



Grifols, S.A.

Avinguda de la Generalitat 152-158
08174 Sant Cugat del Vallès
Barcelona - SPAIN

Tel. [34] 935 710 500
Fax [34] 935 710 267

www.grifols.com

MASON CAPITAL MANAGEMENT LLC

110 EAST 59TH STREET, 30TH FLOOR
NEW YORK, NY 10022
(212) 771-1200

12 November 2024

Dear Mr Garschina,

We acknowledge receipt of your letter dated 8 November 2024 and I am pleased to clarify many of the inaccurate statements that you make, on behalf of the Board of Directors of Grifols, S.A. (the "Company" or "Grifols").

First, we must categorically reject your initial statement that "(...) *the family and its related directors currently have de facto Board control*". As of today, the Board of Directors of the Company is comprised of 11 members. The majority of them (7) are independent from the Grifols family and the family-related shareholders that are evaluating a potential bid to acquire all the share capital of Grifols (the "Transaction"). Therefore, it is incorrect to assert that the family and family-related directors control the Board, whether de facto or not - this assertion is not true.

You repeatedly criticise the Company's corporate governance, even suggesting that the current stock price is a direct consequence of it. However, I would like to emphasise that the Company adheres to the highest standards of corporate governance in line with the CNMV's Good Governance Code of Listed Companies as well as with SEC's Standards, and is continually adapting to them. Notably, the Company has recently separated management from ownership and all Committees of the Board of Directors are exclusively composed of independent board members, even though this is not a legal requirement.

With respect to the Transaction, as you are aware, following the best corporate governance practices, the Board of Directors immediately established a Transaction Committee composed exclusively of independent directors to monitor the Transaction and ensure that the best interests of all shareholders are protected. Please note that the Secretary and Vice-Secretary to the Board of Directors voluntarily decided to step down from their positions on the Transaction Committee to avoid any further insinuations of potential conflict of interest that could harm the process. Only Mr. Iñigo Sanchez-Asiain Mardones, Ms. Montserrat Muñoz and Ms. Anne Berner as independent board members have the capacity to vote at the Transaction Committee and make recommendations to the Board regarding the Transaction. Additionally, the Transaction Committee appointed an external independent law firm as legal advisors

for all Transaction-related matters as well as independent financial advisors. All their advisors are globally recognized for their expertise, experience and knowledge.

- **Appointment of a New Board Member:** As you may know, we are awaiting certain information and documentation necessary to verify the legalities required to call an AGM. I replied on 10 October 2024 sending a letter by email outlining the documentation we are waiting for, but as of today, nothing has been received. The letter was sent by email to Mrs. Laura Arnold from Flat Footed LLC, and with CC to Mr. Paul Carpenter and Mr. Marc Andersen also from Flat Footed LLC, Mr. Michael Adamski and Mr. Peter Kettel from Sachem Head Capital, Mr. Samuel Read from Mason Capital, Mr. Fernando Torrente from Baker Mckenzie and Mr. Andreas Fuechsel from DLA Piper.

In any case, the Board is always committed to adding new qualified Independent Board members to strengthen the Board. For ease of reference, we are attaching the letter referred to in this paragraph.

- **Brookfield:**

Brookfield's Due Diligence process is ongoing and the Transaction Committee will continue to manage the process ensuring that it is in the best interests of Grifols and its shareholders. The Board of Directors is obliged to act accordingly with its fiduciary duties and will consider any transaction that creates value for Grifols and its stakeholders and aligns with the best interests of Grifols and its shareholders. Should an alternative transaction be presented, the Board will assess it in line with its fiduciary duties.

Should Brookfield and the family decide to make an offer, the non-conflicted Directors, following the recommendation and advice of the Transaction Committee, will determine whether to recommend it or not, without the involvement of conflicted Board members.

Additionally, in order for an offeror to delist Grifols following a takeover that has not achieved the acceptance level required to implement a squeeze-out, the Spanish regulator needs to confirm that the price offered is deemed "equitable" under Spanish tender offer regulations. To that end, any offeror would be required to submit, as part of the offer documentation, a report from an independent expert to the Spanish regulator justifying that the offer price is indeed equitable. In any event, ultimately, it is the Company's shareholders that will review and if deemed appropriate, will tender their shares based on the terms and conditions of any potential takeover transaction at an AGM.

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- **Capital Markets Day:** The Board believes it is in the best interest of all our shareholders to postpone the Capital Markets Days until there is further clarity on the progress of the potential offer. Nonetheless, we acknowledge the importance of this event and will reschedule it at the right time as considered by the Board.
- **Historical Major Acquisitions:** All the major historical acquisitions have been strategic in nature and are expected to provide long-term value. All these transactions have been approved by the Board of Directors as a collective body, with decisions supported by corresponding fairness opinions delivered by independent third parties.

The Company's growth, which has established it as a global leading manufacturer of plasma-derived medicines and a leader in select Diagnostic business segments, can undoubtedly, combined with other factors, be attributed to these key strategic acquisitions. Please refer to [Annex I](#) for an analysis of the value created by the acquisitions mentioned in your letter.

- **Board Member Tomás Dagá:** Over the past 40 years, Mr. Tomás Dagá has been instrumental in building Grifols into the global company it is today, with expected sales of €7 billion in 2024. His actions as a Board member have always been for the benefit of the Company and its shareholders, including minority shareholders and the family as a major shareholder. Since the Company went public in 2006, Mr. Dagá has been continuously re-elected as a Board member by the shareholders at AGMs. In the last two re-elections, his re-election was supported by almost 90% of the shareholders with a right to vote. We also want to mention that Mr. Daga not only led the transactions that you mention in your letter but also some others that have completely changed the growth trajectory of the Company and established its leadership in the Industry. These include Talecris, Alpha Therapeutics and Seracare. Without all these transactions the company would not be the world leader in its sector that it is today.
- **Osborne Clarke España S.L.P:** Osborne Clarke España S.L.P is a private company with 130 employees and offices in Madrid, Barcelona, and Zaragoza. The firm has 18 partners in Spain and advises high-profile clients on a range of legal issues, including M&A, tax, commercial, dispute resolution, employment, and real estate. Mr Tomás Dagá is not a member of the Board of Directors and holds no position of control in Osborne Clarke. Please note that Osborne Clarke files its annual accounts with the Spanish Commercial Registry as required by law.,

We have learned that you only took a position in Grifols in January 2024, when the stock price was in the €8-9 range and the A shares were at the lowest levels after the Gotham attack.

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In closing, it is noteworthy that from the time of the Gotham attack in January until the announcement of the Transaction in July, the Company was undervalued by many and the subject of malicious constant targeting although the operational fundamentals were strong and improving. It is now very interesting to observe the shift in perception regarding the Company's worth.

Please be assured that both the Board and I remain committed to safeguarding the best interests of the Company and all shareholders.

Please also note that we believe all necessary clarifications have been provided in this letter. Consequently, we will not be engaging in further back-and-forth exchanges.

Best regards,



Thomas Glanzmann
Chairman to Grifols Board of Directors