



Hoche Avocats advises the Derichebourg Group on the acquisition of Groupe Ecore

On December 17, the Derichebourg group finalized the acquisition of the entire capital of Groupe Ecore Holding (Luxembourg). This acquisition, announced on December 30, 2020 and formalized by an agreement on March 1, 2021, has received the approval of the various competent European and international competition authorities.

Following this acquisition, the Derichebourg Group is now reaching a critical size that makes it a circular economy leader in the transformation of scrap metal into raw materials from recycling, with a dedicated workforce of more than 4,300 employees, and a geographical presence in 11 countries for this activity.

In response to the concerns expressed by the European Commission regarding competition and in order to obtain a Phase 1 decision, the Derichebourg Group proposed a series of commitments including the disposal of four recovery sites equipped with a shredder as well as four collection sites and also made a number of commitments aimed at ensuring the viability of the sites to be disposed of, including the option for the purchasers of sites equipped with a shredder to acquire one or two satellite collection sites. A total of five satellite sites are covered by this option.

Derichebourg will consolidate Ecore in its accounts from today. For fiscal year 2021 (12 months), cumulative revenue after implementation of the commitments would be around €4.81 billion [1] and cumulative EBITDA (excluding synergies) would be around €480 million¹. Net debt at September 30, 2021, taking into account this acquisition, would have been €616 million¹, representing a calculated leverage ratio of 1.31.

With the largest external growth operation in its history in environmental services, the Derichebourg Group is aligned with the ecological transition and the Green Pact advocated by the European Union, which sets clear and ambitious objectives to meet the challenges of climate change and the environment, and will contribute in particular to the European production of green steel that is more efficient in terms of CO2 emissions.

[1] This figure has not been audited

Counsel to the Derichebourg Group:

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Renaudier & Associés (Richard Renaudier and Karine Turbeaux, partners) and De Pardieu Brocas Maffei (Philippe Guibert, partner) for the competition part

Counsel to Groupe Ecore Holding (Luxembourg): Corporate: **Frieh Associés** – Michel Frieh and Karine Lenczner (partners) and Fayrouze Masmi-Dazi (partner) for the competition part

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About Hoche Avocats:

Hoche Avocats is an independent, multidisciplinary French law firm founded more than 30 years ago.

The firm has nearly 80 lawyers and legal professionals from various backgrounds, including some twenty partners, who work on a daily basis in a national and/or international context to provide their clients with tailor-made support and legal advice in the major areas of business law and more particularly in mergers and acquisitions.

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