Ercros

The president of Ercros values the company in view of the competition between OPAS

In his speech before the general meeting of shareholders of Ercros, which was held today in Barcelona, the president of the company, Antonio Zabalza, stated “That the control of a company gives rise to an international competition process means that the company has worth."

The president has reminded the shareholders that they have the last word regarding the takeover bids presented by Bondalti and Esseco, for 100% of the capital of Ercros, and that they are currently pending the corresponding administrative authorizations: "If you collectively decide to accept vast majority of any of the takeover bids will be the offeror, as the new controlling shareholder of the Company, who will direct its business in the future, and if, on the contrary, if the majority do not accept any of the takeover bids, you will continue to be the beneficiaries of the performance of this Ercros more efficient, more sustainable and with greater operational capacity.”

The president has expressed confidence that the current phase of cyclical weakness that the European chemical sector, and therefore Ercros, is going through, will soon give way to a recovery that, according to Zabalza, “will lead to a significant structural leap in the productive efficiency of the company thanks to the complete execution of the 3D Plan and the additional investments that are already being contemplated.”

The general meeting has approved all the resolution proposals presented by the board of directors, among which the payment of a dividend of 9.6 euro cents per share stands out, which will be effective on July 10. This approved dividend represents a disbursement for the company of 8.78 million euros, equivalent to 32.7% of the profit obtained by the Company in 2023.

The president explained to the shareholders that the board of directors has agreed to propose to the meeting the payment of a dividend "Despite the adverse environment and the uncertainties posed by the year 2024, the board has decided to propose to this meeting a dividend of almost 9 million euros, as a way for the shareholders to participate in the extraordinary result caused by the aforementioned ruling of the Constitutional Court.”

This ruling, on the compensation of negative tax bases, added 26 million euros to the initial result, of 1.5 million euros, and allowed the year to end with a profit of 28 million euros.

Zabalza has also said that, as a result of the takeover bids, the board has deemed it convenient to remunerate the shareholder exclusively through the payment of a dividend, in order to avoid, for the sake of the duty of passivity, their intervention in the stock market with the purchase of own shares, as was its proposal at the time of preparation of last year's accounts.

Likewise, the takeover bids have also conditioned the appointment of five members of the council whose mandate expires this year. In this sense, the board has deemed it appropriate to propose the renewal of the current directors so that they are the ones who, within the framework of the takeover bids’ procedure, issue the reports of acceptance or rejection of the offers given that they know in depth the company and its activity, and have been responsible for its management up to this point. Thus, the meeting has approved the renewal of: Antonio Zabalza Martí, as executive director; Lourdes Vega Fernández, as independent director; Laureano Roldán Aguilar and Eduardo Sánchez Morrondo, as external directors; and Joan Casas Galofré, as proprietary director. The board meeting held after the shareholders meeting has renewed Antonio Zabalza as president and CEO of Ercros.

In any case, regardless of how the takeover process ends, the members of the board have committed to making their positions available to shareholders so that the board can be renewed.

5,296 shareholders who own 65,279,457 shares attended the meeting, representing 71.393% of the subscribed capital and who have the right to receive an attendance premium of 0.005 euros per share.

Barcelona, June 28, 2024