

Midsona to acquire French/Spanish Alimentation Santé

- The acquisition of Alimentation Santé – a leader in organic and plant-based food in France and Spain – provides an important platform in Midsona's continued expansion in southern Europe.
- Strengthens Midsona's presence in organic and plant-based food and provides new and unique capabilities in attractive segments including plant-based meat alternatives.
- The total purchase price is EUR 57.5 million (SEK 604 million¹), on a debt-free/cash-free basis. Midsona will finance the transaction with a bridge loan and plans to complete a share rights issue of up to SEK 600 million later this year.
- In 2019 Alimentation Santé is expected to achieve sales of ~EUR 40 million (SEK 420 million) and adjusted EBITDA of ~EUR 5 million (SEK 53 million). Synergies are expected to have an annual impact of ~EUR 2 million (SEK 21 million) by 2021.

Malmö, Sweden – July 23, 2019 - Midsona AB (publ) ("Midsona") is pleased to announce that it intends to acquire the entire share capital of Alimentation Santé SAS ("Alimentation Santé" or the "Company") from Panzani SAS, a subsidiary of Ebro Foods, S.A.

Alimentation Santé's premium brands and product portfolio, including the pioneering brands Celnat and Vegetalia as well as the newer, award winning Happy Bio brand, are highly complementary to Midsona's existing organic and plant-based brands. In addition, Alimentation Santé provides new production capabilities in attractive and high growth segments such as flaked organic cereals and plant-based meat alternatives, such as veggie burgers.

"Following the successful expansion of our leading organic and plant-based brands throughout the Nordic region, we are now aiming to become a leader in Europe. The acquisition of Davert last year provided us with an important platform in the DACH region, which we recently complemented by the addition of Eisblümerl. Alimentation Santé is an important platform for further growth in France, Spain and other southern European markets.", says Peter Åsberg, CEO of Midsona.

¹ Purchase price and 2019 figures converted to SEK at exchange rate of 10.5. 2018 figures converted at 2018 average rate of 10.3.



About Midsona

Midsona develops and markets strong brands in health and well-being, with products that help people to a healthier and more sustainable life. Midsona has annual sales of about MSEK 2,852 (2018). The Midsona share (MSON) is listed on NASDAQ Stockholm, Mid Cap. For further information: www.midsona.com.

Alimentation Santé will operate as a separate entity, under the leadership of its current strong management led by Managing Director Marjolaine Cevoz Goyat.

"As we refocus on our core business, we are pleased that Alimentation Santé will be joining Midsona, which we see as an ideal future owner of the Company", says Xavier Reischer, President of Panzani.

About Alimentation Santé

Alimentation Santé's wholly owned subsidiaries include the organic and plant-based food companies Celnat in France and Vegetalia and Satoki in Spain. The Company's products are 100% organic and include a broad portfolio highlighted by leading positions in categories such as cereals, breakfast products, flour and plant-based meat alternatives such as veggie burgers and vegetable protein (i.e. tofu, seitan, tempeh).

With origins dating back to 1979, Celnat is a pioneer in the organic food industry in France and a leader in the production of flaked cereals. France is the 3rd largest market in the world for organic packaged foods by value. Vegetalia, founded in 1986, is a leader in Spain regarding the production of vegetable protein, including fresh plant-based products, with unique manufacturing capabilities.

Alimentation Santé employs a multi-channel distribution strategy, with strong positions in both organic specialty stores and conventional retail. The Company has approximately 150 employees. In 2018, the Company had net sales of EUR 35 million (~SEK 361 million) and adjusted EBITDA of approximately EUR 4.4 million (~SEK 45 million).

Financial Effects on Midsona

The total purchase price of EUR 57.5 million (SEK 604 million), on a debt-free/cash-free basis, will be paid in cash on closing. In 2019, Midsona expects Alimentation Santé to achieve net sales of approximately EUR 40 million (~SEK 420 million) and adjusted EBITDA of approximately EUR 5 million (~SEK 53 million). Not considering any transaction-related costs, the purchase price represents a current year EV multiple of approximately 11.5x EBITDA and a multiple of 8.2x EBITDA including synergies. Synergies are anticipated to be realized in areas including operations, cross-selling and procurement. By 2021, these synergies are expected to have an annual impact on EBITDA of approximately EUR 2 million (~SEK 21 million).

Financing and Rights Issue

Midsona will finance the transaction with a bridge loan and plans to complete a share rights issue worth up to SEK 600 million later this year. The proceeds from the rights issue will enable Midsona to maintain its financial ratios as well as to continue to pursue its growth objectives. Midsona's largest shareholder, Stena Adactum AB, has agreed to subscribe to its pro rata share of the rights issue. Further information to the stock market and shareholders of Midsona will be provided in due course as soon as appropriate.



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The acquisition will be presented to the relevant employee representative bodies for information and consultation, which is compulsory in France, and is expected to close by the beginning of Q4.

Advisors

Strata Advisory AB is acting as exclusive financial advisor to Midsona. Jeantet and Pérez-Llorca are legal advisers to Midsona.

For more information, please contact MD and CEO Peter Åsberg, telephone +46 (0)730 26 16 32, or CFO Lennart Svensson, telephone +46(0)767 74 33 04.

This is information of the type that Midsona AB is obligated to make public in accordance with the EU Market Abuse Regulation and the Securities Market Act. The information was submitted for publication through the agency of Lennart Svensson on 23 July 2019 at 11:10 am CET.



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