) and inflation. In 2023, approximately 63% of our other operating expenses were logistics-related expenses (which includes expenses incurred in connection with logistics, transportation and other external services) and approximately 14% were utilities expenses.

Work carried out for own fixed assets. Work carried out for own fixed assets increased 24.0% to €9,217 thousand in the year ended December 31, 2023 from €7,432 thousand in the year ended December 31, 2022, mainly due to an increase in capital expenditure projects carried out internally, consisting mostly of research and development projects.

Depreciation and amortization. Depreciation and amortization increased 18.3% to €83,360 thousand in the year ended December 31, 2023 from €70,494 thousand in the year ended December 31, 2022, mainly due to the year-on-year increase in fixed assets.

Impairment and profit/(loss) on disposals of fixed assets. Impairment and profit/(loss) on disposals of fixed assets increased 32.9% to €942 thousand in the year ended December 31, 2023 from €709 thousand in the year ended December 31, 2022.

Operating result. As a result of the foregoing, operating result increased 56.7% to €116,516 thousand in the year ended December 31, 2023 from €74,341 thousand in the year ended December 31, 2022.

The following table sets forth the operating result for each of our reporting segments for the periods indicated. The segment figures as of and for the year ended December 31, 2022 included herein have not been audited or reviewed by an external auditor. See "—*Change in Segments*".

	For the year ended December 31,		**2023/2022**
	2023	**2022**	**% change**
	(in thousands of euros, except percentages)		
Europe	110,443	63,209	74.7
International	6,073	11,132	(45.5)
Total	**116,516**	**74,341**	**56.7**

The operating result of our Europe segment increased 74.7% to €110,443 thousand in the year ended December 31, 2023 from €63,209 thousand in the year ended December 31, 2022. The operating result of our International segment decreased 45.5% to €6,073 thousand in the year ended December 31, 2023 from €11,132 thousand in the year ended December 31, 2022. The year-on-year decrease in the operating result of our International segment was mainly due to the expenses incurred in connection with the closing and transfer of production activities carried out in a former production center located in New York to our production center in New Jersey (recorded mainly under personnel expenses and other operating expenses), as well as the decrease in net turnover in the United States due to the attrition of certain low-profitability customers with complex production and distribution requirements. The operating result in our International segment, in proportion to net turnover, has been historically lower than in our Europe segment as a result of our larger exposure to the retail channel (which is less profitable than other customer channels) in our International segment and the fact that our International operations are still in a ramp-up stage.

Financial income. Financial income increased 195.4% to €8,107 thousand in the year ended December 31, 2023 from €2,744 thousand in the year ended December 31, 2022, mainly due to gains resulting from the exchange rate effect.

Financial expenses. Financial expenses increased 15.5% to €34,633 thousand in the year ended December 31, 2023 from €29,980 thousand in the year ended December 31, 2022, mainly due to the year-on-year increase in debt with financial institutions and the increase in interest rates (in connection mainly with the unhedged portion of our Sustainable Financing Agreement).

Financial result. As a result of the foregoing, financial result decreased 2.6% to an expense of €26,526 thousand in the year ended December 31, 2023 from an expense of €27,236 thousand in the year ended December 31, 2022.

Consolidated profit before tax. As a result of the foregoing, consolidated profit before tax increased 91.0% to €89,990 thousand in the year ended December 31, 2023 from €47,105 thousand in the year ended December 31, 2022.

Corporate income tax. Corporate income tax increased 95.2% to €21,095 thousand in the year ended December 31, 2023 from €10,806 thousand in the year ended December 31, 2022, mainly due to the increase in consolidated profit before tax.

Net consolidated result. As a result of the foregoing, net consolidated result increased 89.8% to €68,895 thousand in the year ended December 31, 2023 from €36,299 thousand in the year ended December 31, 2022.

Year ended December 31, 2022 compared with the year ended December 31, 2021

The following table sets forth our consolidated profit and loss statements for the years ended December 31, 2022 and 2021.

	For the year ended December 31,		2022/2021
	2022	2021	% change
	(in thousands of euros, except percentages)		
Net turnover	1,121,500	845,578	32.6
Other operating income	2,020	2,335	(13.5)
Stock variation	16,597	19,401	(14.5)
Cost of sales	(523,161)	(375,128)	39.5
Personnel expenses	(172,342)	(145,987)	18.1
Other operating expenses	(306,502)	(240,377)	27.5
Work carried out for own fixed assets	7,432	10,425	(28.7)
Depreciation and amortization	(70,494)	(67,427)	4.5
Impairment and profit/(loss) on disposals of fixed assets	(709)	—	n.m.
Operating result	**74,341**	**48,820**	52.3
Financial income	2,744	1,935	41.8
Financial expenses	(29,980)	(25,970)	15.4
Financial result	**(27,236)**	**(24,035)**	13.3
Consolidated profit before tax	**47,105**	**24,785**	90.1
Corporate income tax	(10,806)	(454)	n.m.
Net consolidated result	**36,299**	**24,331**	49.2
Attributable to:			
Net result from non-controlling interests	297	249	19.3
Net result for the period attributable to the Parent Company	36,002	24,081	49.5

Net turnover. Net turnover increased 32.6% to €1,121,500 thousand in the year ended December 31, 2022 from €845,578 thousand in the year ended December 31, 2021, principally due to the increases in our sales prices, the full recovery of activity following the COVID-19 pandemic and the acquisitions completed in 2022, as further detailed below. The year-on-year increase included a 4.2% increase in the volume (weight) of goods sold and a 28.4% increase in the average sales price. Organic growth[APM] (as a percentage of prior period net turnover) was 28.7% in the year ended December 31, 2022 compared with 23.7% in the year ended December 31, 2021. See "—*Analysis of Unaudited Alternative Performance Measures—Organic growth[APM]*".

Net turnover from bread products increased 33.2% to €522,232 thousand in the year ended December 31, 2022 from €392,139 thousand in the year ended December 31, 2021. Net turnover from pastries increased 32.0% to €582,130 thousand in the year ended December 31, 2022 from €441,109 thousand in the year ended December 31, 2021. Net turnover from other products increased 39.0% to €17,138 thousand in the year ended December 31, 2022 from €12,331 thousand in the year ended December 31, 2021. For information on our net turnover per customer channel in 2022, see Note 22 to the 2023 Consolidated Financial Statements, "*Business—Our Products*" and "*Business—Our Customers*".

The following table sets forth net turnover for each of our reporting segments for the periods indicated. The segment figures as of and for the years ended December 31, 2022 and 2021 included herein have not been audited or reviewed by an external auditor. See "—*Change in Segments*".

	For the year ended December 31,		2022/2021
	2022	2021	% change
	(in thousands of euros, except percentages)		
Europe	829,590	631,485	31.4
International	291,910	214,093	36.3
Total	**1,121,500**	**845,578**	32.6

Net turnover in our Europe segment increased 31.4% in the year ended December 31, 2022 to €829,590 thousand from €631,485 thousand in the year ended December 31, 2021, principally due to the increases in our sales prices, the full recovery of activity following the COVID-19 pandemic, the consolidation of European Pastry's results since January 2022 and, to a lesser extent, the consolidation of Dawn Foods Frozen's results since December 2022. Our Europe segment represented approximately 74.0% of our net turnover in the year ended December 31, 2022, with Spain representing approximately 47.1% of our net turnover that year.

Net turnover in our International segment increased 36.3% in the year ended December 31, 2022 to €291,910 thousand from €214,093 thousand in the year ended December 31, 2021, principally due to increases in our sales prices, the full recovery of activity following the COVID-19 pandemic, the appreciation of the U.S. dollar against the euro in average terms compared with the average exchange rate for 2021 and, to a lesser extent, the consolidation of the international business of Dawn Foods Frozen since December 2022. Our International segment represented approximately 26.0% of our net turnover in the year ended December 31, 2023, with the United States representing approximately 21.2% of our net turnover that year.

For additional information on our net turnover by segment per type of product and customer, see Note 24 to the 2022 Consolidated Financial Statements, "*Business—Our Products*" and "*Business—Our Customers*".

Other operating income. Other operating income decreased 13.5% to €2,020 thousand in the year ended December 31, 2022 from €2,335 thousand in the year ended December 31, 2021.

Stock variation. Stock variation decreased 14.5% to €16,597 thousand in the year ended December 31, 2022 from €19,401 thousand in the year ended December 31, 2021. The greater variation in the year ended December 31, 2021 was mainly due to more significant stock increases driven by a return to more normal activity levels following the worst of the COVID-19 pandemic, offset in part by the increases to stock levels as a result of the acquisition of Dawn Foods Frozen in 2022.

Cost of sales. Cost of sales increased 39.5% to €523,161 thousand in the year ended December 31, 2022 from €375,128 thousand in the year ended December 31, 2021, principally due to the increase in activity levels and inflation (which led to increases in the prices of raw materials and other supplies).

Personnel expenses. Personnel expenses increased 18.1% to €172,342 thousand in the year ended December 31, 2022 from €145,987 thousand in the year ended December 31, 2021, principally due to the increase in the number of employees from an average of 3,599 employees in 2021 to 3,789 employees in 2022 (driven by the acquisitions completed in 2022 and the increase in activity levels).

Other operating expenses. Other operating expenses increased 27.5% to €306,502 thousand in the year ended December 31, 2022 from €240,377 thousand in the year ended December 31, 2021, principally due to the increase in activity levels and inflation.

Work carried out for own fixed assets. Work carried out for own fixed assets decreased 28.7% to €7,432 thousand in the year ended December 31, 2022 from €10,425 thousand in the year ended December 31, 2021, principally due to a decrease in capital expenditure projects carried out internally. In 2021, the most relevant projects were related to new production lines developed internally.

Depreciation and amortization. Depreciation and amortization increased 4.5% to €70,494 thousand in the year ended December 31, 2022 from €67,427 thousand in the year ended December 31, 2021, principally due to the year-on-year increase in fixed assets.

Impairment and profit/(loss) on disposals of fixed assets. Impairment and profit/(loss) on disposals of fixed assets were €709 thousand in the year ended December 31, 2022, compared with nil in the year ended December 31, 2021.

Operating result. As a result of the foregoing, operating result increased 52.3% to €74,341 thousand in the year ended December 31, 2022 from €48,820 thousand in the year ended December 31, 2021.

The following table sets forth the operating result for each of our reporting segments for the periods indicated. The segment figures as of and for the years ended December 31, 2022 and 2021 included herein have not been audited or reviewed by an external auditor. See "*—Change in Segments*".

	For the year ended December 31,		2022/2021 % change
	2022	2021	
	(in thousands of euros, except percentages)		
Europe	63,209	40,608	55.7
International	11,132	8,212	35.6
Total	**74,341**	**48,820**	52.3

The operating result of our Europe segment increased 55.7% to €63,209 thousand in the year ended December 31, 2022 from €40,608 thousand in the year ended December 31, 2021. The operating result of our International segment increased 35.6% to €11,132 thousand in the year ended December 31, 2022 from €8,212 thousand in the year ended December 31, 2021. The operating result in our International segment, in proportion to net turnover, has been historically lower than in our Europe segment as a result of our larger exposure to the retail channel (which is less profitable than other customer channels) in our International segment and the fact that our International operations are still in a ramp-up stage.

Financial income. Financial income increased 41.8% to €2,744 thousand in the year ended December 31, 2023 from €1,935 thousand in the year ended December 31, 2022, principally due to the positive variation in the fair value of financial investments.

Financial expenses. Financial expenses increased 15.4% to €29,980 thousand in the year ended December 31, 2023 from €25,970 thousand in the year ended December 31, 2022, principally due to the year-on-year increase in debt with financial institutions and the increase in the fair value of earn-out payments related to our acquisitions.

Financial result. As a result of the foregoing, financial result increased 13.3% to an expense of €27,236 thousand in the year ended December 31, 2022 from an expense of €24,035 thousand in the year ended December 31, 2021.

Consolidated profit before tax. As a result of the foregoing, consolidated profit before tax increased 90.1% to €47,105 thousand in the year ended December 31, 2022 from €24,785 thousand in the year ended December 31, 2021.

Corporate income tax. Corporate income tax increased to €10,806 thousand in the year ended December 31, 2022 from €454 thousand in the year ended December 31, 2021, principally due to the increase in consolidated profit before tax and the positive impact, in 2021, of the recognition of deferred tax assets related to research and development activities undertaken in 2021.

Net consolidated result. As a result of the foregoing, Net consolidated result increased 49.2% to €36,299 thousand in the year ended December 31, 2022 from €24,331 thousand in the year ended December 31, 2021.

Liquidity and Capital Resources

Liquidity

Our principal liquidity and capital requirements consist of costs relating to the operations of our business, including working capital for payroll, raw materials purchases and research and development, manufacturing and overhead expenses, as well as investments in property, plant and equipment, other capital expenditures and acquisitions.

Historically, we have financed our liquidity and capital requirements primarily through internally generated cash flows and bank loans.

Historical cash flows

The following tables set forth our cash flow information for the periods indicated.

	For the six months ended June 30,		For the year ended December 31,		
	2024	2023	2023	2022	2021
	(in thousands of euros)				
Cash flows from operating activities					

	For the six months ended June 30,		For the year ended December 31,		
	2024	2023	2023	2022	2021
	(in thousands of euros)				
Profit/(loss) before tax	**43,308**	**48,734**	**89,990**	**47,105**	**24,785**
Adjustments to profit and loss:	*68,284*	*53,114*	*113,114*	*102,646*	*93,974*
Depreciation of tangible and intangible fixed assets	45,680	39,102	83,360	70,494	67,427
Valuation corrections for impairment	1,873	1,968	1,968	3,087	2,274
Change in provisions	593	1,067	445	314	178
Impairment and profit/(loss) on disposals of fixed assets	30	294	942	709	—
Financial income	(1,246)	(3,787)	(8,107)	(2,743)	(1,935)
Financial expenses	21,324	14,313	34,633	29,980	25,970
Other adjustments to profit or loss	30	157	(127)	805	60
Changes in working capital:	*1,635*	*(45,747)*	*(42,568)*	*(4,621)*	*3,136*
Inventories	(14,478)	(6,501)	(12,201)	(19,048)	(25,390)
Debtors and other receivables	(10,751)	(47,755)	(25,919)	(38,499)	(17,371)
Other current assets	(10,840)	(10,629)	7,750	1,196	1,342
Creditors and other accounts payable	30,962	20,931	(1,082)	48,518	44,657
Other current liabilities	6,742	(1,793)	(11,116)	3,212	(102)
Other cash flows from operating activities:	*(256)*	—	*(18,119)*	*(3,078)*	*(1,215)*
Income tax received/(paid)	(256)	—	(18,119)	(3,078)	(1,215)
Cash flows from operating activities	**112,971**	**56,101**	**142,417**	**142,051**	**120,680**
Cash flows from investment activities					
Investment payments:	*(92,640)*	*(71,610)*	*(116,384)*	*(172,328)*	*(120,864)*
Group companies, associates and business units	(37,397)	(4,757)	(4,758)	(61,543)	(30,000)
Intangible assets	(65)	(11)	(3,882)	(9,956)	(3,813)
Property, plant and equipment	(55,178)	(66,832)	(107,550)	(100,703)	(87,051)
Other financial assets	—	(10)	(194)	(125)	—
Charges for divestments:	*2,701*	*3,726*	*7,404*	*84*	*925*
Property, plant and equipment	—	1,716	2,521	—	—
Other financial assets	2,701	2,010	4,883	84	925
Cash flows from investment activities	**(89,939)**	**(67,884)**	**(108,980)**	**(172,244)**	**(119,939)**
Cash flows from financing activities					
Proceeds and payments for financial liability instruments:	*50,837*	*21,381*	*30,438*	*64,083*	*1,670*
Debts with financial institutions	78,000	40,000	83,035	90,000	20,000
Reimbursement of debts with financial entities	(23,292)	(10,537)	(39,477)	(18,313)	(9,841)
Lease liabilities	(3,871)	(2,952)	(7,990)	(7,604)	(8,489)
Other debts	—	(5,130)	(5,130)	—	—
Dividend and remuneration payments on other equity instruments:	—	—	*(50,000)*	*(10,000)*	*(10,000)*
Dividends	—	—	(50,000)	(10,000)	(10,000)
Other cash flows from financing activities:	*(20,846)*	*(12,673)*	*(29,947)*	*(22,342)*	*(22,718)*
Interest receipts (payments) (1)	(20,846)	(12,673)	(29,947)	(22,342)	(22,718)
Cash flows from financing activities	**29,991**	**8,708**	**(49,509)**	**31,740**	**(31,048)**
Effect of exchange rate fluctuations on cash	552	347	(264)	868	1,107
Net increase/(decrease) in cash and cash equivalents	**53,575**	**(2,728)**	**(16,336)**	**2,415**	**(29,200)**
Cash or cash equivalents at beginning of the period	**51,104**	**67,440**	**67,440**	**65,025**	**94,225**
Cash or cash equivalents at period end	**104,679**	**64,712**	**51,104**	**67,440**	**65,025**

(1) In the 2022 Consolidated Financial Statements and the 2021 Consolidated Financial Statements, this line item was shown under cash flows from operating activities. The presentation has been adjusted in the table above to include the amounts within cash flows from financing activities for consistency with the presentation in the 2023 Consolidated Financial Statements and the Unaudited Condensed Interim Consolidated Financial Statements. As a result of this change in presentation, the total cash flows from operating activities and the total cash flows from financing activities for the years ended December 31, 2022 and 2021 presented in the table above differ from the corresponding totals in the 2022 Consolidated Financial Statements and the 2021 Consolidated Financial Statements, respectively.

Cash flows from operating activities

Cash flows from operating activities increased to €112,971 thousand in the six months ended June 30, 2024 from €56,101 thousand in the six months ended June 30, 2023. The increase was principally attributable to changes in working capital as a result of extended payment terms agreed with certain suppliers and improved collections from customers.

Cash flows from operating activities increased to €142,417 thousand in the year ended December 31, 2023 from €142,051 thousand in the year ended December 31, 2022. The increase was principally attributable to the higher consolidated profit before tax, offset in part by the increases in working capital and corporate income tax.

Cash flows from operating activities increased to €142,051 thousand in the year ended December 31, 2022 from €120,680 thousand in the year ended December 31, 2021. The increase was principally attributable to the higher consolidated profit before tax.

Cash flows used in investment activities

Cash flows used in investment activities increased to €89,939 thousand in the six months ended June 30, 2024 from €67,884 thousand in the six months ended June 30, 2023. The increase was principally attributable to the acquisition of DeWi Back in March 2024, offset in part by period-on-period decreases in investments in property, plant and equipment.

Cash flows used in investment activities decreased to €108,980 thousand in the year ended December 31, 2023 from €172,244 thousand in the year ended December 31, 2022. The decrease was principally attributable to the decrease in amounts paid in connection with acquisitions (see "*—Key Factors Affecting our Results of Operations—Acquisitions*") and, to a lesser extent, cash flows from financial assets (including funds associated with a multi-year employment incentive grant awarded by the New Jersey Economic Development Authority and the repayment of loans granted by the Group).

Cash flows used in investment activities increased to €172,244 thousand in the year ended December 31, 2022 from €119,939 thousand in the year ended December 31, 2021. The increase was principally attributable to the increase in amounts paid in connection with acquisitions (mainly as result of the acquisition of Dawn Foods Frozen in December 2022) and the year-on-year increase in capital expenditures (see "*—Key Factors Affecting our Results of Operations—Capital expenditures*").

Cash flows (used in) / from financing activities

Cash flows from financing activities increased to €29,991 thousand in the six months ended June 30, 2024 from €8,708 thousand in the six months ended June 30, 2023. The period-on-period increase was principally attributable to higher drawdowns of debt with financial institutions in the six months ended June 30, 2024 (€78,000 thousand, drawn under the Sustainable Financing Agreement) compared to the six months ended June 30, 2023 (€40,000 thousand), mainly used to finance the acquisition of DeWi Back and to carry out capex[APM] investments. This increase was offset in part by the higher amount repaid under loans from financial institutions in the six months ended June 30, 2024 (€23,292 thousand) compared to the six months ended June 30, 2023 (€10,537 thousand), in connection with repayment of debt under the Sustainable Financing Agreement and repayment of credit lines drawn as of December 31, 2023, as well as higher interest payments made in the six months ended June 30, 2024 (€20,846 thousand) compared to the six months ended June 30, 2023 (€12,673 thousand), as a consequence of increases in the amount of indebtedness outstanding and in the interest rates applicable thereto.

Cash flows used in financing activities amounted to €49,509 thousand in the year ended December 31, 2023 compared with cash flows from financing activities of €31,740 thousand in the year ended December 31, 2022. This change was principally attributable to the distribution of higher dividends in 2023 (€50,000 thousand compared with €10,000 thousand in 2022), an increase in interest payments and an increase in the amounts repaid under loans from financial institutions, offset in part by the increase in the aggregate amount drawn under loans from financial institutions, used to finance ongoing operations, acquisitions and capital expenditures.

Cash flows from financing activities amounted to €31,740 thousand in the year ended December 31, 2022 compared with cash flows used in financing activities of €31,048 thousand in the year ended December 31, 2021. This change was principally attributable to the increase in the aggregate amount drawn under loans from financial institutions, which was used in part to finance the acquisitions completed in 2022.

Financial liabilities

The following table sets forth the breakdown of our financial liabilities as of December 31, 2023, by maturity profile (including accounts payable except for accounts payable to the public administration):

	As of December 31, 2023							
	2024		2025	2026	2027	2028	Subsequent years	Total
	From 0 to 6 months	From 6 to 12 months						
	(in thousands of euros)							
Debts with financial institutions	23,829	8,180	16,424	16,091	629,906	-	-	694,430
Other financial liabilities	900	-	1,416	-	-	-	-	2,316
Lease liabilities	2,148	3,948	5,200	4,113	1,908	1,161	6,588	25,066
Suppliers, creditors and other payables	229,944	-	-	-	-	-	-	229,944
Suppliers of fixed assets	15,194	-	-	-	-	-	-	15,194
Other accounts payable	16,495	1,364	-	-	-	-	-	17,859
Total	**288,510**	**13,492**	**23,040**	**20,204**	**631,814**	**1,161**	**6,588**	**984,809**

Our financial liabilities totaled €984,809 thousand as of December 31, 2023 (€943,235 thousand as of December 31, 2022) and were primarily related to our Sustainable Financing Agreement, which carries a variable interest rate and requires compliance with certain financial ratios and other restrictive covenants. See "—*Sustainable Financing Agreement*". Further, €229,944 thousand were attributable to suppliers, creditors and other payables as of December 31, 2023 (see "—*Suppliers, creditors and other payables*") and €25,066 thousand were attributable to lease liabilities (see "—*Lease liabilities*"). As of December 31, 2023, all of our interest-bearing indebtedness was subject to variable interest rates, and our average cost of debt^{APM} for the year ended December 31, 2023 was 4.2% per annum. See "—*Analysis of Unaudited Alternative Performance Measures—Adjusted financial result^{APM} and average cost of debt^{APM}*".

Our financial liabilities increased to €1,079,010 thousand as of June 30, 2024, mainly in connection with the acquisition of DeWi Back (as a result of the additional funds drawn under the Sustainable Financing Agreement to finance the acquisition and the assumption of DeWi Back's financial liabilities) and as a result of increases in suppliers, creditors and other payables in connection with increased activity levels. The following table sets forth the breakdown of our financial liabilities as of June 30, 2024, by maturity profile (including accounts payable except for accounts payable to the public administration):

	As of June 30, 2024							
	July 1, 2024 to June 30, 2025		July 1, 2025 to June 30, 2026	July 1, 2026 to June 30, 2027	July 1, 2027 to June 30, 2028	July 1, 2028 to June 30, 2029	Subsequent periods	Total
	From 0 to 6 months	From 6 to 12 months						
	(in thousands of euros)							
Debts with financial institutions	10,978	8,633	17,158	718,445	1,181	1,200	3,600	761,196
Other financial liabilities	1,386[(1)]	-	3,415	-	-	-	-	4,801
Lease liabilities	2,905	2,950	5,957	3,836	1,796	1,326	5,252	24,023

	As of June 30, 2024							
	July 1, 2024 to June 30, 2025		July 1, 2025 to June 30, 2026	July 1, 2026 to June 30, 2027	July 1, 2027 to June 30, 2028	July 1, 2028 to June 30, 2029	Subsequent periods	Total
	From 0 to 6 months	From 6 to 12 months						
Suppliers, creditors and other payables.............	261,882	-	-	-	-	-	-	261,882
Suppliers of fixed assets	6,930	-	-	-	-	-	-	6,930
Other accounts payable	20,178	-	-	-	-	-	-	20,178
Total......................	**304,259**	**11,583**	**26,530**	**722,282**	**2,977**	**2,526**	**8,852**	**1,079,010**

(1) This amount corresponds to a liability for deferred payment obligations, recorded as of June 30, 2024, in connection with the right to acquire the final 15% of the shares of European Pastry SRL that were the subject of a purchase agreement for the acquisition of European Pastry. We exercised the right to acquire these shares on July 4, 2024 for a final purchase price, based on European Pastry's EBITDA and debt, of €1,920 thousand. See "*—Key Factors Affecting our Results of Operations—Acquisitions*" and Note 1.b) to the Unaudited Condensed Interim Consolidated Financial Statements.

Sustainable Financing Agreement

The financial indebtedness of the Company is primarily represented by the Sustainable Financing Agreement (see "*Business—Material Contracts—Sustainable Financing Agreement*"). The main terms and conditions of the Sustainable Financing Agreement are described below.

Unless earlier terminated or redeemed in accordance with its terms, the Sustainable Financing Agreement matures on June 30, 2027 (the "**Final Maturity Date**").

Under the Sustainable Financing Agreement, the following facilities are made available to us:

- *Tranche A:* a multi-currency syndicated loan divided into two sub-tranches of principal amounts of €503,000,000 (the first sub-tranche of Tranche A) and $64,000,000 (the second sub-tranche of Tranche A, approximately €59,779 thousand based on the exchange rate as of June 30, 2024), respectively.

- *Tranche B:* a revolving credit facility in the maximum amount of €50,000,000.

- *Tranche C:* a credit facility divided into two sub-tranches of maximum amounts of €335,000,000 (the first sub-tranche of Tranche C) and €60,000,000 (the second sub-tranche of Tranche C), respectively. Until six months before the Final Maturity Date, the Company may request additional financing in a principal amount of up to €40,000,000, subject to certain conditions (the third sub-tranche of Tranche C). As of the date of this Prospectus, this additional financing has not been requested by the Company.

The first sub-tranche of Tranche A, for an original principal amount of €503,000,000, was granted to repay and cancel the first sub-tranche of tranche A of the Original Sustainable Financing Agreement and amounts borrowed under the first sub-tranche of tranche C of the Original Sustainable Financing Agreement (see *"Business—Material Contracts—Sustainable Financing Agreement*"). As of June 30, 2024, €45,000,000 of this principal amount under the first sub-tranche of Tranche A had been repaid. The Company is required to make payments of principal with respect to this sub-tranche as follows: (i) on December 30, 2024, in an amount of €9,000,000; (ii) on June 30, 2025, in an amount of €9,000,000; (iii) on December 30, 2025, in an amount of €9,000,000; (iv) on June 30, 2026, in an amount of €9,000,000; (v) on December 30, 2026, in an amount of €9,000,000; and (vi) on the Final Maturity Date, in an amount of €413,000,000.

The second sub-tranche of Tranche A, for a principal amount of $64,000,000 (approximately €59,779 thousand based on the exchange rate as of June 30, 2024), was granted to repay and cancel the second sub-tranches of tranches A and C of the Original Sustainable Financing Agreement. The second sub-tranche of Tranche A is to be repaid in full on the Final Maturity Date.

Tranche B, for a maximum amount of €50,000,000, was granted to finance general working capital requirements of the Company and to repay and cancel tranche B of the Original Sustainable Financing Agreement. Tranche B is to be repaid in full on the Final Maturity Date.

The first sub-tranche of Tranche C, for a maximum amount of €335,000,000, was granted to finance certain acquisitions permitted under the Sustainable Financing Agreement and capital expenditures. The first sub-tranche is to be repaid in full on the Final Maturity Date.

The second sub-tranche of Tranche C, for a maximum amount of €60,000,000, was also granted to finance certain acquisitions permitted under the Sustainable Financing Agreement and capital expenditures. The second sub-tranche is to be repaid in full on the Final Maturity Date.

As of June 30, 2024, the outstanding amount under the Sustainable Financing Agreement was €755,779 thousand, including €458,000 thousand under the first sub-tranche of Tranche A, $64,000 thousand (approximately €59,779 thousand based on the exchange rate as of June 30, 2024) under the second sub-tranche of Tranche A, €178,000 thousand under the first sub-tranche of Tranche C and €60,000 thousand under the second sub-tranche of Tranche C.

Interest is payable on amounts drawn under the Sustainable Financing Agreement at a percentage rate per annum that is the aggregate of (i) the applicable margin and (ii) (x) the European Interbank Offered Rate (EURIBOR) or (y) SOFR (*Secured Overnight Financing Rate*) (depending on the currency drawn). This rate was initially fixed, upon signing the Original Sustainable Financing Agreement, at 2.25% for the euro-denominated tranche or sub-tranches and at 2.50% for the U.S. dollar–denominated sub-tranche. The margin applicable with respect to each interest period is determined with reference to the Company's ratio of net financial debt to EBITDA (the "**Net Financial Debt/EBITDA Ratio**"). For purposes of the Sustainable Financing Agreement, "**Net financial debt**" means, in general terms, the sum, without duplication, of off-balance sheet arrangements, guarantees granted and interest-bearing debt, less treasury shares, short-term financial investments and other liquid assets; "**EBITDA**" means, in general terms, earnings before taxes, amortization, depreciation, financial result and extraordinary results, excluding EBITDA attributable to the sale of any Group company, business or other asset during the four accounting quarters ending on the calculation date for the ratio but including EBITDA attributable to Group companies acquired during the relevant period.

Below are the applicable margins for the different sub-tranches:

Net Financial Debt/EBITDA Ratio	Margin for the euro-denominated tranches and sub-tranches	Margin for the U.S. dollar–denominated sub-tranche
≥4.00x	2.50% per annum	2.75% per annum
<4.00x and ≥3.00x	2.00% per annum	2.25% per annum
<3.00x and ≥2.50x	1.75% per annum	2.00% per annum
<2.50x	1.50% per annum	1.75% per annum

As of June 30, 2024, the applicable margin with respect to the euro-denominated tranches and sub-tranches was 2.00% per annum and the applicable margin with respect to the U.S. dollar–denominated sub-tranche was 2.25% per annum. For the six months ended June 30, 2024, the weighted-average interest rate for the debt outstanding under the Sustainable Financing Agreement was 4.3% per annum, and approximately 62% of the variable-rate debt outstanding under the Sustainable Financing Agreement was hedged through hedging arrangements as of June 30, 2024. See "*—Quantitative and Qualitative Disclosure About Market Risk—Interest rate risk—Hedging arrangements (interest rate swaps)*" below. We calculate the weighted-average interest rate for debt outstanding under the Sustainable Financing Agreement as interest accrued with respect to such debt during the period (as adjusted pursuant to our hedging arrangements) divided by the total debt outstanding under the Sustainable Financing Agreement.

The Sustainable Financing Agreement includes restrictive covenants that are customary in similar financing agreements, as well as customary prepayment, cancellation and default provisions and customary representations and warranties (subject to certain exceptions and qualifications) and operational covenants.

In particular, the Sustainable Financing Agreement contains financial covenants which require (i) that the Net Financial Debt/EBITDA Ratio be equal to or below 4.00x through the third quarter of 2025, then equal to or below 3.75x through the third quarter of 2026, then equal to or below 3.50x through the Final Maturity Date, and (ii) that the ratio of EBITDA to net financial expenses (the "**EBITDA/Net Financial Expenses Ratio**", and together with the Net Financial Debt/EBITDA Ratio, the "**Financial Covenants**") be equal to or above 4.00x so long as the

Sustainable Financing Agreement remains in effect. The table below sets forth the requirements with respect to each of these ratios as well as our compliance therewith as of December 31, 2023 and June 30, 2024, respectively.

	Required ratio as of December 31, 2023 and June 30, 2024	**Ratio as of December 31, 2023**	**Ratio as of June 30, 2024**
Ratio			
Net Financial Debt/EBITDA (maximum)	4.00x	3.2x	3.0x
EBITDA/Net Financial Expenses (minimum)...	4.00x	8.4x	6.8x

Compliance with the Financial Covenants is to be verified annually by the Company's auditor and quarterly by the Company's chief financial officer, in each case on the basis of the Company's consolidated accounts. The Net Financial Debt/EBITDA Ratio may be temporarily increased to a maximum of 4.50x upon the occurrence of an acquisition permitted under the Sustainable Financing Agreement and provided that (i) immediately before performing the permitted acquisition, the Net Financial Debt/EBITDA Ratio is lower than 3.50x according to the latest certificate provided by the Company with respect to the financial ratio; (ii) immediately after performing the permitted acquisition, the pro-forma ratio of net financial debt to EBITDA is lower than 4.00x; (iii) all necessary conditions are met for the acquisition of the acquired company to be considered a permitted acquisition in the terms provided in the Sustainable Financing Agreement; and (iv) the permitted acquisition is carried out prior to the start of the last 12-month period of the Sustainable Financing Agreement. If increased, the Net Financial Debt/EBITDA Ratio will be gradually decreased again to 3.50x once 18 months have elapsed since the date of the permitted acquisition. This temporary increase of the Net Financial Debt/EBITDA Ratio is permitted to happen only once during the term of the Sustainable Financing Agreement and has not occurred to date.

The Sustainable Financing Agreement is aligned with the Sustainability-Linked Loan Principles published by the Loan Market Association, the Asia Pacific Loan Market Association and the Loan Syndications and Trading Association in February 2023. Accordingly, the margin applicable to each interest period is also affected by the achievement of certain sustainability targets outlined in the Sustainable Financing Agreement: one based on the Company's CO_2 emissions and another based on the Company's water consumption (the "**Sustainability Targets**"), applicable from the first interest period of the second year of the term of the Sustainable Financing Agreement. As a result, the interest applicable for each interest period will be adjusted annually based on the achievement of the Sustainability Targets set for the relevant year, decreasing 0.025% if both Sustainability Targets are met and increasing 0.025% if both Sustainability Targets are not met. If only one of the Sustainability Targets is met, the applicable interest rate will not be adjusted. As of the date of this Prospectus, the Company has met the Sustainability Targets for each applicable period. Additionally, if the sustainability targets in the Sustainability Strategy 2030 are more demanding than those included in the Sustainable Financing Agreement, the Sustainable Financing Agreement should be amended to update the Sustainability Targets to implement the more ambitious ones.

All kinds of distributions to shareholders (dividends, refunds of contributions in the event of a share capital decrease, distribution of reserves and any other kind of remuneration or payment) are generally prohibited under the Sustainable Financing Agreement, except for:

(i) the distribution of annual dividends for a maximum amount of €10,000,000, provided that (a) such distribution does not entail the infringement of the Financial Covenants; and (b) no early termination of the Sustainable Financing Agreement has been declared; and

(ii) any other payment to shareholders, provided that (a) such payment does not entail the infringement of the Financial Covenants; (b) no early termination of the Sustainable Financing Agreement has been declared; (c) the resulting Net Financial Debt/EBITDA Ratio after such payment is below 2.50x; and (d) the payment is below 75% of the annual net consolidated income.

The following events will trigger the obligation to totally or partially, as the case may be, repay and cancel the financing drawn under the Sustainable Financing Agreement:

(a) Total repayment and cancellation of the facilities drawn under the Sustainable Financing Agreement will be mandatory in the event that:

   (i) there is a Change of Control; or

(ii) there is an IPO of the Company or any other company of the Group and, following such IPO, (x) the Gallés Family does not remain the direct or indirect holder of at least 40% of the share capital and the voting rights of the IPO target company; or (y) another shareholder, either individually or jointly with other shareholders, holds a greater stake or a higher number of voting rights than the Gallés Family in the IPO target company.

(b) Partial repayment and cancellation of the facilities drawn under the Sustainable Financing Agreement will be mandatory in the event that there is an IPO of the Company or any other company of the Group and, following such IPO, (i) the Gallés Family remains the direct or indirect holder of at least 40% of the share capital and the voting rights of the IPO target company; and (ii) no other shareholder, either individually or jointly with other shareholders, holds a greater stake or a higher number of voting rights than the Gallés Family in the IPO target company. In this event, the proceeds derived from the IPO must be used toward the repayment of the facilities granted under the Sustainable Financing Agreement (beginning with the repayment of Tranche A and, once such tranche is totally repaid, repayment of Tranche C and, once such tranche is totally repaid, repayment of Tranche B) until the Net Financial Debt/EBITDA Ratio is lower than 2.50x.

For the purposes of the Sustainable Financing Agreement, a Change of Control means any of the following has occurred: (a) the Gallés Family no longer holds, either directly or indirectly, at least a 51% of the share capital of the Company; (b) the Gallés Family no longer holds, either directly or indirectly, 51% of the voting rights corresponding to the shares in the Company; or (c) the Gallés Family no longer has a key role in the effective management of the Company. The sale of the Offer Shares in the Offering will not result in a Change of Control. See "*Principal and Selling Shareholders—Change of control of the Company*". However, as described above and in "*Reasons for the Offering and Use of Proceeds*", we will be required to use proceeds from the Offering for the repayment of facilities drawn under the Sustainable Financing Agreement, by the terms thereof, until our Net Financial Debt/EBITDA Ratio is lower than 2.50x. Based on our financial position as of June 30, 2024, to reduce the aforementioned Net Financial Debt/EBITDA Ratio to a level below 2.50x using exclusively New Gross Proceeds, we would need to use an amount equal to approximately €109.1 million for repayment of debt under the Sustainable Financing Agreement. As described in "*Reasons for the Offering and Use of Proceeds*", we intend to apply approximately €109.1 million of New Gross Proceeds to reduce our indebtedness.

Early repayment of a partial amount of the drawn facilities is mandatory, with certain exceptions, in the case of (i) a sale or any similar act of disposal of any of the fixed assets of the Company or any other company of the Group for an aggregate annual amount greater than €5,000,000; (ii) a sale or any similar act of disposition of any of the subsidiaries of the Company or of their businesses for an aggregate annual amount greater than €5,000,000; (iii) collection by the Company or any other company of the Group of insurance proceeds for an aggregate annual amount greater than €1,000,000; (iv) collection of subsidies by the Company or any other company of the Group for an amount greater than €1,000,000; and (v) the occurrence of certain sale and leaseback transactions.

The Sustainable Financing Agreement provides that an early termination right in favor of the Lenders will arise:

(i) if the Company does not pay, on the agreed date, any amount due under the Sustainable Financing Agreement and/or any of the in the documents entered into in relation with the Sustainable Financing Agreement (the "**Related Documents**");

(ii) if the Company or any Guarantor (as defined under "*Business—Material Contracts—Sustainable Financing Agreement*") breaches any of the undertakings or obligations assumed under the Sustainable Financing Agreement other than as set out in (i) above (including noncompliance with the Financial Covenants and/or general obligations contemplated in the Sustainable Financing Agreement), provided that such breach is not cured within 15 business days of its occurrence;

(iii) if there is a misrepresentation or inaccuracy in the data provided by, or in the representations and warranties granted by, the Company and the Guarantors, or any other representation made by the Company and the Guarantors in the Related Documents, and according to which the Lenders have executed the Sustainable Financing Agreement;

(iv) if the Company, any Guarantor or any other company of the Group breaches any obligation undertaken toward (a) the Lenders or any other financing entity under some other agreement besides the Sustainable Financing Agreement or (b) any third party for an amount greater than €500,000;

(v) if (a) the Company, any Guarantor or any other company of the Group submits a request to enter into an insolvency proceeding (*concurso de acreedores*); (b) the entry into an insolvency proceeding is admitted by a court resolution at the request of a third party; (c) an early proposal of arrangement (*convenio*) is submitted; or (d) the Company, any Guarantor or any other company of the Group negotiates a refinancing agreement on the terms contemplated by Articles 583 and/or 597 of the Spanish Bankruptcy Act (*Ley Concursal*);

(vi) if the Company, any Guarantor or any company of the Group is submitted to judicial administration or its insolvency situation otherwise becomes evident;

(vii) if a judicial or notarial proceeding against the Company, any Guarantor or any other company of the Group results in a final judgment or decision that entails foreclosure, expropriation, confiscation or seizure, totally or partially, of any of their goods or assets for an amount greater than €250,000, provided that such breach is not cured within 15 business days of its occurrence;

(viii) if the Company, any Guarantor or any other company of the Group breaches a court order;

(ix) if the Company, any Guarantor or any company of the Group changes activity or ceases its current business or an essential part of its usual commercial transactions;

(x) if any Guarantor ceases to be an affiliate of the Company;

(xi) if a Change of Control occurs;

(xii) following the occurrence of a Material Adverse Change that is not cured within 15 business days from the date on which the Material Adverse Change occurs. For such purposes, "**Material Adverse Change**" means any change or aggravation of circumstances, facts or situation of any nature and/or character that, in the reasonable judgment of the majority of the Lenders, may foreseeably affect or negatively and substantially affects: (a) the Company's business, commercial activity, transactions, property and assets, situation or that of the Guarantors or any other company of the Group; (b) the effective capacity of the Company or that of the Guarantors or of any other company of the Group to fulfill all the obligations undertaken toward third parties, including obligations toward the Lenders derived from the Sustainable Financing Agreement; and/or (c) the validity and enforceability of the rights or actions that may correspond to the Lenders by virtue of the Sustainable Financing Agreement and/or any of the guarantees granted from time to time in favor of the Lenders;

(xiii) if any of the obligations of the Company or any Guarantor under the Sustainable Financing Agreement or in the Related Documents is determined not to be legal, valid and binding, or enforceable, or in the event that any such circumstance occurs in connection with the first-demand guarantee, or any other guarantee granted in favor of the Lenders, if they become ineffective, unless they are restored by an equivalent guarantee;

(xiv) if the hedging arrangements (see "*—Quantitative and Qualitative Disclosure About Market Risk—Interest rate risk—Hedging arrangements (interest rate swaps)*" below) referred to in the Sustainable Financing Agreement are not duly guaranteed *pari passu* with the Sustainable Financing Agreement;

(xv) if the opinions expressed in the annual audit reports of the Company or any Guarantor are classified as an "unfavorable opinion" in any substantial aspect that may cause the occurrence of any of the causes of early termination set out herein or as a "denied opinion", in accordance with the principles generally accepted in Spain; or

(xvi) if the Company and/or the Guarantors breach the provisions of the Sustainable Financing Agreement regarding sanctions imposed by the United Nations Security Council, the United Nations, the United States of America, the United Kingdom, the European Union or any of its member states (including the Netherlands), or the governments and official institutions or agencies of any of the foregoing (including OFAC, the U.S. Department of State and His Majesty's Treasury).

To secure the fulfilment of the Company's obligations under the Sustainable Financing Agreement, the Guarantors have granted in favor of the Lenders a first-demand guarantee. This first-demand guarantee also extends, on a *pari passu* basis, to the obligations of the Company under each of the Hedging Framework Agreements (as defined below) and the interest rate swaps entered into thereunder.

Additionally, the Company has granted a first-rank pledge in favor of the Lenders over the credit rights derived from the bank account where all the amounts to be used by the Company for mandatory early repayments are deposited.

Suppliers, creditors and other payables

Amounts recorded under suppliers, creditors and other payables have maturities of less than six months and totaled €261,882 thousand as of June 30, 2024 (€229,944 thousand, €229,458 thousand and €167,112 thousand as of December 31, 2023, 2022 and 2021, respectively).

The average days of payment to suppliers by those companies of the Group that have a tax residence in Spain in the years ended December 31, 2023, 2022 and 2021 was 91, 92 and 92, respectively. For additional information, see Note 19 to our 2023 Consolidated Financial Statements.

Lease liabilities

The Company leases several of its production centers and other properties in order to operate its business, including properties used as its administrative headquarters, regional sales offices, CEREAL innovation centers, administrative offices, storage facilities and parking lots. These leases are generally renewable and are usually signed for terms of two to 10 years. See "*Business—Property, Plant and Equipment*", "*Related Party Transactions—Transactions with Related Parties—Offices*" and "*Related Party Transactions—Transactions with Related Parties—Real Estate*" for additional information about the leased facilities and the terms of certain lease arrangements.

Amounts recorded under lease liabilities totaled €24,023 thousand as of June 30, 2024 (€25,066 thousand, €15,179 thousand and €16,869 thousand as of December 31, 2023, 2022 and 2021, respectively).

Trade receivables

The following table sets forth the breakdown of our trade receivables as of December 31, 2023, 2022 and 2021 (excluding accounts receivable from the public administration).

	As of December 31,		
	2023	**2022**	**2021**
	(in thousands of euros)		
Customers	163,673	131,376	80,758
Other debtors (1)	7,203	12,692	8,236
Provision for bad debts	(13,956)	(12,813)	(10,146)
Total	**156,920**	**131,255**	**78,848**

(1) Relates mainly to grants pending to be collected.

We use non-recourse factoring with financial institutions to hedge a portion of the risk related to our customer balances. As of June 30, 2024, we had used factoring with respect to €37,877 thousand in customer balances (€30,077 thousand, €28,115 thousand and €23,683 thousand as of December 31, 2023, 2022 and 2021, respectively). As a result, such amounts are not reflected in the above table. For additional information, see Note 11 to our Unaudited Condensed Interim Consolidated Financial Statements and Note 13 to our 2023 Consolidated Financial Statements.

We face risks related to the extension of credit to our customers. Given the characteristics of the industry in which we operate and our portfolio of customers, and due to the fact that we do not purchase credit insurance, we closely monitor our credit risk. Our commercial risk committees have established acceptable risk limits for each of our customers. These committees prepare a list each month with outstanding balances to collect from our customers, and outstanding balances which have been overdue for a certain period of time are referred to our legal counsel in order to make appropriate claims through judicial processes.

For additional information on our management of credit risk and the recording of any related impairment losses, see Note 6.1.b) to our 2023 Consolidated Financial Statements.

Off-balance sheet arrangements

As of December 31, 2023, we had granted guarantees amounting to €332 thousand (€287 thousand as of each of December 31, 2022 and 2021). See Note 24 to the 2023 Consolidated Financial Statements. Guarantees were mainly given to municipal governments in connection with the operation of and improvements to our production centers.

Analysis of Unaudited Alternative Performance Measures

We present below a period-to-period comparison of certain financial measures and alternative performance measures (APMs), including organic growth$^{\mathrm{APM}}$, gross margin$^{\mathrm{APM}}$, EBITDA$^{\mathrm{APM}}$, adjusted EBITDA$^{\mathrm{APM}}$, adjusted EBITDA margin$^{\mathrm{APM}}$, adjusted EBIT$^{\mathrm{APM}}$, adjusted EBIT margin$^{\mathrm{APM}}$, adjusted net income$^{\mathrm{APM}}$, adjusted net income margin$^{\mathrm{APM}}$, capital expenditures ("**capex**") $^{\mathrm{APM}}$, net financial debt$^{\mathrm{APM}}$, adjusted net financial debt$^{\mathrm{APM}}$, adjusted leverage$^{\mathrm{APM}}$, adjusted financial result$^{\mathrm{APM}}$, average cost of debt$^{\mathrm{APM}}$, net working capital$^{\mathrm{APM}}$, net working capital variation$^{\mathrm{APM}}$, adjusted net working capital$^{\mathrm{APM}}$, adjusted net working capital variation$^{\mathrm{APM}}$, operating cash flow$^{\mathrm{APM}}$ and operating cash flow conversion$^{\mathrm{APM}}$. These APMs are derived from our consolidated profit and loss statement, consolidated balance sheet, consolidated statement of cash flows or our accounting records. While these APMs have not been audited, they have been prepared based on the Guidelines on Alternative Performance Measures published by the European Securities and Markets Authority (ESMA).

We have presented these APMs because we believe these measures will assist in the understanding of our results of operations by providing additional information on what we consider to be the principal drivers of our results of operations. These APMs should be viewed as supplemental to the performance measures presented in our Consolidated Financial Statements. Our APMs are not prepared in accordance with IFRS, and investors are cautioned not to place undue reliance on this information. In addition, such APMs, as calculated by us, may be different from similarly titled information reported by other companies.

Certain of our APMs, including adjusted EBITDA$^{\mathrm{APM}}$, net financial debt$^{\mathrm{APM}}$ and adjusted leverage$^{\mathrm{APM}}$ have the same or similar titles as, or are calculated on a basis similar to, other metrics which are used to determine interest payments pursuant to our Sustainable Financing Agreement (see "*—Liquidity and Capital Resources—Financial liabilities—Sustainable Financing Agreement*"). However, our APMs are not calculated identically to these metrics.

Organic growth$^{\mathrm{APM}}$

We calculate organic growth$^{\mathrm{APM}}$ as net turnover growth *less* inorganic growth and foreign exchange effects. We believe that organic growth$^{\mathrm{APM}}$ is a useful measure of our performance because it provides information about our growth without accounting for merger and acquisition activity (including divestments, where applicable) and foreign exchange effects.

The following table presents a reconciliation of organic growth$^{\mathrm{APM}}$ to net turnover for the periods presented.

	For the six months ended June 30,		**For the year ended December 31,**		
	2024	**2023**	**2023**	**2022**	**2021**
	(in thousands of euros, except percentages)				
Net turnover (prior period)	666,949	517,913	1,121,500	845,579	686,807
Net turnover (current period)	713,634	666,949	1,346,779	1,121,500	845,579
Net turnover growth (1)	**46,685**	**149,036**	**225,279**	**275,921**	**158,772**
Net turnover growth (as a percentage of prior period net turnover)	7.0%	28.8%	20.1%	32.6%	23.1%
For entities acquired in the current period, net turnover in the current period (2)(a)	26,158	7,287	19,661	12,347	–
For entities acquired in the prior period, net turnover in the current period over non-consolidated months in the prior period (2)(b)	4,049	52,089	94,677	–	–
For entities divested in the current period, net turnover in the prior period over non-consolidated months in the current period (2)(c)	–	–	–	–	–

	For the six months ended June 30,		For the year ended December 31,		
	2024	2023	2023	2022	2021
	(in thousands of euros, except percentages)				
For entities divested in the prior period, net turnover in the prior period (2)(d)	–	–	–	–	–
Inorganic growth (2)	**30,207**	**59,376**	**114,338**	**12,347**	**–**
Inorganic growth (as a percentage of prior period net turnover)	4.5%	11.5%	10.2%	1.5%	0.0%
Foreign exchange effects (3)	**358**	**(641)**	**(7,192)**	**20,987**	**(3,780)**
Foreign exchange effects (as a percentage of prior period net turnover)	0.1%	(0.1)%	(0.6)%	2.5%	(0.6)%
Organic growth[APM]	**16,120**	**90,301**	**118,133**	**242,588**	**162,552**
Organic growth[APM] (as a percentage of prior period net turnover)	2.4%	17.4%	10.5%	28.7%	23.7%

(1) Net turnover growth equals net turnover for a given period *less* net turnover for the prior period.

(2) Inorganic growth equals (a) for entities acquired in the current period, net turnover in the current period, *plus* (b) for entities acquired in the prior period, net turnover in the current period over non-consolidated months in the prior period, *less* (c) for entities divested in the current period, net turnover in the prior period over non-consolidated months in the current period, *less* (d) for entities divested in the prior period, net turnover in the prior period. With respect to the six months ended June 30, 2024, entities acquired in the current period include DeWi Back and entities acquired in the prior period include Europastry México Incorporated and Pagnifique Mexicana. With respect to the six months ended June 30, 2023, entities acquired in the current period include Europastry México Incorporated and Pagnifique Mexicana and entities acquired in the prior period include Dawn Foods Frozen.

(3) Foreign exchange effects equals the difference between net turnover for the current period of entities which maintain their financial statements in non-euro currencies, converted at the average exchange rate for the current period, and net turnover for the current period of the same entities, converted at the average exchange rate for the prior period.

Organic growth[APM] decreased 82.1% to €16,120 thousand in the six months ended June 30, 2024 from €90,301 thousand in the six months ended June 30, 2023, mainly due to the relative stabilization of prices in 2024 compared to the significant increases experienced in 2023 and 2022. Inorganic growth decreased to €30,207 thousand in the six months ended June 30, 2024 from €59,375 thousand in the six months ended June 30, 2023, mainly due to the higher contribution of Dawn Foods Frozen to inorganic growth in the six months ended June 30, 2023 compared to the contribution of DeWi Back, Europastry México Incorporated and Pagnifique Mexicana to inorganic growth in the six months ended June 30, 2024.

Organic growth[APM] decreased 51.3% to €118,133 thousand in the year ended December 31, 2023 from €242,588 thousand in the year ended December 31, 2022, mainly due to lower increases in our sales prices in 2023 than in 2022 and lower increases in the volume of goods sold. Inorganic growth increased to €114,338 thousand in the year ended December 31, 2023 from €12,347 thousand in the year ended December 31, 2022, mainly due to the contribution of Dawn Foods Frozen, whose results where consolidated in our consolidated financial statements for less than one month in 2022, compared to the whole year in 2023, and, to a lesser extent, our investment in Europastry México Incorporated in March 2023.

Organic growth[APM] increased 49.2% to €242,588 thousand in the year ended December 31, 2022 from €162,552 thousand in the year ended December 31, 2021, mainly due to the significant increase in sales prices implemented by the Group to cope with the increase in the prices of raw materials and other supplies during 2022. Inorganic growth increased to €12,347 thousand in the year ended December 31, 2022 from nil in the year ended December 31, 2021, mainly due to the consolidation of European Pastry's results since January 2022 and, to a lesser extent, the consolidation of Dawn Foods Frozen's results since December 2022. No acquisitions were made in 2021.

The following tables present a reconciliation of organic growth[APM] to net turnover for each of our two segments for the periods presented.

	For the six months ended June 30,		For the year ended December 31,		
	2024	2023	2023	2022	2021
Europe	(in thousands of euros, except percentages)				
Net turnover (prior period)	514,395	375,919	829,590	631,485	501,817
Net turnover (current period)	559,556	514,395	1,046,396	829,590	631,485

Europe	For the six months ended June 30, 2024	2023	For the year ended December 31, 2023	2022	2021
	(in thousands of euros, except percentages)				
Net turnover growth (1)	**45,160**	**138,476**	**216,806**	**198,105**	**129,668**
Net turnover growth (as a percentage of prior period net turnover)	8.8%	36.8%	26.1%	31.4%	25.8%
For entities acquired in the current period, net turnover in the current period (2)(a)	26,158	–	–	12,347	–
For entities acquired in the prior period, net turnover in the current period over non-consolidated months in the prior period (2)(b)	–	43,422	81,454	–	–
For entities divested in the current period, net turnover in the prior period over non-consolidated months in the current period (2)(c)	–	–	–	–	–
For entities divested in the prior period, net turnover in the prior period (2)(d)	–	–	–	–	–
Inorganic growth (2)	**26,158**	**43,422**	**81,454**	**12,347**	**–**
Inorganic growth (as a percentage of prior period net turnover)	5.1%	11.6%	9.8%	2.0%	0.0%
Foreign exchange effects (3)	**495**	**5**	**(92)**	**–**	**–**
Foreign exchange effects (as a percentage of prior period net turnover)	0.1%	0.0%	0.0%	0.0%	0.0%
Organic growth[APM]	**18,507**	**95,049**	**135,445**	**185,758**	**129,668**
Organic growth[APM] (as a percentage of prior period net turnover)	3.6%	25.3%	16.3%	29.4%	25.8%

(1) Net turnover growth equals net turnover for a given period *less* net turnover for the prior period.

(2) Inorganic growth equals (a) for entities acquired in the current period, net turnover in the current period, *plus* (b) for entities acquired in the prior period, net turnover in the current period over non-consolidated months in the prior period, *less* (c) for entities divested in the current period, net turnover in the prior period over non-consolidated months in the current period, *less* (d) for entities divested in the prior period, net turnover in the prior period. With respect to the six months ended June 30, 2024, entities acquired in the current period include DeWi Back. With respect to the six months ended June 30, 2023, entities acquired in the prior period include Dawn Foods Frozen.

(3) Foreign exchange effects equals the difference between net turnover for the current period of entities which maintain their financial statements in non-euro currencies, converted at the average exchange rate for the current period, and net turnover for the current period of the same entities, converted at the average exchange rate for the prior period.

International	For the six months ended June 30, 2024	2023	For the year ended December 31, 2023	2022	2021
	(in thousands of euros, except percentages)				
Net turnover (prior period)	152,554	141,994	291,910	214,093	184,990
Net turnover (current period)	154,079	152,554	300,383	291,910	214,093
Net turnover growth (1)	**1,525**	**10,560**	**8,473**	**77,817**	**29,103**
Net turnover growth (as a percentage of prior period net turnover)	1.0%	7.4%	2.9%	36.3%	15.7%
For entities acquired in the current period, net turnover in the current period (2)(a)	–	7,287	19,661	–	–
For entities acquired in the prior period, net turnover in the current period over non-consolidated months in the prior period (2)(b)	4,049	8,667	13,223	–	–
For entities divested in the current period, net turnover in the prior period over non-consolidated months in the current period (2)(c)	–	–	–	–	–
For entities divested in the prior period, net turnover in the prior period (2)(d)	–	–	–	–	–

	For the six months ended June 30,		For the year ended December 31,		
	2024	2023	2023	2022	2021
International	(in thousands of euros, except percentages)				
Inorganic growth (2)	**4,049**	**15,954**	**32,884**	**–**	**–**
Inorganic growth (as a percentage of prior period net turnover)	2.7%	11.2%	11.3%	0.0%	0.0%
Foreign exchange effects (3)	**(137)**	**(646)**	**(7,100)**	**20,987**	**(3,780)**
Foreign exchange effects (as a percentage of prior period net turnover)	(0.1)%	(0.5)%	(2.4)%	9.8%	(2.0)%
Organic growth^APM^	**(2,387)**	**(4,748)**	**(17,312)**	**56,830**	**32,883**
Organic growth^APM^ (as a percentage of prior period net turnover)	(1.6)%	(3.3)%	(5.9)%	26.5%	17.8%

(1) Net turnover growth equals net turnover for a given period *less* net turnover for the prior period.

(2) Inorganic growth equals (a) for entities acquired in the current period, net turnover in the current period, *plus* (b) for entities acquired in the prior period, net turnover in the current period over non-consolidated months in the prior period, *less* (c) for entities divested in the current period, net turnover in the prior period over non-consolidated months in the current period, *less* (d) for entities divested in the prior period, net turnover in the prior period. With respect to the six months ended June 30, 2024, entities acquired in the prior period include Europastry México Incorporated and Pagnifique Mexicana. With respect to the six months ended June 30, 2023, entities acquired in the current period include Europastry México Incorporated and Pagnifique Mexicana and entities acquired in the prior period include Dawn Foods Frozen.

(3) Foreign exchange effects equals the difference between net turnover for the current period of entities which maintain their financial statements in non-euro currencies, converted at the average exchange rate for the current period, and net turnover for the current period of the same entities, converted at the average exchange rate for the prior period.

*Gross margin^APM^*

We calculate gross margin^APM^ as net turnover *less* cost of goods sold, *divided* by net turnover. We believe that gross margin^APM^ is a useful measure of our performance because it provides information about our profitability after accounting for the direct costs associated with the production of our products.

The following table presents a reconciliation of gross margin^APM^ to net turnover for the periods presented.

	For the six months ended June 30,		For the year ended December 31,		
	2024	2023	2023	2022	2021
	(in thousands of euros)				
Net turnover	713,634	666,949	1,346,779	1,121,500	845,579
Cost of goods sold (1)	(310,633)	(309,775)	(611,763)	(506,563)	(355,727)
Gross margin^APM^	**403,001**	**357,175**	**735,016**	**614,937**	**489,852**
Gross margin^APM^ (as a percentage of net turnover)	**56.5%**	**53.6%**	**54.6%**	**54.8%**	**57.9%**

(1) Cost of goods sold includes stock variation and cost of sales, as set forth in the following table:

	For the six months ended June 30,		For the year ended December 31,		
	2024	2023	2023	2022	2021
	(in thousands of euros)				
Stock variation	5,384	1,936	13,714	16,597	19,401
Cost of sales	(316,017)	(311,711)	(625,477)	(523,161)	(375,128)
Cost of goods sold	**(310,633)**	**(309,775)**	**(611,763)**	**(506,563)**	**(355,727)**

Gross margin^APM^ (as a percentage of net turnover) increased 2.9 p.p. to 56.5% in the six months ended June 30, 2024 from 53.6% in the six months ended June 30, 2023, principally due to a proportionally larger increase in net turnover than in cost of goods sold (mainly due to the persistence of increased sales prices established during the inflationary environment throughout 2023, while prices for raw materials and other supplies stabilized or, in some cases, decreased, the optimization of our product mix (as we continued to focus on high-value-added products) and, to a lesser extent, increased diversification across distribution channels).

Gross margin^{APM} (as a percentage of net turnover) decreased 0.2 p.p. to 54.6% in the year ended December 31, 2023 from 54.8% in the year ended December 31, 2022, principally due to a proportionally larger increase in cost of goods sold than in net turnover due to inflation (mainly due to price increases in raw materials and other supplies that could not be entirely passed through to customers through the increase in sales prices).

Gross margin^{APM} (as a percentage of net turnover) decreased 3.1 p.p. to 54.8% in the year ended December 31, 2022 from 57.9% in the year ended December 31, 2021, principally due to a proportionally larger increase in the cost of goods sold than in net turnover due to inflation (mainly due to price increases in raw materials and other supplies that could not be entirely passed through to customers through the increase in sales prices).

EBITDA^{APM}, Adjusted EBITDA^{APM} and adjusted EBITDA margin^{APM}

We calculate EBITDA^{APM} as net result for the period attributable to the Parent Company *plus* net result from non-controlling interests, corporate income tax, financial result, depreciation and amortization and impairment and profit/(loss) on disposals of fixed assets. We calculate adjusted EBITDA^{APM} as net result for the period attributable to the Parent Company *plus* net result from non-controlling interests, corporate income tax, financial result, depreciation and amortization and impairment and profit/(loss) on disposals of fixed assets (EBITDA^{APM}), *plus* or *less* certain adjusted operating items. We calculate adjusted EBITDA margin^{APM} as adjusted EBITDA^{APM} *divided* by net turnover. We believe that EBITDA^{APM}, adjusted EBITDA^{APM} and adjusted EBITDA margin^{APM} are useful measures of our performance because they provide information for analyzing profitability (before certain adjustments) by approximating the operating flows (prior to non-recurring items) that generate cash.

The table below presents a reconciliation of EBITDA^{APM}, adjusted EBITDA^{APM} and adjusted EBITDA margin^{APM} to net result for the period attributable to the Parent Company for the periods presented.

	For the six months ended June 30,		**For the year ended December 31,**		
	2024	**2023**	**2023**	**2022**	**2021**
	(in thousands of euros)				
Net result for the period attributable to the Parent Company	31,923	35,756	68,216	36,002	24,081
Net result from non-controlling interests	601	843	679	297	249
Corporate income tax	10,784	12,135	21,095	10,806	454
Financial result	20,078	10,526	26,526	27,236	24,035
Depreciation and amortization	45,680	39,102	83,360	70,494	67,427
Impairment and profit/(loss) on disposals of fixed assets	30	294	942	709	–
EBITDA^{APM}	**109,096**	**98,657**	**200,818**	**145,544**	**116,247**
Adjusted operating items (1)	5,086	525	4,221	9,599	3,982
Adjusted EBITDA^{APM}	**114,182**	**99,182**	**205,039**	**155,143**	**120,229**
Net turnover	713,634	666,949	1,346,779	1,121,500	845,579
Adjusted EBITDA margin^{APM}	**16.0%**	**14.9%**	**15.2%**	**13.8%**	**14.2%**

(1) Adjusted operating items includes IPO-related costs, adjustments for employee benefits, merger and acquisition activity expenses, restructuring expenses and expenses incurred in connection with the COVID-19 pandemic (mainly personal protective equipment and related infection prevention and control supplies), as set forth in the following table:

	For the six months ended June 30,		**For the year ended December 31,**		
	2024	**2023**	**2023**	**2022**	**2021**
	(in thousands of euros)				
IPO-related costs	2,297	–	–	–	–
Adjustment for employee benefits (a)	2,285	–	3,000	5,800	–
Merger and acquisition activity expenses	409	311	568	1,520	489
Restructuring expenses	95	214	653	2,279	2,747
COVID-19 pandemic	–	–	–	–	746
Adjusted operating items	**5,086**	**525**	**4,221**	**9,599**	**3,982**

(a) For the six months ended June 30, 2024, this amount refers to a provision recorded during the period, under personnel expenses, in connection with extraordinary compensation awards to be paid to executive directors and Senior

Managers in connection with the completion of the Offering. See "*Board of Directors and Management—Offering Extraordinary Incentive*".

Adjusted EBITDA^{APM} increased 15.1% to €114,182 thousand in the six months ended June 30, 2024, representing an adjusted EBITDA margin^{APM} of 16.0%, from €99,182 thousand in the six months ended June 30, 2023, representing an adjusted EBITDA margin^{APM} of 14.9%, principally due to the increase in net turnover. Adjusted EBITDA margin^{APM} increased during the period due to a proportionally larger increase in adjusted EBITDA^{APM} than in net turnover, which was driven principally by the optimization of our product mix (as we continued to focus on high-value-added products), increased diversification across distribution channels and the persistence of increased sales prices established during the inflationary environment throughout 2023. In our Europe segment, the optimization of production costs as newly completed production lines were ramped up contributed to the increase in adjusted EBITDA^{APM}. In our International segment, the period-on-period increase in adjusted EBITDA^{APM} was driven mainly by increased net turnover and production-cost optimization following the acquisitions of Europastry México Incorporated and Pagnifique Mexicana in 2023, price increases and improvement in transport costs in Mexico, and improved profitability in the United States as a result of operations efficiency improvements following the transfer of production activities to our production center in New Jersey in 2023.

Adjusted EBITDA^{APM} increased 32.2% to €205,039 thousand in the year ended December 31, 2023, representing an adjusted EBITDA margin^{APM} of 15.2%, from €155,143 thousand in the year ended December 31, 2022, representing an adjusted EBITDA margin^{APM} of 13.8%, principally due to the increase in net turnover, and was supported by the optimization of our product mix (as we continued to focus on high-value-added products). Adjusted EBITDA margin^{APM} increased during the period due to a proportionally larger increase in adjusted EBITDA^{APM} than in net turnover due principally to the increases in sales prices implemented gradually since the end of 2021 and throughout 2022.

Adjusted EBITDA^{APM} increased 29.0% to €155,143 thousand in the year ended December 31, 2022, representing an adjusted EBITDA margin^{APM} of 13.8%, from €120,229 thousand in the year ended December 31, 2021, representing an adjusted EBITDA margin^{APM} of 14.2%, principally due to the increase in net turnover. Adjusted EBITDA margin^{APM} decreased during the period due to a proportionally larger increased in net turnover than in adjusted EBITDA^{APM} due principally to the increase in production costs (mainly due to price increases in raw materials and other supplies) that could not be entirely passed through to customers through the increases in sales prices.

The table below presents a reconciliation of EBITDA^{APM}, adjusted EBITDA^{APM} and adjusted EBITDA margin^{APM} to net result for the period attributable to the Parent Company for our Europe segment for the periods presented.

	For the six months ended June 30,		**For the year ended December 31,**		
	2024	**2023**	**2023**	**2022**	**2021**
Europe	**(in thousands of euros, except percentages)**				
Net result for the period attributable to the Parent Company	26,324	28,372	63,586	27,668	19,865
Net result from non-controlling interests	321	313	644	456	249
Corporate income tax	7,458	9,294	20,071	7,553	(408)
Financial result	19,738	11,563	26,129	27,527	20,897
Depreciation and amortization	35,707	31,153	66,624	55,670	52,003
Impairment and profit/(loss) on disposals of fixed assets	30	294	942	–	–
EBITDA^{APM}	**89,578**	**80,991**	**177,995**	**118,874**	**92,607**
Adjusted operating items (1)	5,002	311	3,568	8,649	3,630
Other adjustments (2)	–	–	(7,511)	(5,966)	(1,104)
Adjusted EBITDA^{APM}	**94,580**	**81,301**	**174,052**	**121,557**	**95,133**
Net turnover	559,556	514,395	1,046,396	829,590	631,485
Adjusted EBITDA margin^{APM}	**16.9%**	**15.8%**	**16.6%**	**14.7%**	**15.1%**

(1) With respect to the Europe segment, adjusted operating items includes IPO-related costs, adjustments for employee benefits, merger and acquisition activity expenses, restructuring expenses and expenses incurred in connection with the COVID-19 pandemic (mainly personal protective equipment and related infection prevention and control supplies), as set forth in the following table:

	For the six months ended June 30,		For the year ended December 31,		
	2024	2023	2023	2022	2021
	(in thousands of euros)				
IPO-related costs	2,297	–	–	–	–
Adjustment for employee benefits (a)	2,285	–	3,000	5,800	–
Merger and acquisition activity expenses	409	311	568	1,520	489
Restructuring expenses	11	–	–	1,329	2,642
COVID-19 pandemic	–	–	–	–	499
Adjusted operating items	**5,002**	**311**	**3,568**	**8,649**	**3,630**

(a) For the six months ended June 30, 2024, this amount refers to a provision recorded during the period, under personnel expenses, in connection with extraordinary compensation awards to be paid to executive directors and Senior Managers in connection with the completion of the Offering. See "*Board of Directors and Management—Offering Extraordinary Incentive*".

(2) Other adjustments includes transfer pricing adjustments applicable in the jurisdictions in which the Company operates, the impact of which the Company isolates to better understand the results of operations of each segment.

The table below presents a reconciliation of EBITDA[APM], adjusted EBITDA[APM] and adjusted EBITDA margin[APM] to net result for the period attributable to the Parent Company for our International segment for the periods presented.

	For the six months ended June 30,		For the year ended December 31,		
	2024	2023	2023	2022	2021
International	(in thousands of euros, except percentages)				
Net result for the period attributable to the Parent Company	5,600	7,384	4,631	8,334	4,215
Net result from non-controlling interests	279	529	34	(159)	–
Corporate income tax	3,325	2,841	1,024	3,254	862
Financial result	340	(1,037)	397	(291)	3,139
Depreciation and amortization	9,973	7,950	16,736	15,533	15,425
Impairment and profit/(loss) on disposals of fixed assets	–	–	–	–	–
EBITDA[APM]	**19,517**	**17,666**	**22,822**	**26,671**	**23,641**
Adjusted operating items (1)	84	214	653	950	352
Other adjustments (2)	–	–	7,512	5,964	1,104
Adjusted EBITDA[APM]	**19,601**	**17,880**	**30,987**	**33,586**	**25,096**
Net turnover	154,079	152,554	300,383	291,910	214,093
Adjusted EBITDA margin[APM]	**12.7%**	**11.7%**	**10.3%**	**11.5%**	**11.7%**

(1) With respect to the International segment, adjusted operating items includes restructuring expenses and expenses incurred in connection with the COVID-19 pandemic (mainly personal protective equipment and related infection prevention and control supplies), as set forth in the following table:

	For the six months ended June 30,		For the year ended December 31,		
	2024	2023	2023	2022	2021
	(in thousands of euros)				
IPO-related costs	–	–	–	–	–
Adjustment for employee benefits	–	–	–	–	–
Merger and acquisition activity expenses	–	–	–	–	–
Restructuring expenses	84	214	653	950	105
COVID-19 pandemic	–	–	–	–	247
Adjusted operating items	**84**	**214**	**653**	**950**	**352**

(2) Other adjustments includes transfer pricing adjustments applicable in the jurisdictions in which the Company operates, the impact of which the Company isolates to better understand the results of operations of each segment.

Adjusted EBITDA margin^{APM} typically varies across customer channels. Average adjusted EBITDA margin^{APM} for retail customers is around 10% to 15%, compared with around 15% to 20% for foodservice customers and around 20% for traditional bakery customers.

The adjusted EBITDA margin^{APM} in our International segment has been historically lower than in our Europe segment as a result of our larger exposure to the retail channel (which is less profitable than other customer channels) in our International segment and the fact that our International operations are still in a ramp-up stage. Further, the adjusted EBITDA margin^{APM} in our International segment for the year ended December 31, 2023 was adversely affected by expenses incurred in connection with the closing and transfer of production activities carried out in a former production center located in New York to our production center in New Jersey.

We also calculate adjusted EBITDA^{APM} as gross margin^{APM} *less* operating expenses, *plus* adjusted operating items. The following table presents a reconciliation of gross margin^{APM} to adjusted EBITDA^{APM} for the periods presented.

	For the six months ended June 30,		**For the year ended December 31,**		
	2024	**2023**	**2023**	**2022**	**2021**
	(in thousands of euros)				
Net turnover....................	713,634	666,949	1,346,779	1,121,500	845,579
Cost of goods sold	(310,633)	(309,775)	(611,763)	(506,563)	(355,727)
Gross margin^{APM}...........	**403,001**	**357,175**	**735,016**	**614,937**	**489,852**
Operating expenses (1)...	(293,905)	(258,518)	(534,198)	(469,392)	(373,604)
Adjusted operating items (2)	5,086	525	4,221	9,599	3,982
Adjusted EBITDA^{APM}...	**114,182**	**99,182**	**205,039**	**155,143**	**120,229**

(1) Operating expenses includes work carried out for own fixed assets, other operating income, personnel expenses and other operating expenses, as set forth in the following table:

	For the six months ended June 30		**For the year ended December 31,**		
	2024	**2023**	**2023**	**2022**	**2021**
	(in thousands of euros)				
Work carried out for own fixed assets......................................	5,498	5,166	9,217	7,432	10,425
Other operating income...............	680	811	2,136	2,020	2,335
Personnel expenses	(117,425)	(96,755)	(208,398)	(172,342)	(145,987)
Other operating expenses............	(182,658)	(167,740)	(337,153)	(306,502)	(240,377)
Operating expenses..................	**(293,905)**	**(258,518)**	**(534,198)**	**(469,392)**	**(373,604)**

(2) Adjusted operating items includes IPO-related costs, adjustments for employee benefits, merger and acquisition activity expenses, restructuring expenses and expenses incurred in connection with the COVID-19 pandemic (mainly personal protective equipment and related infection prevention and control supplies), as set forth in footnote (1) in "*—EBITDA^{APM}, Adjusted EBITDA^{APM} and adjusted EBITDA margin^{APM}*".

Adjusted EBIT^{APM} and adjusted EBIT margin^{APM}

We calculate adjusted EBIT^{APM} as net result for the period attributable to the Parent Company *plus* net result from non-controlling interests, corporate income tax and financial result (operating result or "EBIT"), *plus* or *less* adjusted operating items, non-recurring impairment and profit/(loss) on disposals of fixed assets and depreciation and amortization of acquisition-related intangibles. We calculate adjusted EBIT margin^{APM} as adjusted EBIT^{APM} *divided* by net turnover. We believe that adjusted EBIT^{APM} and adjusted EBIT margin^{APM} are useful measures of our performance because they provide information for analyzing profitability (before certain adjustments) by approximating the operating flows (prior to non-recurring items) that generate cash.

The table below presents a reconciliation of adjusted EBIT^{APM} and adjusted EBIT margin^{APM} to the net result for the period attributable to the Parent Company for the periods presented.

	For the six months ended June 30,		For the year ended December 31,		
	2024	2023	2023	2022	2021
	(in thousands of euros, except percentages)				
Net result for the period attributable to the Parent Company	31,923	35,756	68,216	36,002	24,081
Net result from non-controlling interests	601	843	679	297	249
Corporate income tax	10,784	12,135	21,095	10,806	454
Financial result	20,078	10,526	26,526	27,236	24,035
Operating result (EBIT)	**63,386**	**59,260**	**116,516**	**74,341**	**48,820**
Adjusted operating items (1)	5,086	525	4,221	9,599	3,982
Non-recurring impairment and profit/(loss) on disposals of fixed assets (2)	–	300	948	709	–
Depreciation and amortization of acquisition-related intangibles (3)	7,418	6,637	13,958	9,980	8,693
Adjusted EBIT^APM^	**75,890**	**66,722**	**135,643**	**94,629**	**61,494**
Net turnover	713,634	666,949	1,346,779	1,121,500	845,579
Adjusted EBIT margin^APM^	10.6%	10.0%	10.1%	8.4%	7.3%

(1) Adjusted operating items includes IPO-related costs, adjustments for employee benefits, merger and acquisition activity expenses, restructuring expenses and expenses incurred in connection with the COVID-19 pandemic (mainly personal protective equipment and related infection prevention and control supplies), as set forth in footnote (1) in "—*EBITDA^APM^, Adjusted EBITDA^APM^ and adjusted EBITDA margin^APM^*".

(2) Non-recurring Impairment and profit/(loss) on disposals of fixed asset includes the portion of Impairment and profit/(loss) on disposals of fixed assets that is deemed to be extraordinary and non-recurring.

(3) Depreciation and amortization of acquisition-related intangibles includes the amortization of other intangibles generated by our acquisitions, mainly of Wenner Bakery, Ingapan, Euroclassic, Dawn Foods Frozen, Europastry México Incorporated and Pagnifique Mexicana.

*Adjusted net income^APM^ and adjusted net income margin^APM^*

We calculate adjusted net income^APM^ as net result for the period attributable to the Parent Company *plus* extraordinary expenses, which includes adjusted operating items, non-recurring depreciation and amortization, depreciation and amortization of acquisition-related intangibles, non-recurring financial results, foreign exchange effect and non-recurring corporate income tax income or loss, *plus* tax effect on extraordinary expenses. We calculate adjusted net income margin^APM^ as adjusted net income^APM^ divided by net turnover. We believe that adjusted net income^APM^ and adjusted net income margin^APM^ are useful measures of our performance because they provide information about our profitability adjusted for certain extraordinary items.

The following table presents a reconciliation of adjusted net income^APM^ and adjusted net income margin^APM^ to net result for the period attributable to the Parent Company for the periods presented.

	For the six months ended June 30,		For the year ended December 31,		
	2024	2023	2023	2022	2021
	(in thousands of euros)				
Net result for the period attributable to the Parent Company	31,923	35,756	68,216	36,002	24,081
Extraordinary expenses (1)	14,401	4,848	15,486	23,240	13,018
Tax effect on extraordinary expenses (2)	(3,641)	(1,218)	(4,084)	(6,186)	(4,630)
Adjusted net income^APM^	**42,683**	**39,385**	**79,618**	**53,056**	**32,469**
Net turnover	713,634	666,949	1,346,779	1,121,500	845,579
Adjusted net income margin^APM^	**6.0%**	**5.9%**	**5.9%**	**4.7%**	**3.8%**

(1) Extraordinary expenses include adjusted operating items, non-recurring impairment and profit/(loss) on disposals of fixed assets, depreciation and amortization of acquisition-related intangibles, non-recurring financial result, foreign exchange effect and non-recurring corporate income tax income or loss, as set forth in the following table:

	For the six months ended June 30,		For the year ended December 31,		
	2024	**2023**	**2023**	**2022**	**2021**
	(in thousands of euros)				
Adjusted operating items (a)	5,086	525	4,221	9,599	3,982
Non-recurring impairment and profit/(loss) on disposals of fixed assets (b)	–	300	948	709	–
Depreciation and amortization of acquisition-related intangibles (c)	7,418	6,637	13,958	9,980	8,693
Non-recurring financial results (d)	375	–	–	2,071	577
Foreign exchange effect (e)	1,522	(2,614)	(2,922)	2,404	5,326
Non-recurring corporate income tax income or loss (f)	–	–	(719)	(1,523)	(5,560)
Extraordinary expenses	**14,401**	**4,848**	**15,486**	**23,240**	**13,018**

(a) Adjusted operating items includes IPO-related costs, adjustments for employee benefits, merger and acquisition activity expenses, restructuring expenses and expenses incurred in connection with the COVID-19 pandemic (mainly personal protective equipment and related infection prevention and control supplies), as set forth in footnote (1) in "*—EBITDA^APM, Adjusted EBITDA^APM and adjusted EBITDA margin^APM*".

(b) Non-recurring Impairment and profit/(loss) on disposals of fixed asset includes the portion of Impairment and profit/(loss) on disposals of fixed assets that is deemed to be extraordinary and non-recurring.

(c) Depreciation and amortization of acquisition-related intangibles includes the amortization of other intangibles generated by our acquisitions, mainly of Wenner Bakery, Ingapan, Euroclassic, Dawn Foods Frozen, Europastry México Incorporated and Pagnifique Mexicana.

(d) Non-recurring financial results includes variations in the fair value of financial instruments (as defined in IFRS 9), expenses directly attributable to debt restructuring, profit and loss statement effect due to change of consolidated method, and profit and loss statement impact of variations in fair value of earn-out payments due to merger and acquisition activity.

(e) Foreign exchange effect includes the net impact of foreign exchange variations.

(f) Non-recurring corporate income tax income or loss includes income or loss attributable to changes in our income tax rate, including tax deductions related mainly to our research and development activities.

(2) Tax effect on extraordinary expenses equals such extraordinary expenses multiplied by the tax rate in effect at the time.

Capex^APM

We calculate capex^APM as growth capex^APM *plus* maintenance and other capex^APM. We believe that capex^APM provides useful information about our investments in our assets, excluding investments related to the purchase of acquired businesses.

The following table presents a reconciliation of capex^APM for the periods presented.

	For the six months ended June 30,	For the year ended December 31,		
	2024	**2023**	**2022**	**2021**
	(in thousands of euros, except percentages)			
Growth capex^APM (1)	32,672	72,267	94,447	67,681
Maintenance and other capex^APM (2)	14,309	34,478	25,527	23,131
Capex^APM	**46,981**	**106,745**	**119,974**	**90,813**
Net turnover	713,634	1,346,779	1,121,500	845,579
Growth capex^APM (as a percentage of Net turnover)	4.6%	5.4%	8.4%	8.0%
Maintenance and other capex^APM (as a percentage of net turnover)	2.0%	2.6%	2.3%	2.7%

	For the six months ended June 30,	For the year ended December 31,		
	2024	2023	2022	2021
	(in thousands of euros, except percentages)			
Capex[APM] (as a percentage of net turnover)	6.6%	7.9%	10.7%	10.7%

(1) Growth capex[APM] is entirely discretionary and includes (a) investments related to new manufacturing lines and logistics facilities, including the initial investment and subsequent investments during the 24-month period following their initiation, which includes investments in land, installations, utilities, equipment and machinery, and startup costs, (b) research and development investments and (c) investments related to equipment and displays installed in our customers' stores (approximately €3,000 thousand and €4,000 thousand per year in recent years).

(2) Maintenance and other capex[APM] includes all other investments in manufacturing lines and other tangible and intangible investments.

Capex[APM] was €46,981 thousand in the six months ended June 30, 2024. Growth capex[APM] was €32,672 thousand in the six months ended June 30, 2024, and related primarily to the upgrade and expansion of certain production centers (including our logistics capabilities) and the assembly of new production lines. See "*—Key Factors Affecting Our Results of Operations—Capital expenditures*". Maintenance and other capex[APM] in the six months ended June 30, 2024 was €14,309 thousand, and related primarily to industrial maintenance for existing production lines.

Capex[APM] decreased 11.0% to €106,745 thousand in the year ended December 31, 2023 from €119,974 thousand in the year ended December 31, 2022, principally due to a decrease in growth capex[APM], partially offset by the increase in maintenance and other capex[APM]. Growth capex[APM] in the year ended December 31, 2023 decreased 23.5% to €72,267 thousand from €94,447 thousand in the year ended December 31, 2022, and was primarily related to the upgrade and expansion of certain production centers (including our logistics capabilities) and the assembly of new production lines. See "*—Key Factors Affecting Our Results of Operations—Capital expenditures*". Maintenance and other capex[APM] in the year ended December 31, 2023 increased 35.1% to €34,478 thousand from €25,527 thousand in the year ended December 31, 2022 and primarily related to industrial maintenance for existing production lines, including production lines from entities that were acquired in 2023 and late 2022.

Capex[APM] increased 32.1% to €119,974 thousand in the year ended December 31, 2022 from €90,813 thousand in the year ended December 31, 2021, principally due to an increase in growth capex[APM] and, to a lesser extent, maintenance and other capex[APM]. Growth capex[APM] in the year ended December 31, 2022 increased 39.5% to €94,447 thousand from €67,681 thousand in the year ended December 31, 2021, and was primarily related to the new brioche production center in Laurens (South Carolina), the expansion of the bread production center in Azuqueca de Henares (Guadalajara) and the expansion of the production center in Oldenzaal (Overijssel), including a new Dots line. Maintenance and other capex[APM] in the year ended December 31, 2022 increased 10.4% to €25,527 thousand from €23,131 thousand in the year ended December 31, 2021 and primarily related to industrial maintenance for existing production lines, including production lines from entities that were acquired in 2022.

The following table presents a detailed breakdown of growth capex[APM] and maintenance and other capex[APM] by category for the periods presented.

	For the six months ended June 30,	For the year ended December 31,		
	2024	2023	2022	2021
	(in thousands of euros)			
Bread	6,543	33,261	50,657	25,318
Pastries and Dots	14,590	14,830	17,865	17,781
Logistics and available buildings and lands	5,478	13,220	16,568	11,330
Commercial	2,325	3,799	3,154	3,431
Research and development	3,736	7,157	6,203	9,820
Total growth capex[APM]	**32,672**	**72,267**	**94,447**	**67,681**
IT & other corporate	4,467	7,364	6,389	5,315
Fire protection equipment (1)	542	3,414	2,341	3,492
Industrial	9,300	23,700	16,797	14,324

	For the six months ended June 30,	For the year ended December 31,		
	2024	2023	2022	2021
	(in thousands of euros)			
Total maintenance and other capex^{APM}	**14,309**	**34,478**	**25,527**	**23,131**
Total capex^{APM}	**46,981**	**106,745**	**119,974**	**90,813**

(1) No meaningful expenses are expected to be incurred in connection with fire protection equipment in the foreseeable future.

Net financial debt^{APM}, adjusted net financial debt^{APM} and adjusted leverage^{APM}

We calculate net financial debt^{APM} as gross financial debt *less* cash and cash equivalents. We calculate adjusted net financial debt^{APM} as net financial debt^{APM} *plus* cross-put and call option agreements. We calculate adjusted leverage^{APM} as adjusted net financial debt^{APM} *divided* by adjusted EBITDA^{APM}. We believe that net financial debt^{APM}, adjusted net financial debt^{APM} and adjusted leverage^{APM} are useful measures because they provide information about our liquidity relative to our obligations and our capital structure.

The following table presents a reconciliation of net financial debt^{APM}, adjusted net financial debt^{APM} and adjusted leverage^{APM} to gross financial debt as of the dates indicated.

	As of June 30,	As of December 31,		
	2024	2023	2022	2021
	(in thousands of euros, except ratios)			
Non-current financial liabilities - Debts with financial institutions..	741,585	662,421	614,225	534,783
Non-current financial liabilities – Other financial liabilities (1)...	299	430	615	—
Current financial liabilities - Debts with financial institutions	19,611	32,009	37,415	41,657
Non-current financial investments - Derivative financial instruments...	(13,669)	(17,053)	(30,951)	1,638
Lease liabilities (IFRS 16 adjustment)	24,023	25,066	15,179	16,869
Gross financial debt...	**771,849**	**702,873**	**636,484**	**594,947**
Cash and cash equivalents.......................................	(104,679)	(51,104)	(67,440)	(65,025)
Net financial debt^{APM}..	**667,170**	**651,769**	**569,044**	**529,923**
Cross-put and call option agreements (2)	4,502	1,886	1,886	2,000
Adjusted net financial debt^{APM} (3).......................	**671,672**	**653,655**	**570,930**	**531,923**
Adjusted EBITDA^{APM}	**114,182**	**205,039**	**155,143**	**120,229**
Adjusted leverage^{APM} (4)......................................	**3.1x**	**3.2x**	**3.7x**	**4.4x**

(1) Includes debts with non-financial institutions assumed by the Group as a result of the acquisition of European Pastry.

(2) Cross-put and call option agreements includes such agreements related to our acquisitions of DeWi Back, European Pastry and Grand Duet B.V., which fair value is recorded under other financial liabilities, both current and non-current. See "—*Key Factors Affecting our Results of Operations—Acquisitions*".

(3) The Group calculates net financial debt (*deuda financiera neta*) in its consolidated directors' reports using the same formula used to calculate adjusted net financial debt^{APM} in this Prospectus.

(4) Adjusted leverage^{APM} as of June 30, 2024 is calculated based on the combined adjusted EBITDA^{APM} for the 12 months ended June 30, 2024 (€220,039 thousand), resulting from (i) the adjusted EBITDA^{APM} for the Group for the year ended December 31, 2023 (€205,039 thousand) *plus* (ii) the adjusted EBITDA^{APM} for the Group for the six months ended June 30, 2024 (€114,182 thousand) *minus* (iii) the adjusted EBITDA^{APM} for the Group for the six months ended June 30, 2023 (€99,182 thousand). The calculation of adjusted leverage^{APM} differs from the calculation of the Net Financial Debt/EBITDA Ratio under the Sustainable Financing Agreement. The latter excludes EBITDA attributable to the sale of any Group company, business or other asset during the four accounting quarters ending on the calculation date for the ratio but includes EBITDA attributable to Group companies acquired during the relevant period. See "*—Liquidity and Capital Resources—Financial liabilities—Sustainable Financing Agreement*".

Adjusted leverage^{APM} decreased as of June 30, 2024 to 3.1x, compared with adjusted leverage^{APM} of 3.2x as of December 31, 2023. This decrease resulted from the proportionately greater period-on-period increase in adjusted EBITDA^{APM} compared to the period-on-period increase in adjusted net financial debt^{APM}. Adjusted EBITDA^{APM} increased 7.3% to €220,038 thousand for the 12 months ended June 30, 2024 compared with €205,039 thousand for the year ended December 31, 2023, principally driven by greater net turnover in the 12 months ended June 30, 2024, offset in part by increases in personnel expenses during the period. Adjusted net financial debt^{APM} increased 2.8% to €671,672 thousand as of June 30, 2024 from €653,655 thousand as of December 31, 2023, principally due to an increase in non-current debts with financial institutions, including in connection with the acquisition of DeWi Back (see Note 6 to the Unaudited Condensed Interim Consolidated Financial Statements), offset in part by an increase in cash and cash equivalents and a decrease in current debts with financial institutions.

Adjusted leverage^{APM} decreased as of December 31, 2023 to 3.2x, compared with adjusted leverage^{APM} of 3.7x as of December 31, 2022. This decrease resulted from the proportionately greater year-on-year increase in adjusted EBITDA^{APM} compared to the year-on-year increase in adjusted net financial debt^{APM}. Adjusted EBITDA^{APM} increased 32.2% to €205,039 thousand for the year ended December 31, 2023 compared with €155,143 thousand for the year ended December 31, 2022, principally driven by greater net turnover in the year ended December 31, 2023. Adjusted net financial debt^{APM} increased 14.5% to €653,655 thousand as of December 31, 2023 from €570,930 thousand as of December 31, 2022, principally due to an increase in non-current debts with financial institutions, a decrease in cash and cash equivalents, an increase in IFRS 16 commitments and a decrease in the fair value of the interest rate swaps hedging floating rate loans as a result of the decrease in their notional amount.

Adjusted leverage^{APM} decreased as of December 31, 2022 to 3.7x, compared with adjusted leverage^{APM} of 4.4x as of December 31, 2021. This decrease resulted from the proportionately greater year-on-year increase in adjusted EBITDA^{APM} compared to the year-on-year increase in adjusted net financial debt^{APM}. Adjusted EBITDA^{APM} increased 29.0% to €155,143 thousand for the year ended December 31, 2022 compared with €120,229 thousand for the year ended December 31, 2021, principally driven by greater net turnover in the year ended December 31, 2022. Adjusted net financial debt^{APM} increased 7.4% to €570,930 thousand as of December 31, 2022 from €531,923 thousand as of December 31, 2021, principally due to an increase in non-current debts with financial institutions, offset in part by an increase in the fair value of the interest rate swaps hedging floating rate loans as a result of the increase in interest rates in 2022.

Adjusted financial result^{APM} and average cost of debt^{APM}

We calculate adjusted financial result^{APM} as financial result (i.e., financial expenses less financial income) *less* extraordinary financial expenses. We calculate average cost of debt^{APM} as adjusted financial result^{APM} *divided* by gross financial debt. We believe that adjusted financial result^{APM} and average cost of debt^{APM} are useful measures because they provide information about the cost of our outstanding indebtedness.

The following table presents a reconciliation of adjusted financial result^{APM} to financial result and our calculation of average cost of debt^{APM} for the periods presented.

	For the six months ended June 30,	For the year ended December 31,		
	2024	2023	2022	2021
	(in thousands of euros, except percentages)			
Financial result	20,078	26,526	27,236	24,035
Extraordinary financial expenses (1)	(1,897)	2,922	(4,475)	(5,903)
Adjusted financial result^{APM}	**18,181**	**29,448**	**22,672**	**18,132**
Gross financial debt	**771,849**	**702,873**	**636,484**	**594,947**
Average cost of debt^{APM} (2)	**4.7%**	**4.2%**	**3.6%**	**3.0%**

(1) Extraordinary financial expenses include non-recurring financial results and foreign exchange effect, as set forth in the following table:

	For the six months ended June 30,	For the year ended December 31,		
	2024	2023	2022	2021
	(in thousands of euros)			
Non-recurring financial results (a)	375	–	2,071	577
Foreign exchange effect (b)	1,522	(2,922)	2,404	5,326

	For the six months ended June 30,	For the year ended December 31,		
	2024	2023	2022	2021
	(in thousands of euros)			
Extraordinary financial expenses	**1,897**	**(2,922)**	**4,475**	**5,903**

(a) Non-recurring financial results includes variations in the fair value of financial instruments (as defined in IFRS 9), expenses directly attributable to debt restructuring, profit and loss statement effect due to change of consolidated method, and profit and loss statement impact of variations in fair value of earn-out payments due to merger and acquisition activity.

(b) Foreign exchange effect includes the net impact of foreign exchange variations.

(2) The average cost of debt[APM] for the six months ended June 30, 2024 is calculated by annualizing the adjusted financial result[APM] for the six month period (€36,362).

Our average cost of debt[APM] has increased over each of the periods presented as a result of increases to the interest rates applicable to our outstanding variable-rate debt, period-on-period increases to the amount of total outstanding indebtedness and corresponding decreases in the proportion of our exposure to variable interest rates under our outstanding indebtedness hedged through hedging arrangements.

Net working capital[APM], net working capital variation[APM], adjusted net working capital[APM] and adjusted net working capital variation[APM]

We calculate net working capital[APM] as inventories *plus* accounts receivable, *less* trade payables and other liabilities. We calculate net working capital variation[APM] as net working capital[APM] for the current period *less* net working capital[APM] for the prior period. We calculate adjusted net working capital[APM] as net working capital[APM] *plus* adjustments to inventories, accounts receivable and trade payables and other liabilities, which adjust for the impact on our balance sheet of the March 2024 acquisition of DeWi Back. We calculate adjusted net working capital variation[APM] as adjusted net working capital[APM] for the current period *less* adjusted net working capital[APM] for the prior period.

We believe that net working capital[APM], net working capital variation[APM], adjusted net working capital[APM] and adjusted net working capital variation[APM] are useful measures because they provide information about our liquid assets, excluding cash and cash equivalents and current debts with credit institutions.

The following table presents a reconciliation of net working capital[APM] and net working capital variation[APM] as of the dates presented.

	As of June 30,	As of December 31,		
	2024	2023	2022	2021
	(in thousands of euros, except percentages)			
Inventories	143,264	122,637	109,658	81,228
Accounts receivable (1)	204,621	177,863	146,174	93,210
Trade payables and other liabilities	(325,615)	(284,128)	(285,074)	(193,659)
Net working capital[APM]	**22,270**	**16,372**	**(29,242)**	**(19,221)**
Adjustments to inventories, accounts receivable, trade payables and other liabilities (2)	(12,093)	—	—	—
Adjusted net working capital[APM]	**10,177**	**16,372**	**(29,242)**	**(19,221)**
Net working capital[APM] (as a percentage of Net turnover)	3.1%	1.2%	(2.6)%	(2.3)%
Adjusted net working capital[APM] (as a percentage of Net turnover)	1.4%	1.2%	(2.6)%	(2.3)%
Net working capital variation[APM]	**5,898**	**45,613**	**(10,021)**	**(6,715)**
Adjusted net working capital variation[APM]	**(6,195)**	**45,613**	**(10,021)**	**(6,715)**

(1) Accounts receivable equals trade receivables *plus* current prepayments and accruals.

(2) These adjustments, related to our March 2024 acquisition of DeWi Back, include a €7,859 thousand decrease in inventories, a €11,498 thousand decrease in accounts receivable and a €7,264 thousand decrease in trade payables and other liabilities.

Net working capital$^{\text{APM}}$ has been historically negative (including in 2022 and 2021) as a result of our working capital policy, which establishes the following general guidelines:

- around 40 days to receive payments from customers;
- between 40-50 days of stock in inventory; and
- around 100 days to pay suppliers.

Our historically negative net working capital$^{\text{APM}}$, coupled with our historically low maintenance and other capex$^{\text{APM}}$, have supported a historically high operating cash flow conversion$^{\text{APM}}$. See "*—Operating cash flow^{APM} and operating cash flow conversion^{APM}*".

Net working capital$^{\text{APM}}$ was €22,270 thousand as of June 30, 2024 and €16,372 thousand as of December 31, 2023, mainly due to a proportionally larger increase in inventories and accounts receivable compared to the increase in trade payables and other liabilities as a result of the March 2024 acquisition of DeWi Back, as well as extended payment terms agreed with certain suppliers for 2024. Adjusting for the impact on our balance sheet of the March 2024 acquisition of DeWi Back, adjusted net working capital was €10,177 thousand as of June 30, 2024.

Net working capital$^{\text{APM}}$ was €16,372 thousand as of December 31, 2023 and negative €29,242 thousand as of December 31, 2022, mainly due to: the year-on-year increase in inventories, which is intended to secure optimal levels of customer service following a period of high demand in the third quarter of 2023; and an increase in trade receivables from customers due to some collection delays during the integration of the entities acquired at the end of 2022 and in 2023.

Net working capital$^{\text{APM}}$ was negative €29,242 thousand as of December 31, 2022 and negative €19,221 thousand as of December 31, 2021, principally due to the increase in trade payables and other liabilities as a result of the increase in activity levels following the worst of the COVID-19 pandemic and an increase in suppliers of fixed assets related to capex$^{\text{APM}}$ investments in the second half of 2022, partially offset by increases in inventory levels intended to mitigate the impact of supply chain constraints resulting from the COVID-19 pandemic.

Operating cash flow^{APM} and operating cash flow conversion^{APM}

We calculate operating cash flow$^{\text{APM}}$ as adjusted EBITDA$^{\text{APM}}$ *less* maintenance and other capex$^{\text{APM}}$, *less* adjusted net working capital variation$^{\text{APM}}$. We calculate operating cash flow conversion$^{\text{APM}}$ as operating cash flow$^{\text{APM}}$ *divided* by adjusted EBITDA$^{\text{APM}}$. We believe that operating cash flow$^{\text{APM}}$ and operating cash flow conversion$^{\text{APM}}$ are useful measures because they provide information about our cash flows from operations (before certain adjustments and prior to non-recurring items) after accounting for changes in our net working capital and investments in maintenance and other capital expenditures.

The following table presents a reconciliation of operating cash flow$^{\text{APM}}$ and operating cash flow conversion$^{\text{APM}}$ for the periods presented.

	For the six months ended June 30,	**For the year ended December 31,**		
	2024	**2023**	**2022**	**2021**
	(in thousands of euros, except percentages)			
Adjusted EBITDA$^{\text{APM}}$ (1)	114,182	205,039	155,143	120,229
Maintenance and other capex$^{\text{APM}}$ (2)	(14,309)	(34,478)	(25,527)	(23,131)
Adjusted net working capital variation$^{\text{APM}}$ (3)	6,195	(45,613)	10,021	6,715
Operating cash flow$^{\text{APM}}$	**106,068**	**124,948**	**139,636**	**103,813**
Adjusted EBITDA$^{\text{APM}}$	114,182	205,039	155,143	120,229
Operating cash flow conversion$^{\text{APM}}$	**92.9%**	**60.9%**	**90.0%**	**86.3%**

(1) See "*—EBITDA^{APM}, Adjusted EBITDA^{APM} and adjusted EBITDA margin^{APM}*" above.

(2) Maintenance and other capex$^{\text{APM}}$ includes investments in manufacturing lines, research and development and other tangible and intangible investments that are not categorized as growth capex$^{\text{APM}}$, as defined in footnote (1) in "*—Capex*".

(3) See "*—Net working capital^{APM}, net working capital variation^{APM}, adjusted net working capital^{APM} and adjusted net working capital variation^{APM}*" above.

Critical Accounting Policies and Estimates and Judgements

Our Consolidated Financial Statements (including the accompanying notes thereto) contain information that is pertinent to the discussion and analysis of our results of operations and financial condition set forth below. The preparation of financial statements in accordance with IFRS requires our management to make estimates and assumptions that affect the reported amount of assets, liabilities, income and expenses, and the related disclosure of contingent assets and liabilities. Estimates are evaluated based on available information and experience. Actual results could differ from these estimates under different assumptions or conditions. We believe that, in particular, the following critical accounting policies and estimates involve significant management judgment due to the sensitivity of the methods and assumptions necessary in determining the related asset, liability, income and expense amounts:

- impairment of assets and goodwill (see Notes 5.3 and 9 to the 2023 Consolidated Financial Statements);

- fair value of assets, liabilities and contingent liabilities in connection with business combinations (see Note 7 to the 2023 Consolidated Financial Statements), derivative financial instruments (see Notes 6.3 and 15 to the 2023 Consolidated Financial Statements) and financial assets and liabilities (see Note 5.8 and 5.15 to the 2023 Consolidated Financial Statements);

- capitalization of development expenditure (see Notes 5.3 and 8 to the 2023 Consolidated Financial Statements);

- assumptions used in the measurement of expected loss (see Notes 6.1 and 13 to the 2023 Consolidated Financial Statements);

- useful life of tangible and intangible assets (see Notes 5.3, 5.4, 8 and 10 to the 2023 Consolidated Financial Statements and Note 4 to the Unaudited Condensed Interim Consolidated Financial Statements); and

- provisions and contingencies (see Note 20 to the 2023 Consolidated Financial Statements).

We generally hire independent experts to help determine the fair value of assets, liabilities and contingent liabilities in connection with business combinations (see Note 7 to the 2023 Consolidated Financial Statements).

Quantitative and Qualitative Disclosure About Market Risk

The most significant market risks that we face are raw material price risk, interest rate risk and foreign exchange risk. Our risk management program focuses on the uncertainty of financial markets and attempts to minimize the potential adverse effects on our financial condition and results of operations. Described below are the main control systems we use to evaluate and attempt to mitigate or reduce our main market risks.

Raw material price risk

We face risks related to the availability and price of the raw materials and other supplies that we use in our production processes, which could lead to increases in cost of sales reported in our consolidated profit and loss statement. We manage our exposure to fluctuations in the price of raw materials and other supplies by actively seeking to guarantee a supply of these materials in the medium term, although we do not have long-term supply agreements for raw materials in place. We also aim to have a purchasing policy that can adapt to changes in the price of these materials and other supplies. For quantitative and qualitative information on our exposure to raw material price risk, see "*—Key Factors Affecting our Results of Operations—Raw materials and other supplies*" and Note 6.1.iii) to our 2023 Consolidated Financial Statements.

Interest rate risk

We face risks related to lines of credit that we have obtained with variable interest rates (in particular, the Sustainable Financing Agreement), which exposes us to the interest rate risk of cash flows. We aim to reach a balance in our debt structure that allows for the element of volatility in our profit or loss to be minimized. Accordingly, we manage our exposure to changes in interest rates by using derivative financial instruments (interest rate swaps) to hedge our cash flows. See "*—Hedging arrangements (interest rate swaps)*" below. These derivative financial instruments are recognized at their fair value, and fluctuations in their value are recorded in our financial statements. For information on the fair value of these derivative financial instruments, see Note 15 to our 2023 Consolidated Financial Statements. For quantitative and qualitative information on our exposure to interest rate risk, see "*—Key Factors Affecting our Results of Operations—Inflation, interest rates and foreign exchange rates*" and Note 6.1.ii) to our 2023 Consolidated Financial Statements.

As of June 30, 2024 all of our interest-bearing indebtedness was subject to variable interest rates, and our average cost of debt^{APM} for the six months ended June, 2024 was 4.7% (compared with 4.2% for the year ended December 31, 2023, 3.6% for the year ended December 31, 2022 and 3.0% for the year ended December 31, 2021). See "*—Analysis of Unaudited Alternative Performance Measures—Adjusted financial result^{APM} and average cost of debt^{APM}*". We have undertaken a sensitivity analysis to model the impact on our consolidated financial expenses from fluctuations in interest rates. Considering the effect of our hedging arrangements, described below, we estimate that a 1% increase in interest rates would have had a negative impact of €2,212 thousand on our consolidated financial expenses for the year ended December 31, 2023, while we estimate that a 2% increase in interest rates would have had a negative impact of €4,424 thousand.

Hedging arrangements (interest rate swaps)

In connection with, and as contemplated by, the Sustainable Financing Agreement, the Company has entered into hedging arrangements (interest rate swaps) with each of Banco Bilbao Vizcaya Argentaria, S.A., ING Bank N.V., Coöperatieve Rabobank U.A., Banco Santander, S.A., Banco de Sabadell, S.A., CaixaBank, S.A., Banca March, S.A. and Bankinter, S.A. (together, the "**Hedging Counterparties**"). These interest rate swaps, governed by bilateral financial transaction framework agreements with each of the Hedging Counterparties (the "**Hedging Framework Agreements**"), help to manage the Company's exposure to fluctuations in the variable interest rates applicable to borrowings under the Sustainable Financing Agreement.

As of June 30, 2024, the Company was party to interest rate swaps that effectively convert initial notional amounts of €419,186 thousand and $64,000 thousand, respectively, of its variable rate debt obligations under the Sustainable Financing Agreement into fixed-rate debt, with effective interest rates ranging from 0.03% to 1.682%. The interest rate swaps expire on June 30, 2025, although we plan to renew them.

As of June 30, 2024, approximately 61% of our exposure to variable interest rates under our outstanding indebtedness was hedged through hedging arrangements. For the six months ended June 30, 2024, adjustments for changes in value of our hedging arrangements had positive gross and net impacts on our consolidated profit and loss statement of €8,392 thousand and €6,294 thousand, respectively (compared with positive gross and net impacts of €13,402 thousand and €10,052 thousand, respectively, for the year ended December 31, 2023). As of June 30, 2024, the cumulative net impact of adjustments for changes in value of these derivative financial instruments reflected on our consolidated balance sheet was €10,251 thousand (compared with €12,789 thousand as of December 31, 2023). See Note 14 to our Unaudited Condensed Interim Consolidated Financial Statements and Note 15 to our 2023 Consolidated Financial Statements.

Foreign exchange risk

We face risks related to business transactions, recognized assets and liabilities and net investments in our business operations conducted in countries with a currency other than the euro. However, we believe that our exposure to this risk is limited because we primarily operate in countries with stable exchange rate fluctuations and high levels of predictability, while our operations in countries with less predictable exchange rates are limited. In addition, we have obtained lines of credit denominated in U.S. dollars, which reduces the effects of potential exchange rate fluctuations and consequently the impact on our net assets. For quantitative and qualitative information on our exposure to foreign exchange risk, see "*—Key Factors Affecting our Results of Operations—Inflation, interest rates and foreign exchange rates*" and Note 6.1.i) to our 2023 Consolidated Financial Statements.

BOARD OF DIRECTORS AND MANAGEMENT

The Spanish Companies Act approved by Royal Legislative Decree 1/2010, of July 2 (*Texto Refundido de la Ley de Sociedades de Capital aprobado por el Real Decreto Legislativo 1/2010, de 2 de julio*), as amended (the "**Spanish Companies Act**") is the main legislation under which we operate. We are also subject to corporate governance requirements and recommendations, such as the Spanish Good Governance Code of Listed Companies (*Código de Buen Gobierno de las Sociedades Cotizadas*) approved by the CNMV in February 2015, as amended in June 2020 (the "**Corporate Governance Code**"). In order to adapt the Company to (i) the provisions of the Spanish Companies Act applicable to listed companies, (ii) the applicable principles and recommendations of the Corporate Governance Code, and (iii) the best practices for listed companies:

- our board of directors (the "**Board of Directors**"), at its meeting held on June 17, 2024, approved (a) the rules and regulations that govern our Board of Directors (the "**Board Regulations**") and (b) the Internal Code of Conduct (as defined below).

- our shareholders at the general shareholders' meetings held on June 17, 2024, approved a restated text of our bylaws and the rules and regulations that govern our general shareholders' meeting (the "**General Shareholders' Meeting Regulations**"); and acknowledged the approval of the Board Regulations and the Internal Code of Conduct.

Our Board Regulations, the Internal Code of Conduct, the General Shareholders' Meeting Regulations and certain provisions of our bylaws will become effective upon Admission.

Our bylaws, the Board Regulations and the General Shareholders' Meeting Regulations have been filed and are pending registration with the Commercial Registry, which we expect to occur on or before Admission. Copies of the aforesaid documents are available at our registered office (Plaza Xavier Cugat, No. 2, Building C, 4th Floor, Parc Oficines Sant Cugat Nord, 08174 San Cugat del Vallès (Barcelona), Spain). Furthermore, copies of our bylaws, the Board Regulations and the General Shareholders' Meeting Regulations will also be available on our corporate website (www.europastry.com/global/en/corporate-governance). 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 or approved the Company's website or any of its contents. See "*Additional Information*".

Board of Directors

The composition, responsibilities and functioning of our Board of Directors are regulated by our bylaws, the Board Regulations and the relevant provisions of the Spanish Companies Act. The Spanish Companies Act provides that, the Board of Directors is responsible for the management, administration and representation of the Company in respect of its business matters, subject to the provisions of our bylaws and our Board Regulations, and except for those matters expressly reserved to the general shareholders' meetings. Moreover, the Board of Directors is entrusted with calling general shareholders' meetings and implementing shareholders' resolutions adopted in such meetings.

Pursuant to Articles 249 bis and 529 ter of the Spanish Companies Act, our bylaws and our Board Regulations, the following matters must be approved by the Board of Directors and, subject to certain exceptions, shall not be delegated to any Board of Directors committee, director or to any of our attorneys or representatives:

a) supervision of the operation of committees and the actions of delegated bodies and any appointed executives and, when applicable, request an external evaluation of the Board of Directors and its committees.

b) supervision of effective functioning of the committees it has constituted and actions of the delegated bodies and executives it has appointed;

c) determination of our general policies and strategies and, in particular, without limitation:

    (i) the business or strategic plan, as well as the management objectives and annual budget;

    (ii) the financing and investment policy;

    (iii) the corporate governance policy and that of our Group;

    (iv) the environmental, social and governance policy;

(v) the compensation and performance evaluations policy for senior management;

(vi) the treasury shares policy and, in particular, its limits;

(vii) the dividend policy;

(viii) the tax strategy; and

(ix) the risk control and management policy, including tax risks, and monitoring of internal information and control systems, which should identify at least:

- the different types of risks we are exposed to, with the inclusion under financial or economic risks of contingent liabilities and other off-balance-sheet risks;
- a risk control and management model based on different levels;
- the determination of the risk level we consider acceptable;
- the measures in place to mitigate the impact of identified risk events should they occur; and
- the internal information and control systems to be used to control and manage the above risks, including contingent liabilities and off-balance-sheet risks.

d) determination of its own organization and functioning;

e) preparation of the financial statements and their submission to the shareholders for their approval at the general shareholders' meetings;

f) preparation of any kind of report required by law to the Board of Directors, provided that the operation covered by the report is non-delegable;

g) appointment and removal of our chief executive officers (*consejeros delegados*) (the "**Chief Executive Officers**" and, individually any of them, the "**Chief Executive Officer**"), as well as the establishment of the basic terms of their contracts, including their compensation;

h) decisions related to compensation of directors, within the framework set forth in the bylaws and in the remuneration policy approved by our shareholders at the general shareholders' meetings. In particular, the distribution among the directors of the fixed annual allocation approved by our shareholders at the general shareholders' meetings, which will be carried out taking into consideration the conditions of each director, the functions and responsibilities attributed thereto. In the case of the executive directors, also the determination of their additional compensation due for their executive functions and other conditions to be observed on their agreements, as referred to in Articles 249 *bis* and 529 *octodecies* of the Spanish Companies Act;

i) call of the general shareholders' meetings and preparation of the agenda and proposed resolutions;

j) powers that the shareholders at the general shareholders' meetings have delegated to the Board of Directors, unless expressly authorized by it to sub-delegate them;

k) organization and functioning of the Board of Directors and, in particular, approval and amendment of the Board Regulations;

l) approval of the financial information that we, as listed company, must periodically disclose;

m) definition of our Group structure;

n) approval of all kinds of investments and transactions which, due to their high value or special characteristics, are strategic in nature or have high tax risk, unless their approval is reserved to the general shareholders' meetings;

o) approval of the creation or acquisition of shares in special purpose entities or domiciled in countries or territories considered tax havens and any other transactions or operations of a similar nature whose complexity might impair our and the Group's transparency;

p) approval, following the corresponding report from the Audit Committee (as defined below), of the related party transactions (*operaciones vinculadas*), in the terms and conditions set forth in the Board Regulations and in Article 529 *duovicies* of the Spanish Companies Act. Directors affected, or representing or related to shareholders affected, should abstain from voting the relevant resolutions.

   As an exception to the above, pursuant to Article 529.4 *duovicies* of the Spanish Companies Act, the Board of Directors may delegate the approval of related party transactions under its authority for transactions:

   - carried out between Group entities in the ordinary course of business and under arm's-length conditions; or

   - (i) performed under contracts whose conditions are standardized and applied *en masse* to a large number of customers, (ii) performed at prices or rates generally established by the supplier of the relevant goods or services in question, and (iii) the amount of which does not exceed 0.5% of the Company's net turnover according to the consolidated annual financial statements latest approved at a general shareholders' meeting of the Company.

q) approval, in the event that the Company plans to pay for attendance at the general meeting, of a policy in this respect; and

r) other decisions expressly indicated in the Board Regulations.

Our Board Regulations and Article 529.2 *ter* of the Spanish Companies Act, provide that in cases of urgency, where duly justified and legally permitted, delegated bodies may make decisions on the above matters, which must be ratified at the first meeting of the Board of Directors after such decision was made.

Composition and governance of the Board of Directors

Our bylaws and Board Regulations provide for a Board of Directors consisting of between five and nine members. As of the date of this Prospectus, the Board of Directors is composed of six members, of which, pursuant to article 529 *duodecies* of the Spanish Companies Act, one is categorized as proprietary director, two are categorized as independent directors, one is categorized as "other external" and two are categorized as executive directors (being our Executive Chairman and our Chief Executive Officer).

Director categories

As provided under article 529 *duodecies* of the Spanish Companies Act, directors can be categorized as (i) executive directors (*consejeros ejecutivos*) who perform management functions in the company or its group, irrespective of the legal relationship they have with it; (ii) proprietary directors (*consejeros dominicales*) who hold a shareholding interest equal or higher than the legally determined threshold for significant holdings, or are otherwise appointed due to their status as shareholders, even if their shareholding interest does not reach such relevant thresholds, and the persons who represent such shareholders, or a senior manager or director of a company belonging the group of the parent company; (iii) independent directors (*consejeros independientes*) who are appointed for their personal or professional qualities and therefore are in a position to perform their duties without being influenced by any connection with the company or its group, its significant shareholders or its management and are not in any of the situations described in article 529 *duodecies* of the Spanish Companies Act under which they cannot be classified as independent directors; and (iv) other external directors (*otros consejeros externos*) who cannot be classified as proprietary or independent.

On June 17, 2024 our general shareholders' meeting assessed and confirmed that the category of each of our directors on the date of such general shareholders' meeting at which they were appointed met the requirements set forth in Article 529 *duodecies* of the Spanish Companies Act. As of the date of this Prospectus, the category assigned to each director has not been confirmed by the Nominations, Remunerations and Sustainability Committee, as this committee was not yet in place on the date of the appointments. However, as soon as possible, and eventually following Admission, the Nominations, Remunerations and Sustainability Committee will confirm the assigned categories.

Election and removal of directors

According to the Spanish Companies Act, our bylaws and our Board Regulations, our directors are elected by our shareholders at the general shareholders' meeting to serve for a maximum term of four years (term that shall be the same for all of them) and may be re-elected to serve for an unlimited number of terms of the same duration (save that no independent director can serve for more than 12 years in a row and still be considered independent). If a director does not serve a full term, the Board of Directors may fill the vacancy by appointing a new director (co-optation) to serve until the next general shareholders' meeting, subject to subsequent ratification at such general shareholders' meeting (*nombramiento por cooptación*). Any natural person may serve on the Board of Directors, except for persons specifically prohibited from doing so by applicable law. A director may be removed from office by the shareholders at a general shareholders' meeting, even if such removal was not previously included on the agenda for that general shareholders' meeting.

The Spanish Companies Act allows shareholders to voluntarily group their shares so that the share capital in the aggregate is equal to or greater than the result of dividing the total share capital by the number of directors on the board (*sistema de representación proporcional*). Such grouped shareholders have the right to appoint a corresponding proportion of the directors (disregarding any fractions) provided that there is a vacancy. Shareholders who exercise this grouping right may not vote on the appointment of the remaining directors.

Pursuant to the bylaws and the Board Regulations, directors must tender their resignation to the Board of Directors and formalize such resignation in the following cases:

a) when they cease to hold the executive positions to which their appointment as directors is linked, or when the reasons for which they were appointed no longer exist (e.g., in particular, in the case of proprietary directors, when the shareholder(s) that proposed, required or determined their appointment totally or partially sell or transfer its or their stake, losing the condition of significant or sufficient participation to justify the appointment, or when such shareholder(s) reduce its or their stake to a level that requires a reduction in the number of proposed proprietary directors);

b) in case of independent directors, when they cease to be independent in accordance with, among others, Article 529 *duodecies* of the Spanish Companies Act;

c) when they are subject to a legal cause of incompatibility or prohibition;

d) when their continuance as directors could put at risk or jeopardise the interests, credit or reputation of the Company, whether or not the conduct or circumstances relate to their actions within the Company, the directors must inform the Company and tender their resignation, as the case may be. In particular, the directors must inform the Board of Directors of any criminal charges brought against them and the progress of any subsequent trial. When the Board of Directors is informed or becomes aware of any of the aforesaid, the Board of Directors should examine the case as soon as possible and, attending to the particular circumstances, decide, based on a report from the Nominations, Remunerations and Sustainability Committee, whether or not to adopt any further measures, such as opening an internal investigation, calling on the director to resign or proposing his or her dismissal; and

e) when they are severely reprimanded by two thirds of the members of the Board of Directors as a consequence of the infringement of their duties as directors, following a report from the Nominations, Remunerations and Sustainability Committee.

Election of executive directors and the chairman of the Board of Directors

Our bylaws and our Board Regulations provide that the Board of Directors may permanently delegate all or part of its powers, except those that cannot be delegated by Law or by provision of the bylaws or the Board Regulations, to an Executive Committee composed of the members that it deems appropriate (with a minimum of three) and/or to one or more executive directors (*consejeros delegados*).

In addition, according to our bylaws and our Board Regulations, the chairman of the Board of Directors is elected by the Board of Directors among the directors, following a report from the Nominations, Remunerations and Sustainability Committee. One or more vice chairmen, who may each act as chairman in the event of the chairman's absence, incapacity or vacancy, may be elected by the Board of Directors among the directors, following a report from the Nominations, Remunerations and Sustainability Committee. Pursuant to Article 529 *septies* of the Spanish Companies Act, our bylaws and our Board Regulations, if the chairman holds executive powers (as is the case with our chairman), the Board of Directors shall appoint a lead independent director (*consejero coordinador*) from among the independent directors, provided that the executive directors shall abstain from voting. This lead independent director will be specially authorized (i) to request that meetings of the Board of Directors be called and that further items of business be included on the agenda for meetings that have already been called; (ii) to coordinate non-executive directors and give voice to the concerns of non-executive directors; (iii) to chair the Board of Directors in the absence of the chairman and, where applicable, vice chairmen; (iv) to contact investors and shareholders to get their views to form an opinion on their concerns, in particular in relation with the Company's corporate governance; (v) to coordinate the chairman succession plan; and (vi) to conduct periodic appraisals of the chairman of the Board of Directors. The secretary and, where applicable, the vice-secretary of the Board of Directors does not need to be directors and shall be elected by the Board of Directors, following a report from the Nominations, Remunerations and Sustainability Committee.

The chairman of the Board of Directors may call a meeting of the Board of Directors whenever he or she considers it necessary or appropriate. The chairman of the Board of Directors is also required to call a meeting of the Board of Directors at the request of one third of the directors. If the chairman does not call such meeting within one month from such request, the requesting directors would be entitled to call the meeting directly. In addition, the chairman of the Board of Directors is also required to call a meeting of the Board of Directors when the lead independent director requires so. According to our Board Regulations, our Board of Directors shall meet as often as required by the Company's corporate interest and a minimum of four times per year, pursuant to Article 245 of the Spanish Companies Act, although it is expected that our Board of Directors will meet at least eight times per year.

Quorum and majorities

The Spanish Companies Act. our bylaws and our Board Regulations provide that the absolute majority (half plus one) of the directors (attending in person or represented by proxy by another director) constitutes a quorum. Except as otherwise provided by applicable law or in our bylaws or our Board Regulations, resolutions of the Board of Directors are approved by a majority of the directors attending or represented at a Board of Directors meeting. In case of a tie, the chairman has a casting vote.

Directors

The following table sets out the names and ages of our directors, their first appointment and expiry dates, their positions (title) within the Board of Directors, their category as directors and, where relevant, the shareholder they represent, after Admission.

As indicated above, the category as directors has been determined pursuant to the definitions set forth in the Spanish Companies Act and as of the date of this Prospectus, the category assigned to each director has not been confirmed by the Nominations, Remunerations and Sustainability Committee. However, as soon as possible, and eventually following Admission, the Nominations, Remunerations and Sustainability Committee will ratify the assigned categories. Directors are responsible for all the matters established in the Spanish Companies Act, our bylaws and the Board Regulations.

Name	Date of first appointment as director of the Company	Expiry date of appointment as director of the Company	Age	Title	Category(1)
Mr. Jordi Gallés Gabarró	September 29, 2000	June 17, 2028	52	Executive Chairman(2)	Executive
Mr. Jordi Morral Hospital	December 14, 2005	June 17, 2028	63	Chief Executive Officer(3)	Executive
Ms. Eva Gallés Gabarró	April 28, 2010(4)	June 17, 2028	50	Director	Proprietary(5)
Mr. Ramón Núñez Cabezón	May 25, 2011(6)	June 17, 2028	52	Director	Other external(7)
Ms. Inés Arnau Almirall	December 28, 2020	June 17, 2028	52	Director(8)	Independent
Ms. Montserrat Trapé Viladomat	June 17, 2024	June 17, 2028	64	Director	Independent

(1) In the context of the suitability review of each director, on June 17, 2024 our general shareholders' meeting has assessed and confirmed the relevant category of all the directors in accordance with the Spanish Companies Act.

(2) Appointed by the Board of Directors as joint and several Chief Executive Officer and as President of the Board of Directors.

(3) Appointed by the Board of Directors as joint and several Chief Executive Officer.

(4) Representing Gallés Office, S.L

(5) Appointed upon Gallés Office, S.L. proposal.

(6) Representing Loftus, S.L. Loftus, S.L. is controlled by Whitley, S.L. which, in turn, is fully owned by several partners of MCH Private Equity, which is the management company of MCH Continuation Fund, FICC, and which controls the Selling Shareholder Exponent S.à. r.l.

(7) Categorized as "other external" pursuant to article 529 *duodecies* of the Spanish Companies Act for being in office for more than 12 consecutive years (considering that the first date of appointment is the date of the first appointment as representative of Loftus, S.L. as director of the Company), considering that the Selling Shareholder Exponent S.à. r.l. expects to sell its entire stake in the Company in the framework of the Offering and Mr. Ramón Nuñez Cabezón will remain as director. If, following the Offering, Exponent S.à. r.l.'s shareholding is equal to or more than 3% of the share capital of the Company, Mr. Ramón Nuñez Cabezón will be categorized as proprietary director.

(8) Lead independent director.

The secretary non-director of our Board of Directors is Mr. Juan Antonio Aguayo Escalona and the vice-secretary non director is Mr. Roger Freixes Portes. Our Board of Directors has not appointed as of the date of this Prospectus a vice-chairman.

All directors designate our registered address as their professional address for the purposes of this Prospectus.

The biographies for each of the directors, including a brief description of their business experience and education, are set out below.

Jordi Gallés Gabarró

Mr. Gallés Gabarró is the Executive Chairman (*presidente ejecutivo*) of our Board of Directors.

In 2003 he was appointed managing director and before that, in 2001, he was appointed corporate managing director of marketing and sales. Since he joined the Company in 1995, he has held various positions in the areas of control, production and operations. Prior to this, he was a consultant in Mercer Management Consulting. He holds a degree in business administration and a Master's degree in business administration from ESADE. He also holds a Master's degree from the Community of European Management Schools (CEMS), at the *École des Hautes Études Commerciales* (HEC) of Paris (France).

Jordi Morral Hospital

Mr. Morral Hospital is our Chief Executive Officer (*consejero delegado*).

He is a certified public accountant and member of the Spanish official registry of accountants (R.O.A.C.). He has also been an independent director of General de Alquiler de Maquinaria, S.A. for 12 years until June 2018. Mr. Morral Hospital was managing director of the Pronovias Group from 2002 to 2005. Prior to this, he was a manager at KPMG Peat Marwick, serving as a member of the management, personnel, training, marketing and business development committees. Mr. Morral Hospital holds a degree in business and economics from the University of Barcelona and a degree in business administration from the University of Navarra (*Instituto de Estudios Superiores de la Empresa*, "*IESE*").

Eva Gallés Gabarró

Ms. Gallés Gabarró is a member of our Board of Directors.

Since 2004, Ms. Gallés Gabarró has been director of marketing of Molí Vell. In 1999, she joined our retail division, Molí Vell, where she held various positions of responsibility within the field of store management, both at the operational level and in the design and implementation of information technology systems for store management. Ms. Gallés Gabarró holds a degree in business administration from the University of Barcelona and a degree in marketing management from the Open University of Catalonia (*Universitat Oberta de Catalunya*).

Ramón Núñez Cabezón

Mr. Núñez Cabezón is a member of our Board of Directors.

He joined MCH Private Equity in 2005 as Principal of Fund II. He currently acts as Senior Partner of the private equity firm and serves as member of several boards of directors of its investments. Prior to joining MCH Private Equity, he worked for several years at Apax Partners based in London, was an associate of Goldman Sachs investment bank and a business strategy consultant in McKinsey & Company consulting firm. Mr. Núnez Cabezón holds a Master of Science in Industrial Engineering from the University of Valladolid and a Master's in Business Administration (MBA) from the Harvard Business School, where he attended on a La Caixa full scholarship.

Inés Arnau Almirall

Ms. Arnau Almirall is a member of our Board of Directors.

In 1997, she joined Arnau-Vicenç law firm, where she worked until 2017. In that year, she joined Ramos-García-Vallés Abogados, a Spanish law firm located in Barcelona where she currently provides her professional services. She is specialized in commercial law, real estate law & urban planning, consumer and food law, legal administration for national companies, family and inheritance law, family business and private clients and foundations and other non-profit organizations. Ms. Arnau Almirall holds a degree in law from the University of Barcelona and a Postgraduate Degree in Real Estate Law and Urban planning, IDEC-Universidad Pompeu Fabra (UPF).

Montserrat Trapé Viladomat

Ms. Trapé Viladomat is a member of our Board of Directors.

In 2007, she joined KPMG as an international tax partner in Spain after a distinguished career as tax inspector in the Spanish Revenue Service as Co-Director of the International Taxation Unit. She actively participated in drafting the new Spanish transfer pricing legislation enacted in 2006 and represented Spain at the OECD Working Party on Transfer Pricing for more than 10 years. Until 2020, when she left KPMG, she was the leader of the Global Transfer Pricing Services and International Tax in Spain.

Currently, she is an independent member of the board of directors of CriteriaCaixa and Melià Hotels International as well as Chair of the Tax Compliance Committee of Cellnex. She is also a visiting professor at ESADE and at the International University of Catalonia.

Ms. Trapé Viladomat holds a degree in law from the International University of Catalonia and is a certified public accountant and member of the Spanish official registry of accountants (R.O.A.C.).

Directors' managerial positions

The following table sets out all entities, except for those entities or associates of the Group, in which the directors have been appointed as members of administrative, management or supervisory bodies 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.

Director	Entity	Position/title	Sector	In office
Mr. Jordi Gallés Gabarró	Gallés Office, S.L.	Chairman (representing Palissandre, S.L.)	Holding	Yes
	Abet, S.L.	Director	Real estate	Yes
	Palissandre, S.L.	Chairman	Holding	Yes
	Assolim Alimentaria, S.L.	Director	Food services	Yes
	AECOC (Asociación Española de Codificación Comercial)	Director	Fast-moving consumer goods Association	Yes
	Metropolis Inmobiliarias y Restauraciones, S.A.	Director (representing Gallés Office, S.L.)	Real estate	No
	Molí Vell Family Office, S.L.	Director	Holding	Yes

Director	Entity	Position/title	Sector	In office
	Stichting Administratiekantoor Europastry Central Europe	Director	Holding	Yes
Mr. Jordi Morral Hospital............	Indinura, S.L.	Director	Holding	Yes
	MR5 Gestión, S.L	Director	Holding	Yes
	Stichting Administratiekantoor Europastry Central Europe	Director	Holding	Yes
Ms. Eva Gallés Gabarró...............	Projecte Asfodel, S.L.U.	Director	Holding	Yes
	Gallés Office, S.L.	Director (representing Projecte Asfodel, S.L.U.)	Holding	Yes
	Molí Vell Family Office, S.L.	Director	Holding	Yes
	Molí Vell Portugal Investimentos Imobiliários, Unipessoal Lda.	Director	Real estate	Yes
	Abet, S.L.	Chief Executive Officer	Real estate	Yes
	Metropolis Inmobiliarias y Restauraciones, S.A.	Director (representing Projecte Asfodel, S.L.U.)	Real estate	Yes
	Mas Vell Center, S.L.(1)	Director (representing Abet, S.L.)	Real estate	Yes
	Pangaea Oncology, S.A.	Director (representing Projecte Asfodel, S.L.U.)	Healthcare	Yes
	Proyecto Empresarial Jaroma, S.L.	Director	Real estate	No
	Aurica Search Fund Capital I, F.C.R.E., S.A.	Director (representing Projecte Asfodel, S.L.U.)	Private equity	Yes
	Harvest Hospitality, F.C.R.E., S.A.	Director (representing Projecte Asfodel, S.L.U.)	Private equity	Yes
Mr. Ramón Núñez Cabezón.........	MCH Private Equity Investments, S.G.E.I.C., S.A.	Chief Executive Officer	Private equity	Yes
	Linschoten, S.L.	Director	Private equity	Yes
	Nereida, S.L.	Director	Private equity	Yes
	Desion Investments, S.L.	Chief Executive Officer	Private equity	Yes
	Global Brancellao, S.L.	Chief Executive Officer	Private equity	Yes
	Loftus, S.L.	Chief Executive Officer	Private equity	Yes
	H. C. Clover Productos y Servicios, S.L.	Director (representing Loftus, S.L.)	Pharma	Yes
	Molecor Tecnología, S.L.	Director (representing Loftus, S.L.)	Infrastructure	Yes

Director	Entity	Position/title	Sector	In office
	Antonio Llusar y Cía, S.L.	Director (representing Loftus, S.L.)	Agriculture	No
	Farmalider, S.A.	Director (representing Loftus, S.L.)	Pharma	Yes
	Palacios Food Investments, S.L.	Director (representing Whitley, S.L.)	Food services	Yes
	Noucor Group, S.L.	Director (representing Whitley, S.L.)	Pharma	Yes
	Productos Agrovin, S.A.	Director (representing Whitley, S.L.)	Ingredients	Yes
	Angular Capital Management, S.L.	Managing Director	Private equity	Yes
	Schenoy Inversiones, S.L.	Managing Director	Private equity	Yes
	Ibedomar Consultoría, S.L.	Director	Corporate services	Yes
	Iberian Premium Fruits, S.L.	Director (representing Loftus, S.L.)	Food services	Yes
	Clockwise Capital, S.L.	Director (representing Angular Capital Management S.L.)	Private equity	Yes
	Global Arrebol, S.L.	Managing Director (representing Loftus, S.L.)	Private equity	Yes
	Global Gulltop, S.L.	Director	Private equity	No
	Extrusiones de Toledo, S.A.	Director (representing Loftus, S.L.)	Mining and metals	No
	Haizea Onshore, S.L.	Director (representing Loftus, S.L.)	Infrastructure	No
	Laboratorios Gramar, S.L.	Director (representing Hc Clover Ps, S.L.)	Pharma	No
	Noucor Group, S.L.	Managing Director	Pharma	No
Ms. Inés Arnau Almirall	Palissandre, S.L.	Director	Holding	No

Director	Entity	Position/title	Sector	In office
Ms. Montserrat Trapé Viladomat.	Melià Hotels International, S.A.	Director, member of the Nominations, Remunerations and Sustainability Committee and Chairwoman of the Audit and Risk Committee	Hotels	Yes
	Criteria Caixa, S.A.U.	Director and member of the Audit and Compliance Committee	Wealth management	Yes
	Grupade, S.L.	Director	Corporate services	Yes
	KMPG, S.A.	Director	Corporate services	No

(1) In the process of being liquidated.

Our directors do not hold and (other than Ms. Montserrat Trapé Viladomat in KPMG and Ms. Inés Arnau Almirall in Ramos-García-Vallés Abogados) have not held at any time during the five-year period preceding the date of this Prospectus any partnership positions in any entity.

Board Committees

In accordance with the Spanish Companies Act, the bylaws and the Board Regulations, an audit committee (the "**Audit Committee**") and a Nominations, Remunerations and Sustainability Committee (the "**Nominations, Remunerations and Sustainability Committee**" and, together with the Audit Committee, the "**Committees**") were created by the Board of Directors by virtue of the resolutions adopted on June 17, 2024. The Committees are governed by the bylaws and the Board Regulations, in addition to the applicable provisions of the Spanish Companies Act.

The following is a brief description of the principal characteristics of each of the Committees, which conforms to their respective charters, the Board Regulations and the bylaws.

Audit Committee

The composition, responsibilities and rules of the Audit Committee are governed by the Spanish Companies Act, Law 22/2015, of July 20, on auditing (the "**Spanish Auditing Act**"), our bylaws and our Board Regulations.

Our Board Regulations establish that our Audit Committee shall be composed of a minimum of three and a maximum of five directors appointed by the Board of Directors. The Spanish Companies Act and the Board Regulations require all members of the Audit Committee to be non-executive directors, and the majority of them must be independent directors. All the members of the Audit Committee, and especially the chairman, shall be appointed taking into account their knowledge and experience in accounting, auditing, and risk management, both financial and non-financial. As a group, the members of the Audit Committee must have relevant technical knowledge relating to the industry to which we belong.

The chairman of the Audit Committee must be appointed by the Board of Directors only from among the independent members of the Audit Committee to serve for a maximum term of four years and may only be re-elected as chairman after a year has elapsed since his/her removal. The secretary of the Audit Committee appointed by the Audit Committee does not need to be a director or a member of the Audit Committee.

A quorum for our Audit Committee shall be validly established with the attendance, in person or by proxy, of the majority of the members thereof, and the Audit Committee may adopt resolutions by a majority of those present at the meeting in person or by valid proxy. In case of a tie, the chairman of the Audit Committee has a casting vote.

The Audit Committee is composed of three members appointed by the Board of Directors, as detailed in the table below:

Name	**Date of first appointment**	**Title**	**Category**
Ms. Montserrat Trapé Viladomat	June 17, 2024	Chairwoman	Independent
Ms. Inés Arnau Almirall	June 17, 2024	Member	Independent
Ms. Eva Gallés Gabarró	June 17, 2024	Member	Proprietary

The primary duty of the Audit Committee is to support the Board of Directors in its oversight obligations, through regular review of the economic-financial information preparation process, the internal audit function and the independence of our external auditor.

In addition, according to our Board Regulations and in compliance with Article 529 *quaterdecies* of the Spanish Companies Act, the Audit Committee is responsible for:

a) monitoring the preparation, submission and integrity of the financial and non-financial information (including operational, technological, financial, legal, social, environmental, political and reputational risks, and risks relating to corruption) prepared with respect to the Company and the Group; where appropriate, checking for compliance with applicable laws and regulations, the accurate demarcation of the consolidation perimeter and the correct application of accounting principles; and submitting recommendations or proposals to the Board of Directors to safeguard the integrity of the financial and non-financial information;

b) reviewing internal control and risk management systems on a regular basis, so policies and systems are effectively applied and the main risks are properly identified, managed and disclosed;

c) monitoring the independence and efficacy of the internal audit function; notifying the Board of Directors of its opinion on the selection, appointment, reappointment and removal of the head of internal audit; proposing the department's budget; approving or making a proposal for approval to the Board of Directors of the priorities and annual work program of the internal audit unit, ensuring that it focuses primarily on the main risks the Company is exposed to (including reputational risk); receiving regular report-backs on the activities of the internal audit function; and verifying that management is acting on the findings and recommendations of the internal audit reports;

d) establishing and supervising a mechanism that allows employees and other persons related to the Company (including our directors, shareholders, suppliers, contractors or subcontractors) to report, confidentially, any potentially important irregularities, particularly financial and accounting irregularities, within the Company;

e) making recommendations to the Board of Directors for the selection, appointment, reappointment and removal of the external auditor and, if applicable, the verifier of the Company's information on sustainability, as well as the terms and conditions of their respective engagements;

f) monitoring the independence of the external auditor and, if applicable the verifier of the Company's information on sustainability, to which end the Audit Committee must: (i) report any change of auditor, accompanied by a statement of any disagreements arising with the outgoing auditor and the reasons for the same; (ii) ensure that the Company and the auditor adhere to current regulations on the provision of non-audit services, the limits on the concentration of the auditor's business and, in general, other requirements designed to safeguard auditors' independence. To such end, it shall receive annually from the external auditor the declaration of independence in relation to the Company or entities directly or indirectly related thereto, as well as detailed and individualized information on any additional services of any type rendered and the corresponding fees collected from these entities by the external auditor or by the individuals or entities related to him in accordance with the provisions in legislation regulating the account auditing activity; (iii) investigate the issues giving rise to any resignation of any external auditor;

and (iv) ensure that the external auditor's payment for its work does not compromise its quality or independence;

g) annually issuing, before the statutory audit report, a report stating a view on the auditor's independence, which report must contain, in any event, an assessment of the additional services referred to above;

h) ensuring that the Company makes an announcement, through the CNMV, on the change of auditor together with a statement about any disagreements with the outgoing auditor and, if applicable, the nature of those disagreements;

i) ensuring that the external auditor holds an annual meeting with the Board of Directors to inform it of the work done and of the Company's situation in terms of risks and its accounts;

j) reporting at the general shareholders' meeting on the issues flagged by shareholders on issues under its remit and, in particular, on the results of the audit, explaining how this has contributed to the integrity of the financial information and the Audit Committee's role in that process;

k) overseeing the development of the financial statements and the management reports, including non-financial reporting where applicable, both individual and consolidated, for their preparation by the Board of Directors in accordance with the Spanish Companies Act;

l) informing the Board of Directors, for the drawing up of the financial statements, of the accuracy and reliability of the individual and consolidated financial statements and management reports and the periodic financial information circulated;

m) issuing opinions on proposals to amend our Board Regulations;

n) deciding as appropriate in relation to the information rights of the directors attending this Committee, in accordance with the Board Regulations;

o) issuing the reports and proposals requested by the Board of Directors or by its chairman and those it deems pertinent for optimal fulfilment of its duties;

p) overseeing compliance with rules on the functioning of the Company;

q) informing the Board of Directors of the following matters prior to its adoption of the corresponding decisions: financial information and approval of the management report (including non-financial reporting where applicable) that will be provided to third parties;

r) notifying of the related party transactions to be approved at the general shareholders' meeting or by Board of Directors, as applicable, in the meaning set out in the Board Regulations and in the Spanish Companies Act;

s) regularly assessing and reviewing the Company's corporate governance system to ensure it complies with the Company's purpose of promoting the social interest; and

t) overseeing compliance with the Company's general policy on the communication of economic and financial, non-financial and corporate information, as well as supervising and evaluating the communication and relations with the different stakeholders.

For the best performance of its functions, our Audit Committee may seek the advice of external professionals and must meet regularly, in accordance with the Audit Committee´s needs, and at least four times a year. The chairman of the Audit Committee must report to the Board of Directors on the matters discussed and decisions adopted within said Committee. The minutes of the Audit Committee are made available to the Board of Directors.

Nominations, Remunerations and Sustainability Committee

The composition, responsibilities and rules of the Nominations, Remunerations and Sustainability Committee are governed by the Spanish Companies Act, our bylaws and our Board Regulations.

Our Board Regulations establish that our Nominations, Remunerations and Sustainability Committee shall be composed of a minimum of three and a maximum of five directors appointed by the Board of Directors. The members must have the knowledge, skills and experience necessary to perform their role. The Spanish Companies

Act and the Board Regulations require all members of the Nominations, Remunerations and Sustainability Committee to be non-executive directors, and the majority of them must be independent directors.

The chairman of the Nominations, Remunerations and Sustainability Committee must be appointed by the Board of Directors only from among the independent members of the Nominations, Remunerations and Sustainability Committee. The secretary of the Nominations, Remunerations and Sustainability Committee appointed by the Nominations, Remunerations and Sustainability Committee does not need to be a director or a member of the Nominations, Remunerations and Sustainability Committee.

A quorum for the Nominations, Remunerations and Sustainability Committee shall be validly established with the attendance, in person or by proxy, of the majority of the members thereof, and the Nominations, Remunerations and Sustainability Committee may adopt resolutions by a majority of those present at the meeting in person or by proxy. In case of a tie, the chairman of the Nominations, Remunerations and Sustainability Committee has a casting vote.

Our Nominations, Remunerations and Sustainability Committee is composed of three members appointed by the Board of Directors, as detailed in the table below:

Name	**Date of first appointment**	**Title**	**Category**
Ms. Inés Arnau Almirall	June 17, 2024	Chairwoman	Independent
Ms. Montserrat Trapé Viladomat	June 17, 2024	Member	Independent
Mr. Ramón Núñez Cabezón	June 17, 2024	Member	Other external

According to our Board Regulations and in compliance with Article 529 *quindecies* of the Spanish Companies Act, the Nominations, Remunerations and Sustainability Committee is responsible for, among others:

a) periodically reviewing the structure of the Board of Directors and its Committees and advising the Board of Directors on the most appropriate configuration, in terms of size and balance between the different classes of directors, assessing the responsibilities, knowledge, and experience necessary on the Board of Directors. For these purposes, following Admission the Nominations, Remunerations and Sustainability Committee will prepare a skills matrix with the necessary skills of our directors, which will be updated annually on the basis of the challenges and opportunities of the Company in the short, medium and long-term, will determine the necessary skills and duties for candidates for each vacancy and will assess the time and dedication they need to perform their role effectively;

b) establishing a target for the less represented gender on the Board of Directors and drawing up guidelines on how to achieve that objective;

c) making proposals to the Board of Directors for independent directors to be co-opted or appointed by shareholders at the general shareholders' meeting, as well as proposals for the re-election or removal of those directors at the general shareholders' meeting;

d) reporting on proposed appointments of other directors to be co-opted or appointed by shareholders at the general shareholders' meeting, as well as proposals for the re-election or removal of those directors at the general shareholders' meeting;

e) making proposals on the appointment and/or re-election of the chairman of the Board of Directors, the Chief Executive Officer, the secretary of the Board of Directors and if applicable the vice-secretary, whose appointment shall be approved by the Board of Directors as well as examine or organize, as deemed appropriate, their succession and, if appropriate, make proposals to the Board of Directors for the orderly and well-planned succession thereof;

f) ensuring that the Board of Directors makes public in an appropriate manner the reasons and circumstances of the dismissal of directors (whether by resignation or by resolution of the general shareholders' meeting) before the end of the term for which they were appointed;

g) coordinating the periodic evaluation of the chairman of the Board of Directors and the periodic evaluation of the Board of Directors, its Committees, its members and the Chief Executive Officer, submitting to the Board of Directors the results of the evaluation along with a proposed action plan or recommendations to correct any deficiencies detected or improve the functioning of the Board of Directors or its Committees;

h) approving the basic contract conditions of senior managers;

i) issuing its opinion on the appointment and potential termination of senior managers proposed by the chairman of the Board of Directors or our Chief Executive Officer (if different to the chairman of the Board of Directors) and the basic terms of their contracts;

j) approving the remuneration proposed by our Chief Executive Officer for senior managers;

k) proposing the remuneration policy of directors and senior managers to the Board of Directors as well as individual remuneration and other contractual terms with executive directors and senior managers. The Board of Directors will also issue its opinion on the remuneration policy, which, in any case, will be submitted to the approval of the general shareholders' meeting;

l) overseeing compliance with the remuneration policy set by the Company and making proposals to the Board of Directors in accordance with the remuneration policy;

m) verifying that the information that the Company publishes on its corporate website regarding remuneration is sufficient and appropriate and follows the recommendations of good corporate governance;

n) issuing its opinion on the Chief Executive Officer's performance of his or her duties;

o) periodically reviewing the remuneration policy applied to the directors and senior managers, including share-based remuneration schemes and their application, as well as ensuring that individual remuneration is proportionate to that paid to the Company's other directors and senior managers;

p) ensuring that potential conflicts of interest do not diminish the independence of the external advice provided to the Nominations, Remunerations and Sustainability Committee;

q) reviewing the information on directors' and senior managers' remuneration contained in corporate documents, including the annual report on remuneration of directors;

r) regularly assessing and reviewing the Company's social and environmental policy to ensure they comply with the Company's purpose of promoting the social interest;

s) analyzing, promoting, overseeing and assessing the Company's environmental, social, diversity and integration, ethical and conduct practices to ensure they are aligned with the established strategies and policies; and

t) review the non-financial information related to matters within its scope.

Our Nominations, Remunerations and Sustainability Committee is required to meet at the request of the Board of Directors or the chairman of the Board of Directors, whenever necessary to perform its duties and, particularly, whenever the Board of Directors or the chairman of the Board of Directors requests the issuance of a report or the adoption of any proposal. The chairman of the Nominations, Remunerations and Sustainability Committee must report to the Board of Directors on the matters discussed and decisions adopted within said Committee. The minutes of the Nominations, Remunerations and Sustainability Committee are made available to the Board of Directors.

Senior Management

The following table sets out the key members of our management team, which consists of those managers reporting to the Executive Chairman or the Chief Executive Officer (the "**Senior Management**" or the "**Senior Managers**"), and their positions as of the date of this Prospectus:

Name	Age	Date of formalization of appointment	Position/Title
Mr. Joaquim Bauló Miralles	44	September 28, 2015	Chief Financial Officer

Mr. Jordi Caballero Fuentes	55	January 10, 1995	Global Research and Development (R&D) Bread Manager
Mr. Miguel Fernández Valdearenas	43	March 1, 2022	Global Research and Development (R&D) Pastry Manager
Mr. Antonio Martínez Martínez	58	February 1, 1996	Global Purchases Director
Ms. Marta Cortés Casanovas	49	February 21, 2005	Global Marketing Director
Mr. Andreu Venteo Casas	35	September 19, 2018	Global Supply Chain Director
Mr. Francesc Farnell Velasco	51	October 1, 2023	Global Human Resources Director
Mr. Josep Serret López	48	April 16, 2018	Global Industrial Director
Mr. Daniel Calvo Grau	46	August 18, 2008	Managing Director South-West Europe
Mr. Fernando García Ferrer	61	November 1, 2023	Managing Director USA
Mr. Philippe Ghyoot	58	June 1, 2021	Managing Director MEA & Asia
Mr. Bertrand Laffont	48	October 2, 2017	Managing Director LatAm

Senior Management biographical information

Biographical information for each of the current members of our Senior Management, including a brief description of the business experience and education of each of its members, is presented below.

Mr. Joaquim Bauló Miralles - Chief Financial Officer

Mr. Joaquim Bauló Miralles holds a Degree in Business Administration & Management from IQS, Universitat Ramon Llull in Barcelona, and an Executive Master in Business Administration from ESADE.

He joined Europastry in 2015 as director of management control, and in 2018 he became the CFO, a role that he currently holds. Prior to joining Europastry in 2015, he held various roles at the financial division of Fluidra for eight years, as director of management control and financial director of Europe and AAP (America, Asia and Pacific) regions. Previously, he held an auditor position for four years at Deloitte and BDO.

Mr. Jordi Caballero Fuentes – Global Research and Development (R&D) Bread Manager

Mr. Jordi Caballero Fuentes has completed his studies with various specialized training courses on bakery production and machinery development.

He joined Europastry in 1995 as product technician. He held various roles in the quality division and finally joined the manufacturing division. In 2007, he was appointed as Global Research and Development Director of Breads.

Mr. Miguel Fernández Valdearenas – Global Research and Development (R&D) Pastry Manager

Mr. Miguel Fernández Valdearenas holds a Degree in Chemistry from the University of Girona.

He joined Europastry in March 2022 in his current role. Previously, he had a long career as research manager at Puratos Group, specialized in bakery products, and leading the innovation and industrial process improvements in most of the big factories of the bakery industry in Spain.

Mr. Antonio Martínez Martínez – Global Purchases Director

Mr. Antonio Martínez Martínez has completed his studies with various specialized training courses, such as an Advanced Purchasing Management Course by Asociación Española de Responsables de Compras y Existencias (AERCE), a Finance Course by Centro de Estudios Financieros (CEF) and a Negotiation Skills Course by Scotwork.

He started his professional career as a purchase and quality controller at Vileda Ibérica, S.A. In 1996, he joined Europastry as Global Purchases Director, a role that he currently holds.

Ms. Marta Cortés Casanovas – Global Marketing Director

Ms. Marta Cortés Casanovas holds a Business & International Marketing Degree from ESCI-UPF, a Business Degree from Universidad Pompeu Fabra and a Master's Degree in Marketing & Commercial Distribution from Universidad Politécnica de Catalunya.

She joined Europastry in 2005 as product manager in the marketing division of Fripan until 2010, when she was appointed as Global Marketing Director. Prior to joining Europastry, she worked in the marketing division at Herdez Europa S.A. and in the export division at Fluidra.

Mr. Andreu Venteo Casas – Global Supply Chain Director

Mr. Andreu Venteo Casas holds a Bachelor of Science Degree in Economics from Universitat Pompeu Fabra (UPF) and a Master Degree in Audit and Management from the Barcelona School of Management (UPF).

He joined Europastry in 2018 as consolidation and business controlling manager, and he was promoted to controlling director in February 2019. In March 2023 he was appointed to his current role. Prior to his experience in Europastry, he had an eight-year career in audit in Deloitte's office in Barcelona, up to the senior manager position.

Mr. Francesc Farnell Velasco – Global Human Resources Director

Mr. Francesc Farnell Velasco holds a Bachelor of Science Degree in Business Administration and an MBA from ESADE Business School (Barcelona) and a CEMS Master from the Community of European Management Schools. He is also an ICF certified coach.

Mr. Francesc Farnell joined Europastry in October 2023 in his current role. Previously, he was the Chief People Officer at Familia Torres Wineries for more than 10 years, and he has a previous experience of more than 15 years in different HR roles and functions in companies like CELSA Group and Groupe Danone.

Mr. Josep Serret López – Global Industrial Director

Mr. Josep Serret López holds an Industrial Engineering Degree from Universitat Politècnica de Catalunya, a Master's Degree in Project Management from La Salle - Universitat Ramon Llull and a MBA from ESADE Business School.

He joined Europastry in 2018 as Global Industrial Director. Previously, he worked for 16 years at AAM (American Axle & Manufacturing), where he held various roles: project manager & process engineer, production engineering director, deputy director & operations director and managing director.

Mr. Daniel Calvo Grau – Managing Director South-West Europe

Daniel Calvo has over 20 years of experience in the food and beverage industry. Previous to Europastry, he worked several years in Philip Morris (Sales Representative) and Scottish and Newcastle (Regional Sales Director On Trade).

He joined Europastry in 2008 as National Key Account Manager, was promoted to Commercial Director On & Off Trade in 2013 and became General Commercial Director in 2016. During this period, he balanced his work with completing an Executive MBA at IESE (2010-2012). From 2019 to 2023 he has served as Iberia Managing Director and currently he holds the position of Managing Director of South-West Europe.

In addition to his MBA from IESE (2010-2012), Daniel holds a Bachelor's degree in Audiovisual Communication (UAB, 2000), a Master's degree in Multimedia Project Management (URL - La Salle, 2003-2004), and several focused programs such as the ADECCA (San Telmo, 2019).

Mr. Fernando García Ferrer – Managing Director USA

Mr. Fernando Garcia Ferrer holds a Business Administration of Economics and Business Sciences degree from the University Complutense of Madrid, and postgraduate courses in Business and Management Administration in IMD, IESE Business School and ESADE Business School.

He joined Europastry USA as CEO in November 2023. Before joining the Group, he worked in KPMG for different areas of the firm. He was promoted to Partner in KPMG in 1999. From 2006 to 2023, he was appointed Partner in charge of the Private Equity sector of KPMG in Spain, and from 2015 to 2023 he was appointed Head of Private Equity of KPMG for the areas of Europe, Middle East and Africa. From 2018 to 2021, he acted as the CEO of KPMG Greece, after the leverage buy out process undertaken in early 2018.

During more than 20 years, he has worked within the food and beverage sector, advising a relevant number of players in the local and international M&A landscape.

Mr. Philippe Ghyoot – Managing Director MEA & Asia

Mr. Philippe Ghyoot holds a Master of Business Administration of Louvain School of Management (UCLouvain) and Executive Programs at INSEAD (Fontainebleau) and IMD (Lausanne).

He has more than 30 years of experience in the bread industry throughout various regions of the world. He started his professional career in 1992 in Puratos Group as sales manager for the Latin American region and he was later promoted commercial director LatAm. In 2002, he took the position of area general manager MEA and in 2010, he was promoted to regional director with the addition of Turkey, Iran and India to his scope.

He joined Europastry in June 2021 as Managing Director MEA & Asia with the objective to develop the international footprint of Europastry.

Mr. Bertrand Laffont – Managing Director LatAm

Mr. Bertrand Laffont holds a degree from the Ecole de Commerce Européenne de Bordeaux (Inseec Group).

He joined Europastry in 2017 as International Division Director. Previously, he held various roles at Bridor, where he held the position of area manager Ibérica for four years, then three years as area manager Ibérica and Latin America, and lastly five years as sales director of South Europe and Latin America. In 2021 he joined Saint Michel Biscuits as area manager Southern Europe-LatAm, while serving as Europastry International board advisor.

He returned to Europastry in 2023 when he was appointed Managing Director of the LatAm division.

Senior Management managerial positions

The following table sets out all entities, except for those entities or associates of the Group, in which the Senior Managers have been appointed as members of the administrative, management or supervisory bodies 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.

Senior Manager	Entity	Position/title	Sector	In office
Mr. Joaquim Bauló Miralles...........	Piensos Borrás, S.L.	Director	Pig farming	Yes
Mr. Jordi Caballero Fuentes	–	–	–	–
Mr. Miguel Fernández Valdearenas	–	–	–	–
Mr. Antonio Martínez Martínez	–	–	–	–
Ms. Marta Cortés Casanovas	–	–	–	–
Mr. Andreu Venteo Casas...............	–	–	–	–
Mr. Francesc Farnell Velasco	Miguel Torres, S.A.	Chief Human Resources Officer	Wine	No
Mr. Josep Serret López...................	–	–	–	–
Mr. Daniel Calvo Grau	–	–	–	–

Senior Manager	Entity	Position/title	Sector	In office
Mr. Fernando García Ferrer............	KPMG Asesores, S.L.	Director	Corporate services	No
Mr. Philippe Ghyoot.......................	LaQuinta, S.R.L.	Director	Consulting	Yes
	Puratos Group	Regional Managing Director	Food services	No
	Sofadex Puratos	Director	Food services	No
	Chipkins Puratos	Director	Food services	No
	Golnan Puratos	Director	Food services	No
	Bano Puratos	Director	Food services	No
Mr. Bertrand Laffont	–	–	–	–

Our Senior Managers do not hold and (other than Mr. Fernando García Ferrer in KPMG) have not held at any time during the five-year period preceding the date of this Prospectus any partnership positions in any entity.

Directors' Compensation

Our bylaws establish that the office of director shall be remunerated. Apart from the remuneration as member of the Board of Directors, those directors who perform executive functions are entitled to receive the compensation agreed for the performance of those functions. Additionally, the Spanish Companies Act provides that Spanish listed companies must also approve a directors' remuneration policy (see "—*Remuneration Policy*" below).

The maximum annual aggregate remuneration that we may pay to all of our directors as remuneration as members of the Board of Directors is a fixed amount set by the shareholders at the general shareholders' meeting and will remain unchanged until the general shareholders' meeting approves amendments thereto. The specific amount to be paid to each director is determined according to the bylaws and the remunerations policy approved by the shareholders at the general shareholders' meeting, taking into account the conditions of each director, his or her functions and responsibilities. The Board of Directors, within the maximum annual aggregate remuneration set by the shareholders at the general shareholders' meeting, shall determine, prior to a proposal from the Nominations, Remunerations and Sustainability Committee, the specific amount to be paid to each director.

Remuneration Policy

The remuneration policy should be adequate to the concurrent circumstances in each moment, paying special attention to the evolution of the regulation of better practices, recommendations and national and international trends in relation to the remuneration of directors of listed companies and the prevailing conditions in the market. The remuneration policy for directors shall be approved by the shareholders at the general shareholders' meeting at least every three years as a separate item in the agenda. However, the proposal for a new remuneration policy must be submitted to the general shareholders' meeting prior to the end of the last year of application of the previous policy, and the general shareholders' meeting may determine that the new policy shall apply from the date of its approval and for the following three years. The remuneration policy shall establish at least the maximum amount of annual remuneration to be paid to all directors in their capacity as such and the criteria for its distribution according to the functions and responsibilities attributed to each of them.

The Board of Directors' proposal for the remuneration policy must be motivated by, and must be accompanied by, a specific report from the Nominations, Remunerations and Sustainability Committee. Both documents must be made available to the shareholders through our website from the time of the call to convene the general shareholders' meeting. Any amendment or substitution of the remunerations policy during the three-year period referred to above, shall require the prior approval by the shareholders at the general shareholders' meeting.

Notwithstanding the foregoing and regardless of the remuneration scheme applicable in each case, the members of the Board of Directors shall be reimbursed by the Company for the ordinary and usual expenses of travel, accommodation, and subsistence they incur as a result of attending Board meetings, and are justified in advance by the attending directors through the submission of sufficient documentary evidence.

On June 17, 2024, the shareholders at a general shareholders' meeting approved the remuneration policy for directors that will be in force during 2024, 2025 and 2026 (hereinafter, in this section, the "**Remuneration Policy**"), and will become effective upon Admission. It is expected that the Remuneration Policy will be expressly ratified by the Nominations, Remunerations and Sustainability Committee at its first meeting following Admission.

Moreover, on June 17, 2024, the shareholders at our general shareholders' meeting, in accordance with article 529 *septdecies* of the Spanish Companies Act, also agreed that the maximum annual aggregate amount payable to all directors as members of the Board of Directors (and excluding any amount payable to directors for the performance of executive duties) will be €600,000.

Annual Report on Remuneration of Directors

The Board of Directors must prepare and publish annually a report on remuneration of directors that includes: (i) full, clear and comprehensive information about the remuneration policy applicable to the current financial year, (ii) a summary of the application of the remuneration policy during the previous closed financial year, and (iii) the details of the remuneration accrued by each of the directors during said financial year. In the event that the annual report on remuneration of directors is rejected by advisory vote of the shareholders at the general shareholders' meeting, the remuneration policy applicable to the following year must be submitted for the approval of the shareholders at the general shareholders' meeting prior to its application, even if the aforementioned three-year term has not elapsed.

Remuneration as members of the Board of Directors

According to the bylaws and the Remuneration Policy, the directors will receive a fixed annual fee as members of the Board of Directors.

For the year ended December 31, 2023, the total amount paid to all directors as members of the Board of Directors was €196,800. The breakdown of the remuneration paid by us to each of our directors as members of the Board of Directors for the year ended December 31, 2023 is as follows:

Director	Remuneration as members of the Board of Directors for the year ended December 31, 2023
Mr. Jordi Gallés Gabarró	€30,000
Mr. Jordi Morral Hospital	€30,000
Gallés Office, S.L (represented by Ms. Eva Gallés Gabarró) (1)	€30,000
Loftus, S.L. (represented by Mr. Ramón Núñez Cabezón)(2)	€30,000
Whitley, S.L. (represented by Mr. José María Muñoz Domínguez)(3)	€30,000
Ms. Inés Arnau Almirall	€46,800

(1) On June 17, 2024, Gallés Office, S.L. ceased to be director and Ms. Eva Gallés Gabarró was appointed as director.

(2) On June 17, 2024, Loftus, S.L. ceased to be director and Mr. Ramón Núñez Cabezón was appointed as director.

(3) On June 17, 2024, Whitley, S.L. ceased to be director.

The amounts above do not include the remuneration that corresponds to the executive directors for the performance of executive duties.

The Remuneration Policy sets forth the following:

- Every member of the Board of Directors will receive a fixed annual amount of €60,000. The chairman of the Board of Directors and the lead independent director will not receive any additional amount in respect of those positions;

- The chairman of each of the Committees will receive an additional fixed annual amount of €20,000. Members of the Committees will not receive any additional amount in respect of those committee memberships; and

- The executive directors will receive, in addition to the fixed compensation as members of the Board of Directors, a specific compensation as executive directors as set out below (see "—*Remuneration for Executive Directors*").

On June 17, 2024, the Board of Directors has agreed the following remuneration amounts for directors for the elements mentioned above:

	Chairman	**Member**
Board of Directors		
Fixed annual remuneration	-	€60,000
Audit Committee		
Fixed annual remuneration	€20,000	-
Nominations, Remunerations and Sustainability Committee		
Fixed annual remuneration	€20,000	-

Therefore, the aggregate amount payable to all directors as members of the Board of Directors corresponding to the year 2024 is €400,000.

The Board of Directors is entitled to revise the remuneration amounts indicated in the table above for the following exercises within the maximum annual aggregate remuneration established by the shareholders at a general shareholders' meeting and in accordance with the bylaws.

As of the date of this Prospectus, our directors, including our executive directors, do not receive any pension or retirement benefits as part of their remuneration and no provision has been made in this regard.

Remuneration for Executive Directors

In addition to the remuneration as members of the Board of Directors, directors are entitled to receive compensation for the performance of executive duties.

The bylaws and the Remuneration Policy establish the elements of the remuneration policy applicable to the Executive Chairman (Mr. Jordi Gallés Gabarró) and to the Chief Executive Officer (Mr. Jordi Morral Hospital).

Under the bylaws and the Remuneration Policy, the Executive Chairman and the Chief Executive Officer receive remuneration for their executive duties in addition to remuneration for their membership on the Board of Directors. See "*–Remuneration as members of the Board of Directors*".

The Remuneration Policy for executive directors approved by the shareholders at the general shareholders' meeting sets forth the following:

- a fixed annual amount as base salary;
- a variable annual amount that takes into consideration yearly objectives as fixed and approved by the Board of Directors from time to time;
- a long-term loyalty bonus;
- a long-term incentive plan;
- extraordinary incentives for services provided that are different from those inherent to their position, such as participation in relevant or fundamental corporate transactions for the Company; and
- remuneration in kind consisting of a life insurance policy and a company car.

Each of these items is further explained below.

Remuneration of the Executive Chairman

As required under Articles 249 and 529 *octodecies* of the Spanish Companies Act and the relevant provisions of our bylaws, Board Regulations and Remuneration Policy, our Board of Directors approved, with the favorable vote of at least two thirds of its members and with the abstention of Mr. Jordi Gallés Gabarró, the services agreement to be entered into by us and Mr. Gallés to regulate the terms under which Mr. Gallés renders his services as Executive Chairman. This services agreement was executed on April 9, 2015, for an indefinite term, and was subsequently amended on June 26, 2018, November 17, 2020, November 28, 2022, July 25, 2023, December 15, 2023 and June 17, 2024.

Mr. Gallés's remuneration for the services rendered to us under such services agreement, as amended, is made up of the following components:

- a base salary of €1,030,000;
- annual variable cash compensation based on specific company goals in connection with the Company's EBITDA that can add up to €200,000 to the base salary;
- a long-term loyalty cash bonus of €3,000,000 in the case Mr. Gallés remains Executive Chairman of the Company until January 10, 2026;
- a long-term incentive plan for the years 2023 to 2025 that consists of a cash bonus up to €2,100,000 based on the fulfillment of the Company's strategic targets linked to the Group's EBITDA (see "—*Long-term Incentive Plans*" below);
- an extraordinary cash incentive due to his contribution in connection with the Offering equivalent to one year of his annual full remuneration (€1,238,520) (see "—*Remuneration for the year ended December 31, 2023 and for the year ending December 31, 2024*" below); and
- remuneration in kind consisting of life and disability insurance and a company car.

The services agreement executed with the Executive Chairman contains clauses that are customary in these types of agreements, such as: confidentiality, post-contractual non-competition of one year following termination and indemnity in the event of early dismissal. As a consequence of the post-contractual non-competition obligation, the Company must pay Mr. Gallés an amount equal to an annuity of his fixed and variable salary at the date of termination of the services agreement, payable in twelve monthly instalments.

Furthermore, Mr. Gallés shall receive an indemnity consisting of an annuity of his fixed and variable salary at the date of termination of the services agreement in the event of:

- termination at the request of Mr. Gallés in any of the following events: (i) serious and willful breach of the Company's obligations under the services agreement; (ii) a substantial change of Mr. Gallés's duties, powers or other conditions for any reason not attributable to him; (iii) permanent transfer of the place where Mr. Gallés provides services, outside the province of Barcelona, that implies a change of residence; or (iv) succession in the Company (*sucesión de empresa*) or significant change in the Company's ownership, as long as the new majority shareholder is unrelated to the Gallés Family; and
- termination by the Company, due to its decision to terminate the services agreement or the non-renewal of the office of Mr. Gallés as Executive Chairman. Any such termination requires six months' prior notice. If the Company fails to comply with this prior notice, it shall pay Mr. Gallés the amount of his fixed salary corresponding to the time remaining to comply with that period.

On the contrary, Mr. Gallés will not be entitled to the compensation provided for in the previous paragraph in the event of termination of the services agreement due to any of the following causes: (i) if termination occurs due to the voluntary resignation of Mr. Gallés for reasons other than those provided in the previous paragraph, including retirement, (ii) if termination occurs due to the death or disability of Mr. Gallés, or (iii) in the event of breach of his duties of loyalty, care and good faith by Mr. Gallés, as well as any other serious and willful breach of his obligations under the contract.

Remuneration of the Chief Executive Officer

As required under Articles 249 and 529 *octodecies* of the Spanish Companies Act and the provisions of the bylaws and the Remuneration Policy, the Board of Directors approved, with the favorable vote of at least two thirds of its members and with the abstention of Mr. Jordi Morral Hospital, the services agreement to be entered into by us and Mr. Morral to regulate the terms under which Mr. Morral renders his services as our Chief Executive Officer. This services agreement was executed on November 18, 2015, for an indefinite term, and subsequently amended on June 26, 2018, November 17, 2020, November 28, 2022, July 25, 2023, December 15, 2023 and June 17, 2024.

Mr. Morral's remuneration for the services rendered to us under such services agreement, as amended, are as follows:

- a base salary of €925,000;
- annual variable cash compensation based on specific company goals in connection with the Company's EBITDA that can add up to €175,000 to the base salary;
- a long-term loyalty cash bonus of €3,000,000 in the case Mr. Morral remains as Chief Executive Officer of the Company until January 10, 2026;
- a long-term incentive plan for the years 2023 to 2025 that consists of a cash bonus up to €1,820,000 based on the fulfillment of the Company's strategic targets linked to the Group's EBITDA (see "—*Long-term Incentive Plans*" below);
- an extraordinary cash incentive due to his contribution in connection with the Offering equivalent to one year of his annual full remuneration (€1,110,017) (see "—*Remuneration for the year ended December 31, 2023 and for the year ending December 31, 2024*" below); and
- remuneration in kind consisting of life and disability insurance and a company car.

The services agreement executed with the Chief Executive Officer contains clauses that are customary in these types of agreements, such as: confidentiality, post-contractual non-competition of one year following termination and indemnity in the event of early dismissal. As a consequence of the post-contractual non-competition obligation, the Company must pay Mr. Morral an amount equal to an annuity of his fixed and variable salary at the date of termination of the services agreement, that shall be paid in 12 monthly instalments.

Furthermore, Mr. Morral shall receive an indemnity consisting of an annuity of his fixed and variable salary at the date of termination of the services agreement in the event of:

- termination at the request of Mr. Morral in any of the following events: (i) serious and willful breach of the Company's obligations under the services agreement; (ii) a substantial change of Mr. Morral's duties, powers or other conditions for any reason not attributable to him; (iii) permanent transfer of the place where Mr. Morral provides services, outside the province of Barcelona, that implies a change of residence; or (iv) succession in the Company (*sucesión de empresa*) or significant change in the Company's ownership, as long as the new majority shareholder is unrelated to the Gallés Family.
- termination by the Company, due to its decision to terminate the services agreement or the non-renewal of the office of as Chief Executive Officer. Any such termination requires six months' prior notice. If the Company fails to comply with this prior notice, shall pay Mr. Morral the amount of his fixed salary corresponding to the time remaining to comply with that period.

On the contrary, Mr. Morral will not be entitled to the compensation provided for in the previous paragraph in the event of termination of the services agreement due to any of the following causes: (i) if termination occurs due to the voluntary resignation of Mr. Morral for reasons other than those provided in the previous paragraph, including retirement, (ii) if termination occurs due to the death or disability of Mr. Morral, or (iii) in the event of breach of his duties of loyalty, diligence and good faith by Mr. Morral, as well as any other serious and willful breach of his obligations under the contract.

Remuneration for the year ended December 31, 2023 and for the year ending December 31, 2024

The compensation paid to our Executive Chairman and Chief Executive Officer for the year ended December 31, 2023, is shown in the following table:

Position	Fixed remuneration(1)	Variable remuneration(2)	Extraordinary incentive(3)	Other items(4)	Total
Executive Chairman	€833,000	€140,595	€4,400,000	€8,520	€5,382,115
Chief Executive Officer	€800,000	€103,000	€4,400,000	€10,017	€5,313,017

(1) Corresponds to the total fixed remuneration as directors for the performance of executive duties.

(2) Corresponds to the annual variable remuneration accrued during the year ended December 31, 2022 and paid during the year ended December 31, 2023.

(3) Corresponds to: (i) an extraordinary long-term loyalty cash bonus amounting to €2,900,000 paid to each executive director for remaining as executive director of the Company until January 10, 2023 (as approved by the shareholders at the general shareholders' meeting and the Board of Directors on November 17, 2020 and as amended by the shareholders at the general shareholders' meeting and the Board of Directors on November 28, 2022), that was accrued during the year ended December 31, 2022 and paid during the year ended December 31, 2023; and (ii) an extraordinary incentive amounting to €1,500,000 paid to each executive director due to their extraordinary contribution in connection with the results obtained by the Company during the year ended December 31, 2023. This extraordinary incentive was approved by the shareholders at the general shareholders' meeting and the Board of Directors on July 25, 2023.

(4) Comprises in-kind benefits consisting of life and disability insurance and a company car.

The compensation that we expect to pay to our Executive Chairman and Chief Executive Officer for the year ending December 31, 2024 is included in the following table:

Position	Fixed remuneration(1)	Variable remuneration(2)	Extraordinary incentive(3)	Other items(4)	Total
Executive Chairman	€1,030,000	€114,000	€1,238,520	€8,520	€2,391,040
Chief Executive Officer	€925,000	€109,000	€1,110,017	€10,017	€2,154,034

(1) Corresponds to the total fixed remuneration as directors for the performance of executive duties.

(2) Corresponds to the annual variable remuneration accrued during the year ended December 31, 2023 and to be paid during the year ending December 31, 2024.

(3) Corresponds to the extraordinary incentive due to his contribution in connection with the Offering, equivalent to one year of their respective full remuneration corresponding to the year ending December 31, 2024. The estimated amount assumes that the total variable remuneration during the year ending December 31, 2024 is accrued: €200,000 for the Executive Chairman and €175,000 for the Chief Executive Officer.

(4) Comprises in-kind benefits consisting of life and disability insurance and a company car.

Long-Term Incentive Plans

For Executive Directors

Our Executive Chairman and our Chief Executive Officer benefit from long-term incentive plans approved by the Board of Directors on December 15, 2023 (the "**Executive Directors' LIP**") in order to encourage the fulfillment of the Group's business goals.

The Executive Directors' LIP consists of a cash bonus based on the fulfillment of the strategic targets linked to the Group achieving an EBITDA of €230,200 thousand for the year ending December 31, 2025.

The Executive Directors' LIP has a three-year generation period, which will run from January 1, 2023 to December 31, 2025 (the "**Accrual Period**"), and which resulting amounts would be calculated on January 31, 2026 (the "**Consolidation Date**").

The Executive Directors' LIP requires that: (i) the relevant executive director remains as executive director of the Company at the Consolidation Date, and (ii) the strategic targets have been fulfilled. No right will arise from the Executive Directors' LIP, not even on a proportional basis, in the event that: (i) the relevant executive director's service agreement terminates before the Consolidation Date, except in the event that such executive director receives an indemnity consisting of an annuity of his fixed and variable salary at the date of termination of the services agreement (see "*Remuneration for Executive Directors*" above); or (ii) such executive director's service agreement has been suspended during a period of six or more months, or ceases in his office as executive director of the Company to assume another position within the Company during the Accrual Period.

The Executive Directors' LIP cash bonus attributable to our Executive Chairman and our Chief Executive Officer will be paid on the Consolidation Date to our Executive Chairman and to our Chief Executive Officer, respectively, depending on the degree of fulfillment of the strategic targets linked to the Group achieving an EBITDA of €230,200 thousand for the year ending December 31, 2025. In this regard, if the degree of fulfilment is below 95%, our Executive Chairman and our Chief Executive Officer will not be entitled to any Executive Directors' LIP cash bonus.

According to the conditions of the Executive Directors' LIP as of the date of this Prospectus, the total maximum payment under the Executive Directors' LIP at the Consolidation Date would be €3,920,000, in the event of a 105% fulfilment of the strategic targets.

For key employees

In addition to the above, 42 of our key employees (including certain members of the Group's Senior Management) also benefit from long-term incentive plans depending on the region where such key employees are located (in accordance with our operating segments) (the "**Key Employees' LIP**") in order to encourage the fulfillment of the Group's and certain Group subsidiaries' business goals and the talent retention of such key employees.

The Key Employees' LIP consists of a cash bonus based on the fulfillment of the strategic targets linked to the Group and certain Group subsidiaries' achieving a certain EBITDA amount during the years 2024, 2025 or 2026, which will vary depending on the region where such key employees are located (in accordance with our operating segments).

The Key Employees' LIP has a three-year generation period (from January 1, 2022 to December 31, 2024, from January 1, 2023 to December 31, 2025, and from January 1, 2024 to December 31, 2026, depending on the region where such key employees are located (in accordance with our operating segments)), and which resulting amounts would be calculated at the beginning of the years 2025, 2026 and 2027, respectively.

The Key Employees' LIP requires that: (i) the key employee remains as key employee of the Group at the consolidation date, and (ii) the strategic targets have been fulfilled. No right will arise from the Key Employees' LIP, not even on a proportional basis, in the event that: (i) the key employee's labor agreement terminates before the consolidation date for any reason; or (ii) the key employee's labor agreement has been suspended during a period of six or more months, or ceases in his/her current position to assume another position of lower responsibility within the Group during the accrual period.

The Key Employees' LIP cash bonus will be paid on the consolidation date to our key employees, depending on the fulfillment of the strategic targets linked to the Group and certain Group subsidiaries' achieving a certain EBITDA amount during the years 2024, 2025 or 2026, which will vary depending on the region where such key employees are located (in accordance with our operating segments).

According to the conditions of the Key Employees' LIP and the number of beneficiaries as of the date of this Prospectus, the maximum payment under the Key Employees' LIP at the Consolidation Date would be €7,037,385, in the event of a 105% fulfilment of the strategic targets.

Following the Offering, the Company has the intention to put in place new long-term incentive plans for executive directors and key employees related to future fiscal years which may be structured through the delivery of Shares from the Company for a total amount of up to €10 million. The Nominations, Remunerations and Sustainability Committee will analyze and inform the Board of Directors about these new long-term incentive plans to determine the beneficiaries and the suitable terms and conditions for such plans, with the aim of retaining talent and incentivizing good performance.

Senior Managers' Compensation

The compensation of our Senior Managers is mainly composed of fixed remuneration, annual variable remuneration and in-kind benefits consisting of a company car. Our Senior Managers may also participate in our long-term incentive plans (see "*—Long-Term Incentive Plans*" above).

As of the date of this Prospectus, our Senior Managers do not receive any pension or retirement benefits as part of their remuneration and no provision has been made in this regard.

The compensation we paid to our Senior Managers (12 Senior Managers, excluding our Executive Chairman and our Chief Executive Officer, whose compensation is detailed above) for the year ended December 31, 2023 amounted to €4.46 million. This amount primarily includes fixed remuneration, annual variable remuneration accrued during the year ended December 31, 2022 and paid during the year ended December 31, 2023 and in-kind benefits consisting of a company car. It also includes €1.53 million corresponding to the long-term incentive plan cash bonus accrued by some Senior Managers for the three-year generation period ended on December 31, 2022 and paid during the year ended December 31, 2023.

For the year ending December 31, 2024, the compensation that we expect to pay to our Senior Managers (13 Senior Managers, excluding our Executive Chairman and our Chief Executive Officer, whose compensation is detailed above) would amount to approximately €2.76 million, excluding the potential extraordinary incentive payable to some Senior Managers due to their extraordinary contributions in connection with the Offering described below. This estimated amount would mainly include their respective fixed remuneration, annual variable remuneration accrued during the year ended December 31, 2023 that will be paid during the year ending December 31, 2024 and in-kind benefits consisting of a company car.

Additionally, on June 17, 2024 and on September 24, 2024, our Board of Directors, approved an extraordinary incentive for certain of our Senior Managers due to their extraordinary contributions in connection with the Offering. The amount of the extraordinary incentive that we expect to pay in cash following Admission and during the year ending December 31, 2024 to our Senior Managers (excluding our Executive Chairman and our Chief Executive Officer, whose details regarding the extraordinary incentive are detailed above) would amount to approximately €1.95 million. For more information, see "*—Offering Extraordinary Incentive*" below.

None of the Senior Managers has entered into specific service contracts with us or any of our subsidiaries providing for benefits upon termination of their respective employment other than those provided by applicable law.

Offering Extraordinary Incentive

There is an extraordinary incentive in place for the Executive Chairman and the Chief Executive Officer (see "*—Remuneration of Executive Directors*" above), as well as for any Senior Managers with a continuous labor relationship of at least two years as of the date of the approval of the incentive and certain key employees (the "**Offering Extraordinary Incentive**"), which we expect to pay in cash following Admission and during the year ending December 31, 2024, in recognition of their respective contributions to the Company in the context of the Offering.

The gross amount of the Offering Extraordinary Incentive corresponding to each beneficiary will be an amount equal to between one and two years (depending on the responsibilities and seniority of each beneficiary) of the beneficiary's full remuneration. The total cost of the Offering Extraordinary Incentive, including social security costs, is expected to be approximately €4.5 million, of which €2,285 thousand has been provisioned.

Our Board of Directors approved on June 17, 2024 and on September 24, 2024, the Offering Extraordinary Incentive corresponding to our executive directors and to our Senior Managers with a continuous labor relationship of at least two years.

D&O insurance policy

We maintain a directors' and officers' insurance policy that protects the members of the boards of directors of the various companies within the Group from liabilities incurred as a result of actions taken in their official capacity as directors, up to an aggregate limit of €20 million per claim and year respectively (the "**Underlying Limit**"). Under this D&O insurance policy, each non-executive director has an additional limit of €1 million per claim, and members of the board of the parent company have an additional limit of €1 million per claim and of €2 million for the entire group of directors. Subject to annual practice conditions, limitations and deductibles. In addition, our directors' and officers' insurance policy is supplemented by an excess insurance policy pursuant to which the members of the boards of directors of the various companies within the Group are protected against liabilities incurred arising out of actions taken in their official capacity as directors, up to an aggregate amount of

€10 million in excess of the Underlying Limit. Thus, the total aggregate insurance cover limit amounts to €30 million.

Market Abuse Internal Regulations

The Company has implemented and defined a transparent set of rules and regulations for compliance with market abuse regulations which is compliant with Regulation (EU) No 596/2014 of the European Parliament and of the Council of April 16, 2014 on market abuse ("**Market Abuse Regulation**").

On June 17, 2024, the Board of Directors approved the internal code of conduct in securities markets (the "**Internal Code of Conduct**"), which will become effective upon Admission. The Internal Code of Conduct applies to, among others, our directors, Senior Managers and employees who have regular access to inside information, as defined under the Market Abuse Regulation.

Among other things, the Internal Code of Conduct:

- regulates the conduct of our directors and Senior Managers and other relevant employees with regard to the treatment, use and disclosure of the Company's inside information;

- establishes the restrictions on, and conditions for, the dealing with Company's securities or other financial instruments referencing them by persons subject to the Internal Code of Conduct and by those who possess inside information;

- provides that persons subject to the Internal Code of Conduct must not engage in market manipulation with respect to the securities or other financial instruments of the Company; and

- regulates dealings with our own shares.

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. We will comply with these requirements of the Spanish Companies Act upon Admission.

Additionally, the Corporate Governance Code sets out certain non-binding recommendations on corporate governance to be considered (under the "comply or explain" principle) by the companies listed on the Spanish Stock Exchanges. We believe that we substantially comply with the majority of the recommendations of the Corporate Governance Code.

In particular, as of the date of this Prospectus, we comply with the following recommendations: 2, 5, 13, 17, 23, 45, 57 and 64. On Admission, we will also comply with the following recommendations (once the amendments to our bylaws and approval of internal regulations, rules and policies regarding the different aspects of these recommendations become effective upon Admission): 1, 3, 4, 6, 7, 8, 9, 12, 14, 15, 16, 18, 20, 21, 22, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 39, 40, 41, 42, 43, 44, 46, 47, 49, 50, 51, 53, 54, 55 and 56. In particular, regarding recommendations 40, 41 and 46, as of the date of this Prospectus, an internal audit function and a risk control and management control function are in place and we will be fully compliant with these recommendations once the Audit Committee becomes effective upon Admission (as it is a requirement that this Committee supervises the internal audit function and the risk control and management control function).

However, as of the date of Admission our corporate governance practices will still depart from the recommendations described below:

- Recommendation 10, which provides, among others, that the same voting rules shall apply to general shareholders' meeting resolutions proposed by shareholders, by exercising their right to include new items on the meeting´s agenda or presenting a new resolution proposal prior to the meeting, and to those proposed by the Board of Directors. Our General Shareholders' Meeting Regulations foresee different voting rules since: (i) a negative voting mechanism (that is, votes in favor shall be deemed to be those of all the shares present and represented, deducting votes against and abstentions) applies to resolutions proposed by the Board of Directors and (ii) a positive voting mechanism (that is, votes against shall be deemed to be those of all the shares present and represented, deducting votes in favor and abstentions) applies to resolutions proposed by shareholders.

- Recommendation 36, which provides that the board of directors in full should conduct an annual evaluation, and every three years an external facilitator shall aid in the evaluation process. We will carry out an annual assessment of the Board of Directors and its performances. However, as we may be qualified as a reduced market capitalization company once Admission takes place, and due to the nature of our shareholder base and the composition of our Board of Directors, our intention is to maintain flexibility to be able to choose whether to request, when necessary and on the basis of the applicable circumstances from time to time, an external facilitator to aid in the evaluation process.

- Recommendation 58, which provides that in case of variable compensation awards, remuneration policies should include limits and technical safeguards to ensure they reflect the professional performance of the beneficiaries and not simply the general progress of the markets or the company's sector, or circumstances of that kind. The Company's variable remuneration does not include non-financial criteria that are relevant for the Company's long-term value, such as compliance with its internal rules and procedures and its risk control and management policies.

- Recommendations 59 and 60, which provide that the contractual arrangements with the executive directors should include a "*malus*" clause by virtue of which part of the variable remuneration payment is deferred allowing for a total or partial loss of such variable remuneration if prior to the time of payment an event occurs which makes the loss advisable and that remunerations linked to the Company's results should take into account any qualifications stated in the external auditor report. As of the date of this Prospectus, the services agreements entered into with our executive directors do not include such a "*malus*" clause and their variable remuneration does not take into account the external auditor report.

- Recommendations 61 and 62, which provide that a major part of the executive directors' variable remuneration should be linked to the award of shares or financial instruments whose value is linked to the share price and that directors should not be allowed to transfer a number of shares equivalent to twice their annual fixed remuneration or to exercise share options or other rights with respect to shares for at least three years after their award. As of the date of this Prospectus, the Remuneration Policy does not foresee the award of share or financial instruments whose value is linked to the share price.

- Recommendation 63, which provides that the contractual arrangements with the executive directors should include a "*claw-back*" clause enabling the Company to reclaim variable components of remuneration upon deviations from applicable indicators or errors. As of the date of this Prospectus, the services agreements entered into with our executive directors do not include such a "*claw-back*" clause.

In addition, the following recommendations do not apply to us as of the date of this Prospectus and are not expected to apply to us on Admission: 11, 19, 37, 38, 48 and 52.

Conflicts of Interest

Pursuant to Article 229 of the Spanish Companies Act and Article 38 of the Board Regulations, directors are required to report to the Board of Directors, through the chairman or the secretary of the Board of Directors, all circumstances that may give rise to a conflict of interest, whether directly or indirectly, as soon as they become aware of such circumstances. Directors must refrain from attending and participating in the deliberations and voting on matters in which they or any person related to them may have a personal interest, whether directly or indirectly. There is a personal interest of a director in a matter when it affects him or her or a related party, and, for proprietary directors, when it affects the shareholder or shareholders that appointed him or her or proposed his or her appointment or to persons directly or indirectly related to such shareholder. Therefore, our directors are required to avoid situations that could give rise to a conflict between their duties to us and their private or other interests, unless they have obtained our consent.

All conflicts of interest involving directors will be disclosed in our financial statements.

In the event that a conflict-of-interest situation may reasonably create a structural and permanent conflict between the involved director and us or any of our subsidiaries, such director will then lack the required suitability and capacity to remain in office.

Pursuant to Article 229 of the Spanish Companies Act and Article 38 of our Board Regulations, our directors (and parties related such directors) should abstain from:

a) carrying out transactions with us, excluding ordinary-course transactions of limited amount and on standard terms applicable to all customers. Such transactions will include those whose information is not needed to express the true and fair view of our equity, financial situation and profits;

b) using our name or their positions as directors to unduly influence private transactions;

c) making use of our corporate assets, including confidential information related to us, for private purposes;

d) taking advantage of our business opportunities;

e) obtaining benefits or compensation (other than mere courtesies or *de minimis* benefits or compensation of a nominal or notional value) from third parties (i.e., other than us and the Group) in connection with the performance of their duties as directors; and

f) carrying out activities, on their own or on behalf of third parties, that may entail a current or potential effective competition with us or that could put the director in a permanent conflict with the interests of the Company or the Group.

In particular, and as set forth above, according to the Spanish Companies Act, the Board Regulations and the recommendations of the Corporate Governance Code, directors should refrain from engaging in commercial or professional transactions with us, without having first notified and received approval for the transaction from the Board of Directors, which shall request a report from the Audit Committee.

Such authorization shall be granted, as the case may be, by the shareholders at the general shareholders' meeting, following a report of our Audit Committee, regarding any transaction carried out by the Company or companies of the Group with directors, shareholders, individually or in conjunction with others, of a significant stake, including shareholders represented at the Board of Directors or the Board of Directors of a Group company, or with persons related to them.

Those directors representing significant shareholders must also refrain from participating in the debate and voting of decisions relating to conflicts of interest between us and such significant shareholder.

We are not aware of any agreement or arrangement involving Gallés Office, S.L. (as principal shareholder of the Company), customers, suppliers or any others by virtue of which any director or senior officer has been so appointed, without prejudice to the appointment of proprietary directors proposed by Gallés Office, S.L.

Non-Compete Obligation

Pursuant to Article 37 of the Board Regulations, directors and persons related to them are not entitled to engage in activities, whether directly or indirectly, that compete, actually or potentially, with us or that, in any other manner, put the director in a permanent conflict of interest with us, except with the express authorization of the shareholders at a general shareholders' meeting and provided that they fulfil the requirements set out in Articles 230.3 and 529 *ter* h) of the Spanish Companies Act. In addition to the abovementioned and in accordance with the Board Regulations, directors are not entitled to hold office in or render services to entities that have a similar or analogous corporate purpose as ours except to companies belonging to the Group. This non-compete obligation will apply for a period of two years from the date of resignation of the relevant director, except if the Board of Directors at its own discretion deems appropriate to reduce said period or exempt the relevant director from this restriction. Any person holding interests that are contrary to our interests must resign from his or her office at the request of the shareholders at a general shareholders' meeting, when the risk of damage to us becomes significant.

To the best of our knowledge, none of the directors renders services to an entity that is our competitor or that has a corporate purpose similar or analogous to ours.

Family Relationships

Other than the sibling relationship between Mr. Jordi Gallés Gabarró, our Executive Chairman, and Ms. Eva Gallés Gabarró, who is a proprietary director, proposed by Gallés Office, S.L., there are no family relationships and no "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, on information to be disclosed by listed companies regarding related party transactions) among the directors, between any director and a member of the Group's Senior Management or among the members of the Group's Senior Management.

No Convictions and Other Negative Statements

To the best of our knowledge, none of our directors or members of the Group's Senior Management has, in the five years preceding the date of this Prospectus: (i) been convicted in relation to fraudulent offenses; (ii) acted as 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 SHAREHOLDERS

As of the date of this Prospectus, our issued share capital is €6,939,960, consisting of 69,399,600 ordinary shares of €0.1 par value each and a single class.

Following the Offering, assuming that the Offering Price is at the mid-point of the Offering Price Range (€17.30 per Offer Share), we will issue 12,138,728 New Offer Shares to obtain the New Gross Proceeds. As a result, our share capital would be raised to €8,153,832.8 consisting of 81,538,328 of Shares of €0.1 par value each and a single class, assuming no exercise of the Over-allotment Option.

The following table sets forth the shareholding and voting rights in the Company by our shareholders immediately prior to the Offering, and their expected shareholding, together with the expected shareholding of the free float, upon completion of the Offering with alternatively, no exercise of the Over-allotment Option and exercise in full of the Over-allotment Option, assuming in each case (i) that the Offering Price is €17.30 (i.e., the mid-point of the Offering Price Range) and (ii) that the number of New Offer Shares issued is 12,138,728. If the Over-allotment Option is exercised, it will be exercised (i) first with respect to the Over-allotment Shares offered by Gallés Office, S.L., which will consist of the number of Over-allotment Shares that, at the Offering Price, would represent an amount of approximately €10.0 million, – representing between 2.0% and 2.2% of the Initial Offer Shares based on the Offering Price Range – and (ii) subsequently, to the extent that the exercise of the Over-allotment Option has exhausted all of the Over-allotment Shares offered by Gallés Office, S.L., with respect to the Over-allotment Shares offered by us, which will consist of up to the remaining Over-allotment Shares (which, at the Offering Price, would represent an amount of approximately between €35.9 and €40.5 million and between 7.8% and 8.0% of the Initial Offer Shares based on the Offering Price Range).

			Shares owned after the Offering			
	Shares owned prior to the Offering		Assuming no exercise of the Over-allotment Option		Assuming exercise in full of the Over-allotment Option	
	Number	%	Number	%	Number	%
Mr. Jordi Gallés Gabarró (1)	52,930,800	76.3	52,630,800	64.5	52,052,766	62.2
MCH Continuation Fund, FICC (2)	14,386,800	20.7	-	-	-	-
Mr. Jordi Morral Hospital (3)	2,082,000	3.0	1,041,000	1.3	1,041,000	1.2
Treasury Shares	-	-	-	-	-	-
Criteria Caixa, S.A.U. (4)	-	-	4,076,916	5.0	4,076,916	4.9
Public (free float)	-	-	23,789,612	29.2	26,576,264	31.7
Total	**69,399,600**	**100.0**	**81,538,328**	**100.0**	**83,746,946**	**100.0**

(1) Mr. Jordi Gallés Gabarró holds a controlling stake of 99.99% in Palissandre, S.L, which, in turn, holds a 51.49% stake in Gallés Office, S.L., being the latter the direct owner of the Shares.
(2) MCH Continuation Fund, FICC holds a 50.01% stake in Exponent, S.à r.l., which, in turn, is the direct owner of the Shares.
(3) Mr. Jordi Morral Hospital holds a controlling stake of 99.54% in Indinura, S.L., which, in turn, is the direct owner of the Shares.
(4) Criteria Caixa, S.A.U. has entered into an investment commitment agreement with the Company and the Selling Shareholders, pursuant to which, subject to the fulfilment of certain conditions, Criteria Caixa, S.A.U. has irrevocably committed to purchase or subscribe for in the Offering, at the Offering Price, Offer Shares representing 5.0% of the Shares outstanding immediately following the Offering (excluding any Shares which may be issued as a result of the exercise of the Over-allotment Option). See "*Plan of Distribution—Investment Commitment*".

Beneficial Ownership of the Company

As of the date of this Prospectus, Mr. Jordi Gallés Gabarró (through his controlling stake in Gallés Office, S.L.) is our controlling shareholder according to the definition set forth in Article 42 of the Spanish Code of Commerce and Article 4 of the Securities Market Act. Exponent S.à r.l. and Indinura, S.L. are the next largest shareholders in the Company.

The Selling Shareholders are Gallés Office, S.L. (controlled by Mr. Jordi Gallés Gabarró), Exponent S.à r.l. (whose majority shareholder is MCH Continuation Fund, FICC, a fund managed by MCH Private Equity) and Indinura, S.L. (controlled by Mr. Jordi Morral Hospital).

Gallés Office, S.L. is a Spanish company, with its registered office in Calle Santa Fe de Nuevo Méjico, number 1, 5º A, 08017, Barcelona and phone number +34 93 240 14 65, with Spanish tax identification number B-61970323, registered with the Barcelona Commercial Registry at Volume 31712, Sheet 27, Page B-199303 and with legal entity identifier (LEI) code 959800Y4FXF95BEPP818. The shareholding structure of Gallés Office, S.L. is the following: Palissandre, S.L. (51.49%); Projecte Asfodel, S.L.U. (34.16%); Can Roldos, S.L.U. (13.83%) and Ms. Gloria Gabarró Ciurana (0.52%). Mr. Jordi Gallés Gabarró is the controlling shareholder of Gallés Office, S.L. according to the definition set forth in Article 42 of the Spanish Code of Commerce and Article 4 of the Securities Market Act and as detailed below.

Mr. Jordi Gallés Gabarró (indirect owner, with a 99.99% stake in Palissandre, S.L., which, in turn, holds a 51.49% stake in Gallés Office, S.L.) and Ms. Eva Gallés Gabarró (indirect owner, with a 100% stake in Projecte Asfodel, S.L.U., which, in turn, holds a 34.16% stake in Gallés Office, S.L.) are the ultimate beneficial owners of Gallés Office, S.L. pursuant to Law 10/2010, of April 28, of prevention of money laundering and terrorism financing.

Palissandre, S.L. is a Spanish company, with its registered office in Paseo Sant Gervasi, 22 Ent 12., 08022 Barcelona, with Spanish tax identification number B-58696758 and registered with the Barcelona Commercial Registry. Palissandre, S.L. shares are held by Mr. Jordi Gallés Gabarró and Ms. Beatriz Portabella. Mr. Jordi Gallés Gabarró (owner of a 99.99% stake in Palissandre, S.L.) is the ultimate beneficial owner of Palissandre, S.L. and the controlling shareholder of Palissandre, S.L. according to the definition set forth in Article 42 of the Spanish Code of Commerce and Article 4 of the Securities Market Act. As of February 28, 2024, Palissandre, S.L. sold a 3% stake in the Company's share capital, which was transferred to Gallés Office, S.L. As a consequence of the foregoing transfer, Gallés Office, S.L.'s stake in the Company increased from 73.27% to 76.27%, which is the current percentage of our share capital held by Gallés Office, S.L.

Projecte Asfodel, S.L. is a Spanish company, with its registered office in Calle Santa Fe de Nuevo Méjico, number 1, 5º A, 08017, Barcelona with Spanish tax identification number B-67176396 and registered with the Barcelona Commercial Registry. Projecte Asfodel, S.L. shares are held by Ms. Eva Gallés Gabarró. Ms. Eva Gallés Gabarró (owner of a 100% stake in Projecte Asfodel, S.L.) is the ultimate beneficial owner of Projecte Asfodel, S.L.

Exponent S.à r.l. (whose majority shareholder is MCH Continuation Fund, FICC, a fund managed by MCH Private Equity) is a Luxembourg company (*société à responsabilité limitée*), with its registered office in 16, rue Eugène Ruppert, L-2453 Luxembourg, Grand Duchy of Luxembourg and phone number +352 (422) 229 360, registered with the Luxembourg Trade and Companies' Register (*Registre de Commerce et des Sociétés*) under number R.C.S. Luxembourg B205404 and with legal entity identifier (LEI) code 222100LAIJ35ZO844H18. Exponent S.à r.l. holds 35,967 shares, representing 20.73% of the total shares of the Company. Exponent S.à r.l. shares are held by MCH Continuation Fund, FICC (50.01%) and Periza Industries S.à r.l. (49.99%). As stated above, MCH Continuation Fund, FICC, is managed by MCH Private Equity. In accordance with Exponent S.à r.l.'s ultimate beneficial owner deed granted on September 9, 2024 before the Notary of Madrid, Mr. Andrés de la Fuente O'Connor, under number 1,417 of his protocol, no individual owns or controls, directly or indirectly, more than 25% of the capital or voting rights of Exponent S.à r.l.

Indinura, S.L. is a Spanish company, with its registered office in Calle Doctor Carulla, 26 P. Bj. Pta.2., 08017, Barcelona and phone number +34 629 367 205, with Spanish tax identification number B-02796852, registered with the Barcelona Commercial Registry at Volume 47,547, Sheet 14, Page B-555217 and with legal entity identifier (LEI) code 9598002R4DQ2GS0FHK57. Indinura, S.L. holds 5,205 shares, representing 3.00% of the total shares of the Company. Indinura, S.L. shares are held by Mr. Jordi Morral Hospital, Mr. Jordi Morral Rabassa and Ms. Cristina Morral Rabassa. Mr. Jordi Morral Hospital (owner of a 99.54% stake in Indinura, S.L.) is the ultimate beneficial owner of Indinura, S.L.

Mr. Jordi Morral Hospital is a Spanish citizen whose professional address is located in Plaza Xavier Cugat, número 2, Edificio C, Planta 4, Parc Oficines Sant Cugat Nord, 08174, Sant Cugat del Vallès (Barcelona).

Upon completion of the Offering, the amounts and percentages of shares beneficially owned by each of our shareholders will be reported on the basis of CNMV rules governing the determination of beneficial ownership. The information is not necessarily indicative of beneficial ownership for other purposes. Our share capital is represented by a single class of shares, with the same economic, voting and related rights. Each share gives the right to one vote. Consequently, shareholders do not have different voting rights. Further details relating to our Shares are set out in "*Description of Share Capital*".

Change of Control of the Company

As described above, we are currently controlled by Mr. Jordi Gallés Gabarró (who is, the controlling shareholder of Gallés Office, S.L.). Gallés Office, S.L. intends to sell a certain number of Shares in the Offering and retain Shares that represent at least 61.2% of our share capital after the Offering (assuming that the Over-allotment Option is exercised in full and that the Offering Price is at the low end of the Offering Price Range (€15.85 per Offer Share)). Thus, as a result of the transfer of Shares in the Offering by Gallés Office, S.L., there would not be a change of control in the Company. We are not aware of any arrangements the operation of which may at a subsequent date result in a change of control of the Company. See "*Reasons for the Offering and Use of Proceeds*".

Shareholders' Agreements

On May 25, 2011, Mr. Jordi Gallés Gabarró (acting for himself and on behalf of Ms. María Gloria Gabarró Ciurana and Ms. Anna Gallés Gabarró), Ms. Eva Gallés Gabarró, Mr. Jordi Morral Hospital, Molí Vell International Holdings, B.V. ("**Molí Vell**") and MCH Iberian Capital Fund III, F.C.R. *de regimen simplificado* ("**MCH Fund III**") (collectively, the "**Parties**") entered into a shareholders' agreement as shareholders of the Company that was raised into public deed on May 25, 2011, before the Notary Public of Barcelona, Mr. Carlos Mateo Martínez de Bartolomé, under number 730 of his official records, and was amended on June 8, 2011 (the "**2011 Shareholders' Agreement**"). On July 13, 2020, Gallés Office, S.L., Mr. Jordi Gallés Gabarró, Ms. María Gloria Gabarró Ciurana, Ms. Anna Gallés Gabarró, Ms. Eva Gallés Gabarró, Mr. Jordi Morral Hospital, and Exponent, S.à r.l. (which had previously acquired the MCH Fund III shareholding in Europastry) entered into an agreement to amend the 2011 Shareholders' Agreement (the "**2011 Shareholders' Agreement Amendment**"). The 2011 Shareholders' Agreement Amendment was raised into public deed on July 13, 2020, before the Notary of Barcelona, Mr. Manuel Piquer Belloch, under number 1,027 of his official records. The 2011 Shareholders' Agreement, as amended by the 2011 Shareholders' Agreement Amendment shall hereinafter be referred to as the "**Europastry Shareholders' Agreement**".

The Europastry Shareholders' Agreement is applicable in respect of all the companies of our Group, in respect of those companies in which we have a direct or indirect interest and in respect of any other company in which either a Group company or a company in which we have direct or indirect interest exercises control either directly or indirectly.

The Europastry Shareholders' Agreement contains provisions that are customary in these types of agreements such as, among others, restrictions to the transfer of shares, tag-along rights, reserved matters and reinforced majorities for key resolutions of the general shareholders' meeting and the board of directors, deadlock-resolution provisions, and rules for the designation of the members of the board of directors. The agreement also contemplates put and call options to be exercised under certain circumstances.

The Europastry Shareholders' Agreement will terminate on the first of the following dates: (i) on the nineteenth anniversary of the 2011 Shareholders' Agreement (i.e., May 25, 2030); (ii) when Exponent, S.à r.l. ceases to hold any stake in the Company's share capital; and (iii) upon admission to trading of the Shares.

Therefore, the Europastry Shareholders' Agreement will automatically terminate upon admission to trading of the Shares.

Lock-up Arrangements

For a discussion of certain lock-up arrangements to be assumed by us and the Selling Shareholders, see "*Plan of Distribution—Lock-up*".

Dilution

The table included at the beginning of this section sets forth the shareholding and its corresponding dilution, as well as the percentage of total voting rights and its dilution, held by our existing shareholders prior to and after the Offering (assuming that the Offering Price is at the mid-point of the Offering Price Range (€17.30 per Offer Share) unless stated otherwise in the table).

As of June 30, 2024, the net asset value per Share of the Company amounted approximately to €5.38 (calculated as the sum of total assets less total liabilities as of June 30, 2024 and divided by the total number of Shares as of the same date), while the indicative non-binding Offering Price Range at which the Offer Shares will be sold in the Offering is between €15.85 and €18.75 per Offer Share.

RELATED PARTY TRANSACTIONS

General Information

We enter into transactions with certain related parties or our affiliates from time to time in the ordinary course of our business. We believe that all transactions are conducted on an arm's-length basis and that the terms of these agreements are comparable to those currently contracted with unrelated third parties. Certain related party transactions entered into during the periods covered by the Consolidated Financial Statements and up to the date of this Prospectus are set out below.

We also enter into intragroup related party transactions with certain of our subsidiaries in the ordinary course of business.

For IFRS-EU purposes, a "related party" is a person or entity that is related to the entity that is preparing its financial statements. Prior to the Offering and in accordance with Regulation (EC) No 1606/2002 of the European Parliament and of the Council dated July 19, 2002 on the application of international accounting standards, we considered related parties: (i) our affiliates and companies within the Group; (ii) our existing shareholders; (iii) our directors; (iv) our Senior Managers and the senior managers of our existing shareholders; (v) persons or entities related to our shareholders; and (vi) directors and senior managers of the companies within the Group.

We are required to report all related party transactions, as defined in International Accounting Standard 24 (IAS24) "Related Party Transactions", in accordance with IFRS-EU and under the Spanish Companies Act. For IFRS-EU purposes, a "related party transaction" is a transfer of resources, services or obligations between a reporting entity and a related party, regardless of whether a price is charged. For additional information on our related party transactions, see Note 25 to our 2023 Consolidated Financial Statements, Note 30 to our 2022 Consolidated Financial Statements and 2021 Consolidated Financial Statements, and Note 21 of the Unaudited Condensed Interim Consolidated Financial Statements.

Related party transactions are also defined under Articles 231, 231 bis and 529 *vicies* of the Spanish Companies Act and in our Board Regulations. As provided for in the Spanish Companies Act and in our Board Regulations, shareholders must approve, at a general shareholders' meeting, any related party transaction involving an amount equal to or greater than 10% of the Company's total assets as per the latest annual balance sheet approved by the Company. In that event, the affected shareholder shall be deprived from voting on the approval of such transaction except where such transaction was previously approved by the Board of Directors (without the majority of independent directors having voted against it) but, in that case, if such shareholder's vote is decisive to approve the resolution and such resolution is challenged, the Company or, as the case may be, the affected shareholders, will have the burden to prove (*carga de la prueba*) that such resolution was in the Company's interest.

The approval of the rest of related party transactions (i.e., those not requiring shareholder approval at a general shareholders' meeting) corresponds to the Board of Directors. This authority cannot be delegated, and any directors under a conflict of interest must refrain from voting on the approval of such transaction. As an exception, directors under a conflict of interest will not be required to refrain from voting where they represent or are related to the principal shareholder or entities related to the principal shareholder; but, in that case, if their vote is decisive to approve the resolution and such resolution is challenged, the Company or, as the case may be, the conflicted director or directors, will have the burden to prove that such resolution was in the Company's interest.

The approval of related party transactions by our shareholders at a general shareholders' meeting or by the Board of Directors requires a prior report of the Audit Committee, which shall assess whether the transaction is fair and reasonable from the perspective of the Company and/or, if applicable, from the perspective of the remaining shareholders which are not a related party, and shall be evaluated in the light of the principle of equal treatment among all shareholders and the prevailing market conditions.

As an exception to the above, the Board of Directors may delegate the approval of related party transactions under its authority for transactions:

- carried out between Group entities in the ordinary course of business and under arm's-length conditions; or
- (i) performed under contracts whose conditions are standardized and applied *en masse* to a large number of customers, (ii) performed at prices or rates generally established by the supplier of the relevant goods or services in question, and (iii) the amount of which does not exceed 0.5% of the Company's net revenues according to the consolidated annual financial statements latest approved by our shareholders at the general shareholders meeting of the Company.

The approval of these transactions shall require a prior report issued by the Audit Committee. In addition, the Board of Directors will establish a reporting and controlling process in order to, along with the Audit Committee, periodically assess the fairness and transparency of such transactions and, where appropriate, compliance with the legal criteria applicable to the abovementioned exemptions.

Related party transactions entered into with the same counterparty within a 12-month period shall be aggregated to determine their total value and shall be disclosed no later than at the time of execution when they reach or exceed (i) 5% of the overall total assets; or (ii) 2.5% of the annual net revenues, together with the report issued by the Audit Committee, on the Company's website (www.europastry.com/global/en/ipo/) and on the CNMV's website (www.cnmv.es).

Transactions with Related Parties

The tables below set out the details included in our Consolidated Financial Statements and, in particular, the balances of the related party transactions as of the dates set out therein, as well as the transactions carried out with the related party transactions as of such dates. The breakdown from related party transactions since July 1, 2024, until the date of this Prospectus does not differ materially from that already disclosed as of the below dates:

	As of June 30, 2024		**As of December 31, 2023**		**As of December 31, 2022**		**As of December 31, 2021**	
	(in thousands of euros)							
	Debtors	**Creditors**	**Debtors**	**Creditors**	**Debtors**	**Creditors**	**Debtors**	**Creditors**
Related Parties [(1)]								
Assolim Alimentaria, S.L. [(2)]	2,972	-	1,291	-	336	-	63	-
Abet, S.L. [(3)]	58	-	58	-	58	46	58	124
Mas Vell Center, S.L. [(4)]	-	-	28	-	28	-	28	-
Molí Vell Investimentos Imobiliarios, Lda [(5)]	60	-	60	-	60	-	60	-
Stonewall Invest, S.L. [(6)]	16	7	16	-	-	-	-	-

(1) "*Related Parties*" shall be understood as defined in IAS 24.9. All balances set forth in this table correspond to real estate, except for the balance with Assolim Alimentaria, S.L. which refers to food distribution services.

(2) Assolim Alimentaria, S.L.'s corporate purpose consists of the distribution of food products. Mr. Jordi Gallés Gabarró is a member of its Board of Directors and has a minor equity investment (i.e., 2,000 euros) in such entity, representing 2% of its share capital.

(3) Abet, S.L.'s corporate purpose consists of the provision of real estate services. Abet, S.L. whose shareholders (directly or indirectly) are Ms. Anna Gallés Gabarró (40.08%), Ms. Eva Gallés Gabarró (20.08%), Mr. Jordi Gallés Gabarró (20.08%) and Ms. Gloria Gabarró Ciurana (19.76%).

(4) Mas Vell Center, S.L. 's corporate purpose consists of the provision of real estate services. Mas Vell Center, S.L. whose sole shareholder is Abet, S.L. (100%).

(5) Molí Vell Investimentos Imobiliarios, Lda's corporate purpose consists of the provision of real estate services. Molí Vell Investimentos Imobiliarios, Lda., with its sole shareholder being Molí Vell Family Office, S.L. (100%), is owned 100% by Gallés Office, S.L (100%).

(6) Stonewall Invest, S.L's corporate purpose consists of the provision of real estate services. Stonewall Invest, S.L., with its sole shareholder being Palissandre, S.L. (100%), is controlled by Mr. Jordi Gallés Gabarró (99.99%).

Related Party	*Type of Transaction*	Six months ended June 30, 2024	Year ended December 31, 2023	Year ended December 31, 2022	Year ended December 31, 2021
		(in thousands of euros)			
Assolim Alimentària, S.L.	Sales of Products	2,723	5,373	4,598	4,345
Abet, S.L.	Receipt of Services and Others	(303)	(596)	(381)	(466)
Mas Vell Center, S.L.	Receipt of Services and Others	-	(190)	(170)	(185)
Mas Vell Center, S.L.	Fixed Assets Purchases	(2,000)	-	-	-
Molí Vell Investimentos Imobiliarios, Lda	Receipt of Services and Others	(108)	(216)	(158)	(180)
Stonewall Invest, S.L.	Receipt of Services and Others	(232)	(100)	-	-
Abet, S.L.	Fixed Assets Purchases	-	(206)	-	-
Stonewall Invest, S.L.	Fixed Assets Sales	-	1,465	-	-
Other Related Parties	Fixed Assets Purchases	-	(14)	(23)	(13)
Gallés Office, S.L.	Receipt of Services and Others	-	(41)	-	(17)
Total		**80**	**5,475**	**3,866**	**3,484**

Transactions with Related Parties relate to the rental of offices and real estate, as well as the sale of products and rendering of certain services, as further described below. For further information in relation to the rental of real estate, see "*Business—Property, Plant and Equipment*".

The Audit Committee, at its first meeting following Admission, will review these related party transactions and submit them for approval to the Board of Directors.

Offices

On January 1, 2002, we entered into a use assignment agreement (*contrato de cesión de uso*), as assignee, with F.V. El Forn Vell, S.L. (currently, Abet, S.L.), as assignor (the "**Use Assignment Agreement**"), for the use of the premises located in Barcelona, C/ Santa Fe de Nuevo Méjico 1, 5º - 1º A, designated for office use (the "**Barcelona Offices**"). The Barcelona Offices are used for the meetings of the Board of Directors and our Senior Management. Under the Use Assignment Agreement, the assignor shall render several services to us, such as, amongst others, cleaning, facility maintenance, receiving visitors, phone calls, courier, availability of parking spaces and cafeteria.

The Use Assignment Agreement was entered into for an initial term of one year, until December 31, 2002. The initial term has been annually extended, and it will be automatically extended unless one of the parties notifies the other the termination of the Use Assignment Agreement, at least 30 days before the end of any of the extensions. The Use Assignment Agreement shall terminate prematurely in accordance with the provisions under the applicable law, and, in particular, in the event of breach of any of our obligations outlined under the Use Assignment Agreement, such as, amongst others, the failure of payment of the assignment price or engaging in any activities not authorized under the terms of the Use Assignment Agreement.

The initial annual rent was €28,031.18 plus Value Added Tax. This amount must be updated annually. In the event that the parties do not reach an agreement on the amount of the update, the rent will be modified, upwards or downwards as the case may be, according to the Consumer Price Index (CPI) (the "**CPI**"). As of the date of this Prospectus, the annual rent amounts to €90,177.98 (including Value Added Tax), this being also the amount paid for the year 2023 under such Use Assignment Agreement.

Real Estate

Below we describe the main real estate transactions with Related Parties. These are mainly related to production centers and facilities rentals, as well as some selling and purchasing transactions:

<u>Vallmoll Production Center</u>

Between November 1 and December 1, 2009, we entered into six lease agreements, as lessee, with Mas Vell Center, S.L. as lessor, for the use of plants number 3, 4, 5, 6, 11 and 12 of Polígono "El Mas Vell", Tarragona, Sector Saui, 43144 (Vallmoll Production Center) as a warehouse (the "**Vallmoll Lease Agreements**").

The Vallmoll Lease Agreements were entered into for an initial term of five years, until October 31, 2014 (for plants 3, 4, 11 and 12) and November 30, 2014 (for plants 5 and 6). The initial term has already elapsed, although the Vallmoll Lease Agreements have been annually extended by the parties. The Vallmoll Lease Agreements will terminate in the cases provided under the Spanish Urban Leases Act 29/1994, of November 24 (the "**ULA**"), and in the event of serious and reiterated infringement by any of the parties of any of their obligations under the Vallmoll Lease Agreements.

The initial monthly rent per plant was €2,300, excluding taxes, rates, contributions and costs. This amount must be modified on a yearly basis, upwards or downwards as the case may be, according to the CPI. In 2023, the monthly rent per plant amounted to €3,033.47 (including Value Added Tax). The aggregate annual rent of the Vallmoll Lease Agreements for the year 2023 amounted to €189,526.

On February 19, 2024, the Company acquired the ownership of the plants leased under the Vallmoll Lease Agreements together with the industrial land, from Mas Vell Center, S.L. for a total amount of €2,000 thousand, fully paid in cash at completion of the transaction. The Vallmoll Lease Agreements were consequently terminated with effect from January 1, 2024.

In addition, on November 27, 2023, the Company acquired an industrial plot owned by Abet, S.L., located in the same industrial complex, for an amount of €206 thousand.

Sant Joan Despí Production Center

On April 1, 2013 we entered into four lease agreements, as lessee, with Abet, S.A. as lessor, for the use of plants number 1, 2, 3 and 4 of Polígono Fonsanta, calle Marie Curie (former calle Sant Martí de l'Erm) (Sant Joan Despí Production Center) to be used as industrial plants for the preparation of bakery and pastry products (the "**Sant Joan Despí Lease Agreements**").

The Sant Joan Despí Lease Agreements were entered into for an initial term of 10 years, this is, until March 31, 2023. Upon expiry of the initial termination date, the Sant Joan Despí Lease Agreements were automatically renewed for annual periods until March 31, 2025. The Sant Joan Despí Lease Agreements will terminate early in the cases provided under the ULA, and in the event of serious and reiterated infringement by any of the parties of any of their obligations under the Sant Joan Despí Lease Agreements.

The initial monthly rent was €6,335.12 (for plant number 1), €10,080.30 (for plant number 2), €7,674.71 (for plant number 3) and €4,988.26 (for plant 4), taxes, rates, contributions and costs not included. This rent must be modified on a yearly basis, upwards or downwards as the case may be, according to the CPI. The joint annual rent of the Sant Joan Despí Lease Agreements for the year 2023 amounted to €467,001. During 2024 and until the date of this Prospectus, the joint monthly rent has been €42,788.28 (including Value Added Tax).

In addition, on December 1, 2023, Stonewall Invest, S.L. acquired plant number B-1 of the same industrial estate site, located at calle Sant Martí de l´Erm 14 in Sant Joan Despí, where the Company already carried out its activities under a lease agreement with a third party. The aforementioned lease agreement was transferred to Stonewall Invest, S.L. as the new lessor under the same conditions. The original lease agreement, signed on July 28, 2016, had an initial term of five years, after which it has been annually extended by the parties. The initial term has been annually extended, and it will be automatically extended unless the Company gives a minimum of three months' notice of its intention not to extend it. The lease agreement is currently in its third extension annual period.

The initial monthly rent was €3,500, exclusive of taxes, charges, and expenses, and will be adjusted annually upwards or downwards according to the annual CPI, this also being the amount paid for the year 2023. During 2024 and until the date of this Prospectus, the monthly rent has been €5,009.07 (including Value Added Tax).

Carregado Production Center

On November 16, 2007, Europastry Portugal, S.A. entered into a sublease agreement, as sublessee, with Molí Vell Investimentos Imobiliarios, Lda, as sublessor, for the use of a plant located in Ota Parque, Carregado, Portugal (Carregado Production Center) as production center (the "**Carregado Sublease Agreement**"). Molí Vell Investimentos Imobiliarios, Lda is the lessee of the Carregado Production Center by virtue of a leasing agreement entered into with Besleasing e Factoring Institução Financeira de Crédito, S.A., as lessor, on November 16, 2007 (the "**Carregado Leasing Agreement**").

The Carregado Leasing Agreement expired on November 15, 2022. Molí Vell Investimentos Imobiliarios, Lda negotiated a new leasing agreement, as stipulated by the original agreement, at least 90 days before this expiration date. The new agreement will remain valid until December 31, 2025.

The Carregado Sublease Agreement was entered into for a term of 15 years, until November 10, 2022 and has been extended by the same period as the Carregado Leasing Agreement. The Carregado Sublease Agreement will terminate early in the cases provided under the applicable law, and also upon termination of the Carregado Leasing Agreement.

The initial monthly rent of the new lease is €18,000, excluding taxes, rates, contributions and costs. The rent is indexed to the monthly EURIBOR rate and will be updated as applicable. The annual rent of the Carregado Sublease Agreement for the year 2023 amounted to €216,000. During 2024 and until the date of this Prospectus, the monthly rent has been €18,000.00.

Paterna Production Center

On March 24, 2023, the Company, as seller, and Stonewall Invest, S.L., as purchaser, agreed on the sale of two industrial plants (plant 7 and plant 9A) located in Fuente del Jarro Industrial Site (Paterna), where the Company carries out its industrial activities (the "**Paterna Production Centre**"). The purchase price amounted to €1,465 thousand which was fully paid at completion of the transaction.

On the same date, the Company, as lessee, entered into two lease agreements with Stonewall Invest, S.L., as lessor, for the continued use of the aforementioned plants. Both agreements have an initial term of five years, after which they will be automatically renewed for annual periods unless any of the parties gives at least three months' notice of its intention not to renew them.

Subsequently, on September 22, 2023, the Company, as lessee, entered into a lease agreement with Stonewall Invest, S.L., as lessor, for the use of plants 3 and 5, in the same industrial complex, for use as warehouses. The agreement has an initial term of five years, after which it will be automatically renewed for annual periods unless either party gives a minimum of three months' notice of its intention not to renew.

The initial monthly rent for the above agreements has been agreed to be €5,651 for plant 7, €2,335 for plant 9A and €7,935 for plants 3 and 5, in each case exclusive of taxes, charges and expenses. The rent will be adjusted annually upwards or downwards based on the annual CPI. The total rent paid in 2023 for the aforementioned Paterna Production Centre leases is €96,066. During 2024 and until the date of this Prospectus, the joint monthly rent has been €20,382.31 (including Value Added Tax).

Sale of products

On January 1, 2014, the Company, as manufacturer, entered into a distribution agreement with Assolim Alimentària, S.L., as distributor, for the exclusive distribution of our brands in the areas of Barcelona and Tarragona (Spain). The distribution agreement had a duration of one year and has been automatically renewed for annual periods since neither party has given the requisite 90 days' notice of its intention to terminate the agreement. The commercial terms are reviewed annually, under conditions similar to other distributors of the Group. In 2023, the net turnover generated by the distributor amounted to €5,373 thousand. For the period from January 1 to August 31, 2024, the net turnover generated by the distributor amounted to € 3,602 thousand.

Related Party Transactions with Directors and Senior Managers

During the years ended on December 31, 2023, 2022 and 2021 and the period between January 1, 2024 and the date of this Prospectus, we have not entered into any transactions with our directors or Senior Managers other than in the ordinary course of business and on an arm's-length basis, or in accordance with the terms generally available to our employees, and none of those transactions could be considered as significant, except for the remuneration paid to our directors and Senior Managers. See "*Board of Directors and Management— Directors' Compensation*", "*Board of Directors and Management—Long-Term Incentive Plans*".

DESCRIPTION OF SHARE CAPITAL

The following summary provides information regarding our share capital and certain applicable provisions in connection therewith set out in our bylaws, the General Shareholders' Meeting Regulations and Spanish law, including, in particular, the Spanish Companies Act and the Securities Market Act.

This summary does not purport to be complete or to describe all the applicable provisions and regulations in connection with the matters described herein and is qualified in its entirety by reference to our bylaws, the General Shareholders' Meeting Regulations, the Board Regulations and the Spanish Companies Act (or any other applicable regulations from time to time). Refer to our bylaws, the General Shareholders' Meeting Regulations, the Board Regulations and the Spanish Companies Act (or any other regulation referred to herein) for further details.

General

We were incorporated as a public limited liability company (*sociedad anónima*) for an indefinite term under a public deed executed on April 28, 1988 before the Notary Public of Barcelona, Mr. José Solís Lluch, with number 1,202 of his official records, under the corporate name "Inbar, S.A.". Our commercial name is "Europastry". Our Spanish tax identification number is A-58695032 and our legal entity identifier (LEI) code is 95980020140005890405.

Our principal activities are the manufacture and sale of frozen bread and pastries. We may carry out these activities, directly or indirectly, through the participation in other companies conducting an analogous corporate subject. For these purposes, we may acquire, manage and dispose of all types of securities that entitle to a holding in any third company.

On June 6, 2024, the general shareholders' meeting adopted the following resolutions: (i) to carry out a 400x split of the Shares, pursuant to which the par value of the Shares was reduced from €1 to €0.0025, and the 173,499 Shares in which the share capital was divided at such time, were split and resulted in 69,399,600 Shares; and (ii) to carry out a share capital increase against voluntary reserves for a total amount of €6,766,461 through the increase of the par value of the Shares (i.e., €0.0025) up to €0.1 each. The aforementioned resolutions were raised to public deed before the notary public of Barcelona, Mr. Manuel Piquer Belloch, on June 6 with number 2,493 of his records and duly registered with the Barcelona Commercial Registry. As a result of the aforementioned resolutions, our issued share capital consists of €6,939,960 divided into a single series of 69,399,600 Shares, with a par value of €0.1 each, all of the same class and with ISIN code ES0105815007 allocated 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 our Shares are fully subscribed and paid-up. Non-residents of Spain may hold Shares and vote, subject to the restrictions described under "*Restrictions on Foreign Investment*". Our entire share capital is fully subscribed and paid-up.

Our Shares are represented by book entries (*anotaciones en cuenta*) and the entity responsible for maintaining the corresponding accounting records is Iberclear, with registered office at Plaza de la Lealtad 1, 28014 Madrid, Spain.

We do not own any treasury shares (*autocartera*).

We were originally incorporated with a share capital of €60,101.21, divided into 1,000 Shares with a par value of €60.101210 each.

The summary table below outlines these main changes in our share capital since our incorporation:

Date[(1)]	Corporate action	Par value (€)	Share premium (€)	Number of issued/ redeemed shares	Total nominal amount (€)	Total nominal and share premium amount (€)	Number of resulting shares	Resulting share capital (€)
April 28, 1988	Incorporation	60.10	0	1,000	60,101.21	60,101.21	1,000	60,101.21
March 21, 1992	Capital increase	60.10	0	22,000	1,322,226.62	1,322,226.62	23,000	1,382,327.83
June 22, 1994	Capital increase	60.10	0	14,065	845,323.52	845,323.52	37,065	2,227,651.35
December 29, 1994	Capital increase	60.10	400.98	7,400	444,748.95	3,412,000.95	44,465	2,672,400.30

Date[(1)]	Corporate action	Par value (€)	Share premium (€)	Number of issued/ redeemed shares	Total nominal amount (€)	Total nominal and share premium amount (€)	Number of resulting shares	Resulting share capital (€)
December 29, 1994	Capital increase	60.10	400.98	5,635	338,670.32	2,598,192.62	50,100	3,011,070.62
September 12, 2000	Capital reduction	60.10	1,079.54	(3,707)	(222,795.19)	(4,224,649.97)	46,393	2,788,275.44
September 29, 2000	Capital reduction	60.10	172.80	(45,893)	(2,758,224.83)	(10,688,535.23)	500	30,050.61
September 29, 2000	Capital increase	60.10	96,101.83	500	30,050.61	48,080,965.61	1,000	60,101.21
July 27, 2001	Capital reduction	60.10	19,873.79	(165)	(9,916.70)	(3,289,092.05)	835	50,184.51
July 27, 2001	Capital increase (increase of par value)	72.12	N/A	N/A	10,036.90	10,036.90	835	60,221.41
March 15, 2002	Capital increase (increase of par value)	76	N/A	N/A	3,238.59	3,238.59	835	63,460
March 15, 2002	Capital increase	76	81,266.57	495	37,620	40,264,572.15	1,330	101,080
December 19, 2003	Split (reduction of par value and simultaneous issuance of shares)	1	N/A	99,750	N/A	N/A	101,080	101,080
December 19, 2003	Capital increase	1	201.18	98,920	98,920	19,999,645.60	200,000	200,000
May 21, 2013	Capital reduction	1	876.19	(6,983)	(6,983)	(6,125,417.77)	193,017	193,017
May 6, 2014	Capital reduction	1	1,073.45	(21,518)	(21,518)	(23,120,015.10)	171,499	171,499
May 30, 2016[(2)]	Capital increase	1	1,165.19	2,000	2,000	2,332,380	173,499	173,499
June 6, 2024	Split (reduction of par value and simultaneous issuance of shares)	0.0025	N/A	69,226,101	N/A	N/A	69,399,600	173,499
June 6, 2024	Capital increase	0.1	N/A	N/A	6,766,461	6,766,461	69,399,600	6,939,960

(1) Date on which the relevant corporate resolutions were passed.
(2) By virtue of this share capital increase 2,000 new Shares were issued, which were fully subscribed by Mr. Jordi Gallés Gabarró.

See "*Plan of Distribution—Authorization of the Offering*" for information on the general shareholders' meeting and Board of Directors' resolutions in connection with the Offering.

Dividend and Liquidation Rights

Dividend distribution

Holders of Shares have the right to participate in distributions of our 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 generally proposed by the Board of Directors and must be authorized by our shareholders at the general shareholders' meeting. Holders of Shares have the right to participate in such dividends from the date agreed by the shareholders at a general shareholders' meeting. Additionally, interim dividends (*dividendo a cuenta*) may also be distributed among shareholders directly upon approval by the Board of Directors provided that: (i) the Board of Directors drafts the corresponding accounting statement and it reflects that 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, (a) the sum of previous years' losses, (b) the amounts earmarked for the legal or bylaws' reserves, and (c) the estimated tax due on the aforesaid earnings.

The Spanish Companies Act requires that the Company allocate at least 10% of its yearly profits to a legal reserve until the balance of such reserve is equivalent to at least 20% of the Company's issued share capital. The Company's legal reserve is not available for distribution to its shareholders except upon the Company's liquidation, and until such legal reserve reaches 20% of the Company's share capital, it may only be used to compensate losses if no other reserve is available for such purposes. As a consequence of the share capital increase of the Company against voluntary reserves for a total amount of €6,766,461 through the increase of the par value of the Shares (i.e., €0.0025) to €0.1 each, approved by our general shareholders' meeting on June 6, 2024 (see "*Description of Share Capital—General*"), as of the date of this Prospectus, the balance of our legal reserve is €40,000.18, which is significantly below the aforementioned threshold of 20% of our share capital (i.e., amounting to €1,387,992 on the basis of our pre-Offering share capital, which means this threshold amount will increase after the Offering). Therefore, in compliance with the foregoing legal requirements, we will have to contribute 10% of our yearly profits to legal reserves, until the legal reserve amounts to, at least, 20% of our issued share capital.

According to the Spanish Companies Act, dividends may only be paid out of profits or distributable reserves (after the compulsory allocation to mandatory reserves, including the legal reserve, and only if the value of our net worth is not, and as a result of distribution will not be, less than our 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 our statement of financial position. Accordingly, our ability to make a distribution to shareholders will depend on our ability to generate net profits in future periods in order to achieve sufficient distributable reserves. See "*Capitalization and Indebtedness*".

In accordance with the provisions of Article 33 of the bylaws, the general shareholders' meeting may resolve that the dividend be paid in kind, provided that the assets or securities to be distributed are homogeneous or liquid (i.e., securities admitted to trading on a regulated market, multilateral trading systems (*sistemas multilaterales de negociación*) or other organized market at the time of the effectiveness of the distribution agreement, that will be within the following year, or when the Company provides adequate liquidity assurances).

In accordance with Article 947 of the Spanish Commercial Code (*Real Decreto de 22 de agosto de 1885, Código de Comercio*), the right to a dividend lapses and reverts to us if it is not claimed within five years after it becomes 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*".

Our ability to distribute dividends in the near future will depend on a number of factors, including (but not limited to) the amount of our distributable profits and reserves and our 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 our debt instruments, including under the Sustainable Financing Agreement, 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 shareholders may deem relevant from time to time.

Our capacity to distribute dividends is restricted by the terms of the Sustainable Financing Agreement (see details set out in "*Dividends and Dividend Policy*", "*Business—Material Contracts—Sustainable Financing Agreement*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Financial liabilities—Sustainable Financing Agreement*"). Under such agreement, all kinds of distributions to shareholders (dividends, refunds of contributions in the event of a share capital decrease, distribution of reserves and any other kind of remuneration or payment) are generally prohibited, except for: (i) the distribution of annual dividends for a maximum amount of €10 million, provided (a) such distribution does not entail the infringement of the Financial Covenants; and (b) no early termination of the Sustainable Financing Agreement has been declared; and (ii) any other payment to shareholders, provided that (a) such payment does not entail the infringement of the Financial Covenants; (b) no early termination of the Sustainable Financing Agreement has been declared; (c) the resulting Net Financial Debt/EBITDA Ratio after such payment is below 2.50x; and (d) the payment is below 75% of the annual net consolidated income.

See "*Dividends and Dividends Policy*" for details of our dividend distributions in the last three years.

Liquidation rights

In the event of our liquidation, our shareholders would be entitled to receive a liquidation settlement proportionally to their stake, after payment of our debts and all applicable taxes and expenses.

General Shareholders' Meetings and Voting Rights

Call of the general shareholders' meeting

Pursuant to the bylaws, the General Shareholders' Meeting Regulations which were approved by our shareholders at a general shareholders' meeting on June 17, 2024 and registered with the Barcelona Commercial Registry, and the Spanish Companies Act, ordinary general shareholders' meetings shall be held at least once a year, during the first six months of each financial year on the date determined by the Board of Directors, to approve the conduct of business, the financial statements, as applicable, relating to the previous financial year, and the allocation of profits or losses. Extraordinary general shareholders' meetings may be called by the Board of Directors whenever it deems appropriate or at the request, through notarial procedure, of shareholders representing at least 3% of our share capital. Upon Admission, meeting notices for all general shareholders' meetings shall be published (i) either in the Commercial Registry's Official Gazette (*Boletín Oficial del Registro Mercantil*) or in a newspaper of wide circulation in Spain, (ii) on our website and (iii) on the CNMV's website (www.cnmv.es), at least one month prior to the date when the general shareholders' meeting is to be held, except as described in the following paragraph.

Pursuant to the provisions of the Spanish Companies Act and the bylaws, an extraordinary general shareholders' meeting may be called by the Board of Directors at least 15 days in advance of the date of the meeting (as opposed to the default one-month period) if the shareholders are entitled to vote on the matters considered at the meeting by electronic means accessible to all such shareholders. The decision to shorten the default notice period before an extraordinary general shareholders' meeting must be adopted by the Company's ordinary general shareholders' meeting by a majority of at least two-thirds of the voting share capital. Such decision cannot remain in force beyond the following ordinary general shareholders' meeting.

In addition, as provided for in the bylaws and the General Shareholders' Meeting Regulations, general shareholders' meeting may be held on a remote-only basis if the requirements set out in Articles 182 and 182 bis of the Spanish Companies' Act are met. Particularly, remote attendance will be allowed when the Company provides the necessary resources to guarantee the identity and rights to attend of the shareholders and their representatives, and that attendees are able to participate, being able to exercise in real time the rights to speak, be informed, propose and vote, while also being able to follow the participation of other attendees to the meeting. To that aim, the notice of the meeting must describe the registration procedures and requirements, and provide details on how the attendance list is drawn up, as well as the deadlines, procedures and ways of exercising shareholders' rights established by the directors to ensure the meeting is conducted in an orderly manner and that this information is properly included in the minutes. Such general shareholders' meeting shall be deemed to have taken place at the Company's registered office.

Additional rights of shareholders in relation to the general shareholders' meeting

Once the annual general shareholders' meeting has been convened, shareholders representing at least 3% of our share capital may request that items be added to the agenda. Such requests must be received by reliable means at the Company's registered office within five days after the notice of such meeting is published. One or more agenda items may be added, provided that requests contain reasons for these or, where applicable, reasoned proposals for resolutions. Amended meeting notices must be published at least 15 days before the originally scheduled general meeting date. This right cannot be exercised in relation to extraordinary general shareholders' meetings.

In addition, with regard to any general shareholders' meeting, whether the annual general shareholders' meeting or an extraordinary general shareholders' meeting, shareholders representing at least 3% of our share capital may, within the same time stated in the preceding paragraph, propose reasoned resolutions on matters already included or that should be included in the convened meeting agenda.

Authority of the general shareholders' meeting

Pursuant to the Spanish Companies Act, the bylaws and the General Shareholders' Meeting Regulations, the following matters are reserved to the authority of the shareholders at a general shareholders' meeting:

(i) Appointment, reappointment and removal of the directors and liquidators, ratifying, as the case may be, the appointment of the directors made by co-optation (*cooptación*) by the Board of Directors, as well as exercising a corporate social responsibility action against any of them.

(ii) Appointment, reappointment and removal of our auditor and the auditor of the Group, as well as the verifier of sustainability information, if applicable, as well as exercising a corporate social responsibility action against them.

(iii) Approval of individual and consolidated annual financial statements and the allocation of profits or losses from the previous financial year and, if applicable, approval of corporate management and the non-financial information statement, when appropriate.

(iv) Authorization to the acquisition of treasury shares and shares of our parent company.

(v) Amendment of the bylaws.

(vi) Increases and reductions in our share capital and the exclusion or limitation of pre-emptive rights, as well as the granting of powers to the Board of Directors to increase share capital pursuant to the requirements set forth in the Spanish Companies Act, in which case it may also grant it powers to exclude or limit pre-emptive subscription rights, in the terms provided therein, in which case we will procure that the corresponding reports on said exclusion or limitation are immediately published on our website.

(vii) Issuance of convertible securities in or instruments which grant the right to acquire new Shares, as well as the delegation in the Board of Directors to execute such issuances in which case faculties to exclude or limit the pre-emptive subscription rights may also be delegated, pursuant to the terms set forth in the Spanish Companies Act, and in which case we will procure that the corresponding reports on said exclusion or limitation are immediately published on our website.

(viii) Acquisition, sell-off or contribution to another company of essential assets and transfer to subsidiaries of essential activities carried out until then by us itself, although it might maintain full domain thereof. The activities and operative assets are deemed to be essential when the volume of the transaction exceeds 25% of our total assets reflected in the balance sheet.

(ix) Our transformation, merger, spin-off, or global assignment of assets and liabilities and relocation of the registered office abroad.

(x) Our dissolution and approval of transactions whose effect is equivalent to our liquidation.

(xi) Approval of the final winding-up balance sheet.

(xii) Approval or ratification of our corporate website.

(xiii) Approval of the remuneration policy for directors, on the terms established by law.

(xiv) Determination of the maximum amount of annual remuneration for all directors collectively, in accordance with the provisions of the bylaws, as well as deciding on the implementation of directors' remuneration schemes consisting of the provision of Shares, options over the Shares or other compensations linked to the value of the Shares.

(xv) Authorization or waiver to any director of the prohibitions deriving from the duty of loyalty and the duty of avoidance of conflict of interest, when such authorization or waiver legally corresponds to the shareholders at a general shareholders' meeting.

(xvi) Approval and amendment of our General Shareholders' Meeting Regulations.

(xvii) Any other matter reserved by law or the bylaws to the shareholders at a general shareholders' meeting.

(xviii) Additionally, the general shareholders' meeting shall decide on any other matter that the Board of Directors, or shareholders representing at least 3% of the share capital, agree to submit to its decision in accordance with the law, the bylaws and the General Shareholders' Meeting Regulations.

All the foregoing matters can be dealt with at ordinary or extraordinary general shareholders' meetings, provided that, with limited exceptions and upon compliance with the relevant corporate requirements, they are included in the agenda, except for the approval of the financial statements, the allocation of profits and approval of the conduct of business, which shall be dealt with only at ordinary general shareholders' meetings.

The general shareholders' meetings shall vote separately on substantially independent matters. Even if included in the same item on the agenda, the following resolutions shall be voted separately: (i) the appointment, reappointment, ratification or removal of directors; (ii) the advisory vote on the annual report on remuneration of directors; and (iii) in resolutions to amend the bylaws, each substantially independent article or group of articles.

Voting and attendance rights

Each Share entitles the holder to one vote and there is no limit as to the maximum number of voting rights that may be held by each shareholder 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 such meeting, are entitled to attend, be represented and vote at such meeting. The notice calling the general shareholders' meeting shall indicate the date on which the Company's Shares must be held by a shareholder in order for the latter to participate in a general shareholders' meeting and to vote in respect of its Shares.

Proxies

Any Share may be voted by proxy at any general shareholders' meeting. Proxies must be granted for each meeting in writing or in electronic form acceptable under the bylaws, 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 either giving us notice prior to the meeting or by the shareholder attending the meeting in person or by remote voting.

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 proxy holder's appointment, such conflict of interest 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 may (among other things) be deemed to arise when the proxy holder: (i) is one of our controlling shareholders or an entity controlled by such shareholder; (ii) is a member of our administrative, management or supervisory body, or that of one of the controlling shareholders or of another entity controlled by such shareholders; (iii) is our employee or auditor, or that of a controlling shareholder or another entity controlled by any such shareholder; or (iv) is a natural person related to those mentioned in (i) to (iii) above (*persona física vinculada*), as this concept is defined under the Spanish Companies Act (such as the spouse or similar, at that time or within the two preceding years, as well as ascendants, descendants, siblings, and their respective spouses) and under the Spanish Ministry of Economy and Finance Order EHA/3050/2004, of September 15 (*Orden EHA/3050/2004 de 15 de septiembre sobre la información de las operaciones vinculadas que deben suministrar las sociedades emisoras de valores admitidos a negociación en mercados secundarios oficiales*).

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.

Pursuant to the Spanish Companies Act, entities rendering investment services, acting in their capacity as professional financial intermediaries, can also be appointed as proxy holders. Financial intermediaries shall also be entitled to cast different votes for each shareholder in observance of diverging voting instructions from their clients.

Entities appearing as holders of Shares in the book-entry records but acting on behalf of different persons shall always be entitled to exercise voting rights in a divergent manner in order to comply with conflicting voting instructions received from their clients. These entities may also delegate voting rights to each of the indirect holders or their nominees, without limits on the number of delegations.

Holding a general shareholders' meeting and adopting resolutions

The bylaws, by reference to the Spanish Companies Act, 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 our voting capital will constitute a quorum. If the meeting is not quorate on the first call, the meeting can be reconvened in second call (provided the meeting's notice included both first and second call), which according to the Spanish Companies Act requires no quorum. However, according to the Spanish Companies Act, to which the bylaws refer, a resolution in a general shareholders' meeting to increase or decrease our share capital or otherwise modify the bylaws, 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 right over new Shares, transform, merge, spin-off, globally assign our assets and liabilities, transfer our registered address abroad; requires attendance in person or by proxy of shareholders representing at least 50% of our 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. In the case of attendance in person or by proxy of shareholders representing more than 50% of our voting capital, an absolute majority will be required 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 referring to matters other than those previously mentioned are passed by a simple majority of the votes corresponding to the share capital present or represented at such meeting (i.e., more votes in favor than against). The interval between the first and the second call for a general shareholders' meeting must be at least 24 hours.

Under the Spanish Companies Act and Royal Decree 821/1991 which develops Article 137 of the Spanish Companies Act regarding the appointment of members of the board of directors through the proportional system, shareholders who voluntarily aggregate their Shares so that the share capital so aggregated 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.

Legal effects of resolutions passed by the general shareholders' meeting and opposition to such resolutions

A resolution passed at a general shareholders' meeting is binding on all shareholders.

However, a resolution which is (i) contrary to law or the bylaws or the internal regulations of the Company, or (ii) prejudicial to the interest of the Company and beneficial to one or more shareholders or third parties, may be contested. 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.

The Spanish Companies Act requires a shareholder or shareholder group to hold at least 0.1% (1/1,000) of the Company's share capital (as a listed company) in order to contest a resolution. The Spanish Companies Act acknowledges a legal right of action in favor of (i) individual shareholders who held Shares (provided they hold at least 0.1% of the share capital) prior to the adoption of such resolutions, (ii) our directors, and (iii) interested third parties. If the resolution is contrary to public order, any shareholder (whether or not he or she was a shareholder at the time when the resolution was adopted), director or third party is entitled to contest the resolution, in which case right to contest such resolution will prescribe three months since the adoption of such resolution. In certain circumstances (such as a significant amendment of our corporate purpose, certain cases of conversion of our corporate form or the transfer abroad of our registered office), the Spanish Companies Act entitles dissenting or absent shareholders to withdraw from the Company. If this right were to be exercised, we would be obligated to repurchase the relevant shareholding(s) from the withdrawing shareholder in accordance with the procedures established under the Spanish Companies Act.

Loyalty Shares

The Spanish Companies Act provides that shareholders of the Company may have double voting rights associated with their Shares ("**Loyalty Shares**"), provided that they are envisaged and regulated in the bylaws. As of the date of this Prospectus, our bylaws do not provide for Loyalty Shares.

The following conditions would need to be met to implement Loyalty Shares:

- General shareholders' meeting approval: a general shareholders' meeting resolution passed by a qualified majority of at least 60% of the votes cast (if the quorum at the meeting is at or above 50%) or 75% of the votes cast (if the quorum at the meeting is between 25% and 49.99%) in order to include the Loyalty Shares regime (opt-in) in our bylaws.

- Shareholder's decision: that the shareholder concerned holds the Shares uninterruptedly for a minimum of two years (the bylaws may require a longer holding period).

- Shareholder's prerogative: the double vote would 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 rights at any time either totally or partially. The aforementioned special register would be available to all shareholders.

If the Company adopts the Loyalty Shares regime it must notify the CNMV and include updated information on its website on the number of Shares with double voting rights existing from time to time, as well as those registered Shares whose loyalty period provided for in the bylaws 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 (*modificaciones estructurales*).

Loyalty Shares must be taken into account for the purposes of, among others: (i) calculating the quorum of the general shareholders' meeting and the relevant majorities for the approval of resolutions; (ii) complying with the obligation to notify significant holdings; and (iii) determining the existence of a controlling interest that triggers the obligation to launch a takeover bid.

The provision in the bylaws regarding Loyalty Shares must be renewed after five 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, after 10 years from the inclusion of the Loyalty Shares regime in the bylaws, such 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.

Pre-Emptive Rights and Increases of Share Capital

Pursuant to the provisions of the Spanish Companies Act applicable to a listed company (such as the Company upon Admission), shareholders have pre-emptive rights (*derecho de suscripción preferente*) to subscribe for newly issued shares or newly issued bonds that are convertible into shares in consideration for cash contributions. Such pre-emptive rights may be excluded when so required by the corporate interest under special circumstances by a resolution passed by the general shareholders' meeting or the Board of Directors in listed companies (if the general shareholders' meeting had previously delegated to the Board of Directors the decision to increase the Company's share capital or issue convertible bonds waiving pre-emptive rights), in accordance with the provisions of the Spanish Companies Act. In the event of a capital increase, the resolution authorizing the exclusion of pre-emptive rights will only be valid if, among other requirements: (i) the non-pre-emptive share capital increase exceeds 20% of the Company's share capital and a report is issued by an independent auditor appointed by the Commercial Registry stating, among other elements, the market value of the Shares, the theoretical value of the pre-emptive rights and the net book value of the shares or, if below such 20% threshold, the issue price of the new Shares is lower than 90% of their fair market value; and (ii) the par value and issue premium of the newly issued Shares is equal to or higher than their fair value (*valor razonable*) which will be deemed to be the case if the issue price is determined by reference to the market price of the Shares with a discount not over 10% over such price. Where the issuance of the new Shares is approved by the general shareholders' meeting, the Shares may be issued at an issue price below the fair value, in which case the Board of Directors must justify the reasons why it is in the corporate interest of the Company to issue such Shares at a discount to their fair value, and the independent expert report will be obligatory and will include information on the dilution of existing shareholders.

Furthermore, pre-emptive rights will not be exercisable by shareholders for a share capital increase that is required for the purposes of issuing bonds convertible into shares, completing a merger, 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 AQS and may be of value to existing shareholders since new shares may be offered for subscription at prices lower than prevailing market prices.

On June 17, 2024, the Board of Directors was authorized by the shareholders at the general shareholders' meeting to issue new Shares up to 50% of our share capital immediately following such authorization. The Board of Directors is also authorized to exclude pre-emptive rights in connection with up to 20% of the total number of new Shares that may be issued pursuant to the aforementioned authorization, provided that such exclusion is in our corporate interest.

As of the date of this Prospectus, there are no acquisition rights and/or obligations over authorized but unissued capital or an undertaking to increase the capital and there are no members of the Group, the share capital of which is under option or agreed conditionally or unconditionally to be put under option.

Shareholder Claims

Pursuant to the Spanish Companies Act, directors are liable to us, the shareholders and the creditors for any actions or omissions that are illegal or contravene the bylaws 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 release the directors from their liability. The 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 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.

Under Spanish law, shareholders must bring any actions against our directors as well as any other actions against us or challenging corporate resolutions before the competent courts in the province where our registered office is located (currently at Sant Cugat del Vallès, Barcelona, Spain).

Information to Shareholders

Under Spanish Companies Act and pursuant to the General Shareholders' Meeting Regulations, our shareholders are entitled to receive certain Company information, including, among others, information regarding any amendment to our bylaws, any increase or reduction in our share capital, the approval of our annual financial statements, a merger or spin off, our winding up or liquidation, or any other major corporate events or actions.

Furthermore, our shareholders may request any reports or explanations that they consider necessary in respect of the matters included in the agenda of a general shareholders' meeting or regarding any public information we have provided to the CNMV since the last general shareholders' meeting or the report from our statutory auditor, either (i) in writing beforehand until the fifth day prior to the date scheduled for our general shareholders' meeting in which case, the Board of Directors is obligated to provide these reports and explanations until the day before the general shareholders' meeting, or (ii) orally at the meeting, in which case and if the right of our shareholder could not be satisfied at the time, the Board of Directors is obligated to provide these reports and explanations within the seven days following the conclusion of our general shareholders' meeting, except in the case where the requested information is not necessary to protect the rights of the shareholder, or there are objective reasons to consider that it could be used for purposes outside the Company or the public exposure of the information requested may be detrimental to our interests. However, this exception does not apply should the request be backed by shareholders that together hold 25% or more of the share capital.

Representation and Transfer of the Shares

The Shares are in registered book-entry form (*anotaciones en cuenta*) and are indivisible. Joint holders of one Share must designate a single person to exercise their shareholders' rights, but they are jointly and severally (*solidariamente*) liable to us 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.

Subject to the restrictions outlined in "*Selling and Transfer Restrictions*", the Shares are freely transferable in accordance with the Spanish Companies Act, the Securities Market 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. Brokerage firms, official stockbrokers or dealer firms, Spanish credit entities, investment services entities authorized in other EU member states and investment services entities authorized 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, as they will be listed on the Spanish Stock Exchanges upon Admission, may be subject to certain fees and expenses.

Restrictions on Foreign Investment

Foreign direct investment ("**FDI**") was generally liberalized under Law 19/2003, of July 4, on the establishment of a regulatory regime relating to capital and foreign economic transactions (*Ley 19/2003, de 4 de julio, sobre régimen jurídico de los movimientos de capitales y de las transacciones económicas con el exterior y sobre determinadas medidas de prevención del blanqueo de capitales*, "**Law 19/2003**"). Royal Decree-law 8/2020, of March 17, and Royal Decree-law 11/2020, of March 31, enacted Article 7 bis of Law 19/2003 imposing certain restrictions on FDI. Implementing regulations were enacted through Royal Decree 571/2023, of July 4, on foreign investment ("**Royal Decree 571/2023**").

Article 7 bis of Law 19/2003 sets forth a screening mechanism for certain investments made by non-EU and non-European Free Trade Association ("**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.

In accordance with the Screening Mechanism, FDIs 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 transaction, business action or legal transaction which enables the possibility of exercising control (i.e., decisive influence, according to merger control criteria) over a Spanish company.

The Screening Mechanism provides that the following persons are deemed to be a "foreign investor" under applicable regulation:

- non-EU and non-EFTA residents; and
- EU or EFTA residents beneficially owned by non-EU and non-EFTA residents. This occurs when non-EU and non-EFTA residents ultimately own or control, directly or indirectly, more than 25% of the share capital or voting rights of the investor, or otherwise exercise control (i.e., have decisive influence, according to merger control criteria), directly or indirectly, over the investor.

In order to determine the FDIs which are subject to the Screening Mechanism, Law 19/2003 establishes two sets of requirements:

- The sector in which the target carries out its business:
    - 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 products, key technologies for leadership and industrial qualification, and technologies developed under programs and projects of particular interest to Spain: telecommunications, artificial intelligence, robotics, semiconductors, cyber security, aerospace, defense, energy storage, quantum and nuclear technologies, as well as nanotechnologies and biotechnologies.
    - Supply of critical inputs, in particular electricity and gas activities, raw materials and food security.
    - Sectors with access to sensitive information, including personal data, or the ability to control such information.
    - Media (specifically, investments in audiovisual communication services will be governed by Act 7/2010, the General Act on Audiovisual Communication).
    - Other sectors designated by the Spanish government from time to time that may affect public security, order or health (currently none).
- The personal circumstances of the foreign investor, regardless of the business of the target;
    - Investors directly or indirectly controlled by the government, including state bodies or armed forces, of a non-EU/EFTA country.

- Investors that have already made an investment affecting national security, public order or public health in another EU Member State, including an investment in any of the above-mentioned sectors.
- Investors who are at serious risk of engaging in criminal or illegal activities affecting public security, public order or public health in Spain.

In addition, according to Real Decree-Law 34/2020, of November 17, as amended by Royal Decree-Law 12/2021, of June 24, Royal Decree Lay 27/2021, of November 23, and Royal Decree Law of December 27, on a temporary basis until December 31, 2024, acquisitions by EU/EFTA residents (other than Spain) in listed companies in Spain are subject to the Screening Mechanism to the extent that they meet both of the following criteria:

- EU or EFTA resident acquires a stake of 10% or more in the Spanish company or, as a result of the transaction, acquires control of that company (i.e., possibility of exercising a decisive influence over a company); and
- the sector of the investment affects "public order, public security and public health" (as described above).

The Screening Mechanism procedure requires the following:

- Under the ordinary procedure, prior authorization from the Spanish Council of Ministers (*Consejo de Ministros*) is required to close the FDI subject to it. The legal term to issue a decision is three months.
- However, if the investment is between €1 million and €5 million, the authorization is to be issued by a lower-tier authority (i.e., the General Directorate for International Trade and Investments (*Dirección General de Comercio Internacional e Inversiones*)). The legal term to issue a decision is also three months.
- On a transitional basis, a fast-track 30-day procedure, whose resolution is also to be issued by the General Directorate for International Trade and Investments (*Dirección General de Comercio Internacional e Inversiones*), applies to investments agreed but not closed prior to March 18, 2020.
- Investments below €1 million are not subject to the Screening Mechanism.
- Under all procedures, the authorities may request additional information that suspends the calculation of the relevant time limit for deciding and notifying. Moreover, the investment will be deemed unauthorized if the relevant authority does not respond to the authorization request within the corresponding legal term.

In this regard, Royal Decree 571/2023 has introduced the following exceptions to the prior authorization regime:

- Foreign investments in strategic sectors where the turnover of the acquired companies does not exceed €5 million in the last closed accounting year, provided their technologies have not been developed under programs and projects of particular interest for Spain.

  Nevertheless, foreign direct investments will always be subject to authorization where they target electronic communications operators that meet any of the following conditions: (i) they are holders of concessions for the use of the radioelectric public domain, in frequency bands harmonized in accordance with EU legislation; (ii) they are holders of enabling instruments for the use of orbit-spectrum resources within the scope of Spanish sovereignty; or (iii) they have been classified as operators with significant power in a pertinent market in the electronic communications sector. All transactions related to research activities or exploitation of mineral deposits of strategic raw materials are also subject to authorization. The €5 million turnover threshold does not apply to energy-sector transactions (which have a separate set of sector-specific thresholds - see (iv) below) nor to transactions affecting critical infrastructure (which are not subject to any turnover threshold).
- Time-limited investments; that is, investments of short duration (hours or days), without the capacity to influence the management of the acquired company, being placement agents or underwriters of share issues and public offerings. The end investors will require authorization, as applicable.

- Investments entailing the acquisition of real estate not assigned to a critical infrastructure, or not indispensable and not substitutable for providing essential services.
- Certain transactions in the energy sector that, due to their characteristics, are not considered a risk to national security.

In compliance with Royal Decree 571/2023 and developing regulations, foreign investors not resident in a non-cooperative jurisdiction are only required to file a standardized notice with the Spanish Registry of Foreign Investments (*Registro de Inversiones Exteriores*) kept by the General Bureau of International Commerce and Investments (*Dirección General de Comercio Internacional e Inversiones*) within the Ministry of Industry, Commerce and Tourism (*Ministerio de Industria, Comercio y Turismo*) following the investment in or divestment of a Spanish company. Such filing is to be made solely for statistical, economic and administrative purposes.

Finally, if the foreign investor is a resident of a non-cooperative jurisdiction, as defined under Order HFP/115/2023, of February 9, identifying countries and territories, and prejudicial tax regimes, that are considered as non-cooperative jurisdictions (*Orden HFP/115/2023, de 9 de febrero, por la que se determinan los países y territorios, así como los regímenes fiscales perjudiciales, que tienen la consideración de jurisdicciones no cooperativas*), notice must be provided to the Registry of Foreign Investments both before and after execution of the investment. However, prior notice from residents in non-cooperative jurisdictions is excluded in the following cases:

- investments in connection with shareholdings that do not exceed 50% of the share capital of the Spanish company; or
- investments in Spanish real estate.

Exchange Control Regulations

Pursuant to Royal Decree 1816/1991, of December 20 (*Real Decreto 1816/1991, de 20 de diciembre, de transacciones económicas con el exterior*), as amended by Royal Decree 1360/2011, of October 7 (*Real Decreto 1360/2011, de 7 de octubre, que modifica el Real Decreto 1816/1991, de 20 de diciembre, sobre transacciones económicas con el exterior*) and EC Directive 88/361/EEC, any charges, payments or transfers between non-residents and residents of Spain must be effected through an official payment services provider registered with the Bank of Spain and/or the CNMV (*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 the bearer, in cash or by check payable to bearer. All charges, payments or transfers which exceed €6,010.12 (or its equivalent in another currency) must be notified through the payment services supplier to the relevant Spanish exchange control authorities if made in cash or by check payable to the bearer.

Reporting Requirements

Transactions affecting voting rights

Pursuant to Royal Decree 1362/2007 of October 19 (*Real Decreto 1362/2007, de 19 de octubre, que desarrolla la Ley 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 official o en otro mercado regulado de la Unión Europea*) ("**Royal Decree 1362/2007**"), any individual or legal entity who, by whatever means, purchases or transfers shares granting voting rights in the Company must notify the Company 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 Company's total voting rights.

The notice shall be served by means of the standard form approved by the CNMV from time to time for such purpose, within four trading days from the date on which the transaction is acknowledged (Royal Decree 1362/2007 deems a transaction to be acknowledged within two trading days from the date on which it is entered into, regardless of the date on which the transaction takes effect). Where the individual or legal entity effecting the transaction is a non-resident of Spain, notice must also be served to the Spanish Registry of Foreign Investments within the General Bureau of International Commerce and Investments (a department of the Ministry of Economy and Competitiveness), as explained above in section "*Restrictions on Foreign Investment*".

The foregoing disclosure requirements also apply to those transactions (other than sales and purchases of shares) by which the proportion of voting rights of an individual or legal entity reaches, exceeds or falls below the aforementioned thresholds that trigger the obligation to report, as a consequence of a change in the total number of voting rights of the Company on the basis of the information reported to and disclosed by the CNMV. In such case, the transaction is deemed to be acknowledged or known by the reporting shareholder within two trading days from the date of the inside information notice (*comunicación de información privilegiada*) or the other relevant information notice (*comunicación de otra información relevante*), as applicable.

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 or who owns, acquires or transfers, whether directly or indirectly, other securities or financial instruments which grant a right to acquire Shares with voting rights, shall also notify us and the CNMV if the aggregate voting rights held by that individual or legal entity reach, exceed or fall below the aforementioned thresholds.

The obligation to report will be applicable also if the thresholds mentioned above are crossed as a result of holding financial instruments which:

- On maturity, give the holder under a formal agreement either the unconditional right to acquire or discretion to decide to acquire voting shares already issued; or

- Otherwise, are referenced to voting shares already issued and have a similar economic effect to that of the financial instruments referred to in (a) above, whether or not they confer a right to a physical settlement.

This means that, for instance, any derivative which grants its holder a long position over the voting shares of the Company (such as the Shares upon Admission) (options, futures, swaps, forwards and other derivative agreements) is also disclosable (irrespective of whether it is cash or physically settled).

It should be noted that voting rights related to financial instruments are calculated differently depending on how instruments are settled:

- Where financial instruments provide for physical settlement, the number of related voting rights is calculated by reference to the full notional number of underlying shares.

- Where financial instruments provide for cash settlement only, the number of voting rights is calculated by multiplying the notional number of underlying shares by the delta of the instrument (which indicates how much a financial instrument's theoretical value would vary in the event of variation in price of the underlying shares).

In case the person, legal entity or group effecting the transaction is a resident in a non-cooperative jurisdiction (as defined by applicable Spanish regulations) or in a country or territory levying no taxes or with which Spain has no effective exchange of tax information, the threshold that triggers the obligation to disclose the acquisition or transfer of the Shares is reduced to 1% (and successive multiples thereof).

Moreover, pursuant to Article 30.6 of Royal Decree 1362/2007, in the context of a takeover bid, 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 this information public.

Our bylaws and internal regulations do not provide for any significant shareholding disclosure requirements more stringent than those established under Royal Decree 1362/2007 (as mentioned in this sub section) and the Market Abuse Regulation.

Disclosure requirements applicable to directors and Senior Managers

In accordance with the Market Abuse Regulation, persons discharging managerial responsibilities (including, but not limited to, our directors and Senior Managers), as well as persons closely associated with them, must report both to the Company and the CNMV every transaction conducted on their own account relating to the Shares, or debt instruments of the Company, or to derivatives or other financial instruments linked thereto, no later than three business days after the date of the transaction. This reporting obligation shall apply to any subsequent transaction once a total amount of €20,000 has been reached within a calendar year.

Market Abuse Regulation 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 (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.

The transactions that must be notified according to the foregoing also include (i) the pledging (other than pledges, or similar security interests, of financial instruments in connection with the depositing of the financial instruments in a custody account, unless and until such time that such pledge or other security interest is designated to secure a specific credit facility) or lending of financial instruments by or on behalf of a person discharging managerial responsibilities or a person closely associated with such a person; (ii) transactions undertaken by persons professionally arranging or executing transactions or by another person on behalf of a person discharging managerial responsibilities or a person closely associated with such a person; and (iii) transactions made under a life insurance policy where (a) the policyholder is a person discharging managerial responsibilities or a person closely associated with such a person; (b) the investment risk is borne by the policyholder; and (c) the policyholder has the power or discretion to make investment decisions regarding specific instruments in that life insurance policy or to execute transactions regarding specific instruments for that life insurance policy.

We maintain a list of all persons discharging managerial responsibilities and persons closely associated with them. Persons discharging managerial responsibilities shall notify the persons closely associated with them of the reporting obligation described above in writing and shall keep a copy of this notification. In addition, a person discharging managerial responsibilities within the Company shall not conduct any transactions on its own account or for the account of a third party, directly or indirectly, relating to the Shares or debt instruments of the Company or to derivatives or other financial instruments linked to them, during a closed period of 30 calendar days before the announcement of an interim financial report or a year-end report which the Company is obligated to make public, unless so permitted by the Company (i) on a case-by-case basis due to the existence of exceptional circumstances, such as severe financial difficulty, which require the immediate sale of Shares; or (ii) due to the characteristics of the trading involved for transactions made under, or related to, an employee share or saving scheme, qualification or entitlement of shares, or transactions where the beneficial interest in the relevant security does not change.

Disclosure of shareholders' agreements

The Spanish Companies Act and the Securities Market Act require parties to disclose shareholders' agreements that affect the exercise of voting rights at a general shareholders' meeting of a listed company (such as the Company upon Admission) or contain restrictions or conditions in connection with the transfer of Shares or exchangeable or convertible bonds. The execution, amendment or extension of such shareholders' agreements shall be immediately disclosed by the relevant parties to us and to the CNMV and a copy of the relevant provisions of the agreement which affect the exercise of the voting rights and/or restrict or place conditions upon the transfer of Shares shall be filed with the relevant Commercial Registry. The shareholders' agreements will be disclosed in inside information notices (*comunicación de información privilegiada*) or other relevant information notices (*comunicación de otra información relevante*), as applicable, on the CNMV's website. If these requirements are not fulfilled, any provisions contained in such shareholders' agreements which affect the exercise of voting rights and/or restrict or place conditions upon the transfer of Shares, will not be effective.

Upon request by the interested parties, the CNMV may waive such requirement to report and publish the agreement when publishing the shareholders' agreement could cause harm to the Company.

For information on shareholders' agreements among shareholders of the Company, see "*Principal and Selling Shareholders—Shareholders' agreements*".

Disclosure of net short positions

In accordance with EU Regulation No 236/2012 of the European Parliament and of the Council, of March 14, 2012, on short selling and credit default swaps (the "**Short Selling Regulation**") (as further supplemented by several delegated regulations), as amended by Commission Delegated Regulation (EU) 2022/27, any person or legal entity holding net short positions on shares admitted to trading in the Spanish Stock Exchanges (such as the Company upon Admission) must report them to the CNMV if they reach or fall below 0.1% of the relevant issuer's share capital and each 0.1% above that.

Positions reaching or falling below 0.5% (and each 0.1% above that) will be publicly disclosed by the CNMV. The Short Selling Regulation restricts uncovered short sales 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 is fulfilled.

The notification or disclosure mentioned above shall be made no later than 3:30 p.m. (CET or CEST, as applicable) on the following trading day.

The disclosure 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 of the European Parliament and of the Council of June 29, according to the format approved as Annex II of this Delegated 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, when the CNMV considers that (i) there are adverse events or developments that constitute a serious threat to financial stability or to market confidence (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 applicable premiums; and

- restrict short selling activities by either prohibiting or imposing conditions on short selling.

In addition, according to the 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 in order to take similar measures to those described above in exceptional circumstances, when the purpose of these measures is to deal with a threat affecting several Member States and the competent authorities of these Member States have not taken adequate measures to address

Share Repurchases

Pursuant to the Spanish Companies Act, we may only repurchase our own Shares derivatively within certain limits and in compliance with the following requirements:

- such repurchase must be previously authorized by the general shareholders' meeting in a resolution establishing the maximum number of Shares and to be acquired, the means by which they will be acquired, the minimum and maximum acquisition price (if any) and the duration of the authorization, which may not exceed five years from the date of the resolution; and

- such repurchase, including the Shares already acquired and currently held by us or any person or company on our behalf, does not reduce our net equity below the aggregate amount of our share capital and non-distributable reserves. For these purposes, net equity means the amount resulting from the application of the criteria used to draw up our financial statements, minus the amount of profits directly allocated to such net equity, plus the amount of uncalled subscribed share capital and the total amounts of par value and issue premium for the subscribed share capital registered as a liability in our accounting;

- the aggregate par value of Shares directly or indirectly repurchased by us, together with the aggregate par value of the treasury shares already held by us and our subsidiaries, shall not exceed 10% of our total share capital; and

- the repurchased Shares shall always be fully paid-up. The repurchase shall be deemed null and void if: (i) the Shares are partially paid-up (except in the case of a free repurchase); or (ii) the Shares have associated ancillary obligations (*prestaciones accesorias*).

Treasury shares lack voting and economic rights. Economic rights bound to treasury shares (which are dividend distributions and liquidation rights) shall, except for the right to receive bonus shares, be distributed proportionately among our shareholders in accordance with our bylaws and the Spanish Companies Act. Treasury shares are counted for purposes of establishing the quorum for general shareholders' meeting as well as majority voting requirements to pass resolutions at a general shareholders' meeting.

Furthermore, pursuant to the Spanish Companies Act, the audited financial statements of the Company must disclose any treasury shares.

The Market Abuse Regulation establishes rules in order to ensure the integrity of European Community financial markets and to enhance investor confidence. The Market Abuse Regulation provides an exemption from the market manipulation rules regarding share buy-back programs by companies listed on a stock exchange in an EU Member State (such as the Company upon Admission). Commission Delegated Regulation (EU) 2016/1052 of March 8, supplementing Regulation (EU) No 596/2014 of the European Parliament and of the Council with regard to regulatory technical standards for the conditions applicable to buy-back programs and stabilization measures ("**Regulation 2016/1052**") implements the Market Abuse Regulation with regard to the regulatory technical standards for the conditions applicable to buy-back programs and stabilization measures. According to the provisions included in the Regulation 2016/1052, in order to benefit from the exemption, an issuer implementing a buy-back program must comply with the following requirements set forth in Article 5 of Regulation 2016/1052:

- Prior to the start of trading in a buy-back program, the issuer must ensure the adequate disclosure of the complete details of the buy-back program, including the following information:
  - The purpose of the program. According to Article 5.2 of the Market Abuse Regulation, the buy-back program must have as its sole purpose (a) reducing the capital of the issuer; (b) meeting obligations arising from debt financial instruments convertible into equity instruments; or (c) meeting 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;
  - The maximum pecuniary amount allocated to the program;
  - The maximum number of shares to be acquired; and
  - 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 in Article 3 of the Regulation 2016/1052. Specifically, that the purchase price is not higher than the higher of the purchase 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.
- Issuers shall not, for the duration of the buy-back program, engage in (a) selling their own shares; (b) trading during the closed periods referred to in Article 19.11 of the Market Abuse Regulation; and (c) trading where the issuer has decided to delay the public disclosure of inside information in accordance with the Market Abuse Regulation unless any share buy-back program has been delegated on a discretionary basis to an independent financial institution.

Furthermore, according to Royal Decree 1362/2007, if an acquisition or series of acquisitions of the Company's Shares reaches or exceeds or causes our and our subsidiaries' 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 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.

On November 27, 2019, the CNMV approved Circular 2/2019 on liquidity contracts entered into by issuers with financial institutions for the management of treasury shares. This regulation entered into force on March 10, 2020, and repealed and replaced the CNMV's Circular 1/2017, introducing new limitations on the daily volume that financial intermediaries can trade under the liquidity agreement and new rules which must be complied with by financial intermediaries in their operations in auction periods.

Neither we nor any of our subsidiaries hold treasury shares. The Board of Directors has been authorized by its shareholders at a general shareholders' meeting held on June 17, 2024 for the derivative acquisition of treasury shares according to and within the restrictions and requirements established in the Spanish Companies Act, and for a maximum term of five years.

MARKET INFORMATION

Prior to the Offering, there has been no public market for the Shares. We will apply to list the Shares on the Spanish Stock Exchanges and to have them quoted on the AQS or "Mercado Continuo" of the Spanish Stock Exchanges. The Spanish securities market for equity-linked securities comprises four stock exchanges located in Barcelona, Madrid, Bilbao and Valencia. We expect that the Shares (including the Offer Shares) will be listed on the Spanish Stock Exchanges and quoted on the AQS on or about October 10, 2024 under the ticker symbol "EPTY". No application has been made or is currently intended to be made for the Shares of the Company to be admitted to trading on any other stock exchange.

AQS

The AQS links the four Spanish Stock Exchanges, providing any equity-linked securities listed on them with a uniform continuous market in order to eliminate certain differences arising among the various 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 AQS is operated and regulated by Sociedad de Bolsas, S.A. ("**Sociedad de Bolsas**"), a company owned by Bolsas y Mercados Españoles, Sociedad Holding de Mercados y Sistemas Financieros, S.A. ("**BME**"). All trades on the AQS must be placed through a brokerage firm, a dealer firm or a credit entity that is a member of one of the Spanish Stock Exchanges.

In a pre-opening session held each trading day from 8:30 a.m. to 9:00 a.m. (CET or CEST, as applicable), an opening price is established for each equity-linked security traded on the AQS 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 cannot be determined, the best bid and offer price and their respective associated trading volumes are disclosed instead. The auction terminates with a random 30-second period in which the shares are allocated. Until the allocation process has finished, orders cannot be entered, modified or cancelled. In exceptional circumstances (including the admission of new securities to trade in the AQS) and subject to prior notice to the CNMV, Sociedad de Bolsas may establish an opening price disregarding the reference price (which is the previous trading day's closing price), alter the price range for permitted orders with respect to the reference price or modify the reference price.

The computerized trading hours, known as the open session, range from 9:00 a.m. to 5:30 p.m. (CET or CEST, as applicable). During the open session, the trading price of a security is permitted to fluctuate up to a maximum so-called "static" range of reference price (which is the price resulting from the closing auction of the immediately preceding trading day or the immediately preceding volatility auction in the current trading session), 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" and/or "dynamic" ranges, trading on the security is automatically suspended and a new auction, or volatility 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 specific security are set up and reviewed periodically by Sociedad de Bolsas. The session finishes with a real-time closing auction held between 5:30 p.m. and 5:35 p.m. (CET or CEST, as applicable) subject to similar rules to those applicable to the pre-opening auction, where the closing price of every security is set.

Between 5:40 p.m. and 8:00 p.m. (CET or CEST, as applicable), trades may occur outside the computerized matching system without prior authorization of 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 computerized trades, which take place between 9:00 a.m. and 5:30 p.m. (CET or CEST, as applicable), is made public by the trading venue as close to real-time as is technically possible. On the other hand, information with respect to off-system trades is reported to 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.

Moreover, bilateral over-the-counter trades may occur at any time between 5:00 a.m. and 4:00 p.m. (CET or CEST, as applicable) for delivery versus payment trades or until 6:00 p.m. (CET or CEST, as applicable) for free of payment trades through the facilities of Iberclear by way of submission of matching OTC instructions by the participants acting as custodians for the seller and the purchaser outside the AQS and without the involvement of any market member as broker or dealer whatsoever.

Clearance, Settlement and Book-Entry System

The Spanish clearing, settlement and book-entry system was adapted by Act 11/2015 of June 18, on the recovery and resolution of credit institutions and investment firms, and Royal Decree 814/2023, of November 8 (*Real Decreto 814/2023, de 8 de noviembre, sobre instrumentos financieros, admisión a negociación, registro de valores negociables e infraestructuras de mercado*) 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 European Union and on central securities depositories, amending Directives 98/26/EC and 2014/65/EU (as amended by Directive 2021/338) and Regulation (EU) No 236/2012. Following the implementation of this reform, transactions carried out on the AQS continue to be settled by Iberclear, as central securities depository, and are cleared by BME Clearing, S.A. ("**BME Clearing**"), as central counterparty ("**CCP**"). 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 subscription date.

Iberclear and BME Clearing are owned by BME, a holding company which also holds a 100% interest in each of the Spanish regulated markets.

Shares of listed Spanish companies are represented in book-entry form. The recording system is a two-tier registry: the keeping of the central book-entry register corresponds to Iberclear and the keeping of the detailed records corresponds to the participating entities in Iberclear.

Access to become a participating entity is restricted to (i) credit institutions, (ii) investment services companies which are authorized to provide 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; and (iii) individual accounts opened in the name of the owner, either individual or legal person. Each participating entity, in turn, maintains the detailed 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. Notwithstanding the foregoing, pursuant to internal regulation 1/2024 approved by the Madrid Stock Exchange Managing Entity (*Sociedad Rectora de la Bolsa de Valores de Madrid)* on April 24, 2024, which entered into force on July 17, 2024, certain special transactions (initial public offerings and accelerated book-building offers) may be operated, at the issuer's choice, under a T+1 settlement standard pursuant to which any such transactions will be settled on the next business day 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 legitimation 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 their 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**"), shall have the right 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 (as described below), 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 receive 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 holder 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 them in the book-entry registries 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 for Euroclear and Clearstream. See "*Taxation*".

Euroclear and Clearstream will endeavor 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 they 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; 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 we offer or cause to be offered to Euroclear or its nominees and Clearstream or its nominees, acting in their capacity as record holders of Shares deposited with the depositories for Euroclear and Clearstream, any rights to subscribe for additional shares or rights of any other nature, each of Euroclear and Clearstream will, respectively, endeavor to inform investors of the terms of any such rights of which they become 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 will be credited to the cash account kept on behalf of the investor with Euroclear or Clearstream.

Tender Offers

Tender offers are governed in Spain by Articles 108 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. Other than the referred tender offer regulation, there is no other special regulation in Spain governing mandatory tender offers over the 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 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 to subscribe or acquire voting shares in such company;

- through shareholder agreements or other types of agreements with shareholders or other holders of said 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 stock). In these cases, the obligation to launch a tender offer does not apply if, within three months from the date such control was obtained or the holder is notified by the company of changes in the treasury stock, such holder (or the company regarding changes in treasury stocks) disposes of a number of shares necessary to reduce the voting rights in excess of 30% and in the meantime does not exercise its voting rights exceeding such percentage, or obtains a waiver from the CNMV.

In addition, 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, any shareholder reaches, 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 must be made within three months from the date on which the 30% threshold was exceeded and the rules relating to the determination of the equitable price will apply. However, the obligation to launch a tender offer will not apply if, within three months from the date on which the threshold of 30% of the voting rights was exceeded, such shareholder disposes of such number of shares as necessary to reduce the voting rights in excess of 30% 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 company's voting rights and appoints, during the 24-month period following the date of acquisition of said 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) 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 that 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 held 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 that entitle the holder to the subscription, conversion, exchange or acquisition of shares that 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/debts into shares of listed companies if their financial viability 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 Spanish Insolvency Act approved by Royal Legislative Decree 1/2020, of May 5 (*Real Decreto Legislativo 1/2020, de 5 de mayo, por el que se aprueba el texto refundido de la Ley Concursal*), as amended (the "**Spanish Insolvency Act**").

- In the event of a merger, provided that those acquiring control did not vote in favor of the merger at the relevant general shareholders' meeting of the offeree 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.

- 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 or agreed by the bidder or any person acting in concert therewith for the same securities during the 12 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 said rules in certain circumstances (extraordinary events affecting the price, evidence of market manipulation, deterioration of the target company's financial position, etc.).

Mandatory offers must be launched as soon as possible and in any event within one month from the acquisition of 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 may be subject to certain conditions (such as amendments to the bylaws or adoption of certain resolutions by the general shareholders' meeting 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 shareholders' meeting 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, if certain circumstances have occurred during the two years prior to the announcement of the offer (basically, 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 company's real value), the price in any voluntary tender offer must be approved by the CNMV and be the higher of (i) the equitable price, and (ii) the price resulting from an independent valuation report; and, if other securities have been offered as payment, an alternative of payment in cash must also be presented.

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 on carrying 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 shareholders' meeting within the 18-month period before the date of the public announcement of the tender offer;

- defensive measures included in a listed company's bylaws 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);

- 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 the 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; and

- the bidder must have reached at least 75% of the voting capital rights in a tender offer in order for the company to be able to voluntarily agree to delist the shares without having to make a delisting tender offer.

PLAN OF DISTRIBUTION

General Offering Overview

We are offering a number of New Offer Shares at the Offering Price with the aim of obtaining the New Gross Proceeds (€210.0 million). Additionally, the Selling Shareholders are offering a number of Secondary Offer Shares at the Offering Price, which consist of (i) 14,386,800 Shares owned by Exponent S.à r.l. (whose majority shareholder is MCH Continuation Fund, FICC, a fund managed by MCH Private Equity) (i.e., all Shares owned by such Selling Shareholder), (ii) 1,041,000 Shares owned by Indinura, S.L. (controlled by Mr. Jordi Morral Hospital) (i.e., 50% of the Shares owned by such Selling Shareholder) and (iii) 300,000 Shares owned by Gallés Office, S.L. (i.e., 0.6% of the Shares owned by such Selling Shareholder).

In addition, Gallés Office, S.L. and we will grant the Over-allotment Option to the Joint Global Coordinators (as defined below), exercisable, in whole or in part, by the Stabilizing Manager, acting on behalf of the Underwriters and in consultation with the other Joint Global Coordinators, no later than 30 calendar days after the date on which the Shares commence trading on the Spanish Stock Exchanges, to purchase, at the Offering Price, additional Shares representing up to 10% of the Initial Offer Shares, solely to cover over-allotments of Shares in the Offering, if any, and short positions resulting from stabilization transactions, if any. If the Over-allotment Option is exercised, it will be exercised (i) first with respect to the Over-allotment Shares offered by Gallés Office, S.L., which will consist of the number of Over-allotment Shares that, at the Offering Price, would represent an amount of approximately €10.0 million, – representing between 2.0% and 2.2% of the Initial Offer Shares based on the Offering Price Range – and (ii) subsequently, to the extent that the exercise of the Over-allotment Option has exhausted all of the Over-allotment Shares offered by Gallés Office, S.L., with respect to the Over-allotment Shares offered by us, which will consist of up to the remaining Over-allotment Shares (which, at the Offering Price, would represent an amount of approximately between €35.9 and €40.5 million and between 7.8% and 8.0% of the Initial Offer Shares based on the Offering Price Range).

The Underwriting Agreement and the Underwriters

We, the Selling Shareholders and the Underwriters are expected, upon the finalization of the book-building period and setting of the Offering Price (expected to be on or about October 8, 2024), to enter into a placement and underwriting agreement (the "**Underwriting Agreement**") with respect to the New Offer Shares offered by us, the Secondary Offer Shares offered by the Selling Shareholders and the Over-allotment Shares offered by Gallés Office, S.L. and us on the terms set out herein. Subject to the satisfaction of certain conditions set out in the Underwriting Agreement, each Underwriter will agree, severally but not jointly, nor jointly and severally, to procure subscribers or purchasers for or, failing which, to subscribe for or purchase (as the case may be) such percentage of the total number of Initial Offer Shares as is set forth opposite its name in the following table:

Underwriters	% Initial Offer Shares
JP Morgan	45.0%
UBS	20.0%
ING	7.5%
Banco Santander.	6.5%
CaixaBank	6.5%
BBVA	6.5%
Rabobank	6.5%
Banca March	1.0%
JB Capital	0.5%

In consideration of the agreements by the Underwriters in the Underwriting Agreement, we, in respect of the New Offer Shares and the Over-allotment Shares offered by us, as applicable, the Selling Shareholders, in respect of the Secondary Offer Shares offered by the Selling Shareholders, and Gallés Office, S.L. in respect of the Over-Allotment Shares offered by Gallés Office, S.L., as applicable, will pay or cause to be paid to the Underwriters (assuming that the Offering Price is the mid-point of the Offering Price Range and the Over-allotment Option is exercised in full) approximately €13.3 million, of which (i) approximately €5.2 million is to be paid by us in relation to the New Offer Shares, (ii) approximately €1.0 million is to be paid by us in relation to the Over-allotment Shares offered by us, assuming the Over-allotment Option is exercised in full, (iii) approximately €0.2 million is to be paid by Gallés Office, S.L. in relation to the Over-allotment Shares offered by it, assuming the Over-allotment Option is exercised in full, and (iv) approximately €6.8 million is to be paid by the Selling

Shareholders in aggregate in relation to the Secondary Offer Shares, to be distributed among the Underwriters *pro rata* to the proportion that their underwriting obligations bear to total underwriting; and in addition, at the sole discretion of the Company and/or the relevant Selling Shareholder, as the case may be, the Company and/or the relevant Selling Shareholders will pay or cause to be paid to the Underwriters a discretionary fee of up to 1.0% (i.e., approximately €5.3 million in the aggregate) of the gross proceeds from the Offer Shares sold by the Company or such Selling Shareholder, to be distributed among the Underwriters as determined by the Company or such Selling Shareholder.

Furthermore, we and the Selling Shareholders will also agree to reimburse the Underwriters for certain expenses, disbursements and costs as set forth in the Underwriting Agreement.

The Underwriting Agreement will contain customary representations and warranties given by the Selling Shareholders and us to the Underwriters and will provide that the obligations of the Underwriters are subject to certain customary conditions precedent. The Underwriting Agreement will also provide that we and/or the Selling Shareholders will, subject to the fulfillment of certain exceptions, indemnify the Underwriters 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*" below).

The identity and number of Underwriters and the exact number of Initial Offer Shares to be underwritten by each of the Underwriters shall be determined if and when the Underwriting Agreement is entered into. We will inform the market through the publication of an inside information notice (*comunicación de información privilegiada*) or an other relevant information notice (*comunicación de otra información relevante*), as applicable, of any amendment of the number or identity of Underwriters or of the percentage of Initial Offer Shares underwritten by any of the Underwriters, as described above.

Defaulted Shares

If one or more of the Underwriters fail, by no later than (i) the execution of the stock exchange transaction (*operación bursátil*) on the Transaction Date (expected at or around 5:00 p.m. CEST on the Transaction Date), or (ii) provided that Admission has not taken place, the final Iberclear settlement cycle on the Settlement Date, to procure subscribers or purchasers for or, failing which, to subscribe for or purchase the Initial Offer Shares which it or they are obliged to purchase under the Underwriting Agreement (such Initial Offer Shares, the "**Defaulted Shares**"), the non-defaulting 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 Shareholders), and with the calendar of the Offering adjusted accordingly, to make arrangements for one or more of the non-defaulting Underwriters, or any other underwriter, to procure subscribers or purchasers for or to itself or themselves subscribe for or purchase all, but not less than all, of the Defaulted Shares in such amounts as may be agreed upon the terms set forth in the Underwriting Agreement. If, however, the non-defaulting 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 Initial Offer Shares to be subscribed for or purchased on such date, each of the non-defaulting Underwriters or any other bank that the Company and the Selling Shareholders might appoint, shall be obliged, acting severally and not jointly nor jointly and severally, to procure subscribers or purchasers for, or to itself subscribe for or purchase the full amount thereof in the proportions that their respective underwriting obligations bear to the underwriting obligations of all non-defaulting Underwriters; or

(ii) if the number of Defaulted Shares exceeds 10% of the number of Initial Offer Shares to be subscribed for or purchased on such date, the respective obligations of the Underwriters to subscribe for or purchase, and of the Company to offer and the Selling Shareholders to sell, shall terminate without liability on the part of any non-defaulting Underwriter and with the corresponding liability on the part of any defaulting Underwriter, in which case the Offering will be revoked.

The Offering

The exact number of New Offer Shares and Over-allotment Shares offered in the Offering will be determined on the date of pricing (the "**Pricing Date**") in the following manner: (i) the New Offer Shares by dividing the New Gross Proceeds by the Offering Price; and (ii) the Over-allotment Shares by calculating 10% of the sum of the New Offer Shares determined in the manner described in item (i) above and the Secondary Offer Shares (i.e., the Initial Offer Shares), in each case, rounded down to the nearest whole number of Shares of the Company. The number of Secondary Offer Shares offered in the Offering is 15,727,800 Secondary Offer Shares, comprising (a) 14,386,800 Shares owned by Exponent S.à r.l. (i.e., all Shares owned by such Selling Shareholder), (b) 1,041,000

Shares owned by Indinura, S.L. (i.e., 50% of the Shares owned by such Selling Shareholder) and (c) 300,000 Shares owned by Gallés Office, S.L (i.e., 0.6% of the Shares owned by such Selling Shareholder).

The Offering consists of a placement exclusively addressed to qualified investors in a single tranche. The Offer Shares have not been and will not be registered under the U.S. Securities Act, and may not be offered or sold within the United States, except in certain transactions exempt from the registration requirements of the U.S. Securities Act. The Underwriters have advised us and the Selling Shareholders that they propose to resell the Offer Shares initially at the Offering Price (i) in the United States, through their respective selling agents, to persons reasonably believed to be QIBs (as defined in Rule 144A) in reliance on Rule 144A, and (ii) outside the United States in compliance with Regulation S. Any offer or sale of Offer Shares in reliance on Rule 144A will be made by broker-dealers who are registered as such under the U.S. Securities Exchange Act of 1934, as amended (the "**U.S. Exchange Act**"). 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 Offer Shares that is made in 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 made otherwise than in accordance with Rule 144A or another available exemption from registration under the U.S. Securities Act. See "*Selling and Transfer Restrictions*".

We expect that the Offering will take place according to the tentative calendar set out below:

Event	**Estimated Date** (1)
Approval and registration of this Prospectus with the CNMV	September 26, 2024
Commencement of the book-building period in which non-binding proposals are made by qualified investors	September 27, 2024
Finalization of book-building period..	October 8, 2024
Setting of the Offering Price..	October 8, 2024
Execution of the Underwriting Agreement..	October 8, 2024
Publication of the Offering Price and the final size of the Offering through an inside information notice (*comunicación de información privilegiada*)..................................	October 8, 2024
Allocation of Initial Offer Shares to qualified investors (on or about)..........................	October 9, 2024
Prefunding of New Offer Shares by the Joint Global Coordinators	October 9, 2024
Granting of the public deed of the capital increase in respect of the New Offer Shares	October 9, 2024
Filing and registration of the public deed of share capital increase relating to the New Offer Shares with the Barcelona Commercial Registry..	October 9, 2024
Transaction Date of the Offering and publication of an other relevant information notice (*comunicación de otra información relevante*)	October 9, 2024
Admission, start of trading and commencement of Stabilization Period and of the Over-allotment Option exercise period (on or about)..	October 10, 2024
Settlement Date (on or about)..	October 11, 2024
End of Stabilization Period and of the Over-allotment Option exercise period(2)	November 8, 2024

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

(2) The Over-allotment Option will be exercisable, in whole or in part, for a period of 30 calendar days from the date of the Admission.

The transaction date of the Offering (*fecha de operación bursátil*) (the "**Transaction Date**") is expected to be on or about October 9, 2024. On the Transaction Date, investors' purchase orders will be processed via the Spanish Stock Exchanges and Iberclear and assuming the Underwriters have not exercised the termination rights contained in the Underwriting Agreement, investors shall be entitled to receive the Shares subscribed for or purchased by them in the Offering.

In order to expedite the registration and listing of our Shares, it is expected that the Joint Global Coordinators, in their capacity as prefunding banks, will subscribe and pay for the New Offer Shares on October 9, 2024, each acting in the name and on behalf of the Underwriters, and each Underwriter acting on behalf of the final investors. Payment for the New Offer Shares by the prefunding banks is expected to be made no later than 8:00 a.m. (CEST) on October 9, 2024 to our account maintained with CaixaBank, S.A., acting as agent bank (the "**Agent Bank**").

Following receipt of the subscription funds due, we shall declare the share capital increase corresponding to the New Offer Shares closed and grant the corresponding public deed of the capital increase before a Spanish

Notary Public. The registration of the public deed of the capital increase with the Commercial Registry is, in accordance with the envisaged timetable, expected to take place on or about October 9, 2024. The certificate with the information of the public deed of the capital increase will be delivered to the CNMV, and a notarial testimony of the public deed of the share capital increase in respect of the New Offer Shares duly registered, will be delivered to Iberclear and the Barcelona Stock Exchange, as the lead stock exchange for the listing of the New Offer Shares.

Following delivery of the registered copy of the public deed of the capital increase to Iberclear, the latter will inform the Joint Global Coordinators through the corresponding Iberclear participating entities of the relevant registration details relating to the New Offer Shares temporarily allocated to them in accordance with their pre-funding obligations.

We will request admission to listing and trading of our ordinary shares on the Spanish Stock Exchanges and on the AQS as soon as possible. Admission is expected to take place, in accordance with the envisaged timetable, on October 10, 2024. If there is any delay in the admission to listing and trading of our ordinary shares on the Spanish Stock Exchanges, we will publicly announce, via an 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 Initial Offer Shares, including for the New Offer Shares subscribed and paid for on the Transaction Date by the Joint Global Coordinators as prefunding banks, will be made no later than the second business day after the Transaction Date against delivery through the facilities of Iberclear of the Initial Offer Shares to final investors, which is expected to take place on or about October 11, 2024 (the "**Settlement Date**").

The Shares are expected to be listed on the Spanish Stock Exchanges and quoted on the AQS on or about October 10, 2024, under the symbol "EPTY".

The Offering will be conducted through a book-building process. During the book-building period, which is expected to start on September 27, 2024 and end on October 8, 2024 (both inclusive), the Underwriters will market the Initial Offer Shares among qualified investors in accordance with, and subject to, the selling and transfer restrictions set forth in this Prospectus. Investors may make their purchase proposals during this period, indicating the number of Initial Offer Shares and the price at which they would be interested in acquiring them.

The book-building period may be extended by agreement among the Selling Shareholders, the Joint Global Coordinators and us if in their and our view, 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 an extension of the book-building period, we will inform the market about such circumstance through the publication of the corresponding inside information notice (*comunicación de información privilegiada*) or 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.

The subscription and purchase proposals by investors for the Initial Offer Shares constitute only an indication of their interest in the Initial Offer Shares and shall not be binding on any investors, the Selling Shareholders or us. The confirmation of such subscription and purchase proposals shall be irrevocable, except in the exceptional cases where a supplement to this Prospectus is published (see "*—Publication of a Supplement*" below).

CaixaBank, with registered address in Calle Pintor Sorolla, 2-4, 46002 Valencia, Spain, will act as Agent Bank in the Offering. The Agent Bank will be responsible for, among others: issuing a certificate confirming payment for the New Offer Shares for the purposes of granting the corresponding public deed of capital increase; maintaining the Initial Offer Shares deposited in the securities accounts held with it by the Selling Shareholders, until settlement of the Offering; instructing the entities participating in the Offering on the procedures applicable to its execution; receiving and processing information on the selection and confirmation of subscription and/or purchase proposals and on the allocation of the Initial Offer Shares to the final investors; and cooperating with us in the Admission process.

Investment Commitment

In the context of the Offering, we and the Selling Shareholders have entered into an investment commitment agreement with Criteria Caixa, S.A.U. pursuant to which, subject to the fulfilment of certain conditions, Criteria Caixa, S.A.U. has irrevocably committed to purchase or subscribe for in the Offering, at the Offering Price, Offer Shares representing 5.0% of the Shares outstanding immediately following the Offering (excluding any Shares which may be issued as a result of the exercise of the Over-allotment Option). The conditions, among others, to which the aforementioned irrevocable commitment is subject are (i) the approval by and registration with the CNMV of this Prospectus, (ii) Criteria Caixa, S.A.U. receiving shares representing no less than 5.0% of the

Company's share capital (such percentage not taking into account any Shares which may be issued as a result of the exercise of the Over-allotment Option), and (iii) the Underwriting Agreement being entered into and not being terminated. Criteria Caixa, S.A.U.'s irrevocable investment commitment is valid across the Offering Price Range. The investment commitment agreement does not include a lock-up arrangement with respect to the Offer Shares to be acquired by Criteria Caixa, S.A.U. thereunder.

Pricing of the Offering

Prior to the Offering, there has been no public market for the Shares.

Offering Price Range

The indicative non-binding Offering Price Range is between €15.85 to €18.75 per Offer Share. The Offering Price Range has been determined by us and the Selling Shareholders, after consultation with the Joint Global Coordinators, and no independent experts were consulted in determining the Offering Price Range.

The Offering Price Range is indicative only and may change during the course of the Offering, with the Offering Price being therefore set within, above or below the Offering Price Range. If, by agreement with the Joint Global Coordinators, we modify the Offering Price Range at any time prior to the Pricing Date, it will be reported to the CNMV through an inside information notice (*comunicación de información privilegiada*) by no later than one business day following the date on which the decision is taken.

There can be no assurance that the prices at which the Shares will be sold in the public market after the Offering will not be lower than the Offering Price Range or that an active trading market for the Shares will develop and continue after the Offering. See "*Risk Factors—Risks Relating to the Offering and the Shares—The market price of our Shares could be volatile and subject to sudden and significant declines*".

Offering Price and number of Initial Offer Shares

The Offering Price and the number of Initial Offer Shares will be determined by the Selling Shareholders, the Joint Global Coordinators and us upon the finalization of the book-building period (expected to be on or about October 8, 2024). This date is indicative and may be delayed by the Company and the Selling Shareholders, in agreement with the Joint Global Coordinators, following any extension of the book-building period. No independent experts will be consulted in determining the Offering Price.

The Offering Price, the New Gross Proceeds, the Secondary Gross Proceeds and the number of New Offer Shares, Secondary Offer Shares and Over-allotment Shares will be announced through an inside information notice (*comunicación de información privilegiada*) reported to the CNMV as soon as practicable after the execution of the Underwriting Agreement (expected to be on or about October 8, 2024).

Expenses and taxes charged to the investor

Neither we nor the Selling Shareholders will charge investors any expenses in addition to the Offering Price.

Purchasers of Offer Shares may be required to pay stamp taxes and other charges in compliance with the laws and practices of their country of residence or incorporation in addition to the Offering Price.

In addition, investors will have to bear any commissions payable to financial intermediaries through which they will hold the Offer Shares.

Allocation of the Initial Offer Shares

The final allocation of the Initial Offer Shares will be decided by us and the Selling Shareholders, in consultation with the Joint Global Coordinators, which shall notify so to the Agent Bank on the Transaction Date and the Agent Bank shall arrange the delivery of the Initial Offer Shares to the relevant investors on the Settlement Date.

On the Transaction Date, the Joint Global Coordinators will submit the details of the final allocation of the Initial Offer Shares to the Underwriters, which will in turn notify such details to the relevant investors.

Execution of the sale of the Initial Offer Shares will be deemed made on the Transaction Date, although the actual delivery will take place on the Settlement Date.

Payment for the Initial Offer Shares

The payment by investors of the Offering Price for the Initial Offer Shares purchased in the Offering shall be made no later than the final Iberclear settlement cycle on the Settlement Date (expected to be on or about October 11, 2024), notwithstanding any advances requested, as the case may be.

The referred amounts shall be paid by the investors through the book-entry facilities of Iberclear and its participating entities in the corresponding account opened by the Company and the Selling Shareholders with the Agent Bank. Neither we nor the Selling Shareholders shall dispose of any funds received until each of the following has occurred: (i) Admission is complete; (ii) settlement of the Offering has taken place on the Settlement Date and the prefunding banks have received payment from or on behalf of the Underwriters or the final subscribers or purchasers, as the case may be, for the Offer Shares (other than in respect of the prefunding bank's own underwriting commitments) and (iii) the Agent Bank has withdrawn or segregated such funds as to make payment of the commissions and ancillary expenses payable to the Underwriters on the Offer Shares.

Withdrawal and Revocation of the Offering

Withdrawal of the Offering

We and the Selling Shareholders 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. In case of withdrawal of the Offering, we will notify the CNMV, the Agent Bank and the Joint Global Coordinators on behalf of the Underwriters of such circumstance, on the date on which the withdrawal takes place or as soon as practicable thereafter, which will be announced through an inside information notice (*comunicación de información privilegiada*) or an other relevant information notice (*comunicación de otra información relevante*).

Revocation of the Offering

The Offering will be revoked (i) if the Underwriting Agreement is not signed on or before 3:00 a.m. (CEST) on the date following the setting of the Offering Price (which is expected to be set on October 8, 2024) or any other date as may have been duly notified to the CNMV if the book-building period is shortened or extended, (ii) if any necessary approval for the Offering is suspended or withdrawn by the CNMV, (iii) if the Initial Offer Shares are not admitted to listing on the Spanish Stock Exchanges before 11:59 p.m. (CET) on October 25, 2024, or (iv) if the Underwriting Agreement is terminated by the Joint Global Coordinators, acting unanimously, on behalf of the Underwriters, by notice to the Company and the Selling Shareholders, upon the occurrence (and always provided that the effects of any of them, individually or taken together with any other such events, in the good faith judgment of the Joint Global Coordinators, make it impracticable or inadvisable to proceed with the Offering) of any of the following customary termination provisions set forth in the Underwriting Agreement at any time until the registration of the public deed of capital increase in respect of the New Offer Shares with the Commercial Registry:

(i) there has been, in the good faith judgment of the Joint Global Coordinators, a breach by the Company or any 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 any 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 any Selling Shareholder of any of the undertakings given in the Underwriting Agreement has occurred;

(ii) the CNMV, any of the Spanish Stock Exchanges or any other relevant authority suspends or revokes any necessary approval for the Offering;

(iii) since the time of execution of the Underwriting Agreement, there has been, in the good faith judgment of the Joint Global Coordinators, 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 or business prospects of the Company and its subsidiaries taken as a whole, whether or not arising in the ordinary course of business;

(iv) there has occurred (A) any material adverse change in the financial markets in Spain, the United States, the United Kingdom, or any member state of the EEA, 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;

(v) 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 materially 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 member state of the EEA;

(vi) 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 member state of the EEA;

(vii) 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 member state of the EEA, the United Kingdom 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 Offer Shares or enforce contracts for the sale of the Offer Shares, or (C) is likely to result in the successful completion of the Offering being prejudiced; or

(viii) if at any time the Company or any Selling Shareholder publishes an amendment or supplement to the Prospectus, or a press or stock exchange release or regulatory information notice (*comunicación de información privilegiada o comunicación de otra información relevante*), (x) pursuant to applicable law or regulation or (y) that seeks to correct any untrue statement of a material fact or omission to state a material fact necessary in order that the Prospectus will not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading.

In case of withdrawal or revocation of the Offering, all offers to subscribe or purchase shall be cancelled and all subscription or purchase orders related to the Offering shall be terminated. Additionally, we will have no obligation to issue and deliver the New Offer Shares, the Selling Shareholders shall have no obligation to deliver the Secondary Offer Shares and investors (including for the purposes of this section, the Underwriters on behalf of the final investors) shall have no obligation to subscribe for or purchase, as the case may be, the Initial Offer Shares.

In the event that the New Offer Shares have already been issued and paid for by investors before the termination of the Offering takes place, we will repurchase the New Offer Shares that have been issued and paid, and then reduce our share capital and cancel the New Offer Shares in order to return the subscription monies received. The Company will repurchase the New Offer Shares for an amount equal to the monies paid by the investors in respect of the subscription of the New Offer Shares in the Offering, together with interest calculated at the statutory rate (*interés legal*) currently set at 3.25% from the date on which the investors paid for the New Offer Shares until the date on which the Company repays the subscription price.

In the event that the Secondary Offer Shares have already been delivered by the Selling Shareholders and the Offering Price has been paid by the investors, the investors would be required to return title to the Secondary Offer Shares to the Selling Shareholders and the Selling Shareholders will repurchase the Secondary Offer Shares from the purchasers of the Secondary Offer Shares for the amount paid by the purchasers in respect of the sale of the Secondary Offer Shares in the Offering, together with interest calculated at the statutory rate (*interés legal*) (currently set at 3.25%) from the date on which the purchasers paid for the Secondary Offer Shares until the date on which the Selling Shareholders repay the purchase price.

The investors subscribing or purchasing Offer Shares in the Offering shall be deemed to have consented to the aforementioned repurchase.

Publication of a Supplement

Pursuant to Article 23 (1) and (2) of the Prospectus Regulation, a supplement to this Prospectus will be published if a new significant factor occurs, or if there is a material inaccuracy or material mistake in the information included in this Prospectus, which, in each case, (i) can have an impact on the assessment of the value of the Offer Shares, and (ii) is known or arises between the date of publication of the Prospectus and the closing of the offer period (expected to occur on the Transaction Date) or the Admission, whichever occurs later. Investors who have already subscribed or purchased Offer Shares before such supplement is published shall have in such event the right to withdraw their orders by written notice to the Underwriters, provided that the significant new factor, material mistake or material inaccuracy arose or was noticed before the closing of the offer period (expected to occur on the Transaction Date). Such right may be exercised within two business days after the publication of a supplement. The Company and/or the Selling Shareholders may extend the initially granted period, and the supplement shall indicate the final date for the exercise of the withdrawal right.

The Joint Global Coordinators, acting unanimously and in good faith, on behalf of the Underwriters, and after consultation with the Company and the Selling Shareholders, shall have the right to terminate the Underwriting Agreement provided that Admission has not taken place, if at any time from and including the registration of the public deed of capital increase in respect of the New Offer Shares with the Commercial Registry, the Company or any Selling Shareholder publishes a supplement to the Prospectus due to the reasons described above and which triggers the right of investors to withdraw their orders. In the event that the Underwriting Agreement is terminated, the Offering will be revoked.

Authorization of the Offering

On June 17, 2024, the shareholders at a general shareholders' meeting decided to apply for Admission, granting the necessary authority to the Board of Directors. On September 24, 2024, the shareholders at a general shareholders' meeting decided to carry out the Offering and to approve a share capital increase in connection with the offering of the New Offer Shares and granted the necessary authority to the Board of Directors to issue the New Offer Shares by executing the share capital increase and to offer the Secondary Offer Shares on behalf of the Selling Shareholders. On September 24, 2024, the Board of Directors (with the composition described in "*Board of Directors and Management—Board of Directors—Directors*") resolved to carry out the Offering and to execute the capital increase in connection with the offering of the New Offer Shares.

On September 24, 2024, the Selling Shareholders, the Joint Global Coordinators and our Board of Directors determined the indicative Offering Price Range for the Offering.

For the avoidance of doubt, no application has been made or is currently intended to be made for the Shares to be admitted to listing or trading on any exchange other than the Spanish Stock Exchanges and the AQS.

No pre-emptive subscription and/or acquisition rights are applicable in relation to the Offering, taking into account that each of the Selling Shareholders has irrevocably waived its pre-emptive rights over the New Offer Shares and the Over-Allotment Shares, if any, and that no pre-emptive acquisition rights apply to the transfer of the Secondary Offer Shares.

The Offering is not subject to any administrative approval or authorization besides the regime applicable to the approval by the CNMV of this 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, J.P. Morgan SE or any of its agents, as Stabilizing Manager, acting on behalf of the Underwriters and in consultation with the other Joint Global Coordinators, 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 ordinary 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, the MAR and Regulation 2016/1052.

The stabilization transactions shall be carried out for a maximum period of 30 calendar days from Admission, provided that 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 October 10, 2024 and end no later than November 8, 2024.

For this purpose, the Stabilizing Manager may carry out an over-allotment of Shares in the Offering, which may be covered by the Stabilizing Manager pursuant to one or several securities loans granted by Gallés Office, S.L. The Stabilizing Manager is (i) not required to enter into such transactions and (ii) such transactions may be effected on the Spanish Stock Exchanges and may be taken at any time during the Stabilization Period. However, neither the Stabilizing Manager nor any of its agents are 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 our 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 Stabilizing 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 Article 6.3 of Regulation 2016/1052, the following information will be disclosed to the CNMV by the Stabilizing 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, Gallés Office, S.L. and we will grant the Over-allotment Option to the Joint Global Coordinators, acting severally and not jointly, nor jointly and severally, to purchase or subscribe for, as the case may be, up to the maximum number of Over-allotment Shares at the Offering Price. If the Over-allotment Option is exercised, it will be exercised (i) first with respect to the Over-allotment Shares offered by Gallés Office, S.L., which will consist of the number of Over-allotment Shares that, at the Offering Price, would represent an amount of approximately €10.0 million, – representing between 2.0% and 2.2% of the Initial Offer Shares based on the Offering Price Range – and (ii) subsequently, to the extent that the exercise of the Over-allotment Option has exhausted all of the Over-allotment Shares offered by Gallés Office, S.L., with respect to the Over-allotment Shares offered by us, which will consist of up to the remaining Over-allotment Shares (which, at the Offering Price, would represent an amount of approximately between €35.9 and €40.5 million and between 7.8% and 8.0% of the Initial Offer Shares based on the Offering Price Range). The Over-allotment Option is exercisable by the Stabilizing Manager, on behalf of the Underwriters, and in consultation with the other Joint Global Coordinators, upon notice to Gallés Office, S.L. and, as the case may be, us, on one occasion in whole or in part, only for the purpose of covering over-allotments (if any) and to cover any short positions resulting from stabilization transactions (if any), no later than 30 calendar days after the date of commencement of trading of the Shares on the Spanish Stock Exchanges. Any Over-allotment Shares made available pursuant to the Over-allotment Option will rank *pari passu* in all respects with the Initial Offer Shares (including for all dividends and other distributions declared, made or paid on the Initial Offer Shares), will be purchased and, as the case may be, subscribed for on the same terms and conditions as the Initial Offer Shares being sold in the Offering and will form a single class for all purposes with the other Shares.

Lock-up

Company lock-up

We agree that during a period from the date on which the Underwriting Agreement is signed to and including 180 days from the Admission, neither we nor any of our subsidiaries nor any person acting on our or their behalf (other than the Underwriters and the Selling Shareholders and their respective affiliates, as to whom we give no undertaking) 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 Shares or other shares of the Company or other securities that are substantially similar to the Shares, or any securities convertible into or exercisable or exchangeable for Shares or other shares of the Company or other securities that are substantially similar to the 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; or

(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 Shares or other shares of the Company; or

(iii) enter into any other transaction with the same economic effects as items (i) and (ii) above, or agree to do or announce or otherwise publicize the intention to do any of the foregoing,

whether any such swap or transaction described in items (i), (ii) or (iii) above is to be settled by delivery of Shares or any securities convertible into or exercisable or exchangeable for Shares, in cash or otherwise.

The foregoing restrictions shall not apply to (i) the issue of the New Offer Shares and, as the case may be, any Over-allotment Shares by the Company, (ii) transfers of Shares by the Company in favor of its controlled companies, (iii) issuances and transfers of Shares or any other shares or equity security of the Company as consideration in an existing or future merger or acquisition transaction undertaken by the Company; (iv) transfers of Shares as a result of the operation of a liquidity agreement entered into by the Company with an authorized dealer or broker pursuant to CNMV Circular 1/2017, of April 26, (v) issuances, offers or transfers of shares or the grant or exercise of options or other rights related to Shares or any other shares or equity security of the Company under the management and employees' share and incentive schemes as disclosed in the Prospectus; (vi) transfer of Shares or any other shares held as treasury stock in the context of a tender offer for the acquisition of the Company made to all holders or (vii) transfers of Shares required by law.

The exceptions provided in items (ii) and (iii) above are subject to the following conditions: (x) that any such transferees shall agree to be bound by the lock-up obligations of the Company for the remainder of such 180-day period, and (y) that any such inter-company transfers of Shares shall be performed on terms and conditions that do not conflict with the Offering.

Selling Shareholders lock-up

The Selling Shareholders that maintain a stake in the Company agree that during a period from the date on which the Underwriting Agreement is signed to and including 180 days from the Admission, neither the Selling Shareholders nor any of their subsidiaries nor any person acting on their behalf (other than the Underwriters and us, as to whom the Selling Shareholders give no undertaking) 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 Shares or other shares of the Company or other securities that are substantially similar to the Shares, or any securities convertible into or exercisable or exchangeable for Shares or other shares of the Company or other securities that are substantially similar to the 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; or

(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 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 publicize the intention to do any of the foregoing,

whether any such swap or transaction described in sub-clauses (i), (ii) or (iii) above is to be settled by delivery of Shares or any securities convertible into or exercisable or exchangeable for Shares, in cash or otherwise.

The foregoing restrictions shall not apply to (i) the sale of the Secondary Offer Shares and any Over-allotment Shares to be sold by the Selling Shareholders, (ii) such Shares held by Gallés Office, S.L. as may be lent to the Stabilizing Manager pursuant to the Stock Lending Agreement, (iii) transfers of Shares by the Selling Shareholders in favor of its affiliates, (iv) any disposal of Shares pursuant to any offer by the Company to purchase its own securities which is made on identical terms to all holders of Shares, (v) any transfer of Shares or any other shares or equity security of the Company in the context of a tender offer for the acquisition of the Company made to all holders and/or the delivery of an irrevocable undertaking to tender Shares or any other shares or equity securities of the Company in such a tender offer, or (vi) any pledge of Shares or any pledge of the account where any Shares are deposited as collateral for any margin loan of such Selling Shareholder, including any related transfer of such Shares.

The exceptions provided in items (iii) and (vi) above are subject to the following conditions: (x) that such transferees shall agree to be bound by the lock-up obligations of such Selling Shareholder for the remainder of such 180-day period, and (y) that any such inter-company transfers of Shares shall be performed on terms and conditions that do not conflict with the Offering.

The lock-up restrictions of the Selling Shareholder will not apply to transactions relating to Shares acquired by a relevant Selling Shareholder, any of its affiliates (other than the Company and its subsidiaries) or any person acting on its behalf in open market purchases following the consummation of the Offering.

Offering expenses

The following table sets forth the estimated expenses payable in relation to the Offering (excluding any applicable VAT):

Expenses	Company	Selling Shareholders	Total
		(in € millions)	
Underwriting and placing commissions *(1)(2)*	8.7	9.9	18.6
Iberclear fee, Spanish Stock Exchanges fee and CNMV fee *(1)*	0.1	0.1	0.1
Legal expenses and others..	3.9	-	3.9
Total.	**12.6**	**9.9**	**22.6**

(1) Assuming that (i) the Offering Price is at the mid-point of the Offering Price Range (€17.30 per Offer Share); and (ii) all the Offer Shares (including the Over-allotment Shares) have been placed or underwritten by the Underwriters, as applicable, and that the Over-allotment Option has been exercised in full.

(2) Assuming that the discretionary commission is paid in full.

Other Relationships

Each of the Underwriters is a full-service financial institution engaged in various activities, which may include the provision of investment banking, commercial banking, financial advisory and other financial services. The Underwriters and their respective affiliates may have engaged or performed from time to time in the past, and may from time to time in the future, engage in or perform ordinary course of business transactions or services, including investment banking and/or commercial banking transactions and/or financial advisory services and/or other financial services with us, the Selling Shareholders and their respective affiliates for which they have received or will receive customary fees and reimbursement of expenses. In addition, certain of the Underwriters or their affiliates are lenders under the Sustainable Financing Agreement. Because a portion of the net proceeds to us from the Offering will be used to repay the facilities drawn under the Sustainable Financing Agreement, such lenders will receive proceeds from the Offering. See "*Reasons for the Offering and Use of Proceeds*".

In the ordinary course of their various business activities, the Underwriters and their respective affiliates may hold a broad array of investments and actively trade debt and equity-linked securities (or related derivative securities) and financial instruments (which may include bank loans and/or credit default swaps) in the Company, the Selling Shareholders and their respective affiliates for their own account and for the account of their customers and may at any time hold long and short positions in such securities and instruments.

In addition, certain of the Underwriters or their affiliates are, or may in the future be, lenders, and in some cases, agents or Underwriters for the lenders, under certain of the financing agreements or other financing arrangements of the Company, the Selling Shareholders 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 Shareholders or their respective affiliates, or impose incremental pricing or collateral requirements with respect to such financing agreements or arrangements, in the ordinary course of business. Also, certain of the Underwriters or their affiliates that have a lending relationship with the Company and/or the Selling Shareholders may routinely hedge their credit exposure to the Company and/or the Selling Shareholders consistent with their customary risk management policies. A typical hedging strategy would include these Underwriters or their affiliates hedging such exposure by entering into transactions which consist of either the purchase or credit default swaps or the creation of short positions in the Company's and/or the Selling Shareholders' securities.

Certain of the Underwriters are not registered as broker-dealers with the U.S. Securities and Exchange Commission or any other U.S. regulatory authority and will only offer or sell the Offer Shares either (i) outside the United States, or (ii) in the U.S. to the extent permitted by Rule 15a-6 under the U.S. Exchange Act and other applicable U.S. securities laws.

TAXATION

The tax legislation of the investor's Member State (if applicable), as well as the Spanish tax legislation may have an impact on the income received from the Shares.

Material Spanish Tax Considerations

General

The following is a summary of certain Spanish tax implications of the acquisition, ownership and disposition of Shares by Spanish and non-Spanish tax resident investors. This summary is not a complete analysis or description of all the possible Spanish tax implications of such transactions and does not purport to address all tax considerations that may be relevant to all categories of potential investors, some of whom may be subject to special rules (for instance, EU pension funds and EU harmonized mutual funds). In particular, this tax section does not address the Spanish tax consequences applicable to certain "look through" entities (such as trusts, estates or partnerships) that may be subject to a specific tax regime applicable under the Spanish Non-Residents Income Tax Act, approved by Royal Legislative Decree 5/2004 of March 5 (*Real Decreto Legislativo 5/2004, de 5 de marzo, por el que se aprueba el texto refundido de la Ley del Impuesto sobre la Renta de no Residentes*), as amended (the "**NRIT Act**") or under the Spanish Personal Income Tax Act, approved by Act 35/2006, of November 28 (*Ley 35/2006, de 28 de noviembre, del Impuesto sobre la Renta de las Personas Físicas y de modificación parcial de las leyes de los Impuestos sobre Sociedades, sobre la Renta de no Residentes y sobre el Patrimonio*), as amended (the "**PIT Act**"), or similar legislation applicable, as the case may be.

Furthermore, this summary does not take into account the regional tax regimes in force applicable in the Historical Territories of the Basque Country and the Historical Autonomous Region of Navarre or the regulations adopted by the Spanish autonomous regions.

Accordingly, prospective investors in the Shares should consult their own tax advisors as to the applicable tax consequences of their purchase, ownership and disposition of Shares, including the implications arising under the tax laws of any other jurisdiction, based on their particular circumstances. The description of Spanish tax laws set forth below is based on the laws currently in effect in Spain as of the date of this Prospectus, and on administrative interpretations of Spanish law made public to date. As a result, this summary is subject to any changes in such laws or interpretations occurring after the date hereof, including changes having retrospective effect.

As used in this section, the term "**Holder**" means the beneficial owner of Shares:

- who is an individual or corporation resident for tax purposes in Spain;
- who is an individual or corporation resident for tax purposes in any country other than Spain, and whose ownership of Shares is deemed to be effectively connected with a permanent establishment in Spain; or
- who is an individual or corporation resident for tax purposes in any country other than Spain, and whose ownership of Shares is not deemed to be effectively connected with a permanent establishment in Spain.

Spanish Resident Individuals – Personal Income Tax ("PIT")

Taxation of dividends

Article 25.1 of the PIT Act provides for a definition of "investment income" that includes dividends and other revenue items derived from the ownership of an equity interest in an entity (such as, for instance, attendance fees at general shareholders' meetings, income derived from any arrangement aimed at allowing another person to use or enjoy the shares and, generally, any other revenues obtained as a result of being a shareholder).

Investment income earned by Spanish-resident individual Holders as a result of their ownership of Shares is calculated as the gross income less certain tax-deductible expenses, such as general securities administration and custody fees. Discretionary fees relating to an individualized management of a portfolio of securities are not treated as tax deductible. The resulting net investment income will be considered as "savings income" (along with any other revenues item obtained by a Spanish-resident individual Holder that is not related to the ownership of Shares and that is treated as "**savings income**"), and subject to PIT at the following progressive rates:

Taxable income	Rate
Up to €6,000	19%
Between €6,000.01 and €50,000	21%
Between €50,000.01 and €200,000	23%
Between €200,000.01 and €300,000	27%
€300,000.01 and above	28%

Dividends paid to Spanish-resident individual Holders will usually be subject to a PIT withholding on investment income at a rate of 19%, on the whole amount of the income obtained. This PIT withholding will be credited against the taxpayer's annual PIT due, and if the amount of tax withheld is greater than the amount of the annual PIT due, the taxpayer will be entitled to a refund of the excess withheld in accordance with PIT Act.

Taxation of gains and losses

If the Shares are sold or otherwise transferred, such transaction may give rise to the recognition of a capital gain or loss. Such capital gain or loss will be measured by the difference between the Spanish-resident individual Holders' tax basis in the Shares (acquisition value) and their transfer price. Such transfer price will be based on either (i) the trading price of Shares at the transfer date or (ii) the agreed transfer price, whichever is higher. Both the acquisition price and the transfer price will be increased or decreased to reflect the taxes and expenses borne by the transferor related to the acquisition and sale of Shares, respectively.

Where the taxpayer owns other equivalent securities, the acquisition price of the transferred Shares is based on the principle that those acquired first are sold first (FIFO).

Capital gains or losses that arise as a result of the transfer of Shares should be taxed at the progressive "savings income" PIT rates mentioned under "—*Taxation of dividends*" above.

Additionally, capital gains derived from the transfer of Shares are not subject to withholding tax.

Finally, losses derived from the transfer of Shares cannot be considered as capital losses when equivalent shares have been acquired within the two months preceding or following the transfer that has triggered the loss. In these cases, the capital losses arising in connection with such transferred Shares may only be claimed when the equivalent shares acquired by the taxpayer are subsequently transferred.

Taxation of pre-emptive rights

Distributions of pre-emptive rights to subscribe for new Shares made with respect to the Shares are not treated as income under Spanish law. The exercise of such pre-emptive rights is not considered a taxable event under Spanish tax.

Proceeds derived from the sale of pre-emptive rights in respect of Shares will be treated as capital gains and subject to withholding tax at the current rate of 19% (withheld by the depository entity or, otherwise, the financial entity or the public notary).

In both cases, capital gains will be subject to PIT in the manner described under "—*Taxation of gains and losses*" above.

Taxation of share premium distributions

Distributions of share premium will not in itself constitute a taxable income but will instead reduce the acquisition value of Shares to the extent that they are admitted to trading on certain official stock exchanges (including the Spanish Stock Exchanges). If the amount of the share premium received exceeds the acquisition value of Shares, such excess would constitute a taxable income at the progressive "savings income" PIT rates mentioned under "—*Taxation of dividends*" above. However, such distributions will not be subject to withholding tax.

Net Wealth Tax ("NWT") and Solidarity Wealth Tax for High-net-worth Individuals (the "Solidarity Tax")

Under Act 19/1991, of June 6, as amended ("**NWT Act**"), all Spanish resident individual Holders are liable for NWT on all net assets and rights deemed to be owned as of December 31 (such as the Shares), irrespective of where these assets are located or where the rights may be exercised, and amounting to more than €700,000 (such amount may differ depending on the Spanish autonomous region of domicile of the taxpayer). A Spanish resident individual Holder who is required to file an NWT return should value the Shares at their average trading price in the last quarter of the year. Such average trading price is published on an annual basis by the Spanish Ministry of Finance and Public Administration.

NWT is levied at rates ranging from 0.2% to 3.5% depending on the Spanish autonomous region of domicile of the taxpayer, certain tax allowances may be available.

Spanish resident individual Holders shall also be subject to Solidarity Tax, approved by Act 38/2022, of December 27 (*Ley 38/2022, de 27 de diciembre, para el establecimiento de gravámenes temporales energético y de entidades de crédito y establecimientos financieros de crédito y por la que se crea el impuesto temporal de solidaridad de las grandes fortunas, y se modifican determinadas normas tributarias*) (the "**ST Act**"). The Solidarity Tax is a direct and personal tax that complements the NWT, in which the taxable event is a natural person's ownership of at least €3,000,000 in net assets on 31 December of each year, plus a €700,000 minimum tax-free allowance, and certain exemptions which shall be assessed on a case-by-case basis. Broadly, the same valuation rules will apply for NWT and Solidarity Tax for the purposes of assessing an individual's net wealth. Furthermore, the amount paid for Wealth Tax will be deductible from the Solidarity Tax in order to avoid double taxation.

The rates of the Solidarity Tax are (i) 1.7% on a net worth between €3,000,000 and €5,347,998.03, (ii) 2.1% on a net worth between €5,347,998.04 and €10,695,996.06and (iii) 3.5% on a net worth of more than €10,695,996.06.

The Solidarity Tax was initially designed to be temporary and remain in force for two fiscal years. However, according to Royal Decree 8/2023 of December 27, the Solidarity Tax has been extended until the review of wealth taxation takes place in the context of the regional financing system. Prospective investors are advised to seek their own professional advice in this regard.

Inheritance and Gift Tax ("IGT")

The transfer of Shares by inheritance, gift or legacy (on death or as a gift) to individuals resident in Spain is subject to IGT as set out in Act 29/1987, of December 18 (*Ley 29/1987, de 18 de diciembre, del Impuesto sobre Sucesiones y Donaciones*) (the "**IGT Act**"), being payable by the person who acquires the securities, subject to any specific laws and regulations adopted by the Spanish autonomous regions. The taxable base is taxed by application of a progressive scale. The applicable tax rate ranges from 7.65% to 34%. The resulting gross tax should be further increased by application of certain additional coefficients, which take into account the taxpayer's pre-existing net wealth, as well as his or her degree of kinship with the deceased or donor and, as the case may be, reduced by application of certain exemptions or tax allowances. The effective tax rate finally calculated can range from 0.00% to 81.6%.

Spanish Transfer Tax and Value Added Tax

The purchase of Shares and any subsequent transfer thereof will be exempt from Transfer Tax, Stamp Duty and Value Added Tax, subject to the conditions set forth in Article 338 of the Securities Market Act.

The subsequent transfer of Shares may be subject to Spanish FTT as detailed under "*Spanish FTT*".

Spanish Corporate Resident Shareholders – Corporate Income Tax ("CIT")

Taxation of dividends

Spanish corporate shareholders will include dividends received in connection with shares in their taxable base, subject to a general 25% tax rate, according to Act 27/2017, of November 27 (*Ley 27/2014, de 27 de noviembre, del Impuesto sobre Sociedades*) (the "**CIT Act**"). However, this general rate will not be applicable to all corporate income taxpayers and, for instance, it will not apply to banking institutions (which will be taxed at the rate of 30%).

Dividends or profit distributions in respect of Shares obtained by the Spanish corporate Holders that (i) hold, directly or indirectly, at least 5% in the Company; and (ii) hold such participation for at least one year prior to the relevant distribution date or it commits to hold the participation for the time needed to complete such one-year holding period, provided that other requirements that need to be analyzed on a case by case basis are fulfilled, will be entitled to a 95% exemption as a general rule. In practice, this means that dividends and interests in profits of a company obtained by CIT taxpayers will be taxed at an effective 1.25% rate (general 25% CIT rate on the 5% of the registered dividends and interests in profits of a company).

In case the Company obtains dividends, profit distributions or income derived from transfer of shares in entities in an amount higher than 70% of the Company's income, this exemption shall only be applicable provided that certain complex requirements are fulfilled. Mainly, Spanish corporate Holders must have an indirect stake in those entities that complies with the requirements described in the previous paragraph, 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 annual financial statements. Prospective investors should consult their own tax advisors in order to determine whether those requirements are complied with by the relevant Holders.

As a general rule, dividends will be subject to withholding tax on account of the Spanish corporate Holder's final CIT at a current rate of 19%. However, no withholding tax will apply on dividends payable to a Spanish corporate Holder who is entitled to apply the participation exemption regime mentioned above and is able to provide the necessary documentation to this respect. This CIT withholding will be credited against the taxpayer's annual CIT due, and if the amount of tax withheld is greater than the amount of the annual CIT due, the taxpayer will be entitled to a refund of the excess withheld.

Taxation of gains and losses

Gains or losses arising from the sale of Shares by a Spanish corporate Holder will be included in its CIT taxable base, and shall generally be subject to CIT at a 25% rate (and 30% in case of banking institutions). Gains arising from the sale of Shares will not be subject to withholding tax.

For CIT payers that (i) hold, directly or indirectly, at least 5% in the Company; and (ii) hold such participation for at least one year prior to the relevant transfer date, provided that other requirements that need to be analyzed on a case by case basis are fulfilled, capital gains will be entitled to a 95% exemption as a general rule. In practice, this means that capital gains arising on transfer of Shares obtained by CIT taxpayers will be taxed at an effective 1.25% rate (general 25% CIT rate on the 5% of the registered dividends and interest in profits of a company).

Otherwise, capital gains will be taxed at the applicable tax rate of the taxpayer (as a general rule, 25%). As to losses resulting from the transfer of Shares, the CIT deductibility of the losses may be subject to temporary or permanent restrictions (for instance, such tax losses would not be deductible if the capital gains obtained on such transfer would have been entitled to benefit from the Spanish participation exemption regime, indicated above).

In case the Company obtains dividends, profit distributions or income derived from transfer of shares in entities in an amount higher than 70% of the company's income, this exemption shall only be applicable provided that certain complex requirements are fulfilled. Mainly, Spanish corporate Holders must have an indirect stake in those entities that complies with the requirements described above, 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 annual financial statements. Prospective investors should consult their own tax advisors in order to determine whether those requirements are complied with by the relevant Holders.

Taxation of pre-emptive rights

Distributions to CIT taxpayer of pre-emptive rights to subscribe for new Shares made with respect to the Shares are not treated as income under Spanish law, provided that such pre-emptive rights are not associated to a shareholders' remuneration program. The exercise of such pre-emptive rights is not considered a taxable event under Spanish law. However, if these pre-emptive rights are transferred by a CIT taxpayer, any accounting income that may arise from the transfer will be subject to the general tax rate of, as a general rule, 25%, unless the 95% participation exemption applies with the limitations described in the previous sections.

Taxation of share premium distributions

Distributions of share premium will not in itself constitute a taxable income but will instead reduce the acquisition value of Shares. If the amount of the share premium received exceeds the acquisition value of Shares held by the CIT taxpayer, such excess would constitute a taxable income, generally subject to the general tax rate of 25%, unless the 95% participation exemption applies with the limitations described in the previous sections. However, such distributions will not be subject to withholding tax.

Net Wealth Tax and Solidarity Tax

Spanish resident legal entities are not subject to NWT nor to Solidarity Tax.

Inheritance and Gift tax

Lastly, in the event of an acquisition of Shares by a CIT taxpayer for no consideration, an amount equivalent to the fair market value of such Shares will be taxed according to the CIT rules, the IGT not being applicable.

Spanish Transfer Tax and Value Added Tax

The purchase of Shares and any subsequent transfer thereof will be exempt from Transfer Tax, Stamp Duty and Value Added Tax, subject to the conditions set forth in Article 338 of the Securities Market Act.

The subsequent transfer of Shares may be subject to Spanish FTT as discussed under "*Spanish FTT*".

Non-Resident Shareholders Which do not Operate with respect to the Shares through a Permanent Establishment in Spain – Non-Residents Income Tax ("NRIT")

Taxation of dividends

According to the NRIT Act, dividends paid by a Spanish resident company to a non-Spanish tax resident Holder not holding the Shares through a permanent establishment located in Spain are subject to NRIT, withheld at the source on the gross amount of dividends, currently at a tax rate of 19%.

Certain non-Spanish corporate Holders resident in a EU Member State will be entitled to an exemption from NRIT dividend withholding tax to the extent that they are entitled to the benefits of the Spanish NRIT Act provisions that implement the regime of the Directive 2011/96/EU of the Council of November 30, 2011 (the "**EU Parent-Subsidiary Directive**"). Such exemption may be available to the extent that the EU parent company, which is the recipient of the dividends (i) holds, directly or indirectly, at least 5% of the shares of the Spanish subsidiary entity; (ii) necessarily holds such participation for at least one year or it holds the participation for the time needed to complete such one-year holding period (for the calculation of this term the time that the shares have been uninterruptedly possessed by other entities of the same group will be taken into account); (iii) both companies are incorporated under the laws of a EU Member State, under one of the corporate forms listed in Annex I, Part A, of the EU Parent-Subsidiary Directive, and are subject to a Member State Corporate Income Tax (as listed in Annex I, Part B, of the EU Parent-Subsidiary Directive); (iv) the dividends distributed do not derive from the Spanish subsidiary's liquidation.

This exemption contains specific anti-abuse rules (whereby this exemption might not be applicable if the Holder is located in a non-cooperative jurisdiction or when the majority of the voting rights of the EU parent company are held, directly or indirectly, by an individual or legal entity not resident in the EU or in a member country of the EEA with which there is an effective exchange of information in the terms described in the Spanish Act 36/2006, to prevent tax fraud, except if such Holder resident for tax purposes in EU or in a member country of the EEA has been incorporated for valid economic reasons and substantive business reasons) that need to be analyzed on a case-by-case basis. Meeting certain procedural formalities, such as the supply of a tax authorities-issued tax residence certificate are also required for the non-Spanish tax resident Holder to access this exemption.

The aforesaid exemption will also be applicable, subject to the compliance of similar requirements, to dividends distributed to certain corporate Holders resident in a member country of the EEA with which Spain has ratified an effective exchange of information under the terms described in Spanish Act 36/2006.

Non-Spanish corporate Holders claiming the applicability of such exemption that have not met a minimum one year holding period as of a given dividend distribution date (but who could meet such requirement afterwards) should be aware that the NRIT Act requires the Company to withhold the applicable NRIT on such dividends, and that such Holders will need to request a direct refund of such withholding tax from the Spanish tax authorities pursuant to the Spanish refund procedure described below under "—*Spanish refund procedure*".

In addition, Holders resident in certain countries may be entitled to the benefits of a double taxation convention ("**DTCo**"), in effect between Spain and their country of tax residence providing from a reduced tax rate or an exemption on dividends, subject to the satisfaction of any conditions specified in the relevant DTCo, including providing evidence of the tax residence of the Holder by means of a certificate of tax residence duly issued by the tax authorities of its country of tax residence making express reference to the Holders' entitlement to the benefits of such DTCo (or equivalent specific form required under an applicable DTCo). From a Spanish tax perspective, tax residence certificates issued by a foreign tax authority (or equivalent DTCo forms) are deemed to be valid only for one year as from their date of issuance or if they refer to a specific period, they are only valid for that period.

In accordance with the Order of the Ministry of Finance and Taxation of April 13, 2000, upon distribution of a dividend, the Company or the Company's paying agent will withhold an amount equal to the NRIT amount required to be withheld according to the general rules set forth above, transferring the resulting net amount to the financial institution acting as a depository of Shares held by such Holder. If the applicable depository is resident, domiciled or represented in Spain and it provides timely evidence of the Holder's right to obtain the DTCo-reduced rate or the NRIT Act or DTCo exemption in the manner set out in the Order of the Ministry of Finance and Taxation of April 13, 2000, it will immediately transfer the amount withheld to the paying agent, which will be credited to the relevant Holder.

For these purposes, the Holder shall provide the relevant depository with the relevant certificate of residence (or equivalent DTCo form) stating that the Holder is a resident of such country (within the meaning of the DTCo, when applicable) before the tenth day following the end of the month in which the dividends were paid. The tax certificate is generally valid only for a period of one year from the date of issuance and if it refers to a specific period is only valid for such period. If such certificate of tax residence or, as the case may be, the equivalent DTCo form referred to above, is not provided in a timely manner or if the depository of the Holder is not resident, domiciled or represented in Spain, the relevant NRIT withheld will be paid to the Spanish tax authorities, and a Holder entitled to an exemption or reduction of NRIT pursuant to the NRIT Act or pursuant to an applicable DTCo may subsequently request a refund of the amounts withheld in excess from the Spanish tax authorities, following the standard refund procedure described below under "—Spanish refund procedure".

Investors are advised to consult their tax advisors or lawyers about their entitlement to any NRIT reduced rate or exemption as well as the procedure to request any refund from the Spanish tax authorities, as the case may be.

Spanish Refund Procedure

According to Royal Decree 1776/2004, dated July 30 (*Real Decreto 1776/2004, de 30 de julio, por el que se aprueba el Reglamento del Impuesto sobre la Renta de no Residentes*) ("**NRIT Regulations**") and the Order of the Ministry of Finance and Taxation EHA/3316/2010, of December 17 (*Orden EHA/3316/2010, de 17 de diciembre, por la que se aprueban los modelos de autoliquidación 210, 211 y 213 del Impuesto sobre la Renta de no Residentes, que deben utilizarse para declarar las rentas obtenidas sin mediación de establecimiento permanente, la retención practicada en la adquisición de bienes inmuebles a no residentes sin establecimiento permanente y el gravamen especial sobre bienes inmuebles de entidades no residentes, y se establecen las condiciones generales y el procedimiento para su presentación y otras normas referentes a la tributación de no residentes*), a refund of an amount withheld in excess of any applicable NRIT (taking into account an available exemption or reduction under the NRIT Act or applicable DTCo) can be requested and obtained directly from the relevant Spanish tax authorities.

To pursue the refund claim, the Holder is required to file:

- the corresponding Spanish tax refund form (currently, Form 210);
- a valid certificate of tax residence issued by the relevant tax authorities of the Holder's country of residence stating that the Holder is a resident of such country (and, in case an exemption or reduction of NRIT is claimed pursuant to a DTCo, such certificate must indicate that the relevant Holder is a resident therein within the meaning of the relevant DTCo) or, as the case may be, the equivalent DTCo form, as referred to above under "—*Taxation of dividends*";
- a certificate from the Company stating that Spanish NRIT was withheld on the dividend paid;
- proof of the ownership of Shares; and
- documentary evidence of the bank account to which the excess amount withheld should be paid.

For further details, prospective Holders should consult their own tax advisors.

Taxation of capital gains

Capital gains derived from the transfer or sale of Shares will be deemed to be income arising in Spain, and, therefore, subject to NRIT, currently, at a 19% rate (unless a domestic exemption or a DTCo applies, in which case the provisions of the DTCo shall prevail), although no withholding taxes will be imposed on the capital gain in Spain.

Capital gains and losses will be calculated separately for each transaction. It is not possible to offset losses derived from a given transfer of Shares against capital gains obtained upon another transfer of Shares.

However, capital gains derived from the transfer or sale of Shares will be exempt from taxation in Spain in any of the three following cases:

- Capital gains derived from a transfer of Shares carried out on an official Spanish secondary stock market (such as the Spanish Stock Exchanges), by any Holder who is tax resident of a country that has entered into a DTCo with Spain containing an "exchange of tax information" clause. This exemption is not applicable to capital gains obtained by a Holder through a country or territory that is classified as a non-cooperative jurisdiction under the Spanish tax regulations, nor by a Holder holding the Shares through a permanent establishment located in Spain.
- Capital gains obtained (i) directly by any Holder resident of another EU Member State or another Member State which has entered into an effective exchange of tax information agreement with Spain (other than Spain), or (ii) indirectly through a permanent establishment of such Holder in another Member State (other than Spain), provided that the gain is not obtained through a country or territory defined as a non-cooperative jurisdiction under the applicable Spanish tax regulations, shall be exempt from taxation in Spain if:
    - the Company's assets do not mainly consist of, directly or indirectly, real estate property located in Spain;
    - during the preceding twelve months the Holder, in the case of a non-resident individual, has not held a direct or indirect interest of at least 25% in the Company's capital or net equity; and
    - in the case of non-resident entities, the transfer fulfils the requirement of Article 21 of CIT Act for the application of the participation exemption as described in the previous sections.
- Capital gains realized by Holders who benefit from a DTCo entered into between their country of tax residence and Spain that provides for taxation of capital gains derived from the transfer of Shares only in such Holder's country of tax residence.

According to the Order dated December 17, 2010, Holders will be obligated to submit a Spanish tax form (currently Form 210) within the time periods set out in the applicable Spanish regulations, currently:

- the first 20 calendar days of April, July, October and January, if there is a tax payment to be made; or
- the first 20 calendar days of January of the year following that in which the relevant capital gain is accrued, if no tax is due (i.e., if qualifying for a tax exemption).

In order for the exemptions mentioned above to apply, a Holder must timely file the applicable NRIT tax return before the Spanish tax authorities, and attach to it a certificate of tax residence issued by the tax authority of its country of residence (which, if applicable, must state that the Holder is a resident of such country within the meaning of the relevant DTCo) or, as the case may be, equivalent DTCo form. As mentioned above, certificates of tax residence (or equivalent DTCo forms) are generally valid only for a period of one year from the date of issuance and if they refer to a specific period are only valid for such period.

Prospective Holders should consult their own tax advisors to obtain detailed information regarding NRIT filings they may be required to make before the Spanish Tax Authorities.

Taxation of pre-emptive rights

Distributions to Holders of pre-emptive rights to subscribe for new Shares made with respect to the Shares are not treated as income under Spanish law and, therefore, are not subject to Spanish NRIT. The exercise of such pre-emptive rights is not considered a taxable event under Spanish law and thus is not subject to Spanish NRIT.

Proceeds derived from the sale of pre-emptive rights in respect of the Shares will be treated as capital gains that will be subject to Spanish NRIT in the manner described under "—*Taxation of capital gains*" above.

Taxation of share premium distributions

Distributions of share premium will not in itself constitute a taxable income but will instead reduce the acquisition value of Shares to the extent that they are admitted to trading on certain official stock exchanges (including the Spanish Stock Exchanges). Such distributions will not be subject to withholding tax in Spain.

If the amount of the share premium received exceeds the acquisition value of Shares held by the NRIT taxpayer, such excess would constitute a taxable income, subject to the general tax rate of 19%, unless otherwise provided by a DTCo or the domestic legislation, as described above.

Net Wealth Tax and Solidarity Tax

Non-Spanish tax resident individual Holders holding Shares will be subject to NWT to the extent that such Holders own Shares (along with other property located in Spain and rights which could be exercised in Spain) as of December 31, valued for a combined net amount in excess of €700,000, NWT rates vary between 0.2% and 3.5%. For NWT valuation purposes, the Shares should be valued at their average trading price during the last quarter of such year (according to information published on an annual basis by the Spanish Ministry of Finance and Public Administration). Holders who benefit from a DTCo that provides for net wealth taxation only in the Holder's country of residence will not be subject to NWT. In addition, the NWT Act provides for an exemption of securities whose income are exempt from taxation under NRIT rules.

Non-Spanish tax resident individuals are entitled to apply the legislation of the region where the assets and rights of the relevant individual of the highest value are located. Prospective investors should consult their tax advisors.

Non-Spanish tax resident individual Holders shall also be subject to Solidarity Tax on the value of the assets and rights that are deemed as located, can be exercised or have to be met in Spain, unless they can benefit from a DTCo that provides an exemption from Wealth Tax. The Solidarity Tax is a direct and personal tax that complements the NWT, in which the taxable event is a natural person's ownership of at least €3,000,000 in net assets (including only assets and rights that can be exercised or have to be met in Spain, as defined for NWT purposes) on 31 December of each year, plus a €700,000 minimum tax-free allowance and certain exemptions which shall be assessed on a case-by-case basis. Furthermore, the amount paid for Wealth Tax will be deductible from the Solidarity Tax in order to avoid double taxation.

The rates of the Solidarity Tax are (i) 1.7% on a net worth between €3,000,000 and €5,347,998.03, (ii) 2.1% on a net worth between €5,347,998.04 and €10,695,996.06 and (iii) 3.5% on a net worth of more than €10,695,996.06.

The Solidarity Tax was initially designed to be temporary and remain in force for two fiscal years. However, according to Royal Decree 8/2023 of December 27, the Solidarity Tax has been extended until the review of wealth taxation takes place in the context of the regional financing system. Prospective investors are advised to seek their own professional advice in this regard.

Non-Spanish tax resident entities are not subject to NWT nor to Solidarity Tax.

Spanish Inheritance and Gift Tax

Unless otherwise provided under an applicable DTCo, transfers of Shares upon death and by gift to individuals not resident in Spain for tax purposes are subject to Spanish IGT (pursuant to IGT Act), regardless of the residence of the heir or the beneficiary, and subject to any specific laws and regulations adopted by the Spanish autonomous regions. The taxable base is taxed by application of a progressive scale. The applicable tax rate ranges from 7.65% to 34%. The resulting gross tax should be further increased by application of certain additional coefficients, which take into account the taxpayer's pre-existing net wealth, as well as his or her degree of kinship with the deceased or donor and, as the case may be, reduced by application of certain exemptions or tax allowances. The effective tax rate finally calculated can range from 0.00% to 81.6%. Prospective investors should consult their tax advisors.

Generally, non-Spanish tax resident individual Holders are subject to Spanish IGT in accordance with the rules set forth in the state IGT law. However, non-resident taxpayers may be able to claim the applicability of those rules corresponding to the relevant Autonomous Regions in accordance with the law. As such, prospective investors should consult their tax advisors.

Gifts granted to non-Spanish tax resident corporations will be generally subject to Spanish NRIT as capital gains (but not IGT), without prejudice to the exemptions referred to above under "—*Taxation of capital gains*" and the applicable DTCos.

Spanish Transfer Tax and Value Added Tax

The acquisition or subscription of Shares and any subsequent transfer thereof will be exempt from Transfer Tax, Stamp Duty and Value Added Tax, under the terms and with the exemptions set out in Article 338 of the Securities Market Act.

The subsequent transfer of Shares may be subject to Spanish FTT as detailed under "*Spanish FTT*".

Non-Resident Shareholders Which Operate with respect to The Shares Through a Permanent Establishment in Spain – NRIT

Taxation of dividends

Ownership of Shares by Holders who are not resident for tax purposes in Spain will not in itself create the existence of a permanent establishment in Spain.

In the event that a non-Spanish tax resident Holder act in Spain through a permanent establishment, the Shares would only be considered as affected to such permanent establishment if the Shares are related to the activity undertaken by the permanent establishment and the later is a branch (*sucursal*) complying with all the relevant requirements. In such case, the tax rules applicable to income deriving from such Shares are the same as those set out for legal entities with tax residence in Spain described in the "*—Spanish Corporate Resident Shareholders—Corporate Income Tax ("CIT")*".

Taxation of gains and losses

For the gains or losses arising from the sale of Shares that form part of the assets of a permanent establishment in Spain of a person or legal entity who is not resident in Spain for tax purposes, the tax rules applicable are the same as those set out for legal entities with tax residence in Spain described in "*—Spanish Corporate Resident Shareholders—Corporate Income Tax ("CIT")*".

Taxation of pre-emptive rights

Distributions to taxpayer of pre-emptive rights to subscribe for new Shares made with respect to the Shares apply the same the tax rules as those set out for legal entities with tax residence in Spain described in the "*—Spanish Corporate Resident Shareholders—Corporate Income Tax ("CIT")*".

Taxation of share premium distributions

See the "*—Spanish Corporate Resident Shareholders—Corporate Income Tax ("CIT")*" section for further detail.

Net Wealth Tax

See the "*—Non-Resident Shareholders which do not operate with respect to the Shares through a permanent establishment in Spain – Non-Residents Income Tax ("NRIT")*" section for further detail.

Inheritance and Gift tax

See the "*—Non-Resident Shareholders which do not operate with respect to the Shares through a permanent establishment in Spain – Non-Residents Income Tax ("NRIT")*" section for further detail.

Spanish Transfer Tax and Value Added Tax

The acquisition or subscription of Shares and any subsequent transfer thereof will be exempt from Transfer Tax, Stamp Duty and Value Added Tax, subject to the conditions set forth in Article 338 of the Securities Market Act.

The subsequent transfer of Shares may be subject to Spanish FTT as detailed under "*Spanish FTT*".

The Proposed Financial Transactions Tax ("FTT")

On February 14, 2013, the European Commission published a proposal (the "**Commission's Proposal**") for a Directive for a common FTT in Belgium, Germany, Estonia, Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia (the "**Participating Member States**"). The FTT proposal remains subject to negotiation between Participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear.

It should be noted that the European FTT could have an impact on the Spanish FTT and thus, the abovementioned treatment. Prospective holders of the Preferred Securities are advised to seek their own professional advice in relation to the FTT.

Spanish FTT

The Spanish law which implements the Spanish tax on financial transactions (the "**Spanish FTT**") was approved on October 7, 2020 (the "**FTT Law**") and the FTT Law was published in the Spanish Official Gazette (*Boletín Oficial del Estado*) on October 16, 2020. The Spanish FTT came into force three months after the publication of the FTT Law in the Spanish Official Gazette (that is, on January 16, 2021).

Spanish FTT charges a 0.2% rate on specific acquisitions of listed shares issued by Spanish companies whose market capitalization exceeds €1 billion on December 1 of the year prior to the acquisition, 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 (i) the Company is not a listed entity at the time of the transfer of Shares under the execution of the Offering and is not included in the list issued by the Spanish tax authorities including the entities whose market capitalization exceeded €1 billion as of December 1, 2023; and (ii) transactions in the primary market and initial offerings are exempt from the Spanish FTT. However, it may subject other transactions involving the acquisition of Shares in the future depending on the market capitalization of the Company and other factors. Prospective Holders are advised to seek their own professional advice in relation to the Spanish FTT.

Certain U.S. Federal Income Tax Considerations

The following is a description of certain U.S. federal income tax consequences to you, if you are a U.S. Holder described below, of owning and disposing of Shares, but it does not purport to be a comprehensive description of all of the tax considerations that may be relevant to your decision to acquire Shares. This discussion applies to you only if you acquire Shares in the Offering and hold them as capital assets for U.S. federal income tax purposes (generally, assets held for investment). In addition, this discussion does not describe all of the tax consequences that may be relevant in light of your particular circumstances, including alternative minimum tax or Medicare contribution tax consequences and tax consequences that may apply to you if you are subject to special rules, for example if you are:

- a financial institution;
- a dealer or trader in securities that uses a mark-to-market method of tax accounting;
- a person holding Shares as part of a straddle, integrated transaction or similar transaction;
- a regulated investment company;
- a real estate investment trust;
- a person whose functional currency for U.S. federal income tax purposes is not the U.S. dollar;
- a partnership or other entity classified as a partnership for U.S. federal income tax purposes or a partner or investor therein;
- a tax-exempt entity, an "individual retirement account", or a "Roth IRA";
- a person that owns or is deemed to own ten percent or more of our stock by vote or value; or
- a person holding Shares in connection with a trade or business conducted outside of the United States.

If you are a partnership (or other entity that is classified as a partnership for U.S. federal income tax purposes) and you own Shares, the U.S. federal income tax treatment of your partners generally will depend on the status of the relevant partners and your activities. If you are a partnership or a partner in a partnership you should consult your tax adviser as to the particular U.S. federal income tax consequences to you of owning and disposing of 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 the United States and Spain (the "**Treaty**"), all as of the date hereof and all of which are subject to change, possibly with retroactive effect. No ruling has been obtained and no ruling will be requested from the U.S. Internal Revenue Service (the "**IRS**") with respect to any of the U.S. federal income tax consequences described below. Therefore, there can be no assurance that the IRS will not challenge any of the statements provided below.

For purposes of this discussion, you are a "U.S. Holder" if, for U.S. federal income tax purposes, you are 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 concerning the U.S. federal, state, local and non-U.S. tax consequences of owning and disposing of Shares in your particular circumstances.

Except as described below, this discussion assumes that we are not, and will not become, a passive foreign investment company (a "**PFIC**") for U.S. federal income tax purposes for any taxable year.

Taxation of Distributions

Distributions paid on the Shares, other than certain *pro rata* distributions of Shares, generally will be treated as dividends to the extent paid out of our current or accumulated earnings and profits, as determined under U.S. federal income tax principles. Because we do not maintain calculations of earnings and profits under U.S. federal income tax principles, it is expected that distributions generally will be reported to you as dividends. Dividends will not be eligible for the dividends-received deduction generally available to U.S. corporations under the Code with respect to certain dividends. Dividends paid to certain non-corporate U.S. Holders may be eligible for tax at a preferential rate, subject to certain limitations and provided that we are not (and are not treated with respect to the relevant U.S. Holder as) a PFIC, as described below, for the year of distribution or the preceding taxable year.

Dividends will be included in your income on the date actually or constructively received. The amount of any dividend income paid in euros will be the U.S. dollar amount of the dividend calculated by reference to the exchange rate in effect on the date of receipt, regardless of whether the payment is in fact converted into U.S. dollars. If the dividend is converted into U.S. dollars at the spot rate on the date of receipt, you generally should not be required to recognize foreign currency gain or loss in respect of the amount received. You may have foreign currency gain or loss, taxable as U.S.-source ordinary income or loss, if the dividend is converted into U.S. dollars after the date of its receipt.

For purposes of the foreign tax credit rules, dividends will be treated as foreign-source income. The dividend income will include any amounts withheld in respect of Spanish taxes. Subject to applicable limitations that vary depending upon your particular circumstances and the discussion below regarding certain Treasury regulations, Spanish taxes withheld from dividend payments (at a rate not exceeding the applicable rate provided in the Treaty if you are eligible for the benefits of the Treaty) generally will be creditable against your U.S. federal income tax liability. The rules governing foreign tax credits are complex. For example, Treasury regulations provide that, in the absence of an election to apply the benefits of an applicable income tax treaty, in order for non-U.S. income taxes to be creditable, the relevant non-U.S. income tax rules must be consistent with certain U.S. federal income tax principles, and we have not determined whether the Spanish income tax system meets these requirements. However, the IRS released notices that indicate that the Treasury Department and the IRS are considering amendments to these Treasury regulations and provide relief from certain of their provisions for taxable years ending before the date that a notice or other guidance withdrawing or modifying the temporary relief is issued (or any later date specified in such notice or other guidance). You should consult your tax adviser regarding the creditability of Spanish taxes in your particular circumstances. In lieu of claiming a credit, you may be able to elect to deduct non-U.S. income taxes, including Spanish taxes, in computing your taxable income, subject to applicable limitations. An election to deduct non-U.S. taxes instead of claiming foreign tax credits applies to all otherwise creditable non-U.S. taxes paid or accrued in the taxable year.

Sale or Other Taxable Disposition of Shares

You generally will recognize capital gain or loss on a sale or other taxable disposition of Shares in an amount equal to the difference between the amount realized on the sale or disposition and your tax basis in the Shares disposed of, in each case as determined in U.S. dollars. The gain or loss will be long-term capital gain or loss if at the time of the sale or disposition you have owned the Shares for more than one year. Long-term capital gains of non-corporate U.S. Holders (including individuals) are eligible for reduced rates of taxation. The deductibility of capital losses is subject to limitations.

As described above under "*Taxation—Certain Spanish tax considerations*", in some circumstances gain realized on the sale or other disposition of Shares may be subject to Spanish taxes. Under certain Treasury regulations, you generally will be precluded from claiming a foreign tax credit with respect to Spanish income taxes on gains from dispositions of Shares. As discussed above under "*—Taxation of Distributions*," the IRS released notices that provide relief from certain of the provisions of these Treasury regulations (including the limitation described in the preceding sentence) for taxable years ending before the date that a notice or other guidance withdrawing or modifying the temporary relief is issued (or any later date specified in such notice or other guidance). However, even if these Treasury regulations do not prohibit you from claiming a foreign tax credit with respect to Spanish taxes on disposition gains, because any gain from a disposition of Shares generally will be U.S. source, or because relief from Spanish taxation on disposition gains may be available under the Treaty or Spanish domestic law (see "*Taxation—Material Spanish tax considerations—Non-Resident shareholders which do not operate with respect to the Shares through a permanent establishment in Spain – Non-residents Income Tax ("NRIT")—Taxation of capital gains*"), other limitations under the foreign tax credit rules may preclude you from claiming a foreign tax credit with respect to such Spanish taxes. If you are precluded from claiming a foreign tax credit, it is possible that any Spanish taxes on disposition gains may either be deductible or reduce the amount realized on the disposition.

The rules governing foreign tax credits and the deductibility of non-U.S. taxes are complex. You should consult your tax adviser regarding your eligibility for the benefits of the Treaty and the creditability and deductibility of any Spanish or other non-U.S. tax on disposition gains and determination of the amount realized in your particular circumstances, including any reporting requirements with respect to a Treaty-based return position and any applicable limitations.

Passive Foreign Investment Company Rules

In general, a non-U.S. corporation is a PFIC for any taxable year if (i) 75% or more of its gross income consists of passive income or (ii) 50% or more of the average value of its assets (generally determined on a quarterly basis) consists of assets that produce, or are held for the production of, passive income. For purposes of these calculations, if a non-U.S. corporation owns, either directly or indirectly, at least 25% (by value) of the stock of another corporation, the non-U.S. corporation will be treated as owning its proportionate share of the 25%-owned subsidiary's assets and receiving directly its proportionate share of the 25%-owned subsidiary's income. Passive income generally includes dividends, interest, investment gains and certain rents and royalties. Cash and cash equivalents are generally passive assets for these purposes. Goodwill and other intangible assets are generally treated as active assets to the extent associated with business activities that generate active income.

Based on the current and expected composition of our income and assets, and the estimated value of our assets, we do not expect to be a PFIC for our current taxable year or the foreseeable future. However, our PFIC status for any taxable year is an annual factual determination that can be made only after the end of that year and will depend on the composition of our income and assets and the value of our assets from time to time (including the value of our goodwill and other intangible assets, which may be determined in part by reference to the market price of our ordinary shares, which could be volatile). Accordingly, there can be no assurance that we will not be a PFIC for any taxable year. We will not conduct annual assessments of our PFIC status for any taxable year.

If we are a PFIC for any taxable year during which you own Shares, we will generally continue to be a PFIC with respect to your Shares for any subsequent taxable year. In that case, gain recognized upon a disposition (including, under certain circumstances, a pledge) of the Shares by you generally will be allocated ratably over your holding period for the Shares. The amounts allocated to the taxable year of the disposition and to any year 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 tax rate in effect for that taxable year for individuals or corporations, as appropriate, and an interest charge will be imposed on the tax allocated to each taxable year. Further, to the extent that distributions you receive on your Shares in any taxable year exceed 125% of the average of the annual distributions on the Shares you received during the preceding three taxable years or your holding period, whichever is shorter, such excess distributions will be subject to taxation in the same manner as gain, described immediately above. Certain elections may be available that would result in alternative treatments of the Shares (such as a timely mark-to-market election for any taxable year in which we are a PFIC, or a “deemed sale” election in the event that we are a PFIC for any taxable year but cease to be a PFIC thereafter). You should consult your tax adviser regarding whether, if we are or become a PFIC, any of these elections would be available and, if so, what the consequences of the alternative treatments would be in your particular circumstances. In addition, if you are a non-corporate U.S. Holder you will not be eligible for reduced rates of taxation applicable to “qualified dividend income” on any dividends received from us if we are a PFIC (or are treated as a PFIC with respect to you) for the taxable year in which the dividends are paid or the preceding taxable year. If we are a PFIC for any taxable year during which you own Shares, you generally will be subject to specified reporting obligations. You should consult your tax adviser regarding our PFIC status for any taxable year and the potential application of the PFIC rules to your investment in our Shares.

Information Reporting and Backup Withholding

Payments of dividends and sale proceeds from the sale or exchange of Shares that are made within the United States or through certain U.S.-related financial intermediaries may be subject to information reporting and backup withholding, unless (i) you are a corporation or other “exempt recipient” (and establish that status if required to do so) and (ii) in the case of backup withholding, you provide a correct taxpayer identification number and certify that you are not subject to backup withholding. The amount of any backup withholding from a payment to you will be allowed as a credit against your U.S. federal income tax liability and may entitle you to a refund, provided that you timely furnish the required information to the IRS.

Certain U.S. Holders who are individuals (or one of certain specified entities) may be required to report information relating to their ownership of Shares or non-U.S. accounts through which our Shares are held. A U.S. Holder who fails to timely furnish the required information may be subject to a penalty. You should consult your tax adviser regarding your reporting obligations with respect to our Shares.

THE DISCUSSION ABOVE IS A GENERAL SUMMARY. IT DOES NOT COVER ALL TAX MATTERS THAT MAY BE OF IMPORTANCE TO YOU. YOU ARE URGED TO CONSULT YOUR OWN TAX ADVISER ABOUT THE TAX CONSEQUENCES TO YOU OF OWNING AND DISPOSING OF OUR SHARES IN LIGHT OF YOUR PARTICULAR CIRCUMSTANCES.

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 or subscribe for, 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 or subscribe for, such securities by any person in any circumstances in which such offer or solicitation would be unlawful.

The distribution of this Prospectus and the offering of the Offer Shares to persons resident in, or who are citizens of, a particular jurisdiction may be affected and/or restricted by the laws of that jurisdiction. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. Investors and persons into whose possession this Prospectus comes should inform themselves about and observe any such restrictions and, in particular, consult their professional adviser as to whether they require any governmental or other consent or need to observe any other formalities to enable the investor to accept, sell or purchase Offer Shares.

No action has been or will be taken to permit a public offering of the Offer Shares or possession or distribution of this Prospectus (or any other Offering or publicity material relating to the Offer Shares), in any country or jurisdiction where action for that purpose is required or doing so may be restricted by law. Accordingly, the Offer Shares may not be offered or sold, directly or indirectly, and neither this Prospectus nor any other Offering material or advertisement in connection with the Offer Shares may be distributed or published, in or from any country or jurisdiction except in circumstances that will result in compliance with any and all applicable rules and regulations of any such country or jurisdiction. Receipt of this document will not constitute an offer in those jurisdictions in which it would be illegal to make an offer and, in those circumstances, this document will be sent for informational purposes only and should not be copied or redistributed. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. There will be no public offering in the United States.

If an investor receives a copy of this document, the investor may not treat this document as constituting an invitation or offer to the investor of the Offer Shares unless, in the relevant jurisdiction, such an offer could lawfully be made to the investor, or the Offer Shares could lawfully be dealt in without contravention of any unfulfilled registration or other legal requirements. Accordingly, if the investor receives a copy of this document or any other Offering materials or advertisements, the investor should not distribute the same in or into, or send the same to any person in, or any jurisdiction where to do so would or might contravene local securities laws or regulations.

If an investor forwards this document or any other Offering materials or advertisements into any such territories (whether under a contractual or legal obligation or otherwise) the investor should draw the recipient’s attention to the contents of this section.

Subject to the specific restrictions described below, investors (including, without limitation, any investor’s nominees and trustees) wishing to accept, sell or purchase Offer Shares must satisfy themselves as to full observance of the applicable laws of any relevant territory including obtaining any requisite governmental or other consents, observing any other required formalities and paying any issue, transfer or other taxes due in such territories.

Investors that are in any doubt as to whether they are eligible to purchase Offer Shares should consult their professional adviser without delay.

United States

The Offer 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 Underwriters may offer Offer Shares only (i) in the United States through their U.S. registered broker affiliates to persons reasonably believed to be QIBs, as defined in Rule 144A, in reliance on the exemption from the registration requirements of the U.S. Securities Act provided in Rule 144A, or (ii) outside the United States in compliance with Regulation S.

In addition, until 40 days after the commencement of the Offering, any offer or sale of Offer 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.

Each subscriber and purchaser of Offer Shares within the United States (other than each of the Underwriters), by accepting delivery of this document, will be deemed to have represented, agreed and acknowledged on its behalf and on behalf of any investor accounts for which it is subscribing or purchasing the Offer Shares that it has received a copy of this document and such other information as it deems necessary to make an investment decision and that:

(a) The subscriber or purchaser is, and at the time of its subscription or purchase of any Offer Shares will be, a QIB within the meaning of Rule 144A and is aware the sale to it is being made in reliance on Rule 144A.

(b) The subscriber or purchaser understands and acknowledges that the Offer Shares have not been, nor will they be, registered under the U.S. Securities Act, that sellers of the Offer Shares may be relying on the exemption from the registration requirements of Section 5 of the U.S. Securities Act provided by Rule 144A thereunder, and that the Offer Shares may not be offered or sold, directly or indirectly, in the United States, other than in accordance with paragraph (d) below.

(c) The subscriber or purchaser is subscribing or purchasing the Offer Shares (i) for its own account, or (ii) for the account of one or more other QIBs for which it is acting as duly authorized fiduciary or agent with sole investment discretion with respect to each such account and with full authority to make the acknowledgements, representations and agreements herein with respect to each such account (in which case it hereby makes such acknowledgements, representations and agreements on behalf of such QIBs as well), in each case for investment and not with a view to any resale or distribution of any such Offer Shares.

(d) The subscriber or purchaser understands and agrees that offers and sales of the Offer Shares are being made in the United States only to QIBs in transactions not involving a public offering or which are exempt from the registration requirements of the U.S. Securities Act, and that if in the future it or any such other QIB for which it is acting, as described in paragraph (c) above, or any other fiduciary or agent representing such investor decides to offer, sell, deliver, hypothecate or otherwise transfer any Offer Shares, it or any such other QIB and any such fiduciary or agent will do so only (i) pursuant to an effective registration statement under the U.S. Securities Act, (ii) to a QIB in a transaction meeting the requirements of Rule 144A, (iii) outside the United States in an "offshore transaction" pursuant to Rule 903 or Rule 904 of Regulation S (and not in a pre-arranged transaction resulting in the resale of such Offer Shares into the United States) or (iv) in accordance with Rule 144 under the U.S. Securities Act and, in each case, in accordance with any applicable securities laws of any state or territory of the United States and of any other jurisdiction. The subscriber or purchaser understands that no representation can be made as to the availability of the exemption provided by Rule 144 under the U.S. Securities Act for the resale of the Offer Shares.

(e) The subscriber or purchaser acknowledges that the Offer Shares have not been offered to it by means of any general solicitation or general advertising.

(f) The subscriber or purchaser understands that for so long as the Offer Shares are "restricted securities" within the meaning of the U.S. federal securities laws, no such Offer Shares may be deposited into any American depositary receipt facility established or maintained by a depository bank, other than a restricted depositary receipt facility, and that such Offer Shares will not settle or trade through the facilities of The Depository Trust & Clearing Corporation or any other U.S. clearing system.

(g) The subscriber or purchaser has received a copy of this document and has had access to such financial and other information concerning the Company as it deems necessary in connection with making its own investment decision to subscribe for or purchase Offer Shares. The subscriber or purchaser acknowledges that none of the Company and the Underwriters or any of their respective representatives has made any representations to it with respect to the Company or the allocation, offering or sale of any shares other than as set forth in this Prospectus, which has been delivered to it and upon which it is solely relying in making its investment decision with respect to the Offer Shares. The subscriber or purchaser also acknowledges that it has made its own assessment regarding the U.S. federal tax consequences of an investment in the Offer Shares. The subscriber or purchaser has held and will hold any offering materials, including this document, it receives directly or indirectly from the Company in confidence, and it understands that any such information received by it is solely for it and not to be redistributed or duplicated by it.

(h) The subscriber or purchaser understands that these representations and undertakings are required in connection with the securities laws of the United States and that the Company, the Underwriters and their affiliates will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements. The subscriber or purchaser irrevocably authorises the Company and the Underwriters to produce this document to any interested party in any administrative or legal proceedings or official inquiry with respect to the matters covered herein.

(i) The subscriber or purchaser undertakes promptly to notify the Company and the Underwriters if, at any time prior to the subscription or purchase of the Offer Shares any of the foregoing ceases to be true.

(j) The subscriber or purchaser agrees that it will give to each person to whom it transfers the Offer Shares notice of any restrictions on the transfer of the Offer Shares.

(k) If the subscriber or purchaser is subscribing or acquiring Offer Shares on behalf of one or more accounts, it is acting as a duly authorized fiduciary or agent with investment discretion with respect to each such account and with full authority to make the acknowledgements, representations and agreements herein with respect to each such account (in which case it hereby makes such acknowledgements, representations and agreements on behalf of such accounts as well).

Each subscriber or purchaser of the Offer Shares outside the United States (other than each of the Underwriters) will, pursuant to Regulation S, be deemed to have represented and agreed that it has received a copy of the document and such other information as it deems necessary to make an informed investment decision and that:

(a) The subscriber or purchaser acknowledges that the Offer 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 are subject to significant restrictions on transfer 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.

(b) The subscriber or purchaser and the person, if any, for whose account or benefit the subscriber or purchaser is subscribing or acquiring the Offer Shares, were located outside the United States at the time the buy order for such Offer Shares was originated and continue to be located outside the United States and has not subscribed or purchased the Offer Shares for the benefit of any person in the United States or entered into any arrangement for the transfer of the Offer Shares to any person in the United States.

(c) The subscriber or purchaser is aware of the restrictions on the offer and sale of the Offer Shares pursuant to Regulation S and it will not offer, sell, pledge or transfer any Offer Shares, except in accordance with the U.S. Securities Act and any applicable laws of any state of the United States and any other jurisdiction.

(d) The Offer Shares have not been offered to it by means of any "directed selling efforts" as defined in Regulation S.

(e) The Company, the Underwriters and their affiliates and others will rely on the truth and accuracy of the foregoing acknowledgements, representations and agreements and the subscriber or purchaser agrees that, if any of its acknowledgements, representations or agreements herein cease to be accurate and complete, they will notify the Company and the Underwriters promptly in writing.

(f) If the subscriber or purchaser is subscribing or acquiring Offer Shares on behalf of one or more accounts, it is acting as duly authorized fiduciary or agent with sole investment discretion with respect to each such account and with full authority to make the acknowledgements, representations and agreements herein with respect to each such account (in which case it hereby makes such acknowledgements, representations and agreements on behalf of such accounts as well).

In addition, each subscriber or purchaser (and, if applicable, any person for whose account or benefit such subscriber or purchaser is subscribing or purchasing the Offer Shares) acknowledges that it understands that the Offer Shares (to the extent they are in certificated form), unless otherwise determined by the Company in accordance with applicable law, will bear a legend substantially to the following effect:

THE SHARES REPRESENTED HEREBY HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "U.S. SECURITIES ACT") OR

WITH ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE OR OTHER JURISDICTION IN THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) IN ACCORDANCE WITH RULE 144A UNDER THE U.S. SECURITIES ACT TO A PERSON THAT THE SELLER AND ANY PERSON ACTING ON ITS BEHALF REASONABLY BELIEVE IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE U.S. SECURITIES ACT PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER, (2) IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE U.S. SECURITIES ACT, (3) PURSUANT TO AN EXEMPTION FROM REGISTRATION UNDER THE U.S. SECURITIES ACT PROVIDED BY RULE 144 THEREUNDER (IF AVAILABLE) OR (4) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE U.S. SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES. NO REPRESENTATION CAN BE MADE AS TO THE AVAILABILITY OF THE EXEMPTION PROVIDED BY RULE 144 UNDER THE U.S. SECURITIES ACT FOR RESALES OF THE SHARES. NOTWITHSTANDING ANYTHING TO THE CONTRARY IN THE FOREGOING, THE SHARES REPRESENTED HEREBY MAY NOT BE DEPOSITED INTO ANY UNRESTRICTED DEPOSITARY RECEIPT FACILITY IN RESPECT OF THE SHARES ESTABLISHED OR MAINTAINED BY A DEPOSITORY BANK. EACH HOLDER, BY ITS ACCEPTANCE OF SHARES, REPRESENTS THAT IT UNDERSTANDS AND AGREES TO THE FOREGOING RESTRICTIONS.

None of the Company, the Selling Shareholders or the Underwriters makes any representation as to the availability of the exemption provided by Rule 144 under the U.S. Securities Act for resale of the Offer Shares.

European Economic Area

In relation to each Member State, no Offer Shares have been offered or will be offered pursuant to the Offering to the public in that Member State prior to the publication of a prospectus in relation to the Offer Shares which has been approved by the competent authority in that Member State or, where appropriate, approved in any other Relevant State and notified to the competent authority in that Member State, all in accordance with the Prospectus Regulation, except that the Offer Shares may be offered to the public in that Member State at any time:

(a) to any legal entity which is a qualified investor as defined under Article 2 of the Prospectus Regulation;

(b) to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the Prospectus Regulation), subject to obtaining the prior consent of the Joint Global Coordinators; or

(c) in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of the Offer Shares shall require the Company, the Selling Shareholders or any Underwriter to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an "offer to the public" in relation to the Offer Shares in any Member State means the communication in any form and by any means of sufficient information on (i) the terms of the Offering and/or (ii) any Offer Shares to be offered, so as to enable an investor to decide to subscribe for or purchase any Offer Shares, and the expression "Prospectus Regulation" means Regulation (EU) 2017/1129.

Information to Distributors in the European Economic Area

Solely for the purposes of the product governance requirements contained within 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 Offer Shares have been subject to a product approval process, which has determined that such Offer 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 "**EU Target Market Assessment**").

Each distributor under the MiFID II Product Governance Requirements should take into consideration the EU Target Market Assessment; however, a distributor subject to the Product Governance Requirements is responsible for undertaking its own target market assessment in respect of the Offer Shares (by either adopting or refining the EU Target Market Assessment) and determining appropriate distribution channels.

Notwithstanding the EU Target Market Assessment, distributors should note that: (i) the price of the Offer Shares may decline and investors could lose all or part of their investment; (ii) the Offer Shares offer no guaranteed income and no capital protection; and (iii) an investment in the Offer 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 EU Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Offering. Furthermore, notwithstanding the EU Target Market Assessment, the Underwriters will only procure investors who meet the criteria of qualified investors pursuant to Article 2 of the Prospectus Regulation.

For the avoidance of doubt, the EU 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, subscribe or purchase, or take any other action whatsoever with respect to the Offer Shares. Each distributor is responsible for undertaking its own target market assessment in respect of the Offer Shares (by either adopting the EU Target Market Assessment or redefining it under the MiFID II Product Governance Requirements) and determining appropriate distribution channels.

United Kingdom

No Offer 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 Offer Shares which is to be treated as if it had been approved by the Financial Conduct Authority, except that the Offer Shares may be offered to the public in the United Kingdom at any time:

(a) to any legal entity which is a qualified investor as defined under Article 2 of the UK Prospectus Regulation;

(b) 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; or

(c) in any other circumstances falling within Section 86 of the FSMA,

provided that no such offer of the Offer Shares shall require the Company or any Underwriter 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 Offer 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 the Offer Shares to be offered so as to enable an investor to decide to subscribe for or purchase the Offer Shares, the expression "UK Prospectus Regulation" means Regulation (EU) 2017/1129 as it forms part of the domestic law of the United Kingdom by virtue of the European Union (Withdrawal) Act 2018 (as amended), and the expression "FSMA" means the Financial Services and Markets Act 2000 (as amended).

In the United Kingdom, this Prospectus is being distributed to and is directed only at (i) persons having professional experience in matters relating to investments who fall within the definition of investment professionals in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**"); or (ii) persons who are high net worth bodies corporate, unincorporated associations and partnerships and trustees of high value trusts, as described in Article 49(2) of the Order; or (iii) persons to whom it may otherwise be lawfully distributed (all such persons together being "relevant persons"). In the United Kingdom, any investment or investment activity to which this Prospectus relates is only available to and will only be engaged in with relevant persons. Persons who are not relevant persons should not act or rely on this Prospectus or any of its contents.

Information to distributors in the United Kingdom

Solely for the purposes of the UK Product Governance Requirements, and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the UK Product Governance Requirements) may otherwise have with respect thereto, the Offer Shares have been subject to a product approval process, which has determined that the Offer Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, as respectively defined in Chapter 3 of the COBS; and (ii) eligible for distribution through all permitted distribution channels (the "**UK Target Market Assessment**").

Each distributor under the UK Product Governance Requirements should take into consideration the UK Target Market Assessment; however, a distributor subject to the UK Product Governance Requirements is responsible for undertaking its own target market assessment in respect of the Offer Shares (by either adopting or refining the UK Target Market Assessment) and determining appropriate distribution channels.

Notwithstanding the UK Target Market Assessment, distributors should note that: the price of the Offer Shares may decline and investors could lose all or part of their investment; the Offer Shares offer no guaranteed income and no capital protection; and an investment in the Offer 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 UK 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 UK Target Market Assessment, the Underwriters will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the UK Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of Chapter 9A or 10A respectively of the COBS; or (b) a recommendation to any investor or group of investors to invest in, subscribe, or purchase, or take any other action whatsoever with respect to the Offer Shares.

Canada

The Offer Shares may be sold only to subscribers or purchasers subscribing or purchasing, or deemed to be subscribing or purchasing, as principals 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 Offer 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 subscriber or purchaser with remedies for rescission or damages if this document (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the subscriber purchaser within the time limit prescribed by the securities legislation of the subscriber or purchaser's province or territory. The subscriber or purchaser should refer to any applicable provisions of the securities legislation of the subscriber or 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 the Offering.

Switzerland

This document is not intended to constitute, and does not constitute, an offer to the public or solicitation to subscribe, purchase or invest in the Offer Shares. The Offer Shares have not been and will not be publicly offered, directly or indirectly, in or into Switzerland within the meaning of the Swiss Financial Services Act (the "**FinSA**"), except under the following exemptions under the FinSA:

(a) to any investor that qualifies as a professional client within the meaning of the FinSA; or

(b) in any other circumstances falling within Article 36 of the FinSA;

provided, in each case, that no such offer of Offer Shares referred to in (a) and (b) above shall require the publication of a prospectus pursuant to the FinSA. The Offer Shares have not been and will not be listed or admitted to trading on any trading venue in Switzerland. Neither this document nor any other Offering or marketing material relating to the Offer Shares constitutes a prospectus within the meaning of the FinSA. This document has not been and will not be reviewed or approved by a Swiss review authority, and does not comply with the disclosure requirements applicable to a prospectus within the meaning of the FinSA. Neither this document nor any other Offering or marketing material relating to the Offer Shares may be distributed or otherwise made available in Switzerland in a manner that would require the publication of a prospectus in Switzerland pursuant to the FinSA.

Dubai International Financial Centre (not applicable for the United Arab Emirates and Abu Dhabi Global Markets)

This document relates to an Exempt Offer in accordance with the Markets Rules Module of the Dubai Financial Services Authority (the "**DFSA**") Rulebook.

This document is intended for distribution only to Professional Clients (as defined by the DFSA) who are not natural persons. It must not be delivered to, or relied on by, any other person.

The DFSA has no responsibility for reviewing or verifying any prospectus or other documents in connection with this Offering. Accordingly, the DFSA has not approved this document or any other associated documents nor taken any steps to verify the information set forth herein and has no responsibility for it.

The Offer Shares to which this document relates may be illiquid and/or subject to restrictions on their resale. Prospective subscribers or purchasers of the Offer Shares should conduct their own due diligence.

If you do not understand the contents of this document you should consult an authorized financial advisor.

In relation to its use in the Dubai International Financial Centre, this document is strictly private and confidential and is being distributed to a limited number of investors and must not be provided to any person other than the original recipient, and may not be reproduced or used for any other purpose.

The Offer Shares to which this document relates may not be offered or sold to any person in the Dubai International Financial Centre unless such offer is (a) an "Exempt Offer" in accordance with the Markets Rules (MKT) Module of the DFSA Rulebook; and (b) made only to persons who meet the Professional Client criteria set out in Rule 2.3.3 of the Conduct of Business (COB) Module of the DFSA Rulebook.

United Arab Emirates (not applicable for the Dubai International Financial Centre and Abu Dhabi Global Market)

This document has not been approved or licensed by the UAE Securities and Commodities Authority ("**SCA**") or any other relevant licensing authorities in the United Arab Emirates ("**UAE**") and accordingly does not constitute a public offer of securities in the UAE in accordance with Federal Law No. 32 of 2021 Concerning Commercial Companies (as amended), SCA Board of Directors Resolution No. 13 B.C of 2021 on the Regulations Manual of the Financial Activities and Status Regularization Mechanisms (as amended) (the "**SCA Rulebook**") or otherwise. Accordingly, the Offer Shares may not be offered to the public in the UAE.

This document is strictly private and confidential and is being issued to a limited number of investors:

(a) who fall within the exemptions set out in the SCA Rulebook (i.e., Professional Investors) and have confirmed the same;

(b) upon their request and confirmation that they understand that the Offer Shares have not been approved or licensed by or registered with the SCA or any other relevant licensing authorities or governmental agencies in the UAE; and

(c) must not be disclosed to any person other than the original recipient, and may not be reproduced or used for any other purpose.

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 purport to 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 prospectus, product disclosure statement or other disclosure document will be lodged with ASIC, any offer in Australia of the Offer 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 Offer 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 Offer Shares shall be deemed to be made to such recipient and no applications for the Offer 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.

No offer of the Offer Shares has been made or will be made to any person with the purpose of such person selling or transferring the Offer Shares, or transferring the Offer Shares, or granting, issuing or transferring interests in, or options over, the Offer Shares. In addition, the Offer Shares must not be offered for sale or transfer, nor any interest in or option over them be granted, issued or transferred 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 (as defined below) subscribing or acquiring Offer 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 document is appropriate to their needs, objectives and circumstances, and, if necessary, seek expert advice on those matters.

By applying for Offer Shares under this document, each person to whom Offer 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 Offer 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 Offer Shares within 12 months from the date of their issue, the Investor will be required to lodge a prospectus, product disclosure statement or other a disclosure document with ASIC unless either:

    (i) 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

    (ii) the sale offer is received outside Australia; and

(iii) undertakes not to sell the Offer Shares in any circumstances other than those described in paragraphs (i) and (ii) above for 12 months after the date of issue of such Offer Shares, unless the Investor lodges a prospectus, product disclosure document or other disclosure document with ASIC.

This document is not, and under no circumstances is to be construed as, an advertisement or public offering of the Offer Shares in Australia.

No action has been taken to authorize or cause the issue or distribution in the Commonwealth of Australia, any of its states, territories or possessions or any political subdivision thereof, or to any resident of Australia, of this document or any other document inviting applications or offers to subscribe for or buy the Offer Shares. This document may only be distributed in Australia or to any resident of Australia to persons who are Investors as described above and any offer of Offer Shares may only be made to such Investors in Australia, in each case subject to the conditions set out above, on behalf of each Underwriter by its affiliate holding an Australian Financial Services License permitting such license holder to distribute the document and to offer the Offer Shares to such Investors in Australia.

Hong Kong

The contents of this document have not been reviewed by any regulatory authority in Hong Kong. Any subscriber or purchaser of the Offer Shares is advised to exercise caution in relation to the Offering. Any subscriber or purchaser having any doubt about any of the contents of this document should obtain independent professional advice. The Offer Shares have not been offered or sold and will not be offered or sold in Hong Kong, by means of any document, other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571, Laws of Hong Kong) (the "**SFO**") and any rules made under the SFO; or (b) in other circumstances which do not result in the document being a "prospectus" within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32, Laws of Hong Kong) (the "**C(WUMP)O**") or which do not otherwise constitute an offer to the public within the meaning of the C(WUMP)O.

No advertisement, invitation or document relating to the Offer Shares has been or may be issued or has been or may be in the possession of any person for the purposes of issue, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Offer Shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

Singapore

This document has not been registered as a prospectus with the Monetary Authority of Singapore ("**MAS**"). Accordingly, this document and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Offer Shares may not be circulated or distributed, nor may the Offer Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to any person in Singapore other than:

(a) to an institutional investor (as defined in Section 4A of the Securities and Futures Act 2001 (the "**SFA**")) pursuant to Section 274 of the SFA; or

(b) to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA and (where applicable) Regulation 3 of the Securities and Futures (Classes of Investors) Regulations 2018.

State of Qatar (including Qatar Financial Centre)

The Offer Shares have not been, and will not be, offered, sold or delivered, at any time, directly or indirectly in the State of Qatar (including the Qatar Financial Centre) in a manner that would constitute a public offering.

This document and the Offer Shares have not been, and will not be, registered with or reviewed or approved or licensed by the Qatar Financial Markets Authority, the Qatar Financial Centre Regulatory Authority, the Qatar Stock Exchange or Qatar Central Bank or any other regulator in the State of Qatar (including the Qatar Financial Centre) and may not be publicly distributed. The Offer Shares are not, and will not be, traded on the Qatar Stock Exchange.

This document: (i) is intended for the original recipient only and must not be provided to any other person; and (ii) is not for general circulation in the State of Qatar (including the Qatar Financial Centre) and may not be reproduced or used for any other purpose.

Nothing in this document constitutes, is intended to constitute, shall be treated as constituting or shall be deemed to constitute, any offer or sale of securities in the State of Qatar (including the Qatar Financial Centre) or the inward marketing of securities or an attempt to do business, as a bank, an insurer, a reinsurer, an investment company or otherwise in the State of Qatar (including the Qatar Financial Centre) other than in compliance with any laws applicable in the State of Qatar (including the Qatar Financial Centre) governing the issue, offering, marketing and sale of securities.

Brazil

This document and the information included herein is directed only at professional investors (*investidores profissionais*) that are Brazilian residents, as defined in Section 11 of the *Comissão de Valores Mobiliários* ("**CVM**") Resolution (*Resolução*) No. 30, dated May 11, 2021, as amended, and in reliance upon article 8, item VI, of CVM Resolution (*Resolução*) No. 160, dated July 13, 2022, as amended ("**CVM Resolution 160**"). This document is being furnished in Brazil on a confidential basis and is addressed to the addressee personally, and for its sole benefit. No documents relating to the Offering of the Offer Shares shall be distributed to the public in Brazil, nor shall they be used in connection with any offer for subscription or sale to the public in Brazil.

Any public offering or distribution, as defined under Brazilian laws and regulations, of the Offer Shares in Brazil is not legal without prior registration under Brazilian laws and regulations, mainly Law No. 6,385, dated December 7, 1976, as amended, and CVM Resolution 160. Neither this Offering nor any document relating to the Offering of the Offer Shares in Brazil have been or will be registered with the CVM and, therefore, the Offer

Shares will not be offered or sold to the public in Brazil. The Offer Shares will not be offered or sold in Brazil except in circumstances which do not constitute a public offering, placement, distribution or listing of securities in the Brazilian capital markets regulated by Brazilian legislation.

ENFORCEMENT OF CIVIL LIABILITIES

The Company is a Spanish company and most of our assets are located in Spain, and in other jurisdictions outside of the United States. In addition, most of our current directors and Senior Management, as well as the Selling Shareholders, reside or are located outside of the United States, mainly in Spain. As a result, investors may not be able to effect service of process outside Spain upon the Company or these persons or to enforce judgments obtained against the Company or these persons in foreign courts predicated solely upon the civil liability provisions of U.S. securities laws. Furthermore, there is doubt that a lawsuit based upon U.S. federal or state securities laws, or 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 Offer Shares and certain legal matters relating to the Offering will be passed upon for us by Cuatrecasas, Gonçalves Pereira, S.L.P. (with respect to Spanish law) and Davis Polk & Wardwell LLP (with respect to United States federal law and English law). Certain legal matters relating to the Offering will be passed upon for the Underwriters by J&A Garrigues, S.L.P. (with respect to Spanish law) and Linklaters, S.L.P. (with respect to United States federal law and English law).

INFORMATION INCORPORATED BY REFERENCE

The following documents are incorporated by reference into this Prospectus:

- English translation of the 2023 Consolidated Financial Statements, including the audit report and the consolidated directors' report thereon (which, following the approval of the Prospectus by the CNMV, will also be available on the Company's website at www.europastry.com/global/en/ipo/).
- English translation of the 2022 Consolidated Financial Statements, including the audit report and the consolidated directors' report thereon (which, following the approval of the Prospectus by the CNMV, will also be available on the Company's website at www.europastry.com/global/en/ipo/).
- English translation of the 2021 Consolidated Financial Statements, including the audit report and the consolidated directors' report thereon (which, following the approval of the Prospectus by the CNMV, will also be available on the Company's website at www.europastry.com/global/en/ipo/).
- English translation of the Unaudited Condensed Interim Consolidated Financial Statements (which, following the approval of the Prospectus by the CNMV, will also be available on the Company's website at www.europastry.com/global/en/ipo/).
- The original Spanish version of the 2023 Consolidated Financial Statements, the audit report and the consolidated directors' report thereon (which, following the approval of the Prospectus by the CNMV, will also be available on the Company's website at www.europastry.com/es/es/oferta-publica/).
- The original Spanish version of the 2022 Consolidated Financial Statements, the audit report and the consolidated directors' report thereon (which, following the approval of the Prospectus by the CNMV, will also be available on the Company's website at www.europastry.com/es/es/oferta-publica/).
- The original Spanish version of the 2021 Consolidated Financial Statements, the audit report and the report thereon (which, following the approval of the Prospectus by the CNMV, will also be available on the Company's website at www.europastry.com/es/es/oferta-publica/).
- The original Spanish version of the Unaudited Condensed Interim Consolidated Financial Statements (which, following the approval of the Prospectus by the CNMV, will also be available on the Company's website at www.europastry.com/es/es/oferta-publica/).

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.

The original Spanish versions of the enlisted financial information contained herein shall prevail over the English translations in case of discrepancy.

Neither our website (www.europastry.com) 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 or approved the Company's website or any of its contents.

ADDITIONAL INFORMATION

Rule 144A Information

For so long as any Offer 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. Exchange 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.

Documents on Display

From the date of this Prospectus, copies of the following documents will be available free of charge on the Company's corporate website (www.europastry.com), as indicated below, except for those documents mentioned under items 1. and 9. below, which will only be available for inspection in physical form up to Admission during business hours on weekdays at the Company's offices at Plaza Xavier Cugat, número 2, Edificio C, Planta 4, Parc Oficines Sant Cugat Nord, 08174, Sant Cugat del Vallès (Barcelona), Spain:

1. the Deed of Incorporation in Spain;
2. the Audited Annual Consolidated Financial Statements together with the corresponding audit reports and consolidated directors' reports (at www.europastry.com/global/en/ipo/);
3. the Unaudited Condensed Interim Consolidated Financial Statements together with the corresponding consolidated interim directors' report (at www.europastry.com/global/en/ipo/);
4. our bylaws (at www.europastry.com/global/en/corporate-governance);
5. the Board Regulations and General Shareholders' Meeting Regulations (at www.europastry.com/global/en/corporate-governance);
6. this Prospectus (at www.europastry.com/global/en/ipo/) which, following its approval by the CNMV, will also be available on the CNMV's website (www.cnmv.es) and will be available for at least 10 years after its publication on these websites;
7. the Remuneration Policy (at www.europastry.com/global/en/corporate-governance);
8. the Internal Code of Conduct (at www.europastry.com/global/en/corporate-governance); and
9. the certificate of the corporate resolutions approved by us and the Selling Shareholders in connection with the Offering and the Admission.

The Audited Annual Consolidated Financial Statements together with their respective audit and consolidated directors' reports and the Unaudited Condensed Interim Consolidated Financial Statements, among other relevant corporate documents, will be available in the Commercial Registry.

The Audited Annual Consolidated Financial Statements together with their respective audit and consolidated directors' reports and the Unaudited Condensed Interim Consolidated Financial Statements will be available in both the Spanish and English languages.

The Audited Annual Consolidated Financial Statements, together with their respective audit and consolidated directors' reports, the Unaudited Condensed Interim Consolidated Financial Statements, as well as the General Shareholders' Meeting Regulations and the Board Regulations will also be available for inspection in physical form at the CNMV's premises in Barcelona (Calle de Bolivia, 56, 08018 Barcelona), Madrid (Calle Edison, 4, 28006 Madrid) and Bilbao (Calle Heros, 3, 48009 Bilbao) and/or on the CNMV's website (www.cnmv.es), depending on the specific relevant document.

Neither our website www.europastry.com 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.

Information on the Company

The Company's legal name is Europastry, S.A. and it operates under the commercial name "Europastry". The Company was incorporated in Spain on April 28, 1988 for an unlimited period of time under the corporate name Inbar, S.A. The Company holds Spanish tax identification number A-58695032 and is registered with the Barcelona Commercial Registry under Volume 48991, Sheet 31, Page B-76007. The Company's legal entity identifier (LEI) code is 959800201400058904O5.

The principal legislation under which the Company operates, and under which the Shares were created, is the Spanish Companies Act and the regulations made thereunder.

The registered office of the Company is at Plaza Xavier Cugat, número 2, Edificio C, Planta 4, Parc Oficines Sant Cugat Nord, 08174, Sant Cugat del Vallès (Barcelona, Spain) and its phone number is +34 900118888. The corporate website of the Company is www.europastry.com.

The financial year end of the Company is December 31.

The Company is domiciled in Sant Cugat del Vallès (Barcelona, Spain) and resident in Spain for tax purposes.

Information on the Group

The Company is the parent company of the Group.

The following table shows the Company's main subsidiaries as of the date of this Prospectus:

Company	Country of Incorporation and Registered Office	Direct	Indirect	Direct Parent Company
Europastry Portugal, S.A.	Portugal	100%	0%	Europastry S.A.
Europastry Canarias, S.L.	Spain	75%	0%	Europastry S.A.
Europastry Central Europe B.V.	Netherlands	100%[1]	0%	Europastry S.A.
Grand Duet B.V.	Netherlands	0%	100%	Europastry Central Europe B.V.
Europastry USA Holding, Inc	USA	100%	0%	Europastry S.A.
Wenner Holding Corp	USA	0%	100%	Wenner Holding LLC
Wenner Holding LLC	USA	0%	100%	Europastry USA Holding, Inc
Europastry USA Inc	USA	0%	100%	Wenner Holding Corp
Euro Classic Imports LLC	USA	0%	100%	Europastry USA Holding, Inc
Euroclassic USA LLC	USA	0%	80%	Europastry USA Holding, Inc
DSR Logistics LLC	USA	0%	100%	Euro Classic Imports LLC
Europastry Colombia, S.A.S.	Colombia	100%	0%	Europastry S.A.
Europastry Chile S.p.A.	Chile	100%	0%	Europastry S.A.
Europastry France, SARL	France	100%	0%	Europastry S.A.
Europastry Italia SRL	Italy	100%	0%	Europastry S.A.
Europastry México, S.A. de C.V.	Mexico	100%	0%	Europastry S.A.
Europastry Internacional, S.L.U.	Spain	100%	0%	Europastry S.A.
European Pastry SRL	Romania	90%[2]	0%	Europastry S.A.

[1] In 2020, in connection with the 2018 acquisition of Grand Duet B.V., Europastry agreed to pay the remaining consideration owed to Andeni Participaties B.V. ("**Andeni**"), an entity affiliated with the then chief executive officer of Europastry Central Europe, with 244 class B shares of Europastry Central Europe, subject to a mutual call and put options. On November 2, 2022, we entered into an agreement to repurchase and cancel 203 of those class B shares. In connection with this repurchase transaction, pursuant to a separate framework agreement executed on November 2, 2022, Andeni transferred the remainder of its class B shares of Europastry Central Europe, representing approximately 0.4% of the share capital of Europastry Central Europe, to the Stichting Administratiekantoor Europastry Central Europe, a foundation (*stichting*) incorporated by the Company under the laws of the Netherlands, whose management board was composed of two directors of Europastry (the "**Foundation**"). In exchange for the transferred class B shares, Andeni was granted depositary receipts entitling it to the economic benefits of the transferred class B shares. Legal ownership of the transferred class B shares was held by the Foundation. The framework agreement included mutual call and put options (the latter granted for the benefit of Andeni) with respect to the class B shares held by the Foundation. On June 25, 2024, the Company exercised its option to purchase the Class B shares held by the Foundation, for a purchase price of €875 thousand, and the framework agreement was terminated pursuant to a termination letter dated June 26, 2024.

[2] As of June 30, 2024, we owned 75% of the shares of European Pastry SRL, which, in turn, holds 100% of the shares of European Pastry Prod SRL. We completed the purchase of an additional 15% of the shares of European Pastry SRL on July 4, 2024 and, as a result, own

European Pastry Prod SRL	Romania	0%	75%	European Pastry SRL
Europastry Steenbergen B.V. (formerly, Dawn Frozen Foods Netherlands Holding B.V.)	Netherlands	0%	100%	Europastry Central Europe B.V.
Europastry Germany Gmbh (formerly, Dawn Frozen Foods Germany GmbH)	Germany	100%	0%	Europastry S.A.
Europastry UK Ltd. (formerly called Dawn Frozen Foods Ltd)	United Kingdom	100%	0%	Europastry S.A.
Frida Alimentaria España, S.L.	Spain	100%	0%	Europastry S.A.
Fripan, S.A.	Spain	100%	0%	Europastry S.A.
Europastry México Incorporated, S.A. de C.V.	Mexico	51%	0%	Europastry S.A.
Pagnifique Mexicana S.A. de C.V.	Mexico	0%	51%	Europastry México Incorporated, S.A. de C.V.
Servicios Pagnifique S. de R.L.	Mexico	0%	51%	Pagnifique Mexicana S.A. de C.V.
DeWi Back Holding GmbH	Germany	94.75%[3]	0%	Europastry, S.A.
DeWi Back Produktions GmbH	Germany	0%	94.75%	DeWi Back Holding GmbH
DeWi Back Handels GmbH	Germany	0%	94.75%	DeWi Back Holding GmbH
De Groot Edelgebak, B.V.[4]	Netherlands	100%	0%	Europastry, S.A.

Significant Changes

Since June 30, 2024, there has been no significant change in the financial position or financial performance of the Group.

90% of the shares of European Pastry SRL. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Factors Affecting our Results of Operations—Acquisitions*".

[3] We currently own 94.75% of the shares of DeWi Back Holding GmbH. We have outstanding mutual call and put options with respect to the to the remaining 5.25% of the shares of DeWi Back Holding GmbH. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Factors Affecting our Results of Operations—Acquisitions*".

[4] We acquired 100% of the shares of De Groot on August 2, 2024. See "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Factors Affecting our Results of Operations— Acquisitions*".

INDEPENDENT AUDITORS

PriceWaterhouseCoopers Auditores, S.L., whose address for these purposes is Torre PwC, Paseo de la Castellana 259 B, 28046, Madrid, Spain, registered with the Official Registry of Accounting Auditors (ROAC) under the number S0242, and in the Madrid Commercial Registry under sheet M- 256639, has audited the 2023 Consolidated Financial Statements incorporated by reference into this Prospectus, as stated in its report incorporated by reference into this Prospectus.

Grant Thornton, S.L.P., whose address for these purposes is José Abascal 56, Madrid 28003, Spain, registered with the Official Registry of Accounting Auditors (ROAC) under the number S0231, and in the Madrid Commercial Registry under sheet M-657409, has audited the 2021 Consolidated Financial Statements and the 2022 Consolidated Financial Statements incorporated by reference into this Prospectus, as stated in its reports incorporated by reference into this Prospectus.

PriceWaterhouseCoopers Auditores, S.L. was appointed as auditor at the general shareholders' meeting on September 12, 2023 (for the years 2023, 2024 and 2025). Grant Thornton, S.L.P. was appointed as auditor by the shareholders at the general shareholders' meeting on November 16, 2022 (for the year 2022) and at the general shareholders' meeting on November 16, 2021 (for the year 2021).

SPANISH TRANSLATION OF THE SUMMARY

NOTA DE SÍNTESIS

europastry

Oferta de entre 26.927.800 y 28.977.011 acciones ordinarias de
EUROPASTRY, S.A.
(sociedad anónima constituida e inscrita en el Reino de España)
a un Rango del Precio de la Oferta de entre 15,85 y 18,75 euros por Acción de la Oferta

*Esta nota de síntesis se ha preparado en cumplimiento del Artículo 7 del Reglamento (UE) 2017/1129 del Parlamento Europeo y del Consejo, de 14 de junio de 2017, sobre el folleto que debe publicarse en caso de oferta pública o admisión a cotización de valores en un mercado regulado y por el que se deroga la Directiva 2003/71/CE, tal y como haya sido modificado (el "**Reglamento de Folletos**").*

1. INTRODUCCIÓN Y ADVERTENCIAS

ESTA NOTA DE SÍNTESIS DEBE LEERSE COMO UNA INTRODUCCIÓN AL FOLLETO. CUALQUIER DECISIÓN DE INVERTIR EN LAS ACCIONES DE LA OFERTA (TAL Y COMO SE DEFINE MÁS ADELANTE) DE EUROPASTRY, S.A. (LA "SOCIEDAD") DEBE BASARSE EN LA CONSIDERACIÓN DEL FOLLETO EN SU CONJUNTO POR PARTE DEL INVERSOR. EL INVERSOR PODRÍA PERDER TODO O PARTE DEL CAPITAL INVERTIDO.

CUANDO SE PRESENTE UNA RECLAMACIÓN ANTE UN TRIBUNAL EN RELACIÓN CON LA INFORMACIÓN CONTENIDA EN EL FOLLETO O INCORPORADA POR REFERENCIA AL MISMO, EL INVERSOR DEMANDANTE, CONFORME A LA LEGISLACIÓN ESPAÑOLA, PODRÍA TENER QUE ASUMIR LOS COSTES DE TRADUCCIÓN DEL FOLLETO O CUALQUIER OTRO DOCUMENTO INCORPORADO AQUÍ POR REFERENCIA ANTES DE QUE DÉ COMIENZO EL PROCEDIMIENTO JUDICIAL.

LA RESPONSABILIDAD CIVIL RECAE ÚNICAMENTE SOBRE LAS PERSONAS QUE HAYAN PRESENTADO LA NOTA DE SÍNTESIS, INCLUYENDO CUALQUIER TRADUCCIÓN DEL MISMO, PERO SOLO SI, AL SER LEÍDO JUNTO CON OTRAS PARTES DEL FOLLETO, LA NOTA DE SÍNTESIS RESULTA ENGAÑOSA, INEXACTA O INCOHERENTE O NO PROPORCIONA INFORMACIÓN RELEVANTE PARA AYUDAR A LOS INVERSORES A LA HORA DE CONSIDERAR SI INVIERTEN O NO EN LAS ACCIONES DE LA OFERTA DE LA SOCIEDAD.

La Sociedad está constituida bajo las leyes de España como una sociedad anónima por tiempo indefinido y está inscrita en el Registro Mercantil de Barcelona bajo el tomo 48991, folio 31, hoja B-76007. La Sociedad es titular del número de identificación fiscal español (NIF) A-58695032 y su código LEI es 95980020140005890405. El domicilio social de la Sociedad se encuentra en Plaza Xavier Cugat, número 2, Edificio C, Planta 4, Parc Oficines Sant Cugat Nord, 08174, Sant Cugat del Vallès (Barcelona, España), y su número de teléfono es el +34 900118888. A fecha del Folleto, el capital social de la Sociedad es de 6.939.960 euros, el cual se encuentra dividido en una única clase de 69.399.600 acciones ordinarias (las "**Acciones**"), con un valor nominal de 0,1 euros cada una.

Esta Nota de Síntesis se refiere a la Sociedad y sus filiales (colectivamente, el "**Grupo**"). En esta Nota de Síntesis, "nosotros", "nos" y "nuestro" hacen referencia al Grupo, a menos que se indique lo contrario o el contexto requiera otra cosa.

Nuestros accionistas son Gallés Office, S.L. (controlada por D. Jordi Gallés Gabarró), Exponent S.à r.l. (cuyo accionista mayoritario es MCH Continuation Fund, FICC, un fondo gestionado por MCH Private Equity Investments, S.G.E.I.C., S.A. ("**MCH Private Equity**")) e Indinura, S.L. (controlada por D. Jordi Morral Hospital) (conjuntamente, los "**Accionistas Vendedores**").

Gallés Office, S.L. es una sociedad limitada española, con domicilio social en Calle Santa Fe de Nuevo Méjico, número 1, 5º A, 08017, Barcelona y número de teléfono +34 93 240 14 65, con número de identificación fiscal español (NIF) B-61970323, inscrita en el Registro Mercantil de Barcelona bajo el tomo 31712, folio 27, hoja B-199303 y con código LEI 959800Y4FXF95BEPP818. La estructura accionarial de Gallés Office, S.L. es la siguiente: Palissandre, S.L. (51,49%); Projecte Asfodel, S.L.U. (34,16%); Can Roldos, S.L.U. (13,83%) y Dña. Gloria Gabarró Ciurana (0,52%). D. Jordi Gallés Gabarró es el accionista de control de Gallés Office, S.L., conforme a la definición prevista en el Artículo 42 del Código de Comercio y en el Artículo 4 de la Ley del Mercado de Valores, tal y como se detalla a continuación.

D. Jordi Gallés Gabarró (accionista indirecto, titular del 99,99% en Palissandre, S.L., que a su vez es titular del 51,49% de Gallés Office, S.L.) y Dña. Eva Gallés Gabarró (accionista indirecta, titular del 100% en Projecte Asfodel, S.L.U., que a su vez es titular del 34,16% en Gallés Office, S.L.) son los titulares reales de Gallés Office, S.L., de acuerdo con la Ley 10/2010, de 28 de abril, de prevención del blanqueo de capitales y de la financiación del terrorismo.

Exponent S.à r.l. (cuyo accionista mayoritario es MCH Continuation Fund, FICC, un fondo gestionado por MCH Private Equity) es una sociedad luxemburguesa (*société à responsabilité limitée*), con domicilio social en 16, rue Eugène Ruppert, L-2453 Luxemburgo, Gran Ducado de Luxemburgo y número de teléfono +352 (422) 229 360, inscrita en el Registro de Comercio y de Sociedades de Luxemburgo (*Registre de Commerce et des Sociétés*) bajo el número R.C.S. Luxemburgo B205404 y con código LEI 222100LAIJ35ZO844H18. MCH Continuation Fund, FICC (50,01%) y Periza Industries S.à r.l. (49,99%) son titulares de las acciones de Exponent S.à r.l. Conforme indicado anteriormente, MCH Continuation Fund, FICC está gestionado por MCH Private Equity. De acuerdo con el acta de titularidad real de Exponent S.à r.l. otorgada el 9 de septiembre de 2024 ante el Notario de Madrid, D. Andrés de la Fuente O'Connor, bajo el número 1.417 de su protocolo, ningún individuo posee o controla, directa o indirectamente, más del 25% del capital o los derechos de voto de Exponent S.à r.l.

Indinura, S.L. es una sociedad limitada española, con domicilio social en Calle Doctor Carulla, 26 P. Bj Pta.2., 08017 Barcelona y número de teléfono +34 629 367 205, con número de identificación fiscal español (NIF) B-02796852, inscrita en el Registro Mercantil de Barcelona bajo el tomo 47,547, folio 14, hoja B-555217 y con código LEI 9598002R4DQ2GS0FHK57. D. Jordi Morral Hospital (titular del 99,54% del capital social de Indinura, S.L.) es el socio de control de Indinura, S.L.

Esta Nota de Síntesis se refiere a una oferta pública inicial (la "**Oferta**") de las Acciones. Estamos ofertando entre 11.200.000 y 13.249.211 nuevas Acciones (las "**Acciones Nuevas de la Oferta**") que es el número de Acciones Nuevas de la Oferta necesarias, en base al Rango del Precio de la Oferta (tal y como se define más adelante), para obtener unos fondos brutos de aproximadamente 210,0 millones (los "**Fondos Nuevos Brutos**").

Los Accionistas Vendedores están ofertando 15.727.800 Acciones (las "**Acciones Secundarias de la Oferta**" y, junto con las Acciones Nuevas de la Oferta, las "**Acciones Iniciales de la Oferta**"), que comprenden (i) 14.386.800 Acciones titularidad de Exponent S.à r.l. (es decir, todas las Acciones titularidad de dicho Accionista Vendedor), (ii) 1.041.000 Acciones titularidad de Indinura, S.L. (es decir, el 50% de las Acciones titularidad de dicho Accionista Vendedor) y (iii) 300.000 Acciones titularidad de Gallés Office, S.L. (es decir, el 0,6% de las Acciones titularidad de dicho Accionista Vendedor).

Además, Gallés Office, S.L. y nosotros otorgaremos una opción conjunta (la "**Opción de Sobreadjudicación**") a las Entidades Coordinadoras Globales (por cuenta de las Entidades Aseguradoras) (cada uno conforme definido a continuación), ejercitable, en todo o en parte por J.P. Morgan SE, actuando como agente de estabilización (el "**Agente de Estabilización**"), por cuenta de las Entidades Aseguradoras, y en consulta con las otras Entidades Coordinadoras Globales, no más tarde de los 30 días naturales siguientes a la fecha en que las Acciones comiencen a cotizar en las Bolsas de Valores Españolas (tal y como se define más adelante), para comprar o suscribir, al Precio de la Oferta, Acciones adicionales que representan hasta el 10% de las Acciones Iniciales de la Oferta (las "**Acciones de la Sobreadjudicación**" y, junto con las Acciones Iniciales de la Oferta, las "**Acciones de la Oferta**"), únicamente para cubrir las sobreadjudicaciones de Acciones en la Oferta, en caso de haberlas, y las posiciones cortas resultantes de las operaciones de estabilización, en caso de haberlas. Si se ejercita la Opción de Sobreadjudicación, se ejercitará (i) primero con respecto a las Acciones de la Sobreadjudicación ofertadas por Gallés Office, S.L., que consistirá en el número de Acciones de la Sobreadjudicación que, al Precio de la Oferta, representaría un importe aproximado de 10,0 millones de euros – representando asimismo entre un 2,0% y un 2,2% de las Acciones de la Oferta Inicial en base al Rango del Precio de la Oferta- y (ii) posteriormente, en la medida en que el ejercicio de la Opción de Sobreadjudicación haya agotado todas las Acciones de la Sobreadjudicación ofertadas por Gallés Office, S.L. con respecto a las Acciones de la Sobreadjudicación ofertadas por nosotros, y que consistirá en hasta el resto de las Acciones de la Sobreadjudicación (que consistirá en el número de Acciones de la Sobreadjudicación que, al Precio de la Oferta, representaría un importe aproximado de entre 35,9 y 40,5 millones de euros y entre un 7,8% y un 8,0% de las Acciones de la Oferta Inicial en base al Rango del Precio de la Oferta).

El rango del precio de la oferta indicativo y no vinculante al que las Acciones de la Oferta se ofrecen en la Oferta se sitúa entre 15,85 euros y 18,75 euros por Acción de la Oferta (el "**Rango del Precio de la Oferta**"). El Rango del Precio de la Oferta es solo indicativo, puede cambiar durante el curso de la Oferta, y el Precio de la Oferta puede establecerse dentro, por encima o por debajo del Rango del Precio de la Oferta. Nosotros y los Accionistas Vendedores hemos determinado el Rango del Precio de la Oferta, tras consultarlo con las Entidades Coordinadoras Globales, sin que la decisión dependiese de ningún experto externo para evaluar el valor de las Acciones de la Oferta o determinar el Rango del Precio de la Oferta. El precio final de las Acciones de la Oferta (el "**Precio de la Oferta**") será determinado por nosotros y los Accionistas Vendedores, tras consultar con las Entidades Coordinadoras Globales, una vez finalizado el período de prospección (*book building*) (lo que se espera que ocurra el o alrededor del 8 de octubre de 2024) y se anunciará mediante una comunicación de información privilegiada presentada ante la CNMV (tal y como se define a continuación). No se consultará a expertos independientes para determinar el Precio de la Oferta.

El código ISIN de las Acciones existentes de la Sociedad es ES0105815007, mientras que el código ISIN provisional de las Acciones Nuevas de la Oferta es ES0105815015 y tendrán el mismo código ISIN que el de las Acciones existentes desde la Admisión (tal y como se define a continuación).

El presente folleto constituye un folleto a los efectos de los Artículos 3 y 4 del Reglamento de Folletos (el "**Folleto**"). El Folleto se ha elaborado en relación con la Oferta y la solicitud de admisión a cotización (la "**Admisión**") de las Acciones en las bolsas de valores de Barcelona, Madrid, Bilbao y Valencia (conjuntamente, las "**Bolsas de Valores Españolas**"). El Folleto ha sido aprobado y registrado en la Comisión Nacional del Mercado de Valores (la "**CNMV**") el 26 de septiembre de 2024. Los inversores pueden ponerse en contacto con la CNMV en el siguiente número de teléfono (+34) 900 535 015. El Folleto está disponible en la página web de la CNMV (www.cnmv.es) y en la página web de la Sociedad (www.europastry.com/global/en/ipo/). Ni la página web de la Sociedad ni su contenido se considera que forman parte de esta Nota de Síntesis, bien por referencia o de cualquier otro modo, excepto que aquí se indique lo contrario. La CNMV no ha examinado ni aprobado la página web de la Sociedad ni ninguno de sus contenidos.

2. INFORMACIÓN RELEVANTE SOBRE LA SOCIEDAD

2.1. ¿Quién es el emisor de los valores?

Domicilio y forma jurídica

La denominación social del emisor es Europastry, S.A. y opera con el nombre comercial de "Europastry". La Sociedad está constituida bajo las leyes de España como una sociedad anónima por tiempo indefinido y está inscrita en el Registro Mercantil de Barcelona bajo el tomo 48991, folio 31, hoja B-76007. La Sociedad es titular del número de identificación fiscal español (NIF) A-58695032, su código LEI es 95980020140005890405 y su página web corporativa es http://www.europastry.com. La principal legislación bajo la que opera la Sociedad es Texto Refundido de la Ley de Sociedades de Capital aprobado por el Real Decreto

Legislativo 1/2010, de 2 de julio, tal y como haya sido modificado (la "**Ley de Sociedades de Capital Española**") y las normas aprobadas bajo la misma. El domicilio social de la Sociedad se encuentra en Plaza Xavier Cugat, número 2, Edificio C, Planta 4, Parc Oficines Sant Cugat Nord, 08174, Sant Cugat del Vallès, Barcelona, España, y su número de teléfono es el +34 900118888.

Actividades Principales

Nuestra actividades principales son la fabricación y venta de pan y bollería congelados.

Accionistas mayoritarios

A fecha del Folleto, el capital social de la Sociedad es de 6.939.960 euros, dividido en 69.399.600 Acciones con un valor nominal de 0,1 euros cada una.

La siguiente tabla muestra cierta información respecto a la participación en el capital social y derechos de voto totales de nuestros accionistas inmediatamente antes de la Oferta y su participación esperada, junto con la participación esperada en el capital social del capital flotante, una vez completada la Oferta, tanto, alternativamente, en el supuesto de no ejercitarse la Opción de Sobreadjudicación como en el supuesto de ejercitarse la Opción de Sobreadjudicación en su totalidad, asumiendo, en cada caso (i) que el Precio de la Oferta es de 17,30 euros (es decir, el punto medio del Rango del Precio de la Oferta) y (ii) que el número de Acciones Nuevas de la Oferta es de 12.138.728:

			Titularidad de las Acciones tras la Oferta			
	Titularidad de las Acciones con anterioridad a la Oferta		**Asumiendo que no se ejercita la Opción de Sobreadjudicación**		**Asumiendo que la Opción de Sobreadjudicación se ejercita en su totalidad**	
	Número	**%**	**Número**	**%**	**Número**	**%**
D. Jordi Gallés Gabarró (1)................................	**52.930.800**	**76,3**	52.630.800	64,5	52.052.766	62,2
MCH Continuation Fund, FICC (2)....................	**14.386.800**	**20,7**	-	-	-	-
D. Jordi Morral Hospital (3)................................	**2.082.000**	**3,0**	1.041.000	1,3	1.041.000	1,2
Acciones de autocartera	-	-	-	-	-	-
Criteria Caixa, S.A.U. (4)	-	-	4.076.916	5,0	4.076.916	4,9
Público (capital flotante)..................................	-	-	23.789.612	29,2	26.576.264	31,7
Total	**69.399.600**	**100,0**	**81.538.328**	**100,0**	**83.746.946**	**100,0**

(1) D. Jordi Gallés Gabarro es titular del 99,99% del capital social de Palissandre, S.L., que, a su vez, es titular del 51,49% del capital social de Gallés Office, S.L., siendo este último el titular directo de las Acciones.
(2) MCH Continuation Fund, FICC es titular del 50,01% del capital social de Exponent, S.à r.l., que, a su vez, es el titular directo de las Acciones.
(3) D. Jordi Morral Hospital es titular del 99,54% del capital social de Indinura, S.L., que, a su vez, es el titular directo de las Acciones.
(4) Criteria Caixa, S.A.U. ha suscrito un contrato de compromiso de inversión con la Compañía y los Accionistas Vendedores, en virtud del cual, sujeto al cumplimiento de ciertas condiciones, Criteria Caixa, S.A.U. se ha comprometido irrevocablemente a comprar o suscribir en la Oferta, al Precio de la Oferta, Acciones de la Oferta que representen el 5,0% de las Acciones que se encuentren emitidas inmediatamente después de la Oferta (excluyendo cualquier Acción que pueda emitirse como resultado del ejercicio de la Opción de Sobreadjudicación). Véase "*Plan de Distribución—Compromiso de Inversión*".

Consejo de Administración

El Consejo de Administración está compuesto por seis miembros: D. Jordi Gallés Gabarró (ejecutivo, presidente), D. Jordi Morral Hospital (ejecutivo, consejeros delegado), Dña. Eva Gallés Gabarró (dominical), D. Ramón Núñez Cabezón (otro externo), Dña. Inés Arnau Almirall (independiente) y Dña. Montserrat Trapé Viladomat (independiente).

Auditor independiente

PricewaterhouseCoopers Auditores, S.L. ("**PwC**") es nuestro auditor independiente.

2.2. ¿Cuál es la información financiera más relevante de la Sociedad?

Las siguientes tablas presentan información financiera consolidada seleccionada de la Sociedad para los ejercicios cerrados a y finalizados el 31 de diciembre de 2023, 2022 y 2021, cerrado a 30 de junio de 2024, así como para los seis meses finalizados a 30 de junio de 2024 y 2023. La información financiera incluida en este Folleto se deriva de la traducción al inglés de las versiones originales en español de (i) los estados financieros anuales consolidados auditados de la Sociedad y sus filiales a fecha y para el año finalizado a 31 de diciembre de 2023 (los "**Estados Financieros Consolidados de 2023**"), los estados financieros anuales consolidados auditados de la Sociedad y sus filiales a fecha y para el año finalizado a 31 de diciembre de 2022 (los "**Estados Financieros Consolidados de 2022**") y los estados financieros anuales consolidados auditados de la Sociedad y sus filiales a fecha y para el año finalizado a 31 de diciembre de 2021 (los "**Estados Financieros Consolidados de 2021**" y, junto con los Estados Financieros Consolidados de 2023 y los Estados Financieros Consolidados de 2022, los "**Estados Financieros Anuales Consolidados Auditados**") y (ii) los estados financieros consolidados interinos condensados no auditados de la Sociedad y sus filiales para los seis meses finalizados a 30 de junio de 2024, que incluyen cifras comparativas a 31 de diciembre de 2023, y para los seis meses finalizados el 30 de junio de 2023 (los "**Estados Financieros Consolidados Interinos Condensados No Auditados**" y, junto con los Estados Financieros Anuales Consolidados Auditados, los "**Estados Financieros Consolidados**"). Los Estados Financieros Anuales Consolidados Auditados y los Estados Financieros Consolidados Interinos Condensados No Auditados se han preparado de acuerdo con las Normas Internacionales de Información Financiera, adoptadas por la Unión Europea e IAS 34, y las Normas Internacionales de Información Financiera Interina, respectivamente.

La versión original en español de los Estados Financieros Consolidados de 2023 ha sido auditada por PwC y las versiones originales en español de los Estados Financieros Consolidados de 2022 y los Estados Financieros Consolidados de 2021 fueron auditados por Grant Thornton, S.L.P. En cuanto a los Estados Financieros Consolidados Interinos Condensados No Auditados, PwC ha realizado una revisión limitada. Los informes de auditoría con respecto a cada uno de los Estados Financieros Consolidados Anuales Auditados, así como el informe de revisión limitada con respecto a los Estados Financieros Consolidados Interinos Condensados No Auditados se han emitido sin salvedades. Los Estados Financieros Consolidados (y sus respectivas versiones originales en español) se incorporan por referencia en este Folleto junto con los informes de auditoría y el informe de revisión limitada al respecto.

Información de la cuenta de resultados consolidada

	Para los seis meses finalizados el 30 de junio de		**Para los años finalizados el 31 de diciembre de**		
	2024	**2023**	**2023**	**2022**	**2021**
	(en miles de euros, excepto % y los beneficios por acción)				
Ingresos netos	**713.634**	**666.949**	**1.346.779**	**1.121.500**	**845.578**
Crecimiento de Ingresos netos (como un porcentaje de la facturación neta del período anterior)	**7,0%**	**28,8%**	**20,1%**	**32,6%**	**23,1%**
Beneficio operativo	**63.386**	**59.260**	**116.516**	**74.341**	**48.820**
Margen Operativo (1)	**8,9%**	**8,9%**	**8,7%**	**6,6%**	**5,8%**
Beneficio neto del año	**32.524**	**36.599**	**68.895**	**36.299**	**24.331**
Beneficio por acción(2)	**0,46(3)**	**0,52(4)**	**393**	**208**	**139**

(1) Se calcula dividiendo el beneficio operativo por los ingresos netos.
(2) En euros.
(3) Incluye el impacto del desdoblamiento de 400x de las Acciones aprobado por la junta general de accionistas el 6 de junio de 2024, en virtud del cual el valor nominal de las Acciones se redujo de €1 a €0,0025, y las 173.499 Acciones en las que se dividía el capital social en ese momento, se desdoblaron y resultaron en 69.399.600 Acciones. Sin tener en cuenta el desdoblamiento, el beneficio por acción sería de 184 euros.
(4) Ajustado para mostrar el impacto del desdoblamiento de 400x de las Acciones aprobado por la junta general de accionistas el 6 de junio de 2024, en virtud del cual el valor nominal de las Acciones se redujo de €1 a €0,0025, y las 173.499 Acciones en las que se dividía el capital social en ese momento, se desdoblaron y resultaron en 69.399.600 Acciones. Sin tener en cuenta el desdoblamiento, el beneficio por acción era de 206 euros.

Información del balance de situación consolidado

	A 30 de junio de	**A 31 de diciembre de**		
	2024	**2023**	**2022**	**2021**
	(en miles de euros)			
Activos totales	**1.548.530**	**1.397.769**	**1.339.264**	**1.097.679**
Patrimonio neto	**373.251**	**334.992**	**327.255**	**266.430**
Deuda Neta[MAR]	**667.170**	**651.769**	**569.044**	**529.923**

Información del estado de flujos de caja consolidado

	Para los seis meses finalizados a 30 de junio de		**Para el año finalizado el 31 de diciembre de**		
	2024	**2023**	**2023**	**2022**	**2021**
	(en miles de euros)				
Flujo de caja neto procedente de actividades operativas	**112.971**	**56.101**	**142.417**	**142.051**	**120.680**
Flujo de caja neto procedente de actividades de inversión	**(89.939)**	**(67.884)**	**(108.980)**	**(172.244)**	**(119.939)**
Flujo de caja neto procedente de actividades de financiación	**29.991**	**8.708**	**(49.509)**	**31.740**	**(31.048)**

	Para los seis meses finalizados a 30 de junio de		Para el año finalizado el 31 de diciembre de		
	2024	2023	2023	2022	2021
	(en miles de euros)				

No se ha incluido en el Folleto ninguna información financiera *pro forma* ni previsión de beneficios.

2.3. ¿Cuáles son los riesgos más relevantes específicos de la Sociedad?

Los factores de riesgo más relevantes específicos de la Sociedad son los siguientes:

- "*Riesgos relacionados con nuestra industria y nuestro negocio*": (i) "*1.1 Las interrupciones en nuestra cadena de suministro podrían afectar negativamente a nuestro negocio"*; (ii) *"1.2 El precio de la energía utilizada en la producción, almacenamiento y transporte de nuestros productos está sujeto a condiciones de mercado volátiles*"; (iii) "*1.3 La mayoría de nuestros clientes no están obligados contractualmente a comprar nuestros productos de manera recurrente y algunos de ellos podrían ejercer presión en los precios, lo que podría reducir nuestra base de clientes y márgenes de beneficio*"; (iv) "*1.4 La producción, almacenamiento y transporte de nuestros productos es un proceso complejo y costoso, requiere inversiones significativas y puede verse interrumpido por la ocurrencia de eventos imprevistos, incluyendo la pérdida o cierre temporal de una instalación significativa.*"; (v) "*1.5 Los aumentos en los costes de ciertas materias primas podrían afectar negativamente a nuestro negocio*" y (vi) "*1.6 Podríamos no ser capaces de completar con éxito operaciones favorables o integrar con éxito los negocios adquiridos*".

- "*Riesgos relacionados con nuestras operaciones comerciales*": (i) "*2.1 Nuestras operaciones están fuertemente concentradas en España*"; (ii) "*2.2 Nuestro negocio requiere mucho capital*"; y (iii) "*2.3 Tenemos una cantidad significativa de fondos de comercio y otros activos intangibles sujetos a deterioro y depreciación, lo que podría resultar en una reducción de nuestros ingresos netos*".

- "*Riesgos relacionados con nuestro endeudamiento y otros pasivos*": (i) "*3.1. Tenemos riesgos relacionados con nuestro endeudamiento, incluyendo nuestra capacidad para resistir condiciones de negocio adversas y cumplir con nuestras obligaciones de pago de deuda*".

- "*Riesgos legales, regulatorios y de cumplimiento*": (i) "*4.1 Operamos en una industria altamente regulada y el incumplimiento por nuestra parte de las leyes, regulaciones o prácticas gubernamentales, incluyendo las regulaciones ambientales, o los cambios en las leyes o su interpretación, en los mercados en los que operamos pueden afectar negativamente a nuestro negocio, estado financiero, resultados de operaciones y previsiones de futuro*"; y (ii) "*4.2 Asuntos fiscales, incluyendo cambios en las tasas de impuestos, desacuerdos con las autoridades fiscales y la imposición de nuevos impuestos podrían impactar nuestros resultados de operaciones y nuestra condición financiera*".

3. INFORMACIÓN RELEVANTE SOBRE LOS VALORES

3.1. ¿Cuáles son las principales características de los valores?

Tipo, clase e ISIN

El capital social de la Sociedad es de 6.939.960 euros, el cual se encuentra dividido en una única clase de 69.399.600 Acciones con un valor nominal de 0,1 euros cada una. Cada Acción confiere un voto a su titular.

Las Acciones están denominadas en euros (€). El código ISIN de las Acciones existentes es el ES0105815007, mientras que el Código ISIN provisional de las Acciones Nuevas de la Oferta es el ES0105815015, las cuales tendrán el mismo código ISIN que las Acciones existentes a partir de su Admisión.

Las Acciones fueron emitidas conforme a la Ley de Sociedades de Capital y cada Acción confiere los mismos derechos (incluyendo el derecho a recibir, en idénticas cantidades, dividendos y otras distribuciones declaradas, hechas o pagadas con cargo capital social de la Sociedad, incluyendo en caso de liquidación).

Los titulares de las Acciones, incluidas las Acciones de la Oferta, tienen los derechos y están sujetos a las obligaciones establecidas en la Ley de Sociedades de Capital Española y en los estatutos sociales de la Sociedad (los "**Estatutos**"). En particular, son derechos inherentes a la condición de titular de las Acciones: (i) el derecho de asistencia a la junta general de accionistas con derecho a voto; (ii) el derecho de suscripción preferente en las emisiones de nuevas acciones y de obligaciones u otros instrumentos convertibles o que conlleven el derecho a suscribir nuevas acciones como contraprestación a las aportaciones dinerarias; (iii) derecho a ejercitar acciones propias de los accionistas; (iv) derechos de información; y (v) derechos a dividendos y la cuota de liquidación en proporción al capital social desembolsado.

Las Acciones, incluidas las Acciones de la Oferta, no están sujetas a ninguna restricción en cuanto a la transmisión, salvo las restricciones aplicables en virtud de la normativa de valores que sea de aplicación y los Estatutos, y sin perjuicio de los compromisos de no disposición (*lock-up*) acordados en relación con la Oferta.

Aunque el Consejo de Administración no ha adoptado ningún acuerdo social al respecto, en la medida en que sea legalmente posible, nuestra intención es distribuir un primer dividendo tras la Oferta en 2025, con el objetivo de distribuir hasta el 30% de nuestros resultados para el año que termina el 31 de diciembre de 2024. Asimismo, nuestra intención es conseguir distribuir dividendos de hasta el 30% de nuestros resultados obtenidos en los ejercicios subsiguientes, sujeto a cualquier restricción contractual.

3.2. ¿Dónde se negociarán los valores?

Solicitaremos que las Acciones coticen en las Bolsas de Valores Españolas, que son mercados regulados a efectos de la Directiva 2014/65/CE de la UE relativa a los mercados de instrumentos financieros, en su versión vigente, y que sean admitidas a cotización a través del Sistema de Interconexión Bursátil o Mercado Continuo de las Bolsas de Valores Españolas en o alrededor del 10 de octubre de 2024 con el símbolo de cotización "EPTY".

3.3. ¿Existe una garantía vinculada a los valores?

No procede.

3.4. ¿Cuáles son los riesgos más relevantes específicos de los valores?

A continuación, se presenta un resumen de los riesgos relevantes seleccionados que se relacionan con los valores: (i) "*5.1. Nuestro principal accionista continuará ejerciendo control sobre nosotros después de la Admisión, y sus intereses pueden diferir de los intereses de nuestros otros accionistas*"; (ii) "*5.2. No existe un mercado de negociación establecido para las Acciones*", y (iii) "*5.3. No podemos asegurar que podremos pagar dividendos o, en caso de que paguemos dividendos, que estos se mantendrán o aumentarán en el futuro*".

4. INFORMACIÓN RELEVANTE SOBRE LA OFERTA DE VALORES AL PÚBLICO Y/O LA ADMISIÓN A COTIZACIÓN EN UN MERCADO REGULADO

4.1. ¿En qué condiciones y plazos puedo invertir en los valores?

Calendario previsto para los principales eventos

Esperamos que la Oferta tenga lugar de acuerdo con el siguiente calendario tentativo:

Evento	**Fecha estimada (1)**
Aprobación y registro del Folleto en la CNMV	26 de septiembre de 2024
Inicio del periodo de prospección "*book building*" en el que se presentan propuestas no vinculantes por parte de inversores cualificados	27 de septiembre de 2024
Finalización del período de prospección "*book building*"	8 de octubre de 2024
Fijación del Precio de la Oferta	8 de octubre de 2024
Firma del Contrato de Aseguramiento (tal y como se define más adelante)	8 de octubre de 2024
Publicación del Precio de la Oferta y del volumen final de la Oferta mediante una comunicación de información privilegiada	8 de octubre de 2024
Asignación de Acciones Iniciales de la Oferta a los inversores (en o alrededor del)	9 de octubre de 2024
Adelanto de fondos de las Acciones Nuevas de la Oferta por las Entidades Coordinadoras Globales	9 de octubre de 2024
Otorgamiento de la escritura pública de aumento de capital relativa a las Acciones Nuevas de la Oferta	9 de octubre de 2024
Presentación y registro de la escritura pública de aumento de capital relativa a las Acciones Nuevas de la Oferta en el Registro Mercantil de Barcelona	9 de octubre de 2024
Fecha de la operación bursátil de la Oferta y publicación de una comunicación de otra información relevante	9 de octubre de 2024
Admisión, inicio de negociación y comienzo del Periodo de Estabilización (tal y como se define más adelante) y del periodo de ejercicio de la Opción de Sobreadjudicación (en o alrededor del)	10 de octubre de 2024
Fecha de liquidación (en o alrededor del)	11 de octubre de 2024
Finalización del Período de Estabilización y del período de ejercicio de la Opción de Sobreadjudicación(2)	8 de noviembre de 2024

(1) Cada una de las fechas en el calendario tentativo anterior está sujeta a cambios, sin previo aviso. Cualquier cambio, incluyendo, en particular, cualquier acortamiento o prolongación del período de prospección (*book-building*), se hará público mediante la publicación de la correspondiente comunicación de información privilegiada o de otra información relevante a través de la CNMV.

(2) La Opción de Sobreadjudicación será ejercitable, en todo o en parte, por un período de 30 días naturales a partir de la fecha de la Admisión.

Asumiendo que el Precio de la Oferta se sitúa en el punto medio del Rango del Precio de la Oferta (17,30 euros por Acción de la Oferta), tras la Oferta, nuestros accionistas existentes a fecha del Folleto serán titulares de las siguientes Acciones y derechos de voto: (a) Gallés Office, S.L. será titular de un 64,5% del total de las Acciones y de los derechos de voto si la Opción de Sobreadjudicación no se ejercita (o de un 62,2% si la Opción de Sobreadjudicación se ejercita en su totalidad), lo que representa una dilución de, aproximadamente, un 15,4% con respecto a su participación y al porcentaje del total de derechos de voto de los que era titular antes de la Oferta si la Opción de Sobreadjudicación no se ejercita (o 18,5% si la Opción de Sobreadjudicación se ejercita en su totalidad), (b) Exponent S.à r.l. no será titular de ninguna Acción ni de ningún derecho de voto de la Sociedad tras la Oferta; y (c) Indinura, S.L. será titular de un 1,3% del total de las Acciones y de los derechos de voto si la Opción de Sobreadjudicación no se ejercita (o de un 1,2% si la Opción de Sobreadjudicación se ejercita en su totalidad), lo que representa una dilución de, aproximadamente, un 57,4% con respecto a su participación y al porcentaje del total de derechos de voto de los que era titular antes de la Oferta si la Opción de Sobreadjudicación no se ejercita (o 58,6% si la Opción de Sobreadjudicación se ejercita en su totalidad).

Dada la dificultad en determinar los gastos incurridos a fecha del Folleto, la tabla que se muestra a continuación es a efectos ilustrativos únicamente y establece los gastos estimados que pagaremos nosotros y los Accionistas Vendedores e relación con la Oferta (excluyendo cualquier IVA aplicable, que deberá ser añadido donde proceda).

Gastos	Sociedad	Accionistas Vendedores	Total
		(en millones de euros)	
Comisiones de colocación y aseguramiento *(1)(2)*...........	8,7	9,9	18,6
Tarifas de Iberclear, Bolsas de Valores Españolas y CNMV *(1)*..	0,1	0,1	0,1
Gastos legales y otros...	3,9	-	3,9
Total.	**12,6**	**9,9**	**22,6**

(1) Asumiendo que (i) el Precio de la Oferta está en el punto medio del Rango del Precio de la Oferta (17,30 euros por Acción de la Oferta); y (ii) todas las Acciones de la Oferta (incluyendo las Acciones de la Sobreadjudicación) han sido colocadas o suscritas por los Gestores, según sea de aplicación, y que la Opción de Sobreadjudicación ha sido ejercitada en su totalidad.

(2) Asumiendo que la comisión discrecional se paga en su totalidad.

4.2. ¿Quién es el oferente y/o la persona que solicita la admisión a cotización?

Nosotros somos el oferente y emisor de las Acciones Nuevas de la Oferta (así como de las Acciones de la Sobreadjudicación ofertadas por nosotros si se ejercita la Opción de Sobreadjudicación, total o parcialmente), y la persona que solicita la admisión a cotización de todas las Acciones en la fecha de Admisión. Consulte "2. *Información relevante de la Sociedad*" de esta Nota de Síntesis para obtener más información sobre la Sociedad. Si se ejercita la Opción de Sobreadjudicación, se ejercitará Si se ejercita la Opción de Sobreadjudicación, se ejercitará (i) primero con respecto a las Acciones de la Sobreadjudicación ofertadas por Gallés Office, S.L., que consistirá en el número de Acciones de la Sobreadjudicación que, al Precio de la Oferta, representaría un importe aproximado de 10,0 millones de euros – representando asimismo entre un 2,0% y un 2,2% de las Acciones de la Oferta Inicial en base al Rango del Precio de la Oferta- y (ii) posteriormente, en la medida en que el ejercicio de la Opción de Sobreadjudicación haya agotado todas las Acciones de la Sobreadjudicación ofertadas por Gallés Office, S.L. con respecto a las Acciones de la Sobreadjudicación ofertadas por nosotros, y que consistirá en hasta el resto de las Acciones de la Sobreadjudicación (que consistirá en el número de Acciones de la Sobreadjudicación que, al Precio de la Oferta, representaría un importe aproximado de entre 35,9 y 40,5 millones de euros y entre un 7,8% y un 8,0% de las Acciones de la Oferta Inicial en base al Rango del Precio de la Oferta). La Opción de Sobreadjudicación será ejercitable, total o parcialmente, por el Agente de Estabilización, por cuenta de los Gestores y en consulta con las otras Entidades Coordinadoras Globales, no más tarde de los 30 días naturales siguientes a la Admisión (el "**Periodo de Estabilización**").

Los Accionistas Vendedores serán los oferentes de las Acciones Secundarias de la Oferta. En este sentido, (i) Exponent S.à r.l. (cuyo accionista mayoritario es MCH Continuation Fund, FICC, un fondo gestionado por MCH Private Equity) ofertará 14.386.800 Acciones Secundarias de la Oferta (es decir, todas las Acciones titularidad de dicho Accionista Vendedor), (ii) Indinura, S.L. (controlada por D. Jordi Morral Hospital) ofertará 1.041.000 Acciones Secundarias de la Oferta (es decir, el 50% de las Acciones titularidad de dicho Accionista Vendedor), y (iii) Gallés Office, S.L. ofertará 300.000 Acciones Secundarias de la Oferta (es decir, el 0,6% de las Acciones titularidad de dicho Accionista Vendedor).

Además, Gallés Office, S.L. será el oferente de las Acciones de la Sobreadjudicación ofertadas por Gallés Office, S.L. si se ejercita la Opción de Sobreadjudicación, total o parcialmente. Consulte "*1. Introducción y advertencias*" de esta Nota de Síntesis para obtener más información sobre los Accionistas Vendedores.

4.3. ¿Por qué se elabora el Folleto?

El Folleto constituye un folleto a los efectos de los Artículos 3 y 4 del Reglamento de Folletos. El Folleto se ha elaborado en relación con la Oferta y la solicitud de Admisión. El Folleto ha sido aprobado por la CNMV, como autoridad competente conforme al Reglamento de Folletos, la Ley 6/2023, de 17 de marzo, de los Mercados de Valores y de los Servicios de Inversión, tal y como haya sido modificado, y las correspondientes normas de aplicación en España.

Esperamos que la Oferta nos proporcione un mejor reconocimiento de marca y una mayor visibilidad en el mercado, junto con una posición más fuerte para retener y atraer talento. También creemos que la Oferta fortalecerá nuestro perfil corporativo general, mejorará nuestra posición competitiva, diversificará nuestras operaciones y mejorará nuestra transparencia y prestigio como resultado de convertirnos en una empresa cotizada. La Oferta nos ayudará a reducir nuestro endeudamiento existente, ya que tenemos la intención de utilizar aproximadamente 109,1 millones de euros procedentes de los Fondos Nuevos Brutos para reducir nuestro endeudamiento, que esperamos que nos permitirá alcanzar una Ratio de Deuda Financiera Neta/EBITDA inferior a 2.5x, en base a nuestra posición financiera consolidada a 30 de junio de 2024. El resto de los Fondos Nuevos Brutos recibidos por nosotros de la emisión de las Acciones Nuevas de la Oferta (i.e., aproximadamente 89,6 millones de euros, tras deducir de los Fondos Nuevos Brutos (i) el importe destinado a reducir el endeudamiento y (ii) las comisiones aseguramiento y colocación y otros honorarios y gastos de la Oferta que está previsto que sean asumidos por nosotros en relación con las Acciones Nuevas de la Oferta, asumiendo que el precio de Oferta es el punto medio del Rango de Precio de la Oferta) y, en su caso, aquellos fondos netos recibidos de la venta de las Acciones de la Sobreadjudicación ofrecidas por nosotros (tras deducir las comisiones aseguramiento y colocación y otros honorarios y gastos de la Oferta que está previsto que sean asumidos por nosotros con respecto a las Acciones de la Sobreadjudicación), nos permitirá captar posibles inversiones en oportunidades de crecimiento inorgánico, tales como fusiones y adquisiciones, que la Sociedad pueda encontrar a corto o medio plazo.

Además, se espera que la Oferta haga que nuestra base de accionistas crezca, permitiendo la entrada de inversores institucionales a largo plazo y una base diversificada de accionistas internacionales. Creemos que esto puede mejorar nuestro acceso a capital público y facilitar la obtención de financiación (incluyendo, en su caso, futura deuda financiera) para su uso en nuestro futuro crecimiento.

Esperamos obtener Fondos Nuevos Brutos de aproximadamente (210,0 millones de euros) mediante la suscripción de las Acciones Nuevas de la Oferta. Dependiendo del número de Acciones de la Sobreadjudicación con respecto a las que se ejercite la Opción de Sobreadjudicación, emitiremos hasta un máximo de 2.208.618 Acciones de la Sobreadjudicación (asumiendo que el precio de Oferta es el punto medio del Rango del Precio de la Oferta). Si la Opción de Sobreadjudicación se ejercita en su totalidad obtendríamos unos fondos brutos adicionales de aproximadamente 38,2 millones de euros (asumiendo que el precio de Oferta es el punto medio del Rango de Precio de la Oferta).

Se espera que el importe total de las comisiones aseguramiento y colocación, honorarios y gastos de la Oferta (asumiendo que el Precio de la Oferta se sitúa en el punto medio del Rango del Precio de la Oferta y la Opción de la Sobreadjudicación es ejercida en su totalidad) sea de aproximadamente 22,6 millones de euros, de los cuales (i) aproximadamente 11,3 millones de euros sean asumidos por nosotros en relación con las Acciones Nuevas de la Oferta, (ii) aproximadamente 1,3 millones de euros sean asumidos por nosotros en relación con las Acciones de la Sobreadjudicación ofertadas por nosotros (iii) aproximadamente 0,4 millones de euros sean asumidos por Gallés Office, S.L. en relación con las Acciones de la Sobreadjudicación ofertadas por Gallés Office, S.L. y (iv) aproximadamente 9,6 millones de euros sean asumidos por los Accionistas Vendedores de forma agregada en relación con las Acciones Secundarias de la Oferta. Por lo tanto, en base a lo anterior, esperamos obtener unos ingresos netos de aproximadamente 235,6 millones de euros de la Oferta.

Asimismo, Gallés Office, S.L. (controlada por D. Jordi Gallés Gabarró) tiene la intención de obtener fondos brutos de aproximadamente 15,2 millones de euros (incluyendo aquellos derivados de la venta de las Acciones de la Sobreadjudicación ofertadas por Gallés Office, S.L. y asumiendo que el Precio de la Oferta está en el punto medio del Rango del Precio de la Oferta). Exponent S.à r.l. (cuyo accionista mayoritario es MCH Continuation Fund, FICC, un fondo gestionado por MCH Private Equity) e Indinura, S.L. (controlada por D. Jordi Morral Hospital) tienen la intención de obtener fondos brutos de aproximadamente 248,9 millones de euros y 18,0 millones de euros, respectivamente, asumiendo que el Precio de la Oferta está en el punto medio del Rango del Precio de la Oferta. Si se ejercita la Opción de Sobreadjudicación, se ejercitará (i) primero con respecto a las Acciones de la Sobreadjudicación ofertadas por Gallés Office, S.L., que consistirá en el número de Acciones de la Sobreadjudicación que, al Precio de la Oferta, representaría un importe aproximado de 10,0 millones de euros – representando asimismo entre un 2,0% y un 2,2% de las Acciones de la Oferta Inicial en base al Rango del Precio de la Oferta- y (ii) posteriormente, en la medida en que el ejercicio de la Opción de Sobreadjudicación haya agotado todas las Acciones de la Sobreadjudicación ofertadas por Gallés Office, S.L. con respecto a las Acciones de la Sobreadjudicación ofertadas por nosotros, y que consistirá en hasta el resto de las Acciones de la Sobreadjudicación (que consistirá en el número de Acciones de la Sobreadjudicación que, al Precio de la Oferta, representaría un importe aproximado de entre 35,9 y 40,5 millones de euros y entre un 7,8% y un 8,0% de las Acciones de la Oferta Inicial en base al Rango del Precio de la Oferta).

Nosotros, los Accionistas Vendedores, J.P. Morgan SE ("**JP Morgan**"), UBS Europe SE ("**UBS**") e ING Bank N.V. ("**ING**" y, junto con JP Morgan y UBS, las "**Entidades Coordinadoras Globales**"), Banco Santander, S.A. ("**Banco Santander**"), CaixaBank, S.A. ("**CaixaBank**"), Banco Bilbao Vizcaya Argentaria, S.A. ("**BBVA**") y Coöperatieve Rabobank U.A. ("**Rabobank**" y, junto con Banco Santander, CaixaBank, BBVA y las Entidades Coordinadoras Globales, los "**Entidades Coordinadoras de la Colocación**") y, Banca March, S.A. ("**Banca March**") y JB Capital Markets Sociedad de Valores, S.A.U. ("**JB Capital**" y, junto con Banca March, las "**Entidades Codirectoras**" y las Entidades Codirectoras, junto con las Entidades Coordinadoras de la Colocación, las "**Entidades Aseguradoras**", y, cada uno de ellos, una "**Entidad Aseguradora**") tienen previsto suscribir un contrato de aseguramiento (el "**Contrato de Aseguramiento**") en o alrededor del 8 de octubre de 2024 respecto a las Acciones Iniciales de la Oferta ofrecidas por nosotros, las Acciones Secundarias de la Oferta ofrecidas por los Accionistas Vendedores, y las Acciones de la Sobreadjudicación ofrecidas por Gallés Office, S.L. y por nosotros en virtud de la Opción de Sobreadjudicación otorgada a las Entidades Coordinadoras Globales, ejercitable, total o parcialmente, por el Agente de Estabilización, en nombre de las Entidades Aseguradoras, y en consulta con las otras Entidades Coordinadoras Globales, no más tarde de 30 días naturales tras la fecha en las que las Acciones comiencen a cotizar en las Bolsas de Valores Españolas. No hay entidades que tengan un compromiso firme de actuar como intermediarios en la negociación secundaria proporcionando liquidez a través de los índices de oferta y demanda respecto a la Oferta o a las Acciones de la Oferta.

No hay acuerdos importantes ni conflicto de interés en relación con Oferta y/o la Admisión. Sin embargo, algunas de los Gestores o sus filiales son prestamistas bajo el acuerdo de financiación sostenible suscrito el 15 de noviembre de 2021 por nosotros, como prestatarios, y Europastry Portugal, S.A., Europastry USA Inc., Euro Classic Imports LLC, Europastry Central Europe B.V., Grand Duet B.V. e Ingapan, S.L., como garantes, y BBVA, ING Bank, N.V., Sucursal en España, ING, Rabobank, Banco Santander, Banco de Sabadell, S.A., CaixaBank, Banca March y Bankinter, S.A., como prestamistas, por importes máximos agregados de 748.000.000 euros y 64.000.000 dólares (el "**Contrato de Financiación Sostenible Original**"). El Contrato de Financiación Sostenible Original fue modificado y refundido el 23 de noviembre de 2023 (conforme modificado y refundido, el "**Acuerdo de Financiación Sostenible**") para, entre otras cosas, aumentar los importes máximos agregados a 948.000.000 de euros y 64.000.000 de dólares. Debido a que una parte de los fondos netos a recibir por nosotros de la Oferta se utilizará para repagar los créditos retirados bajo el Acuerdo de Financiación Sostenible, dichos prestamistas recibirán ingresos de la Oferta.

REGISTERED OFFICE OF THE COMPANY

Plaza Xavier Cugat, No. 2, Building C, 4th Floor
Parc Oficines Sant Cugat Nord
08174 Sant Cugat del Vallés (Barcelona)
Spain

JOINT GLOBAL COORDINATORS AND JOINT BOOKRUNNERS

J.P. Morgan SE
Taunustor 1 (TaunusTurm)
60310 Frankfurt am Main
Germany

UBS Europe SE
Bockenheimer Landstraβe 2-4
60306 Frankfurt am Main
Germany

ING Bank N.V.
Bijlmerdreef 106
1102 CT Amsterdam
The Netherlands

JOINT BOOKRUNNERS

Banco Santander, S.A.
Calle Juan Ignacio Luca de Tena, 11-13
28027 Madrid
Spain

CaixaBank, S.A.
Calle Pintor Sorolla, 2-4
46002 Valencia
Spain

Banco Bilbao Vizcaya Argentaria, S.A.
Plaza de San Nicolás, 4
48005 Bilbao
Spain

Coöperatieve Rabobank U.A.
Croeselaan 18
3521CB Utrecht
The Netherlands

CO-LEAD MANAGERS

Banca March, S.A.
Av. Alejandro Rosselló, 8
07002 Palma de Mallorca
Spain

JB Capital Markets Sociedad de Valores, S.A.U.
Calle Serrano Anguita, 1, Centro
28004 Madrid
Spain

AGENT BANK

CaixaBank, S.A.
Calle del Pintor Sorolla 2-4
46002, Valencia
Spain

LEGAL ADVISORS TO THE COMPANY

As to Spanish Law

Cuatrecasas, Gonçalves Pereira, S.L.P.
Calle de Almagro, 9
28010 Madrid
Spain

As to English Law and U.S. Law

Davis Polk & Wardwell LLP
Paseo de la Castellana, 41
28046 Madrid
Spain

LEGAL ADVISORS TO THE UNDERWRITERS

As to Spanish Law

J&A Garrigues, S.L.P.
Calle Hermosilla, 3
28001 Madrid
Spain

As to English Law and U.S. Law

Linklaters, S.L.P.
Calle de Almagro, 40
28010 Madrid
Spain

INDEPENDENT AUDITORS OF THE COMPANY

Grant Thornton, S.L.P.
Calle de José Abascal, 56
28003 Madrid
Spain

PriceWaterhouseCoopers Auditores, S.L.
Torre PwC, Paseo de la Castellana 259 B
28046, Madrid,
Spain

Mr. Jordi Gallés Gabarró, acting in the name of and on behalf of the Company, acting in his capacity as Executive President and under a special power of attorney granted by the board of directors of the Company by means of a resolution dated September 24, 2024, accepts responsibility for the information contained in this Prospectus. To the best of his knowledge, the information contained in this Prospectus is in accordance with the facts and contains no omissions likely to affect its import.

Mr. Jordi Gallés Gabarró, also acting in the name of and on behalf of Gallés Office, S.L., acting in his capacity as representative of Palissandre, S.L., Executive President of Gallés Office, S.L. and under a special power of attorney granted by the board of directors of Gallés Office, S.L. by means of a resolution dated September 24, 2024, declares that Gallés Office, S.L., accepts responsibility for the information referring to Gallés Office, S.L. in the sections "*Principal and Selling Shareholders*" and "*Plan of Distribution*". To the best of his knowledge, the information contained in the sections "*Principal and Selling Shareholders*" and "*Plan of Distribution*" is in accordance with the facts and contains no omissions likely to affect its import.

Mr. Antonio Santiago Pérez, acting in the name of and on behalf of Exponent S.à r.l., acting in his capacity as attorney of Exponent S.à r.l., under a special power of attorney granted by means of a resolution dated July 1, 2024, before the Notary of Luxembourg, Mr. Edouard Delosch, declares that Exponent S.à r.l., accepts responsibility for the information referring to Exponent S.à r.l. in the sections "*Principal and Selling Shareholders*" and "*Plan of Distribution*". To the best of his knowledge, the information contained in the sections "*Principal and Selling Shareholders*" and "*Plan of Distribution*" is in accordance with the facts and contains no omissions likely to affect its import.

Mr. Jordi Morral Hospital, acting in the name of and on behalf of Indinura, S.L., acting in his capacity as Sole Director of Indinura, S.L. and under a special authorization granted by the general shareholders' meeting of Indinura, S.L. by means of a resolution dated September 24, 2024, declares that Indinura, S.L., accepts responsibility for the information referring to Indinura, S.L. in the sections "*Principal and Selling Shareholders*" and "*Plan of Distribution*". To the best of his knowledge, the information contained in the sections "*Principal and Selling Shareholders*" and "*Plan of Distribution*" is in accordance with the facts and contains no omissions likely to affect its import.

In Barcelona, on September 26, 2024.

Mr. Jordi Gallés Gabarró	Mr. Antonio Santiago Pérez	Mr. Jordi Morral Hospital