

Ercros informs of the start of the reduction of the share capital by means of the amortization of own shares

On June 14, 2019, the annual general meeting (“AGM”) of the Company was approved a reduction of share capital by the amount of EUR 1,183,375.20, through the amortization of the 3,944,584 own shares held by the Company in treasury, of a nominal value of EUR 0.30, representing 3.76% of the share capital.

The board of directors of the Company held on June 5, 2020, after the AGM, agreed, in compliance with the agreement of the AGM in item three of the agenda, to execute the reduction of share capital. After this transaction, the share capital of Ercros will be fixed at EUR 30,291,371.10, corresponding to 100,971,237 ordinary shares, of a nominal value of EUR 0.30.

The shares to be amortized were acquired by the Company in the framework of the shareholder remuneration policy for the period 2017-2020. Through the amortization of the own shares that Ercros owns in treasury, the shareholders automatically will increase their percentage of participation in the share capital.

This capital reduction will be carried out with a charge to voluntary or freely available reserves, making the corresponding provision of a reserve for amortized capital, by an amount equal to the nominal value of the treasury shares effectively amortized, from which it will only be possible to own by complying with the requirements for reducing the share capital, in accordance with the provisions of article 335 c) of the Capital Companies Act. According to the aforementioned article, the creditors of Ercros will not have the right of opposition foreseen in article 334 of the aforementioned law.

Also, since the shares to be amortized are owned by the Company at the time of the reduction, this will not imply the return of contributions.

The mandatory capital reduction announcements are published today in the Official Bulletin of the Mercantile Registry (“Borme”) and on the corporate website of Ercros (www.ercros.es). Subsequently, the corresponding public deed of capital reduction and modification of the bylaws and its registration in the Mercantile Registry of Barcelona will be granted, which will be subject to the communication of relevant information.

Barcelona, June 24, 2020