June 27, 2024

Esseco announces a cash Tender Offer for 100% of Ercros:

- **The offer is 3.84 euros per share and represents a premium of 50.0% compared to the unaffected price (2.56 euros per share) and a premium of 6.7% compared to the initial offer (3.60 euros per share).**
- **The consideration will be paid in cash and amounts to a maximum total amount of 351,115,004.16 euros.**
- **The offer is addressed to the entire share capital of Ercros and is subject to a minimum acceptance threshold of 75%.**
- **With this transaction, Esseco intends to actively contribute, through its experience and knowledge, to the development and growth of Ercros and promote its opportunities as a prominent leader in southern Europe.**
- **Esseco will promote talent retention and maintain Ercros' headquarters in Barcelona.**

Esseco, a global industrial group based in Italy, has announced a competing voluntary tender offer for 100% of the share capital of Ercros, a leading Spanish industrial group focused on the manufacture and sale of chemical and pharmaceutical products which is listed on the Spanish Stock Exchanges and traded through the Spanish Automated Quotation System (*Mercado Continuo*).

The decision to launch the offer has been agreed unanimously by the board of directors of Esseco and will be made entirely in cash at a price of 3.84 euros per share, exceeding the initial offer announced on March 5, 2024 by 6.7% (3.60 euros per share) and representing a premium of 50.0% over the closing price of Ercros' shares as of market close on 4 March 2024, the trading day immediately prior to the filing of the authorisation request of the initial offer (2.56 euros per share).

The offer price has been calculated on the basis that if the target company makes any distribution of dividends, the offer price would be reduced by an amount equivalent to the gross amount per share of such distribution.

The offer is subject to a minimum acceptance threshold of 75% of the share capital of Ercros, as well as to the customary administrative and governmental authorisations for this type of transactions, which will be described in detail in the prospectus that will be made available to shareholders upon completion of its processing by the *Comisión Nacional del Mercado de Valores*.

Esseco has been advised by J.P. Morgan as financial advisor and Gianni & Origoni as well as Pérez-Llorca as legal counsels.

About Esseco

Esseco is a family-owned industrial group with a deep-rooted manufacturing culture that has built its business on the manufacture of chemical products for over a century. The group, headquartered in Italy, has a direct presence in 15 countries around the world with around 1,300 employees.

Esseco offers chlor-alkali and derivates, sulphur-based chemical, sulphur by-products and organic acids and formiates for a variety of industrial applications in multiple sectors, including agribusiness, pharmaceuticals, detergents, water treatment and paper, among others. Moreover, the group provides products and services for the oenological sector.

Attractive offer that seeks to boost the growth of both groups

Esseco has closely followed the evolution of Ercros over the years, and is impressed by the group's performance under the leadership of its management team, headed by Mr. A. Zabalza.

With this transaction, Esseco intends to actively contribute, through its experience and knowledge, to the development and growth of Ercros, and to promote its opportunities as a clear Southern European leader in caustic soda, potassium derivatives, paraformaldehyde and trichloroisocuaniric acids and as a broader European chemicals player in its specific areas of activity.

The combination of the Ercros Group and the Esseco Group will bring substantial value for both groups consolidating the positioning in each of the parties' home markets, expanding the product offering, facilitating proximity to clients and offering greater growth opportunities to the employees of both groups.

Ercros' employees are one of the group's main assets and have played a fundamental role in the company's successes over the years. Therefore, retaining talent will be a key priority for Esseco.

The intention is not only to maintain the headquarters in Barcelona and production in its operational centers in Spain, but also to promote Ercros' current growth and investment plans. Once the offer is completed, if the minimum acceptance condition is met, the delisting of Ercros' shares will be promoted, as this will make it easier for Ercros' management to focus on the implementation of the business plan's long-term objectives, without the distractions generated by share price movements driven by short-term expectations, especially in the recent volatile macroeconomic environment. In the event the minimum acceptance condition is not met, Esseco will analyse the suitability of (i) maintaining Ercros' shares listed; or (ii) promoting the delisting of Ercros' shares.

Esseco will make all its operational and financial capabilities available to Ercros to carry out, with the help of its experienced team, the necessary investments to execute its strategic plan.

Likewise, the combination of Ercros and Esseco will represent a decisive step in the water treatment market, which will be a key chemical activity in the coming future, as a result of the scarcity in drinking-grade water.

Esseco strives to make its operational activities more efficient and competitive every day, guided by a clear ESG strategy. The group has a strong commitment to renewable energy, with 65% of its energy consumption coming from self-owned green sources. The incremental exposure to the Spanish market will allow Esseco, with the help of Ercros, to aspire to even more ambitious targets thanks to the strong commitment that Spain has with the energy transition.