

PESCANOVA, S.A.

REPORT FROM THE DIRECTORS OF PESCANOVA, S.A. TO THE EXTRAORDINARY GENERAL SHAREHOLDERS' MEETING TO BE HELD ON 21 MARCH 2017 (FIRST CALL) OR 22 MARCH 2017 (SECOND CALL), CONCERNING THE ITEMS ON THE AGENDA

The first item on the agenda reports on the most relevant matters affecting the Company. This agenda item is informative.

1. Most significant events since the last general meeting on 21 September 2016.

The priority objectives of the directors of Pescanova, S.A. ("PVA") since the end of November 2015, once it became a mere holding company, have been: (1) firstly, to preserve the 20% shareholding in the capital of Nueva Pescanova, S.L. ("NPVA") and ensure the consolidation and growth of its value, in such a way that NPVA may address its insolvency obligations and also enable its shareholders, PVA itself among them, to recover even a part of the value lost during the 2013 crisis; (2) rigorously and promptly comply with all of PVA's legal obligations, at both a commercial and regulatory level given its status as a listed company; and (3) to establish the conditions that allow the lifting of the suspension on trading PVA shares on the stock market.

On the date of this report, PVA has two directors on the board of NPVA who devote their best efforts to trying to comply with the first of these three objectives, although their minority position within the NPVA Board -two out of twelve- in practise very significantly limits their ability to act and take initiative in that Board.

The second of the objectives, compliance with all of PVA's legal obligations, implies a notable overload of work that, due to a lack of resources to support an adequate structure, must be assumed directly by the directors themselves.

With regard to the third of the objectives, the return to trading, the directors of PVA maintain regular contact with the CNMV and promptly address all of its information requirements, although they are not able to control some of these because they relate to strategic aspects of NPVA that only it can define and, where appropriate, facilitate. The double presence of PVA on the Board of NPVA does not avoid this obstacle, but rather aggravates it further by the fact that the two Directors -Pescanova itself and its 100% subsidiary, Gestión de Participaciones Ría de Vigo, S.L.- are expressly subject to a strict duty of confidentiality and secrecy. Therefore, even if at times they have the information on NPVA required by the CNMV, they cannot make it public without the prior express

authorisation of NPVA, which does not always give this permission or does so with strict limitations. Even so, the Board trusts that the CNMV will adopt the decision it deems appropriate regarding the return of PVA to trading in a relatively short period of time.

Moreover, the Company is faced with certain risks that are set out below:

a. Proposed increase of NPVA's capital which dilutes PVA's current shareholding of 20% in its capital to less than 2%.

The Board of Directors of NPVA has announced that it is going to propose a capital increase to its General Meeting that could result in a serious dilution of PVA's current shareholding of 20% in NPVA, taking it to less than 2%. The second item on the agenda covers this matter in depth.

Despite the fact that PVA's General Meeting of 21 September 2016 agreed to oppose any possible capital increase by loan capitalisation, now the legal design and specific economic terms proposed by NPVA are known, the Board considers that it must report all of this to the PVA Meeting so that it can adopt the resolution in that regard that its shareholders agree with. This is especially an issue after having become aware of the shareholding changes occurring within PVA during recent weeks, which have seen Broadbill Investment Partners LLC become the largest shareholder of PVA with a shareholding of 11.65%, and taking into account that Broadbill Investment Partners LLC, along with another significant shareholder, voted against the majority on this item at the last Meeting on 21 September 2016.

b. Breach of the support measures agreement by NPVA and the demand for their nullity.

NPVA is obliged to provide certain support measures to Pescanova, included among which are the payment of certain amounts and the acknowledgement of PVA's right to appoint at least one director or administrator for NPVA's governing body as long as it maintains a shareholding in its share capital. Any possible breach of these measures could cause serious harm to the Company.

NPVA has also filed two lawsuits against PVA:

- Legal proceeding filed by NPVA requesting the annulment of the agreements on support measures and payment mechanism or, alternatively, the annulment of some of their clauses.

With regard to the commitments acquired by NPVA to the Company, on 28 October 2016 PVA was notified of the claim filed by NPVA, which is being processed by Commercial Court No. 3 of Pontevedra in Vigo, whereby the latter requested the declaration of the annulment of a "Support measures agreement" signed between NPVA and PVA on 27 October 2015, and another agreement signed between the same parties on the same date, entitled the "Payment mechanisms regulation agreement". The content and circumstances of these agreements have been extensively covered in PVA's annual and half-year reports and, especially, in the significant event dated 17 May 2016.

With regard to this claim, PVA's directors and its legal advisers believe that the agreements being challenged are designed to execute company resolutions, so are deemed to be fully effective. On the date of issuing this report, the Company has already proceeded to respond to this claim.

- New legal proceeding filed by NPVA and notified to PVA on 4 October 2016, whereby, under the provisions of article 16.3 of the Capital Companies Act (LSC), PVA was asked to indemnify NPVA for alleged advantages that it reserved for it in the merger and double segregation agreements (firm agreements), and which were approved by all the companies participating in the process, including the 9,000 shareholders of PVA.

In the ruling dated 26 December 2016, Commercial Court no. 1 of Pontevedra fully dismissed the claim filed by NPVA, ordering it to pay PVA for the costs of the proceedings. PVA has recently been notified that NPVA has appealed the ruling.

2. Situation and actions aimed at lifting the trading suspension

Following the completion of the process of restructuring the PVA group which concluded with the General Meeting held on 29 September 2015, PVA's directors asked the CNMV to start the administrative proceedings necessary for the lifting, if appropriate, of the suspension on trading PVA's shares on the stock market. On 26 October 2015, the CNMV forwarded a request to PVA which consisted of around 50 questions requesting information on the group's bankruptcy process and the foreseeable future situation of both PVA and NPVA.

Since then PVA and its advisers have worked on responding to the request, but it was impossible to complete it for a few months due to the fact that it needed to be accompanied by NPVA and PVA's audited annual accounts corresponding to the 2015 financial year.

However, until 28 June 2016, PVA did not have access to NPVA's annual accounts corresponding to the 2015 financial year, which prevented PVA from being able to reformulate and audit its own annual accounts for 2015 until that time. This took place, with an unqualified opinion, on 8 July 2016.

The response to the request was delivered to the CNMV on 12 July 2016, along with the aforementioned accounts and audits. On 21 July, the CNMV issued a new request to PVA, requesting information on some additional items. PVA responded to this second request on 3 August. On 8 August, through a significant event, the CNMV informed of the sending to PVA of a new request for additional information, essentially focused on (i) NPVA's new business plan which, according to public information, was in the development stage, (ii) the risks deriving from the ongoing legal actions before the National High Court and other courts, and (iii) the effect on PVA of the capital increase that NPVA may eventually decide to carry out. Obviously, the response to sections (i) and (iii) remains outside the control or decision-making capacity of PVA, so PVA has only recently received sufficient information to allow it to respond to that request for information from the CNMV, and has prepared a final version. However, it is possible that the response to the CNMV will need to be updated again with the information referring to this Extraordinary General Meeting.

The content of the CNMV's requirements and their respective previous responses are contained on the website of the CNMV as significant events numbers 241,001 and 241,931.

The second item on the agenda submits to debate and vote in the Meeting, either the ratification or annulment of the sixth agreement of the Ordinary and Extraordinary General Shareholders' Meeting held on 21 September 2016, which consisted of:

"Voting against a reinforcement of NPVA's equity through a capital increase by loan capitalisation, and challenging the agreements of the meeting that approves it, as well as starting any other legal action deemed necessary by PVA's board to prevent it being carried out."

1. Background

PVA's Extraordinary General Meeting held on 29 September 2015 agreed, by a large majority, some merger and segregation operations, the details of which can be found in note 5 of the report on PVA's annual accounts corresponding to the 2015 financial year, and which in summary were as follows:

- All of the assets and most of the liabilities of the Pescanova Group were segregated in favour of NPVA, on the basis that PVA would retain a shareholding of 20% in NPVA while the remaining 80% would become the property of the insolvency creditors.
- Included among other segregated liabilities, as a crucial element, is the insolvency debt amounting to approximately EUR 700 million, corresponding to the so-called alternative option that was chosen by the majority of the insolvency creditors. This option was proposed by the insolvency creditors themselves in 10 out of the 12 agreements (of PVA and subsidiaries) approved by an overwhelming majority of them.
- Certain liabilities corresponding to the so-called basic alternative insolvency, credit against the estate, preferential and contingent, amounting to approximately EUR 50 million, were not subject to segregation and were retained in PVA, although this was under the obligation for NPVA to punctually pay their respective maturities through a reciprocal credit with PVA.
- Moreover, under article 80 of the Structural Amendments Act, PVA was constituted as guarantor of the payment of the segregated liabilities, which implies an additional burden and risk for PVA in the long term.
- NPVA, as counterparty to all of the above, was required to cover some minimum expenses to preserve the regular operation of PVA, as it is not foreseeable that PVA will receive dividends from NPVA or income of any other nature in the short/medium term, for as long as the insolvency debt has not been repaid.

The resolutions from PVA's Meeting on 29 September 2015 have not been challenged by any shareholder or third party and nor have the segregations been challenged by any insolvency creditor.

On 29 December 2015 the sole administrator of NPVA, within a few weeks of appointment, bound NPVA through the signing of a loan (the "**Super-Senior Loan**") amounting to EUR 125 million, under such conditions that caused a financial cost of EUR 10 million in 2015, between fees and interest rates that were very onerous and far from those currently in force among independent parties. The Super-Senior Loan was cancelled in May 2016 with an equally atypical early repayment cost, which made the APR of that loan during its short life higher than 35% (see section 5.3 on the response to the request of the CNMV made through the significant event dated 12 July 2016).

The decision of the then sole administrator of NPVA to activate and sign the Super-Senior Loan generated a fee of EUR 300 million in favour of the creditors who signed it, to be paid in 20-30 years with an interest rate of 1%, without any financial consideration for NPVA. This fee, which has not been annulled following the repayment of the Super-Senior Loan, generates a new liability of EUR 300 million that must be borne by NPVA.

As a result of the foregoing, NPVA has debt of approximately EUR 1,000 million (700 + 300) deriving solely from the insolvency process, instead of the EUR 700 million it received from PVA through the aforementioned segregation in November 2015.

NPVA has also carried out a series of asset impairments in its 2015 annual accounts, not justified by verifiable reasoning, for an aggregate amount of EUR 151 million (see note 5 of NPVA's consolidated annual accounts corresponding to the 2015 financial year), which we understand are neither justified nor consistent in view of the forecasts in the strategic plan made public in October 2016 and approved in January 2017.

These new debts and impairments have had a very negative effect on the group's equity, reducing it to EUR 18.6 million at an individual level and EUR 3.5 million at a consolidated level at 2015 year end, when in November 2015, date of the segregation, it was higher than EUR 100 million (see the report issued by PVA's directors as a result of the Meeting held on 29 September 2015).

In materialisation of one of the risks identified in various prior PVA reports, the directors of NPVA approved by a majority, on 19 January 2017, a strategic plan which includes a project for a capital increase by loan capitalisation (see note 3.4 of the management report from the second half of 2016) for an approximate amount of EUR 340 million of nominal debt with an amortised cost (book value) of approximately EUR 140 million for the purposes of the increase. Should this be carried out, it is estimated that it will lead to a dilution of PVA's shareholding in NPVA, which is currently 20%, taking it to a figure of 1.63%.

According to information made public by NPVA itself in a memorandum dated 19 January 2017, the loan capitalisation will be carried out in the context of a refinancing agreement, subject to legal approval under the current insolvency legislation, which establishes severe legal consequences for the directors or shareholders who, without reasonable cause and with their vote against, hinder the viability of the refinancing agreement. In the same

memorandum, NPVA also claims that the refinancing agreement has already received the support of a sufficient majority of creditors (75%), so PVA's directors deem it quite likely that this capitalisation will finally be carried out in 2017.

2. Alternative reinforcement of NPVA's equity

It should firstly be noted that the proposed capital increase presented by NPVA does not include a cash injection. No cash disbursement is expected, just a simple loan capitalisation.

Moreover, it is surprising that NPVA's previous capital increase, which allowed its main insolvency creditors to become shareholders, was subject to a high issue premium. Since then, November 2015, nobody doubts that the evolution of the business and the Pescanova Group has been positive, so logically this new capital increase should include a premium that, if not greater, is at least equal to that for NPVA's previous capital increase. However, this is not the case: the debt overload deriving from the Super-Senior Loan and the aforementioned asset impairments place NPVA in a situation that is radically different to the one it received from PVA.

Therefore, excluding as unnecessary any increase through monetary contributions, as even NPVA's creditors rule out this route, the reinforcement of NPVA's equity could essentially be carried out in two ways:

- Through the annulment action for the Super-Senior Loan in the Courts of Justice which, if successful, would reduce NPVA's gross debt by around EUR 320 million. PVA has submitted the conditions of the Super-Senior Loan to its legal advisers for analysis, who have concluded that it is an operation carried out under a clear conflict of interests between NPVA and its creditors/shareholders, and under unjustifiably onerous conditions for NPVA, thus harming its equity.
- Through challenging in the courts, when appropriate, the capital increase of NPVA, based on the inadmissibility of the impairments made in NPVA's assets for the sum of EUR 151 million (see note 5 of the consolidated annual accounts of NPVA corresponding to the 2015 financial year), which according to our financial advisers are not justified in light of the economic forecasts that NPVA has published for the 2016-2020 period.

These impairments have allowed NPVA to be left without equity prior to the increase, thus allowing the creditors to propose a capital increase which is highly diluting for PVA. Its elimination would therefore strengthen NPVA's equity by EUR 151 million and would make the capitalisation of EUR 140 million at book value unnecessary.

The following is a comparison, in financial terms, of the book values of PVA's shareholding in NPVA in the year 2020 under the two capitalisation alternatives, **assuming that the estimates in NPVA's strategic plan (SP) are proved correct**, and in accordance with some estimates made by PVA itself.

Item (millions of euros)	Creditors'	PVA	
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	Proposal	Alternative	
Net Financial Debt at year-end 2015 (1)	1,275	1,275	(2015 PVA Annual Acc.)
Capitalisation Insolvency Debt (2)	-340	0	(NPVA SP)
Elimination Super-Senior Loan (includes interest) (3)	0	-320	(PVA Estimate)
Cash-Flow generated to amortize debt 2016-2020 (4)	-185	-180	(PVA Estimate)
Net Financial Debt at year-end 2020 (5)	750	775	(1)+(2)+(3)+(4)
Estimated Group Net Book Value 2020 (6)	170	145	(NPVA SP/PVA Estimate)
PVA's percentage of NPVA (7)	1.63%	20%	(PVA Estimate/Actual)
Book value of PVA's shareholding in NPVA (8)	3	29	(6)*(7)

As can be seen, the difference in the book value of PVA's shareholding in NPVA between the two alternatives being estimated is EUR 26 million. This high figure and the risks associated with filing two legal claims mean that the directors of PVA wish to submit to debate and vote in this Meeting the decision on whether or not to file either one of the aforementioned legal actions.

From the point of view of equity, PVA would not oppose a subsequent capitalisation if necessary, but always on the basis that NPVA's equity at year-end 2016 first includes the reversal of the impairment of EUR 151 million and with this avoids PVA's dilution in NPVA.

3. Financial risks associated with the alternative proposal

PVA's legal and financial advisers are of the view that the two proposed proceedings have a good legal basis for success and PVA has been working on this for some weeks. However, legal judgements come with a significant degree of uncertainty.

If one or both of the claims were to be lost, PVA being ordered to pay costs could mean, according to our legal advisers and as a guideline, a sum of EUR 0.8 million for the claim for the annulment of the Super-Senior Loan and EUR 0.4 million for challenging the agreements of the NPVA meeting. The fact that the annulment claim for the Super-Senior Loan must be filed against NPVA itself and the, at least, seven creditors who granted it, could notably increase these cost estimates. In addition, the aforementioned amounts only cover the first stage of the proceedings, so they would obviously increase if there were appeals or appeals in cassation.

Therefore, if it were to lose either of the two actions, PVA could be required to dispose of part or all of its diluted shareholding in NPVA in order to pay these costs. There is the added risk that if its value on the date of sale were to be insufficient to meet the payment of any possible order to pay costs, this could place PVA in a position of being insolvent.

In terms of deadlines, it is expected that, in the event of appeals in cassation to the Supreme Court, these processes could take several years.

We do not know what the reaction would be from the rest of NPVA's shareholders and from NPVA itself to the two aforementioned claims being proposed by PVA.

4. Agreement options submitted to debate and vote in the Meeting

The following agreement options are submitted to debate and vote in the Meeting. They are configured as alternatives and are mutually exclusive (in such a way that, if option A is approved, option B will automatically have to be rejected and will therefore not be put to the vote):

Option A): "To ratify the agreement and voting instruction adopted by the Ordinary and Extraordinary General Shareholders' Meeting of the Company on 21 September 2016 against the capital increase by loan capitalisation in the terms proposed by NPVA for the reinforcement of its equity and in favour of challenging the agreements of the Meeting that approve it, as well as to take any legal action that the Board of PVA considers necessary to avoid its materialisation, as long as the Company has the funds necessary to finance the expenses of that proceeding and its possible costs, without that placing its continuity at risk."

Option B): "To render null and void the instruction to vote against adopted by the Ordinary and Extraordinary General Shareholders' Meeting of the Company on 21 September 2016 and instead vote in favour of the capital increase by loan capitalisation in the terms proposed by NPVA for the reinforcement of its equity."

The third item on the agenda submits to debate and vote of the shareholders the acceptance or rejection of the invitation to capitalise certain loans in which PVA is a creditor of NPVA.

This would increase the NPVA shareholding by approximately 2% on top of the 1.63% indicated in item 2 above of the Meeting's agenda.

PVA is the only shareholder of NPVA that is not holder of a financial liability capable of being capitalised at amortised cost, up to a maximum of 35% in accordance with the proposal approved by the Board of Directors on 19 January 2017, according to the information made public by NPVA on its website.

(<http://nuevapescanova.com/ES/noticia/comunicaciones>)

However, NPVA has issued an invitation to PVA in which it offers the option for PVA to voluntarily capitalise part of the credit it holds with NPVA. This invitation expires on 24 February 2017 and PVA has asked NPVA for an extension compatible with the date on which this meeting is to be held.

This credit arose as a result of the insolvency of PVA and the capitalisable part had at the end of 2016 an amortised cost of around EUR 3.1 million which on its maturity in 2022 would increase to around EUR 4.8 million. This credit against NPVA and in favour of PVA is in turn owed by PVA to its insolvency creditors (see note 7 of the PVA report from the second half of 2016).

A preliminary analysis of its terms indicates that were PVA to accept that invitation, it could increase its shareholding in NPVA up to a maximum of approximately an additional 2%.

The directors of PVA consider that accepting this invitation would result in serious risks as set out below:

- This debt in favour of PVA is, in turn and for the same amount, owed to the insolvency creditors, and therefore is an agreement arising from the insolvency of PVA approved in May 2014.
- The diverting of part of this debt with NPVA to purposes other than those set out in the agreement could result in it being impossible to pay the creditors at their maturity if NPVA's business does not perform as forecast in its strategic plan and, therefore, there would be a breach of the agreement, which would result in the liquidation of the company.
- The capitalisation is carried out on the basis of the value of the amortised cost of the debt (EUR 3.1 million), and not on its nominal value (EUR 4.8 million), which makes the operation more risky from a financial point of view, since if the investment in NPVA shareholdings were not to increase in value by at least the difference (EUR 1.7 million) it would be impossible to meet the maturities of the insolvency debt.
- Looking at the book value of NPVA forecast for 2020 (EUR 170 million) in the table in agenda item two, the additional 2% would have a value on that date of EUR 3.4 million, still significantly lower than the nominal of EUR 4.8 million that matures in 2022.
- According to PVA's estimates, NPVA will record losses in the next few years. As a result, it is not possible to guarantee that the majority shareholders of NPVA will not carry out a new capital increase with the same arguments used for the current one, the consequence of which would be a new dilution of PVA's shareholding in NPVA.

According to the Company's legal advisers, a ratification vote (Option A) in agenda item two will not invalidate the agreement proposal presented in agenda item three and vice versa.

1. Agreement options submitted to debate and vote in the Meeting

The following agreement options are submitted to debate and vote in the Meeting. They are configured as alternatives and are mutually exclusive (in such a way that, if option A is approved, option B will automatically have to be rejected and will therefore not be put to the vote):

Option A): "Instruct the Board of PVA to accept NPVA's invitation to dedicate some of the long term credits in which PVA is a creditor of NPVA, and are allocated to the payment of PVA's insolvency creditors, to acquire through their capitalisation additional

shareholdings in NPVA under the terms of the invitation extended by NPVA, as long as prior to the acceptance of that invitation a shareholder, group of shareholders or third party assumes the risk of paying the aforementioned creditors in the event that, on maturity, PVA does not have the funds to do so."

Option B): "Instruct the board of PVA not to accept NPVA's invitation to dedicate some of the long term credits in which PVA is the creditor of NPVA, and are allocated to the payment of PVA's insolvency creditors, to acquire through their capitalisation additional shareholdings in NPVA under the terms of the invitation extended by NPVA."

In the fourth item on the agenda, in which a change in the board of directors is proposed, four of the current five members of the Board of Directors will tender their resignation to the meeting, so the number of vacancies will be six (there are currently two vacancies). This will be understood as a resignation conditional on the appointment of at least two new members of the Board of Directors, for the purpose of the Company having a minimum of three directors, as established in its articles of association.

This decision is justified by two significant events: (1) the shareholder changes experienced recently, the most important being that that taking place on 24 January 2017 which allowed for the entry of Broadbill Investment Partners, LLC as the main shareholder of PVA with 11.564 % of PVA's share capital, and (2) the possible lifting of the suspension on the trading of PVA, which will very probably result in a strong movement in its shares and, consequently, a significant change in the composition of the shareholders of PVA.

In fact, to start and facilitate this process, on 13 February the two then directors Mr. César Mata and Mr. César Real resigned from their posts. In this way, 6 out of 7 directors in total would be changed.

PVA's Board of Directors, for its part, presents three candidates for independent directors in accordance with the proposal of its Appointments and Remuneration Committee, which are listed below along with their profiles. The Board of Directors endorses the assessment made by the Appointments and Remuneration Committee and considers that (i) the curricula and careers of the three candidates show that they have the appropriate skills, experience and merit to hold the position of director; and (ii) they comply with the requirements established in paragraph 4 of article 529k of the Capital Companies Act to be considered independent.

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"Recommendation to the Board of Directors: proposal to the Extraordinary Shareholders' Meeting of three candidates for their appointment as independent directors, to cover Board vacancies.

This reasoned proposal is made in compliance with the provisions of article 529i of the Capital Companies Act and is designed to propose to the Board of Directors of Pescanova, S.A. ("Pescanova", "PVA" or the "Company") the appointment of directors that will have to be submitted to the next extraordinary shareholders' meeting.

The Board of Directors of Pescanova recently agreed to propose changes to the Board of Directors to a future Extraordinary Shareholders' Meeting, so that the current shareholding of the Company can decide on its composition. In this context, the last few days saw the resignation of the directors Mr. César Mata and Mr. César Real, whose classification as Directors was "other external" due to their previous employment relationship with Pescanova.

So today there are two vacancies on the Board, whose number of members has been set at seven by the Meeting.

In addition, at least four of the five directors of Pescanova have declared their decision to tender their voluntary resignation at the next Shareholders' Meeting, also so that the company can replace them with new directors.

However, under no circumstances can the Company remain leaderless or the Board inoperative due to the numerical insufficiency of its members. Therefore, the Committee has considered it opportune to select at least three candidates to avoid this undesirable scenario.

After an analysis of possible candidates to occupy these three Board member positions- if the board so approves and proposes to submit to the decision of the next PVA Shareholders' Meeting - there was a formal selection procedure in which all the members of this Committee jointly participated, which resulted in the proposal that the Committee through this act should propose to the Board of Directors of Pescanova (in whose vote and with regard to Mr. Alejandro Fernández Zugazabeitia the Chairman of this Committee abstained as a result of his family connection with this candidate):

Point 4.1: "To appoint Mr. Alejandro Fernández Zugazabeitia, at the proposal of the Appointments and Remuneration Committee, as director of Pescanova, S.A., as an independent member, for the period of four years established in the articles of association, in accordance with that set out in article 529i of the Capital Companies Act."

Point 4.2: "To appoint Mr. Luis Malo de Molina Lezama-Leguizamón, at the proposal of the Appointments and Remuneration Committee, as director of Pescanova, S.A., as an independent member, for the period of four years established in the articles of association, in accordance with that set out in article 529i of the Capital Companies Act."

Point 4.3: "To appoint Mr. Juan Manuel Ginzo Santiso, at the proposal of the Appointments and Remuneration Committee, as director of Pescanova, S.A., as an independent member, for the period of four years established in the articles of association, in accordance with that set out in article 529i of the Capital Companies Act."

Their identification details appear in the respective CVs that accompany this document.

Each of the three candidates proposed:

- (i) Today has a precise knowledge of the current position of PVA and of its relations with Nueva Pescanova, S.L. ("**Nueva Pescanova**"),
- (ii) In the opinion of this Committee complies with the requirements of suitability and qualification necessary for their appointment, and
- (iii) Has expressed their free decision to accept their appointment as Director of PVA, if so agreed by the next General Shareholders' Meeting of the Company, and consented and authorised it being made public through the Directors' Report that will accompany the call of its next General Shareholders' Meeting.

It should be noted that none of them is or has been a shareholder of PVA, either directly or indirectly or through a "closely associated" person, nor have they had to date any employment or other relationship with Pescanova, its shareholders or its directors, nor do they fall under any of the circumstances which, in accordance with paragraph 4 of article 529k of the Capital Companies Act, prevent a director from being classified as independent. Therefore, in the event of being appointed, the three candidates would be appointed as "independent" directors.

Just as important as the above is the fact that none of the three have had to date or have any employment or other relationship with Nueva Pescanova, or its directors, which ensures their independence and freedom of judgement and action with regard to the future relationship with Nueva Pescanova.

This Committee wishes to express its appreciation and gratitude to each of the three candidates for their commitment to being involved and contribution to the effort to preserve the rights and interests of PVA and its shareholders through the acceptance and performance, if appointed by the Meeting, of their posts as Directors of Pescanova.

There were no other interventions or matters to be discussed, so, after being drafted, read and unanimously approved, this document was signed by all those present and the Chairman adjourned the meeting."

Attached documents:

(i) Mr. Alejandro Fernández Zugazabeitia

(a) Description of his profile:

Bachelor of Law, Economics Speciality, from the Universidad de Deusto.

Master's in Business Tax Consulting from the Instituto de Empresa.

Providing tax, commercial and financial advice while working at Ramón y Cajal Abogados and Rödl & Partner Abogados. Member of the Bar Association of La Rioja.

(b) Assessment:

The Appointments and Remuneration Committee considers that Mr. Alejandro Fernandez Zugazabeitia's curriculum and career show that he has the necessary skills, experience and merit to hold the position of director.

(c) Director's category:

Mr. Alejandro Fernandez Zugazabeitia is considered by the Appointments and Remuneration Committee as an independent director, due to complying with the requirements established in section 4 of Article 529k of the Capital Companies Act.

(ii) Mr. Luis Malo de Molina Lezama-Leguizamón

(a) Description of his profile:

Bachelor of Law (E-3) from the Universidad Pontificia de Comillas (ICADE).

Bachelor of Business Sciences (E-3) from the Universidad Pontificia de Comillas (ICADE).

University expert in insolvency administration (Universidad Internacional de la Rioja).

Founding partner of Certamen Creditorum, practising lawyer and economist.

Areas of practice: commercial contracting, corporate law, structural changes in companies, corporate refinancing and restructuring and insolvency proceedings. Procedure law.

(b) Assessment:

The Appointments and Remuneration Committee considers that the curriculum and career of Mr. Luis Malo de Molina, who has successfully held several positions in the area of insolvency advice, show that he has the necessary skills, experience and merit to hold the position of director.

(c) Director's category:

Mr. Luis Malo de Molina is considered by the Appointments and Remuneration Committee as an independent director, due to complying with the requirements established in section 4 of Article 529k of the Capital Companies Act.

(iii) Mr. Juan Manual Ginzó Santiso

Bachelor of Law from the Universidad de Navarra (1989 - 1994)

Practising lawyer since 1997 at the Bar Association of Guipúzcoa.

Expert in computer science and new technologies.

Incorporation of and advice for companies producing electricity by renewable means.

Professor of Computer Law and Courses on Data Security aimed at IT managers.

(b) Assessment:

The Appointments and Remuneration Committee considers that Mr. Juan Manuel Ginzo Santiso's curriculum and career show that he has the necessary skills, experience and merit to hold the position of director.

(c) Director's category:

Mr. Juan Manuel Ginzo Santiso is considered by the Appointments and Remuneration Committee as an independent director, due to complying with the requirements established in section 4 of Article 529k of the Capital Companies Act.

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The Board of Directors of PVA recommends and encourages the shareholders to submit alternative candidates to occupy the rest of the positions on the board and defend their interests through them, under the terms set forth in article 519 of the Capital Companies Act. This article requires a minimum of 3% of the share capital to exercise the right to submit alternative proposals for agreement, allowing several shareholders to group together to reach this minimum limit. It also requires that notifications made by shareholders with proposals for possible directors be received in a verifiable manner at the registered office 5 days after the call.

The Meeting shall approve the candidates who, having been put to the vote, have more votes in favour than against and in the same order, up to a maximum of six directors.

The actual resignation of the current directors will take place simultaneously with the appointment and acceptance of the new directors, and will take place at the end of the General Meeting in order to facilitate its proper functioning and ensure that the Company is not without leadership at any time, during or after the Meeting.

If, for any reason, at the end of the Meeting at least two directors have not been ratified or appointed, so that at least three positions of the Board are filled, the current directors will continue in their positions to complete this number, for a period not exceeding the date of the next General Meeting of PVA to be held.

1. Proposal options submitted to debate and vote in the Meeting

Given all the above, the following proposals for agreement are submitted to debate and vote in the Meeting. They will be voted on separately by the Meeting:

Point 4.1: "To appoint Mr. Alejandro Fernández Zugazabeitia, at the proposal of the Appointments and Remuneration Committee, as director of Pescanova, S.A., as an independent member, for the period of four years established in the articles of association, in accordance with that set out in article 529i of the Capital Companies Act."

Point 4.2: *“To appoint Mr. Luis Malo de Molina Lezama-Leguizamón, at the proposal of the Appointments and Remuneration Committee, as director of Pescanova, S.A., as an independent member, for the period of four years established in the articles of association, in accordance with that set out in article 529i of the Capital Companies Act.”*

Point 4.3: *“To appoint Mr. Juan Manuel Ginzo Santiso, at the proposal of the Appointments and Remuneration Committee, as director of Pescanova, S.A., as an independent member, for the period of four years established in the articles of association, in accordance with that set out in article 529i of the Capital Companies Act.”*

In the fifth item on the agenda and without prejudice to any delegation included in the previous agreements, it is proposed to empower the Board of Directors of the Company, with express powers to delegate to any of its members, so that any of them, jointly and severally and without prejudice to any other existing power of attorney, may (i) appear before a Notary to notarise and execute any of the resolutions adopted, take all necessary actions, carry out all legal actions or business necessary or convenient for said purpose and grant such public or private documents as may be deemed necessary or convenient for the full effectiveness of these resolutions, until achieving their most complete execution and registration, where appropriate, in the relevant Public Registries and, in particular, in the Mercantile Registry of the province. This delegation is extended to the power to correct, clarify, interpret, specify and supplement, if applicable, the resolutions adopted by the General Meeting or those that may be produced in any deeds and documents granted in execution thereof and, in particular, any defects, omissions or errors impeding the access of the resolutions adopted and their consequences to the Mercantile Registry of the province, even incorporating, on their own authority, the modifications that are necessary to that effect as stated by the oral or written qualification of the Mercantile Registrar of the province or required by the Authorities; (ii) to determine, definitively, all other circumstances that may be necessary, adopting and executing the necessary agreements, publishing the announcements and providing the guarantees that are relevant for the purposes established in the Law, as well as formalizing the necessary documents and completing all opportune procedures, proceeding to fulfil all the necessary requirements according to the Law for the fullest execution of that agreed by the General Shareholders' Meeting; and (iii) to delegate in turn all or part of the powers they deem appropriate from among those that correspond to the Board of Directors and of all those expressly attributed to them by this General Shareholders' Meeting, jointly or jointly and severally.

Chapela, 17 February 2017