

Campine's agile response to the Covid crisis.

Regulated information – April 30, 2020 - 18:30

As part of the essential sectors in the industry (as defined by the Belgian government), Campine has remained fully operational during the Corona crisis. The treatment and recycling of waste into renewed materials and production of chemicals such as Antimonytrioxide, used as catalyst to produce PET water bottles, are vital to our society. Campine has implemented all necessary infection preventive measures and so far no employees are affected.

The lockdown of the economy throughout Europe has increasingly made some raw materials scarce and reduced the availability of our sector's standard personal protective equipment.

Campine has therefore decided to advance its yearly maintenance shutdown of its Metals Recycling Division from July to end of May / early June. "Market conditions are ideal for shutting down our plant now" says CEO De Vos "The availability of scrap batteries is extremely tight and also the LME lead price is at a 10 year low."

Expectations for 2020

Metals Recycling

Campine's Metals Recycling business has been running at normal volumes in the first 4 months of the year. Demand from industrial customers in the automotive battery sector has reduced substantially, but Campine managed to sell the commodity lead to other outlets. The half year results will be negatively influenced by the low lead LME price and volumes for May and June will be significantly lower due to the shift of the shutdown into the first semester. The restart of the furnace will depend on the availability of scrap battery feedstock. The recycling of other metals runs as planned.

Specialty Chemicals

Campine's Specialty Chemicals business has also been running at normal volumes in the first 4 months of the year. Demand is now showing a downward trend and we expect a volume reduction of roughly 30% for May and June. Also the lowered Antimony metal prices will impact the half year results of this Division.

Investments

Campine is continuing all investments which had already started prior to the crisis. Some of the projects incurred delays due to availability of materials or labour. The installation to recycle the PP plastic from batteries however has been put on hold in relation to the current volatile economic situation and because this investment involves many foreign subcontractors, who cannot guarantee continuation at this point.

Campine's result of the first half year will thus be substantially lower than in former years. "It is impossible to give a forecast for the complete year 2020" comments De Vos "but we are running as efficient as possible and I want to thank all our employees for their continued efforts. By moving forward the yearly shutdown we will be ready to take advantage when the demand will be restoring in the second half year".

Campine has a solid balance sheet, with a high solvability ratio and a healthy cash position. No financial issues are expected during 2020.

Campine's Annual General Meeting will be held on May 27th solely via video conference.

Press Releases and info on the General Assembly meeting can be found on the website of Campine.

For further information you can contact Karin Leysen:
tel. +32 14 60 15 49 / email: Karin.Leyesen@campine.be