



Caldera Park - Via Caldera, 21 - 20153 Milan - Italy
Tel. +39 02 40901.1 - Fax +39 02 40901.287 - e-mail: isagro@isagro.com - www.isagro.com

PRESS RELEASE

Gowan reaches an agreement to purchase the entire corporate capital of Piemme, which has control over Isagro

Milan, March 7, 2021 - Isagro S.p.A. ("**Isagro**") announces that it has been informed by its indirect controlling shareholder Piemme S.r.l. ("**Piemme**") that Giorgio Basile and the other shareholders of Piemme (the "**Sellers**") entered into a binding agreement to sell all their quotas in Piemme – representing 99.9% of its corporate capital – to Gowan Company LLC ("**Gowan**") (the "**Transaction**").

Upon the closing of the Transaction, Gowan will own the entire corporate capital of Piemme, which owns 51% of the corporate capital of Holdisa S.r.l. ("**Holdisa**"), which in turn has control over Isagro, as it owns 53.7% of the relevant ordinary shares. Gowan already owns the remaining 49% of corporate capital of Holdisa.

In the context of the Transaction, Gowan will also purchase 1,737,596 Isagro's growth shares owned by the Sellers, representing 12.3% of its outstanding growth shares. Holdisa in turn owns 3,3% of the growth shares.

At the closing of the Transaction, Gowan will purchase the control over Piemme and Holdisa and, therefore, will launch a mandatory tender offer, pursuant to Article 106 of the Legislative Decree no. 58/98 and Article 45 of the Consob's regulation no. 11971/99, in order to purchase all the ordinary shares of Isagro not already owned by Holdisa (the "**MTO**"). These shares will also include the ordinary shares deriving from the conversion of the outstanding growth shares. In accordance with Isagro's by-laws, the conversion of growth shares in ordinary shares, on a one-for-one basis, will be triggered by the announcement of the MTO pursuant to Article 102, para. 1, of the Legislative Decree no. 58/98.

The closing of the Transaction is subject to the occurrence of the following conditions precedent: (i) the obtaining of the clearance by the competent regulatory authorities pursuant to antitrust law and golden power regulation, if required; (ii) the termination of any outstanding relationships between Isagro and its subsidiaries, on one hand, and any entity located in countries or regions (including Cuba) where any U.S. person cannot conduct business pursuant to any applicable law, on the other hand.

Subject to the occurrence or waiver of the above-mentioned conditions precedent, it is currently contemplated that the closing of the Transaction will occur within the first semester of 2021 and the MTO will be completed within the third quarter of 2021.

The purchase price of the MTO will be equal to 2.76 Euro per each Isagro's ordinary share (the "**MTO Price**"), which corresponds to the implied per-share value of Isagro calculated on the basis of the consideration to be paid by Gowan to the Sellers for the purchase of their quotas in Piemme, equal to 18,961,593 Euro. Piemme and Holdisa have no other assets than the above-mentioned stake; therefore, the consideration for the quotas of Piemme has been determined based on the equity value of Isagro, after deducting the net debt of Piemme and Holdisa.

The Transaction values the equity of **Isagro at 106.9 million Euros**.

ISO 9001:2015



ISAGRO S.p.A. - company subject to the direction and coordination of Holdisa S.r.l.

Registered office: Via Caldera, 21 - 20153 Milan - Italy

Corporate Capital Euro 24,961,207.65 - R.E.A. Milan I300947 - Fiscal Code & VAT n. 09497920158



With respect to the ordinary shares of Isagro, the MTO Price represents a premium of 118% over the relevant official trading price as of March 5, 2021 (the last trading day prior to the announcement of the offer), 143% against the relevant average official trading price in the last three months and 149% against the relevant average official trading price in the last six months.

With respect to the growth shares, the MTO Price represents a premium of 133% over the relevant official trading price as of March 5, 2021 (the last trading day prior to the announcement of the offer), 180% against the relevant average official trading price in the last three months and 203% against the relevant average official trading price in the last six months.

Isagro, which was founded by Giorgio Basile and is listed on the *Mercato Telematico Azionario* managed and organized by Borsa Italiana S.p.A., STAR segment, was initially based on the discovery and development of new chemical molecules, while today it leads a Group offering agricultural solutions at low environmental impact, with a growth project focused on biorationals as part of its new business model aimed also at capitalizing on the current product portfolio qualified for an integrated crop management.

The purpose of the Transaction is the integration of Isagro within the Gowan Group and the delisting of Isagro. Gowan, headquartered in Yuma, Arizona, U.S.A., operates globally in the agricultural solutions business and is specialized in developing, marketing, and processing agricultural inputs such as crop protection products, seeds, and fertilizers.

Juli Jessen, Chief Executive Officer of Gowan Group, said: *“As a partner since 2013, Isagro has repeatedly impressed us. We look forward to expanding commercial opportunities and especially to integrating the manufacturing and the science depth at Isagro Group’s facilities. These additional competencies are instrumental in positioning Gowan as global agricultural practices evolve”*.

Giorgio Basile, Chairman of Isagro, said: *“The Transaction with Gowan will allow to value at their best the tangible and intangible assets developed by Isagro since its origins. The complementarity between Gowan and Isagro ensures the continuity of Isagro’s mission in the agro-pharmaceutical sector. Gowan is a historic partner of our Group and I am sure it represents a great chance also for the several and qualified human resources within our Group”*.

Gowan is advised by **BonelliErede** as legal advisor (which also acted as tax advisor) and **Mediobanca** as financial advisor. The Sellers are advised by **LCA Studio Legale** as legal advisor.

About Isagro

Isagro S.p.A., an independent company born in 1993 with Montecatini/Montedison origin, is listed on the Milan Stock Exchange since 2003. Initially based on the discovery and development of new chemical molecules, the last one being Fluindapyr, the Company leads today a Group offering agricultural solutions at low environmental impact, with a growth project focused on biorationals as part of its new business model aimed also at capitalizing on the current product portfolio qualified for an integrated crop management.

In 2014 Isagro issued Growth Shares, an innovative category of special shares specifically conceived for companies having a Controlling Subject. Main characteristics of Growth Shares are the absence of voting rights, an extra-dividend vs. Ordinary Shares (20% in the case of Isagro) and the automatic conversion into Ordinary Shares in the ratio 1:1 in any case of loss of controlling stake by the Controlling Subject and/or of Compulsory Public Offer.

Ruggero Gambini
Chief Financial Officer
Tel. +39(0)240901.280

www.isagro.com

Per for information:

Erjola Alushaj
Group Financial Planning & Coordination and
IR Manager
Tel. +39(0)240901.340

ir@isagro.com