

**SCR-Sibelco NV**

Plantin en Moretuslei 1A, 2018 Antwerp, Belgium  
registered with the Crossroads Bank for Enterprises under number 0404.679.941  
("Sibelco" or the "Company")



**INFORMATION DOCUMENT FOR SHAREHOLDERS RELATING TO THE CONVOCATION OF  
AN EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS**

**TO BE HELD ON**

**FRIDAY 12 JANUARY 2024 AT 2 PM CET.**

An electronic version of this information document can be found (in Dutch, French and English) on Sibelco's website ([www.sibelco.com/en/investors/share-buyback](http://www.sibelco.com/en/investors/share-buyback)).

This information document is dated 8 December 2023.

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## 1 Introduction and disclaimer

### 1.1 Introduction

Reference is made to the convening notice for the extraordinary general meeting of shareholders of Sibelco to be held on 12 January 2024 (the "**EGM**").

This information document provides additional information to the shareholders of Sibelco regarding:

- (i) the proposed authorisation for Sibelco's board of directors (the "**Board**") to buy back Sibelco's own shares (the "**Buyback Authorisation**");
- (ii) the proposed authorisation for the Board to divest own shares to one or more specific persons other than employees (the "**Disposal Authorisation**"); and
- (iii) the proposed discharge to each member of the Board regarding the decision to approve the Settlement Agreement (as defined below) and the decision to propose the Buyback Authorisation and the Disposal Authorisation to the EGM (the "**Discharge**").

This information document is provided to Sibelco's shareholders for information purposes only, to assist shareholders in determining how they will exercise their voting rights at the EGM on the agenda items relating to the Buyback Authorisation, the Disposal Authorisation and the Discharge.

Following the approval of the Buyback Authorisation by the EGM, the Board intends to launch a conditional voluntary public offer to buy back shares on the basis of the terms as approved by the EGM as part of the Buyback Authorisation. For more information on this envisaged buyback offer, reference is made to the press release published by Sibelco on 8 December 2023 in accordance with Article 8 of the Belgian Royal Decree of 27 April 2007 on public takeover bids, which is attached as [Annex 1](#).

Information regarding such share buyback and the valuation methodology used by Sibelco to determine the suggested price per share in the context of that share buyback, if eventually launched, shall be set out in a prospectus to be filed by Sibelco with the Belgian Financial Services and Markets Authority (the "**FSMA**") and to be published by Sibelco following approval by the FSMA.

In accordance with Articles 20 and following of the Belgian Royal Decree of 27 April 2007 on public takeover bids, an independent expert is also carrying out an independent valuation exercise of Sibelco (see also Section 4.3.2 below).

### 1.2 Disclaimer

This information document does not constitute a formal notification of a public takeover bid within the meaning of the Belgian Law of 1 April 2007 on public takeover bids and the Belgian Royal Decree of 27 April 2007 on public takeover bids. If a public offer to buy back own shares would be launched by Sibelco, full details thereof will be included in the prospectus.

This information document does not constitute a bid to purchase securities of Sibelco nor a solicitation by anyone in any jurisdiction in respect thereof. If a bid to purchase securities of Sibelco through a public offer to buy back own shares is proceeded with, such offer will and

can only be made on the basis of a prospectus, which shareholders should read in full when available.

Neither this information document nor any other information in respect of the matters contained herein may be supplied in any jurisdiction where a registration, qualification or any other obligation is in force or would be with regard to the content hereof or thereof. Any failure to comply with these restrictions may constitute a violation of the financial laws and regulations in such jurisdictions. Sibelco and its affiliates explicitly decline any liability for breach of these restrictions by any person.

## **2 Legal background**

Pursuant to Article 7:215, §1, 1° of the Belgian Companies and Associations Code (the “**BCAC**”), a Belgian company can only purchase its own shares if it has received a prior authorisation thereto from its general shareholders’ meeting. The general shareholders’ meeting may only validly deliberate and resolve on the authorisation if the shareholders present or represented at the meeting represent not less than one half of the company’s capital. The authorisation is adopted if it has obtained three-quarters of the votes cast at the meeting (Articles 7:215, §1, 1° and 7:153 of the BCAC).

In accordance with Article 7:215, §1, 4° of the BCAC, the purchase offer needs to be made to all shareholders on the same terms and conditions. Therefore, and considering Sibelco’s dispersed shareholder base, a share buyback by Sibelco would need to be structured as a voluntary and conditional public tender offer. In such tender offer, all shareholders will be offered the possibility to tender their shares, proportionally to their shareholding in Sibelco on the record date of that tender offer. Article 7:219, §1 BCAC provides that any shares bought back in violation of the rules of the BCAC in share buybacks are null and void by operation of law.

Pursuant to Article 7:218, §1, 4° of the BCAC, a Belgian company can only dispose of its own shares to one or more specific persons other than employees if it has received a prior authorisation from its general shareholders’ meeting which is included in Sibelco’s articles of association. This requires a decision from the general shareholders’ meeting. The general shareholders’ meeting may only validly deliberate and resolve on the authorisation if the shareholders present or represented at the meeting represent not less than one half of the company’s capital. The authorisation is adopted if it has obtained three-quarters of the votes cast at the meeting (Articles 7:218, §1, 4° and 7:153 of the BCAC).

Sibelco’s shares are admitted to trading on the Euronext Expert Market, a multilateral trading facility organised by Euronext Brussels that facilitates the trading of non-listed securities where public auctions take place once a week on Tuesday (ISIN code: BE0944264663). As a consequence, Sibelco does not qualify as a “listed company” within the meaning of Article 1:11 of the BCAC.

## **3 Background of the liquidity framework**

### **3.1 Purpose of the liquidity framework**

Sibelco intends to use the Buyback Authorisation as a framework to offer liquidity to all its shareholders.

This liquidity would be offered to all shareholders through a share buyback in which all shareholders receive a right to tender shares in proportion to their shareholding in Sibelco

on the record date of the envisaged buyback offer. Accordingly, all shareholders of Sibelco would be given a choice to either participate in a share buyback by tendering their shares and reduce their shareholding in Sibelco or to remain fully invested in Sibelco and to benefit from the potential future value creation at Sibelco level.

The liquidity framework also fits within the larger context of a settlement between the LL Holdings/Quarzwerte Group (the “**LL/QW Group**”), Sibelco, Sibelco’s reference shareholder (Dutch Stichting Administratiekantoor Sandrose Foundation (the “**STAK**”)) and certain other parties, whereby the liquidity framework offered to all shareholders provides for a framework in which the LL/QW Group can cease to be a shareholder of Sibelco and settle ongoing legal proceedings (see Section 3.2 below).

### **3.2 The litigation**

In November 2021, Sibelco was summoned by certain entities of the LL Holdings/Quarzwerte group before the President of the Business Court in Antwerp in summary proceedings, requesting the Court to appoint an expert to examine the merger of Fairmount Santrol and Unimin Corporation, an American subsidiary of Sibelco, as completed in 2018. This merger resulted in a new US listed entity called “Covia”. In 2020 Covia decided to file for Chapter 11 proceedings in the USA. Following the restructuring in the Chapter 11 proceedings, Sibelco no longer held an equity participation in Covia.

The scope of the investigation by the expert, as requested by the LL/QW Group, included (amongst others) an assessment of the Board of Director’s decisions concerning the merger in order to determine whether certain of Sibelco’s former and current directors committed alleged errors in this regard (as claimed by the LL/QW Group in the liability proceedings initiated in December 2021, see below). During 2022, the parties presented their respective arguments. The case was heard by the Court in June 2022, whereupon the Court rendered its (prima facie) decision on 23 September 2022. The claim to appoint an expert was rejected by the Court as unfounded. The Court ordered Sibelco to take all necessary measures to safeguard certain documents and information related to the dispute, subject to a penalty in case of non-compliance. Sibelco was also ordered to pay the other party’s legal representation costs. No appeal has been lodged against this decision so far.

On 22 December 2021 and 27 July 2022, the LL/QW Group also introduced a liability claim against certain of the current and former directors of Sibelco as well as the STAK before the Antwerp Business Court for alleged errors committed, in particular related to the above-mentioned merger. Sibelco is also involved in these legal proceedings as a party, as the claim was introduced by the LL/QW Group as minority shareholder on behalf and for the benefit of Sibelco. LL/QW Group also introduced a personal claim against the directors involved. This case is currently pending and the parties, including Sibelco, are preparing written briefs. The hearing is currently set to take place in February 2026.

Moreover, the LL/QW Group has issued a writ against the STAK and Sibelco, claiming the application of Article 2:68 BCAC, i.e. a forced buyout of their 13% shareholding. In the context of these forced buyout proceedings, LL/QW Group argues that there are “legitimate reasons” to justify a forced exit (e.g. the failed Covia-merger, alleged negligence by the directors and dysfunction of the Company, alleged violation of shareholder rights, etc. This last claim was initiated before the President of the Business Court in Antwerp on 19 April 2023. The parties are currently exchanging briefs; this exchange will be followed by a court hearing, which is yet to be scheduled, at which parties will present their oral arguments.

### 3.3 The Settlement Agreement and the STAK Share Purchase

On 8 December 2023, the two largest shareholders of Sibelco, being STAK and the LL/QW Group as well as Sibelco and certain (present and former) directors of Sibelco have entered into a settlement agreement in relation to the aforementioned litigation (the “**Settlement Agreement**”).

The Settlement Agreement encompasses, subject to certain conditions precedent a settlement of the ongoing legal disputes, including a cessation of the abovementioned court procedures initiated by, and a waiver of claims made by, LL/QW Group against Sibelco, STAK and certain directors, officers, and shareholders, as well as a waiver of any counterclaims against LL/QW Group.

Subject to certain conditions precedent, including for obtainment of certain corporate approvals, the STAK and the LL/QW Group further agreed to, prior to the date of the EGM, enter in an agreement for the purchase by STAK of all 61,233 shares that LL/QW Group currently holds in Sibelco, at a price per share equal to the price per share Sibelco intends, subject to approval of the Buyback Authorisation by the EGM, to offer in the context of a share buyback on the basis and within the (price) limits of the Buyback Authorisation (the “**STAK Share Purchase**”).

The Settlement Agreement further contains an undertaking by Sibelco to organise a share buyback (on the terms of the Buyback Authorisation as described below) and is conditional upon the extraordinary shareholders’ meeting of Sibelco granting the Buyback Authorisation and the Disposal Authorisation.

When Sibelco makes the share buyback offer, the STAK will be able to sell shares in that share buyback in proportion to its total shareholding in Sibelco on the record date of the share buyback (which will be after the date on which the STAK Share Purchase becomes effective). At that time, the LL/QW Group will have transferred all its 61,233 shares in Sibelco to STAK in the STAK Share Purchase. The STAK has committed that it will tender all those 61,233 shares in that share buyback. The STAK and certain other shareholders have further committed not to tender any other shares in that share buyback.

## 4 The Buyback Authorisation

### 4.1 General

The shareholders are asked to approve the Buyback Authorisation at the EGM. Following such approval by the shareholders, the Board intends to launch a share buyback on the basis of the Buyback Authorisation.

As part of the Buyback Authorisation, the shareholders are asked to approve the maximum number of shares which can be bought back by Sibelco and the price at which such shares can be acquired by Sibelco (the “**Authorised Buyback Price**”). The proposed wording for the Buyback Authorisation has been attached to this information document as [Annex 2](#).

### 4.2 Number of shares

The Board proposes that the Buyback Authorisation relates to a maximum amount of 89,051 shares, corresponding to up to 18.94% of the total existing shares issued by Sibelco.

### 4.3 Authorised Buyback price

#### 4.3.1 General

The EGM is asked to approve an Authorised Buyback Price which comprises a fixed component and a variable component. The fixed component would become due upon completion of the buyback. The variable component would only become due if certain conditions are met.

#### 4.3.2 Fixed Component

The fixed component of the Authorised Buyback Price will amount to EUR 6,850.00 per share (the “**Fixed Component**”).

The prospectus to be published in connection with the share buyback will contain additional details regarding the valuation methodology and the justification of the Fixed Component. Sibelco has appointed Degroof Petercam Corporate Finance SA as independent expert in accordance with Article 20 and following of the Belgian Royal Decree of 27 April 2007 on public takeover bids to carry out an independent valuation exercise of Sibelco. This appointment is subject to confirmation by the executive committee of the FSMA. In its report, the independent expert will determine a valuation range per share, primarily based on a DCF analysis. The final version of the report will be attached to the prospectus to be published in connection with the share buyback.

Sibelco intends to communicate in due course further information on the valuation of Sibelco and its business to the shareholders ahead of the EGM.]

#### 4.3.3 Disposal Value Component

The variable component of the Authorised Buyback Price (the “**Disposal Value Component**”) will become due in case:

- (i) a transfer of full or bare ownership rights or a contribution in co-ownership or indivisum, or the creation (or transfer with retention) of usufruct rights or any other legal or beneficial ownership rights or other usage rights of shares in Sibelco, including (without limitation) a sale, an exchange, a contribution to a company or other legal entity, as well as a transfer pursuant to a legal merger or demerger or pursuant to a de iure transfer of a universality or a branch of activities or a liquidation (a “**Share Disposal Event**”); or
- (ii) a full or partial disposal, through a sale to one or more third parties, a merger, a public listing, or any other form of third-party transfer, of Sibelco and its direct or indirect subsidiaries’ business in high purity quartz, mined at the ore bodies in Spruce Pine, North Carolina, currently owned by Sibelco’s subsidiary Sibelco North America, Inc (the “**HPQ Business**”) (an “**HPQ Disposal Event**”).

In case Sibelco or any of its direct or indirect subsidiaries enters into or proceeds with, in one or more occurrences, at any time prior to the second anniversary of the closing of the share buyback, a Share Disposal Event or an HPQ Disposal Event generating Delta Net Proceeds, the Disposal Value Component per share will become due and will be equal to (a) in case of a disposal before the first anniversary of the payment and delivery of the share buyback, 45% of the Delta Net Proceeds and (b) in case of a disposal after the first but before the second anniversary of the payment and delivery of the share buyback, 30% of the Delta Net Proceeds.

In case of a Share Disposal Event, “**Delta Net Proceeds**” will be calculated by reference to the delta between the price at which Sibelco disposes of the shares in the Share Disposal Event and EUR 6,850 (being the Fixed Component of the Authorised Buyback Price), to be adjusted for certain dilution events.

In case of an HPQ Disposal Event, “**Delta Net Proceeds**” will be calculated by reference to (i) the delta between the enterprise valuation of Sibelco’s HPQ Business at the time of the HPQ Disposal Event and the enterprise valuation of Sibelco’s HPQ Business as will be set out in the prospectus for the share buyback and (ii) the percentage of the HPQ Business disposed in the HPQ Disposal Event, which will be capped at the percentage of shares that will have been bought back by the company in the share buyback (minus any Sibelco shares that would already have been sold in a previous Share Disposal Event).

For more information on the Disposal Value Component and its calculation methodology, reference is made to the text of the Buyback Authorisation attached as Annex 2. Further information relating to the Disposal Value Component (including regarding taxation) will also be included in the prospectus to be published in connection with the share buyback.

There is no commitment by Sibelco or any of its direct or indirect subsidiaries that they would effectively proceed with a Share Disposal Event or an HPQ Disposal Event. Accordingly, there is no guarantee that there will be a Disposal Value Component.

## **5 Disposal Authorisation**

The shareholders are asked to approve the Disposal Authorisation at the EGM, which authorises the Board to dispose of its own shares to one or more specific persons other than employees.

If Sibelco proceeds with a share buyback on the basis of the Buyback Authorisation, it intends to dispose, in whole or in part, any own shares it has acquired as part of the share buyback to a third party in due course. Sibelco has already mandated a financial advisor in organising a preparatory/facilitating process to identify such third parties. However, no guarantee is given that such disposal will effectively take place and to date, no commitments towards third parties have been made by Sibelco regarding such disposal.

Reference is made to Section 4.3.3 (*Disposal Value Component*) for further information on the Disposal Value Component, which may become due, if a disposal by Sibelco of its own shares meets the relevant conditions.

## **6 Discharge**

The Board, after having made a thorough and careful assessment, is convinced that the entering into of the Settlement Agreement and the proposals made to the shareholders to grant the Buyback Authorisation and the Disposal Authorisation are in the corporate interest of Sibelco as these steps will put an end to the ongoing litigation described in section 3.2 above (in which also Sibelco is a party) and contribute to reinforcing Sibelco’s stable shareholding in the long-term, thereby enabling Sibelco to fully concentrate on the further development of its business activities for the benefit of all Sibelco’s stakeholders, and in particular its shareholders.



In this context, the shareholders are asked to approve at the EGM the granting of a discharge to each member of the Board for the decisions of the Board to approve and enter into the Settlement Agreement on behalf of the Company and to propose to the shareholders to approve the actions that the directors have proposed to take to proceed with the execution of the buyback offer, as well as for any of the preparatory actions taken by the members of the Board in relation thereto, and discharge the directors from any liability in relation thereto.

## **7 Further elements for consideration by the shareholders**

Shareholders should take the below elements into consideration when determining how they will exercise their voting rights at the EGM. However, shareholders should at all times form their own opinions about, and make their own decisions, under their own responsibility, on how they will exercise their voting rights at the EGM and, in addition to the elements mentioned in this information document, take into account all considerations they consider relevant.

### **7.1 Impact of a share buyback on the market price of Sibelco's shares**

The EGM is requested to approve a Buyback Authorisation, whereby the Fixed Component of the Authorised Buyback Price is equal to EUR 6,850. The Fixed Component is proposed to the EGM on the basis of a valuation exercise conducted by Sibelco, supported by its external financial advisor. This exercise has been done on the basis of information currently available to Sibelco.

Sibelco's shares are listed on the Euronext Expert Market where public auctions take place once a week on Tuesday. This trading is characterised by very limited liquidity. On the trading day prior to the publication of this information document the share price of Sibelco on the Euronext Expert Market was EUR 5,000.00. This is 27,01% below the Authorised Buyback Price. Sibelco cannot make any statement as to how the share price of Sibelco's share will develop, i.e. whether the share price of Sibelco's shares will stay at the same level, fall or rise before or after the approval of the Buyback Authorisation and before, after or as a result of any buyback of shares pursuant to the Buyback Authorisation.

### **7.2 Impact of a share buyback on Sibelco's financial position**

A share buyback on the basis of the Buyback Authorisation will likely increase Sibelco's net debt position. This increased net debt position could adversely impact Sibelco's debt-to-equity and other relevant financial leverage ratios (such as net debt-to-EBITDA). However, taking into account Sibelco's expected cash flow, the company still forecasts a positive net cash position by the end 2023. In addition to the net cash position forecast, Sibelco has additional financial headroom through a revolving credit facility and bilateral facilities.

Nonetheless, an increased leverage position could impact Sibelco's cost of borrowing and thereby limit Sibelco's access to further credit. In times of increased macro-economic uncertainty, this could negatively impact Sibelco's overall operational, financial and strategic flexibility. This impact could be significant if macro-economic developments, such as for example (but not limited to) trade conflicts in response to geopolitical tensions, would particularly impact demand in Sibelco's key geographical markets (such as the Chinese photovoltaic market).

Although the Board estimates that a share buyback would be in Sibelco's interest, shareholders are encouraged to take this risk into consideration when voting on the Buyback Authorisation.

### **7.3 Impact of a share buyback on shareholders who do not tender their shares**

Sibelco's shares are listed on the Euronext Expert Market where public auctions take place once a week on Tuesday. This trading is characterised by very limited liquidity. By contrast, a share buyback on the basis of the Buyback Authorisation would represent an immediate liquidity opportunity for Sibelco's shareholders to sell their shares.

In general, Sibelco points out that, following a share buyback on the basis of the Buyback Authorisation and depending on the number of shares that have been tendered to such share buyback, the number of shares available for trading between shareholders (*free float*) will decrease. Accordingly, trading of the shares on the Euronext Expert Market may be lower than it is today and the liquidity of Sibelco's shares on the Euronext Expert Market could decrease even more.

In addition, shareholders of Sibelco may not be presented with a similar liquidity option in the form of a share buyback in the future.

## **8 Timeline and next steps**

The EGM has been convened to consider and, if thought fit, approve the Buyback Authorisation and the Disposal Authorisation. This EGM is scheduled to be held on Friday 12 January 2024. For further information on the agenda of the EGM and on the practicalities for attendance of the EGM, reference is made to the convening notice published on 8 December 2023 on the website of Sibelco ([www.sibelco.com/en/investors/share-buyback](http://www.sibelco.com/en/investors/share-buyback)). The shareholders are also advised that Sibelco intends to provide, ahead of that EGM, further information on the valuation of Sibelco.

If the EGM approves the Buyback Authorisation, the Disposal Authorisation and the Discharge, the Board intends to launch a share buyback and to publish a prospectus in which more details on the share buyback will be described. The Board currently intends to publish the prospectus in the course of January 2024.

It is contemplated that shareholders will have an acceptance period of two weeks during which they can tender shares in the share buyback.

Payment and delivery of the share buyback would take place in the course of February 2024.

## **9 Other relevant information**

Sibelco wishes to further draw your attention to the following documents in relation to the EGM, which are all available on Sibelco's website ([www.sibelco.com/en/investors/share-buyback](http://www.sibelco.com/en/investors/share-buyback)):

- (i) convening notice for the EGM; and
- (ii) press release published in application of Article 8, §1 of the Takeover Decree.

**Annex 1 – Press release in accordance with  
Article 8 of the Royal Decree of 27 April 2007 on Public Takeover Bids**

*[To be provided separately]*

## Annex 2 – Proposed text for the Buyback Authorisation

### 1. Authorisation to buy back own shares

**Proposed resolution:** RESOLVED to authorise the board of directors of the Company to buy back shares of the Company on the basis of the following authorisation:

#### 1 **Size and duration of the Buyback Authorisation**

The board of directors is authorised to, on behalf of the company, acquire, by way of a conditional voluntary public offer to buy back shares (the "**Offer**"), up to 89,051 shares, representing 18.94% of the issued share capital of the company, without any further approval or other intervention by the general meeting being required (the "**Buyback Authorisation**"). The Buyback Authorisation is granted for a period of six weeks following the publication of the Buyback Authorisation in the Annexes to the Belgian Official Gazette.

#### 2 **Price of the Buyback Authorisation**

##### 2.1 **The price comprises a fixed and a variable component**

The board of directors is authorised to acquire shares at a price per share comprising (i) a fixed component and (ii) a variable component that would become due if certain conditions are met, as further set out below.

##### 2.2 **Fixed component**

The fixed component of the price shall be equal to EUR 6,850 per share;

##### 2.3 **Variable component**

###### 2.3.1 **General**

In addition to the fixed component, the price shall comprise a variable component (a "**Disposal Value Component**"), which would become due in case of:

- (i) a transfer of full or bare ownership rights or a contribution in co-ownership or indivisum, or the creation (or transfer with retention) of usufruct rights or any other legal or beneficial ownership rights or other usage rights of shares in the company, including (without limitation) a sale, an exchange, a contribution to a company or other legal entity, as well as a transfer pursuant to a legal merger or demerger or pursuant to a de iure transfer of a universality or a branch of activities or a liquidation (a "**Share Disposal Event**"); or
- (ii) a full or partial disposal, through a sale to one or more third parties, a merger, a public listing, or any other form of third-party transfer, of the company and its direct or indirect subsidiaries' business in high purity quartz, mined at the ore bodies in Spruce Pine, North Carolina, USA, currently owned by the company's subsidiary Sibelco North America, Inc (the "**HPQ Business**") (an "**HPQ Disposal Event**").

The Disposal Value Component, if any, will be payable to the persons who sold shares in the Offer within 20 Business Days after the receipt by Spring or any of its relevant direct or indirect subsidiaries of the consideration for the relevant Disposal Event.

*In case the company or any of its direct or indirect subsidiaries enters into or proceeds, in one or more occurrences, at any time prior to the second anniversary of the closing of the Offer, with a Share Disposal Event or an HPQ Disposal Event generating Delta Net Proceeds (as defined below), the Disposal Value Component per share will become due and will be equal to:*

- *in case of a disposal before the first anniversary of the payment and delivery of the Offer, 45% of the Delta Net Proceeds; and*
- *in case of a disposal after the first but before the second anniversary of the payment and delivery of the Offer, 30% of the Delta Net Proceeds.*

*After the second anniversary of the Offer, no Disposal Value Component will become due. A Disposal Value Component can, for the avoidance of doubt, not be lower than zero and no payment pursuant to the Disposal Value Component shall need to be returned.*

### **2.3.2 Share Disposal Event**

*In case of a Share Disposal Event, “Delta Net Proceeds” means  $(A*B) / C$ , whereby:*

- ***A** means (i) the price at which the company or any of its direct or indirect subsidiaries disposes of the shares in the Share Disposal Event (including, earn-outs, amounts paid in escrow and without any deduction for specific indemnities, representations and warranties or other commitments taken by Sibelco or the relevant affiliate towards the purchaser of the Shares), decreased with a provision for any capital gain taxes to be assessed on the profit realised from the Share Disposal Event in the income tax return of the company or its direct or indirect subsidiaries pertaining to the financial year in which such Share Disposal Event took place and directly attributable to the Share Disposal Event, (ii) minus EUR 6,850. No other taxes, costs or similar expenses incurred by the company or its direct or indirect subsidiaries related to the Share Disposal Event shall be considered in the calculation of this amount A;*
- ***B** means the lower of (i) the number of shares disposed of by the company or its direct or indirect subsidiaries in the Share Disposal Event and (ii) the number of shares eventually acquired by the company in the Offer; and*
- ***C** means the number of shares eventually acquired by the company in the Offer.*

*In case of the occurrence, prior to the second anniversary of the closing of the Offer, of (a) any issuance of shares, profit shares, convertible bonds or subscriptions rights, the execution of a stock split or any other operation by the company with a similar dilutive effect on the shares of the company, the formula set herein for the calculation of the Delta Net Proceeds in case of a Share Disposal Event shall be deemed to have been amended so as to neutralise the impact of such dilution event or (b) a total distribution by the company exceeding EUR 146.41 per Share in 2024 and EUR 183.01 per share of the company for the period as of 1 January 2025 up until the second anniversary of the closing of the Offer, the amount by which the distribution per share of the company exceeds EUR 146.41 and EUR 183.01 respectively shall be added to the term A in the above formula.*

*For the avoidance of doubt, the Disposal Value Component in case of a Share Disposal Event, if any, will only be due in respect of a maximum number of disposed shares, in aggregate across the various Share Disposal Events, up to the number of shares eventually acquired by the company in the Offer.*

*In case the company or any of its direct or indirect subsidiaries receives consideration for the shares in a Share Disposal Event in the form of assets (instead of cash), the price of the shares for the purposes of calculating the Disposal Value Component will be the fair market value attributed to the shares in the Share Disposal Event in that Share Disposal Event.*

*A transfer of shares to a direct or indirect subsidiary of the company shall not be considered a Share Disposal Event and therefore not trigger the Disposal Value Component.*

### **2.3.3 HPQ Disposal Event**

*For HPQ Disposal Events, “Delta Net Proceeds” means  $((A-B)*C-D)*E$ , divided by the number of shares eventually acquired by the company in the Offer whereby:*

- ***A** means the enterprise valuation of the company’s full HPQ Business as determined by the company and its counterparties in a HPQ Disposal Event;*
- ***B** means the enterprise valuation of the company’s full HPQ Business at 30 September 2023 as will be set out in the prospectus for the Offer;*
- ***C** means the portion of the company’s full HPQ Business that is being disposed of in a HPQ Disposal Event, expressed as a fraction,*
- ***D** means a provision for any and all taxes to be incurred by the company or any of its direct or indirect subsidiaries directly attributable to such HPQ Disposal Event; and*
- ***E** means the lower of (i) one and (ii) the number of shares purchased by the company in the Offer less any shares disposed of in one or several Share Disposal Events prior to the relevant HPQ Disposal Event divided by  $(434,856 * C)$ ,*

*it being understood that in case the sum of the results of  $C*E$  as calculated for each of the HPQ Disposal Events exceeds (the number of shares purchased by the company in the Offer less any shares disposed of in one or several Share Disposal Events) divided by  $(434,856)$ , such excess shall not be taken into account for the calculation of the Delta Net Proceeds.*

*A full or partial transfer of the HPQ Business to a direct or indirect subsidiary of the company shall not be considered an HPQ Disposal Event and therefore not trigger the Disposal Value Component.*

### **2.3.4 Share Disposal Event following HPQ Disposal Event(s)**

*Where a Share Disposal Event follows one or more HPQ Disposal Events, the Disposal Value Component paid in respect of the HPQ Disposal Event will be deducted from (A) in the formula of Section 2.3.2 for the purposes of calculating the amount due, as follows:*

- (a) *in case of an HPQ Disposal Event occurring on or before the first anniversary of the settlement of the Offer: 55% of the Delta Net Proceeds of such HPQ Disposal Event; or*
- (b) *in case of an HPQ Disposal Event occurring after the first but on or before the second anniversary of the settlement of the Offer: 70% of the Delta Net Proceeds of such HPQ Disposal Event.*

*After the second anniversary of the settlement of the Offer, no Disposal Value Component will become due.*

#### **2.3.5 Definitive tax assessment**

*If the definitive assessment of the relevant taxes by the competent tax authority would be lower than the provision for capital gain taxes mentioned in parameter A in Section 2.3.2 or for taxes in parameter D in Section 2.3.3, the company shall pay an amount to the beneficiaries of the relevant Disposal Value Component to make such beneficiaries whole (on a euro-for-euro basis, increased with an interest p.a. equal to EURIBOR (12 months) plus 100 basis points) for what they would have received through the relevant Disposal Value Component if the relevant provision had been equal to the taxes definitively assessed.*

## **SCR-SIBELCO NV ANNOUNCES ITS INTENTION TO LAUNCH A CONDITIONAL VOLUNTARY PUBLIC OFFER TO BUY BACK OWN SHARES**

**NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION IN ANY JURISDICTION WHERE ITS PUBLICATION WOULD BE UNLAWFUL**

*Communication in accordance with Article 8, §1 of the Royal Decree of 27 April 2007 on public takeover bids.*

**Antwerp, 8 December 2023.** SCR-Sibelco NV ("**Sibelco**") announces today that it intends to launch a conditional voluntary public offer to buy back own shares (the "**Intended Offer**").

Through the Intended Offer, Sibelco intends to offer an extraordinary liquidity event to all its shareholders. The shareholders will be given a choice to either participate in the Intended Offer by tendering their shares in the Intended Offer and to reduce their shareholding in Sibelco or to remain fully invested in Sibelco and to benefit from the potential future value creation of Sibelco.

The Intended Offer also fits within the context of a settlement agreement concluded on 8 December 2023 between LL Holding, Quarzwerke GmbH and Quarzwerke Österreich GmbH (together, "**LL/QW**"), Sibelco, its reference shareholder and certain other parties, with a view to settle ongoing legal disputes and whereby the LL/QW can cease to be a shareholder of Sibelco. This will allow Sibelco to stabilise its longer term shareholding and to strengthen its business perspectives.

### **The Intended Offer**

The Intended Offer would be launched in accordance with Chapter II of the Royal Decree of 27 April 2007 on public takeover bids (the "**Takeover Decree**"). The Intended Offer would be an offer in cash to buy back up to 89,051 shares in Sibelco, corresponding to up to 18.94% of the total existing shares issued by it.

The price of the Intended Offer (the "**Price**") comprises a fixed component and, under certain circumstances, a variable component:

- (i) the fixed component of the Price would amount to EUR 6,850.00 per share, and will be payable in cash on the date of delivery of the shares tendered in the Intended Offer; and
- (ii) the variable component of the Price would become due if at any time prior to the second anniversary of the closing of the Intended Offer, Sibelco or any of its direct or indirect subsidiaries, in one or more occurrences, disposes of all or part of their Sibelco shares or all or part of their business in high purity quartz, mined at the ore bodies in Spruce Pine, North Carolina, USA owned by Sibelco or any of its direct or indirect subsidiaries (the "**HPQ Business**").

There will be no commitment by Sibelco or any of its direct or indirect subsidiaries that they would at any time proceed with a disposal of Sibelco treasury shares or all or part of the HPQ Business. Accordingly, there is no guarantee that there will be a variable component of the price.

Reference is made to the convening notice for Sibelco's extraordinary shareholders' meeting published today on the website of Sibelco ([www.sibelco.com/en/investors/share-buyback](http://www.sibelco.com/en/investors/share-buyback)) for further details on the price of the Intended Offer, including in relation to the variable component.

The Intended Offer would be subject to the following conditions precedent:



Article 8 Press release  
***Strictly private and confidential***

- (i) the authorisation by Sibelco's extraordinary shareholders' meeting scheduled to be held on 12 January 2024 to buy back shares having been published in the Annexes to the Belgian State Gazette before the end of the acceptance period of the Intended Offer and being in full force and effect at the end of the acceptance period; and
- (ii) no material adverse change occurring with respect to the closing quote of the STOXX Europe 600 index and with respect to Sibelco's EBITDA as from the date of this communication in accordance with article 8 of the Takeover Decree and during the period preceding the date on which the results of the initial acceptance period of the Intended Offer are announced.

### **Indication of the timing of the Intended Offer**

Sibelco will, in due time, submit to the FSMA a draft prospectus relating to the Intended Offer. Sibelco will publish the prospectus after the FSMA has approved the prospectus.

An extraordinary shareholders meeting of Sibelco has been convened to be held on 12 January 2024 having as its agenda, among others, the authorisation for the board of directors of Sibelco to buy back own shares in accordance with Article 7:215 of the Belgian Code of Companies and Associations. For further information on that extraordinary shareholders' meeting, reference is made to the convening notice published today on the website of Sibelco ([www.sibelco.com/en/investors/share-buyback](http://www.sibelco.com/en/investors/share-buyback)). An information document with further information is available to the shareholders of Sibelco as an annex to that convening notice.

### **Taxation**

The participation in the Intended Offer may trigger tax consequences for the offering shareholders, such as the application of the Belgian tax on stock exchange transactions subject to exemptions. The prospectus will provide more information on the potential tax consequences for Belgian tax resident participating shareholders.

### **About Sibelco**

Sibelco is a global leader in material solutions. Sibelco mines, processes, and sells specialty industrial minerals – particularly silica, clays, feldspathics and olivine – and is a leader in glass recycling. Sibelco's solutions support the progress of modern life and serve industries as diverse as semi-conductors, solar photovoltaic, glass, ceramics, construction, coatings, polymers and water purification. The Sibelco Group has production facilities in more than 30 countries and a team of more than 5,000 people. Sibelco's shares are admitted to trading on the Euronext Expert Market, a multilateral trading facility organised by Euronext Brussels that facilitates the trading of non-listed securities where public auctions take place once a week on Tuesday (ISIN code: BE0944264663).

### **Advisors**

J.P. Morgan Securities plc is advising Sibelco on certain financial aspects in connection with the Intended Offer. Linklaters LLP is advising Sibelco on certain legal matters in connection with the Intended Offer.

Degroof Petercam Corporate Finance SA was asked by the board of directors of Sibelco to act as independent expert in accordance with Articles 20 to 23 of the Takeover Decree.

**Disclaimer**

This announcement is only the expression of an intention regarding the envisaged conditional voluntary public offer and does not constitute a formal notification of a public offer within the meaning of the Belgian Law of 1 April 2007 on public takeover bids and the Takeover Decree.

This notice is also published in Dutch. If ambiguities should arise from the different language versions, the Dutch version will prevail.

This notice does not constitute an offer to purchase securities of Sibelco nor a solicitation by anyone in any jurisdiction in respect thereof. If an offer to purchase securities of Sibelco through a public offer on own shares is proceeded with by Sibelco, such offer will and can only be made on the basis of a prospectus approved by the FSMA. Neither this notice nor any other information in respect of the matters contained herein may be supplied in any jurisdiction where a registration, qualification or any other obligation is in force or would be with regard to the content hereof or thereof. Any failure to comply with these restrictions may constitute a violation of the financial laws and regulations in such jurisdictions. Sibelco and its affiliates explicitly decline any liability for breach of these restrictions by any person.

**Further information**

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