

## **The board of directors of Ercros issues an unfavourable opinion on Bondalti's takeover bid**

The board of directors of Ercros has issued an unfavourable opinion on Bondalti's public tender offer bid for all of the company's shares. The board has taken into account all the terms and characteristics of the offer, as well as its impact on the interests of the company and its shareholders.

The board highlights that the three members of the Ercros board of directors who are also shareholders have unanimously declared their intention not to sell their shares.

The board states that the unsolicited nature of the offer has disrupted the normal course of the company over the past two years. In addition, Ercros previously assessed proposals from Bondalti regarding the integration of both industrial groups, which were rejected for strategic reasons and due to disagreements over the valuation of the companies.

If the bid were to succeed, Ercros would become diluted within the corporate structure of the José de Mello Group and lose its significance in a much larger conglomerate whose core business is not the chemical sector.

Among other aspects, the board of directors of Ercros reports that, according to the bid prospectus, Bondalti plans to modify the group's financial structure. Bondalti states that it intends for Ercros to increase its debt level over the coming years so that this additional borrowing can cover part of the financial obligations linked to the loan that Bondalti itself has taken out to finance the operation.

The board recalls that, under the authorization of the operation granted by the CNMC in October 2025, the resulting company is required to sell sodium hypochlorite at cost price for a maximum period of 15 years. This condition may limit the profitability of the business, reduce its ability to generate revenues, and lead to a significant loss of value.

Furthermore, in the prospectus submitted to the CNMV, Bondalti acknowledges its intention to change Ercros' current dividend policy and reduce dividend distributions to shareholders on the basis of strategic and financial considerations.

It should also be noted that a group of approximately 150 shareholders, representing 27% of Ercros' share capital, publicly stated in July 2024 their irrevocable decision not to accept the offer. The board of directors of Ercros is not aware of any indication that this group of shareholders has changed its position.

In the same vein, at the last two annual general meetings, shareholders have expressed a clear majority opinion against the bid, both due to the industrial project presented by Bondalti and the offer price.

Finally, although Bondalti stated in its authorization request that it would seek CNMV validation of the offer price as fair and suitable for a delisting, such authorization has not been granted. Therefore, the subsequent delisting offer announced by Bondalti, should the current offer succeed, must be launched at a price no lower than the bid price.