

Ercros dividend rises to EUR 9.6 cents

The Ercros board of directors has agreed to propose to the shareholders meeting a new dividend payment of EUR 9.6 cents per share, which would be effective on July 10, 2024. The proposed dividend represents a disbursement for the company of EUR 8.78 million, equivalent to 32.7% of the profit obtained by the Company in 2023.

This new proposal improves by 2.6 cents per share the proposal of 7 cents that was initially approved by the board when it formulated the annual accounts for 2023, on February 23, 2024. At said meeting, in accordance with the Ercros shareholder remuneration policy for the last financial year, the board proposed allocating 23.9% of the 2023 result to the payment of dividends and 8.6% to the purchase of treasury shares to amortize. In total a payout of 32.5%.

Given the presentation of a takeover bid for 100% of the Ercros capital by the Portuguese company Bondalti, on March 5, the board has deemed it appropriate to remunerate the shareholder exclusively through the payment of a dividend, to avoid, for the sake of the duty of passivity, its intervention in the Stock Market with the purchase of treasury shares. Because of this, and to compensate the shareholder, it proposes a gross dividend of EUR 9.6 cents per share, equivalent to a payout of 32.7%.

Also related to the presentation of the takeover bid, the board of directors has decided to propose to the shareholders meeting the renewal of the five directors with an expired mandate: 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.

Since the end of 2023, the board of directors had been working on a proposal to renew directors, focused on the incorporation of new independent directors, the separation of the executive functions from those of the presidency of the board, and the assignation of these two sets of functions to two different people. This work plan was suspended following the advent of the takeover bid. Within the framework of the takeover bid procedure, and on a date around that of the shareholders meeting, the board of directors must issue the report of acceptance or rejection of the takeover bid. Given the importance of this report for the Company and the shareholders receiving the offer, it seems reasonable that it be issued by the current board of directors, which knows the Company and its activity in depth and has been responsible for its management up to this point.

On the other hand, if this takeover bid, or a competing offer, is successful, it is reasonable that the new controlling shareholder could set up the board, especially if Ercros ceases to be a listed company, which is Bondalti's stated objective.

In any case, once the takeover bid process is over, the board members undertake to make their positions available to Ercros shareholders so that the board of directors can be renewed.

The shareholders meeting has been called, in person, at Avenida Diagonal, 514, 6th floor, Barcelona, on June 28, 2024, at 12:00 p.m., on second call. The call contemplates the possibility that those shareholders who wish to do so can participate electronically, through a remote connection and in real time, through the [corporate website](#).

Shareholders who are present or represented at the meeting will be entitled to an attendance bonus of EUR 0.5 cents per share. This premium will be paid to shareholders who attend the meeting in person or remotely.

The complete call for the meeting, the board's supporting reports on the proposed agreements, as well as the rest of the required documentation are available on the [corporate website](#).