

Court rules in favor of Nueva Pescanova over its petition to void contracts imposed by the old Pescanova

- **The ruling confirms the assessment of Nueva Pescanova S.L. on the contested contracts and acknowledges that the old Pescanova, Pescanova S.A., breached its duty of loyalty as an administrator.**

Vigo, 20 June 2017.- The Commercial Court has issued a ruling sustaining the petition made by the Nueva Pescanova Group (Nueva Pescanova S.L.) and declares the nullity of the contracts imposed by the old Pescanova (Pescanova S.A.), as the administrator, to Nueva Pescanova S.L on 27 October 2015.

More specifically, the ruling has voided the contractual terms concerning penalties to Nueva Pescanova for breach of contract and interest rates charged for late payments, as they were deemed to be abusive. The unilateral contract made by the old Pescanova in 2015 included abusive clauses for Nueva Pescanova, forcing it to pay two million euros in the event of breach of contract, and established an interest rate of 20% for late payments.

Moreover, the ruling considers that the old Pescanova, in its capacity as the "temporary and provisional" administrator of Nueva Pescanova, breached its duty of loyalty as an administrator by imposing clauses that were "clearly burdensome for Nueva Pescanova". Thus, the ruling confirms the assessment of Nueva Pescanova on the contested contracts and the clauses whose nullity was requested.

The ruling also states that the old Pescanova breached its duty of loyalty as an administrator and created a conflict of interest by entering into contracts that exceeded the provisions of the collective agreements.

With regard to the important note issued today by the old Pescanova, Nueva Pescanova regrets that the former continues to send notifications to the market as "press releases" which contain incomplete and subjective information and convey the message that the court has ruled in its favor when, in fact, it has not.

Lawsuit for burdensome clauses

Nueva Pescanova filed a lawsuit against the old Pescanova concerning the unilateral contracts made on 27 October 2015 by the Pescanova board of directors immediately before the latter's General Meeting of Shareholders, as a result of which Pescanova lost its control over Nueva Pescanova due to the abusive content of said contracts. These clauses established penalties of up to two million euros to Nueva Pescanova if it failed to comply with the obligations that the old Pescanova awarded to itself and imposed unilaterally, and established interest rates of 20% for late payments.



In the lawsuit, Nueva Pescanova also stated that said acts were carried out in a unilateral and non-transparent manner, clearly breaching the duty of loyalty towards the rest of the shareholders of Nueva Pescanova who had already paid for their shares, for the sole benefit of the old Pescanova and to the detriment of Nueva Pescanova.

Nueva Pescanova made the decision to go to court after repeatedly trying to reach an agreement without success, in an effort to resolve these and other conflicts between the parties involved.

About the Nueva Pescanova Group

The Nueva Pescanova Group is a Galician multinational Company leader in the seafood sector; it is engaged in fishing, farming, processing and trade of seafood products. Founded in 1960, it employs more than 12,000 people and is present in 27 countries in 4 continents. Pescanova sells its products in more than 80 countries around the world.