campine

A year in review.

ANNUAL REPORT 2023

Waste is our resource. Recycling is our philosophy.

That's, in short, the mindset we've embraced since 1912.
It propels us to become smarter, more connected, and kinder to our planet.

Today, we take pride in our ability to turn post-consumer waste into high-quality materials. We recover, renew and repeat, with a focus on fully recycling batteries and producing flame retardants that play a crucial role in a safer society. We're all in for a zero-waste industry. Why? To make circularity a reality for all - our clients, our dedicated team, valued partners, and our society.

While staying true to our regional heritage, we've earned international respect as a trusted partner offering raw material solutions across various industries. We've expanded well beyond Belgium, establishing multiple sites in Europe and distributing to partners across the globe.

Together, we're taking the path towards a circular economy, where innovation and sustainability converge.
Ready to join hands?

Content

Recover. Renew. Repeat.

It is our second nature to care for people and planet. We continually create new material solutions from waste through safe, responsible processes.

About Campine
As the second largest battery recycling company in Europe, we prevent 10 million lead-acid batteries to end up in landfills every year. We recover the lead and other metals, as well as the plastics from the casings.

Furthermore, we are TOP 5 worldwide to produce antimony trioxide. This is the most important flame retardant for plastics and textiles, used in household appliances, building materials and other products. This fire retardant saves thousands of lives every year in the event of fire incidents. We are the only company in the world that also recycles this chemical product directly from waste streams.

This unique set-up makes Campine one of the few companies that effectively recycles metals, chemicals and plastics.

Message of the chairman and the CEO

2023 was once again a record year for Campine in various aspects. The success of 2022 was not only matched but even surpassed.

Despite the significant increase in energy prices, volatility in certain metal prices, economic slowdown in international trade, modest growth in the Eurozone, and geopolitical crises worldwide, Campine not only managed to hold its ground but also increased its strength as the second largest battery recycling company and the largest producer of antimony trioxide in Europe. The Group's revenue increased by 2% compared to 2022. EBITDA showed a 1% increase mainly due to the good performance of Circular Metals, which was the growth engine in 2023. The contribution of the acquisition of the 2 factories in France and their integration into the Group was crucial for Campine's growth figures and results in 2023, partially thanks to the relatively high metal prices throughout the year.

Campine stands for sustainable metal waste processing with respect for people and planet, and plays a noticeable role in the transition from a linear to a circular economy. Safety is a top priority for the entire Group. In 2023, there were significant improvements: in Escaudoeuvres (France) we surpassed 1 000 days without accidents; in Beerse both the frequency and severity of accidents decreased significantly, and an ambitious safety plan was launched in Villefranche (France).

Other important indicators related to health and the environment (CO_2 impact, emissions, waste processing, waste recovery rate ...) showed a significant improvement in Beerse compared to 2022, while a concrete action plan was launched in the French facilities.

> "2023 was once again a record year for Campine in various aspects."

In general, key performance ESG (Environment, Social, and Governance) parameters were summarised in a clear dashboard. The current material recovery rate for the Group is approaching 67% today. Thus Campine is actively working towards a "zero waste society".

The market responded positively to the good results, with a stock price that evolved from € 55 at the beginning of January 2023 to € 72 at the end of December 2023, an absolute record. This year, we also anticipate the distribution of a dividend calculated based on 1/3 of the net profit.

In addition to the efforts related to ESG, the main focus of the year was on extensive R&D efforts, increasing the performance of production facilities through modernisations, and further professionalising various processes, including maintenance. The search for new customers was intensified, particularly for battery fractions from our factories in France. Furthermore, various growth opportunities and strengthening of our competitive position were carefully examined, taking into account the risks associated with large investments and acquisitions. As a result, there were instances where a drastic NO GO decision was made. Nevertheless, Campine managed to strengthen its position as a key player in its core markets, despite increasing competition and global political uncertainty.

> "Campine plays a noticeable role in the transition from a linear to a circular economy."

> "For the coming decade a growth potential of more than 10%, even 20%, per year is expected for recycled polypropylene!"

Analysts still expect a growth in demand for lead of approximately 2% per year for the next 5 years for lead-acid batteries (produced in the EU), despite the rapid rise of electric vehicles equipped with Li-ion batteries, which Campine currently does not intend to recycle. For antimony trioxide and flame retardants in general, a growth of approximately 5% per year is projected. There is also a significant market potential anticipated for recycled

Patrick De Groote, chairman of the board of directors

Wim De Vos, CEO

polypropylene. Currently, only 10% of the total current polypropylene demand in Europe is recycled for use in plastic products, electrical appliances, automotive parts, and packaging. This shows a growth potential of more than 10%, even 20%, per year for the coming decade. Campine will pay special attention to increasing the recycling capacity of antimony trioxide and the lead smelting capacity in the near future, focusing on R&D and expansion efforts.

Patrick De Groote
chairman of the board of directors

Willem De Vos
CEO

Campine has been paying attention to succession planning in the board of directors for several years, particularly for directors reaching the end of their mandate due to age reasons. This year, this is the case for me as I have expressed my wish to step down from my position as a director of Campine by the end of 2024 after approximately 15 years of service. I would like to take this opportunity to sincerely express my gratitude for the trust and support I have received throughout these years filled with interesting and passionate challenges. I would like to extend my special thanks to the reference shareholder, the Group, and the F.-W. Hempel family, the shareholders in the market, my fellow board members, the CEO and the management team, as well as all employees, social partners and various stakeholders such as banks, suppliers, subcontractors and customers. I leave the scene with peace of mind, knowing that there is a team present that has repeatedly proven its competence in the past years.

Patrick De Groote
chairman of the board of directors

2023 Financials

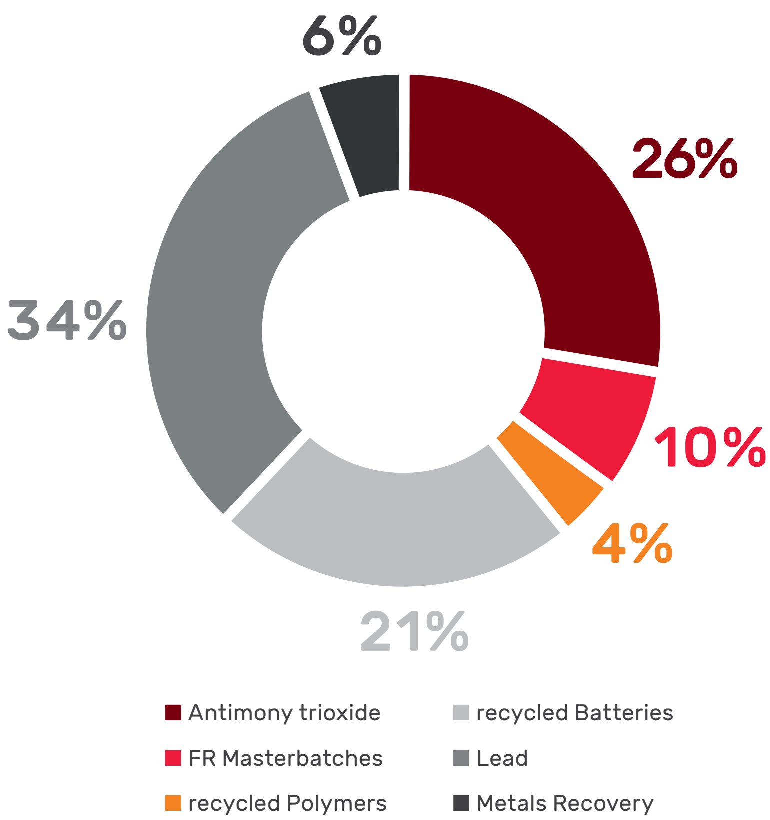
TURNOVER
€ 322m

NET RESULT
€ 13.7m

EBITDA
€ 26.8m

SOLVABILITY RATIO
55%

TURNOVER PER BU
(NON-CONSOLIDATED)



Sustainability

2023

ECOVADIS RATING

Corporate Social Responsibility (CSR) and sustainable production with respect for people and planet are part of our DNA. The best proof is our Ecovadis sustainability measurement score. In 2023, the strong performances of recent years continued with another SILVER Medal award. This ranks Campine among the 20% best companies in the world in terms of sustainability and CSR. We are therefore proud of this internationally recognized acknowledgement of our achievements with regard to the environment, labour and human rights, ethics and sustainable procurement.

Outlook 2024

SUSTAINABILITY

Climate change is one of society's greatest challenges, impacting all regions of the world. Recovery of reusable raw materials is a daily reality at Campine. Thanks to more efficient use, reuse and recycling of materials, the circular economy contributes to a global decrease in greenhouse gas emissions. We are therefore determined to expand our contribution to a circular and sustainable society to stand stronger in this climate crisis.

In 2024, we will involve the entire supply chain even more in our objectives. To align suppliers with our key principles, they must demonstrate compliance with minimum health and safety, human rights, ethical and environmental standards. By assessing them on these criteria, we aim to promote our initiatives and contribution to a sustainable value chain.

Reducing our carbon footprint in the value chain requires us to review the activities of our suppliers. Intense collaboration and transparent communication are necessary to set up a complete and detailed picture of the life cycle and footprint of our products.

TRAIN OUR EMPLOYEES

Campine strives for a sustainable employability of its employees. We consider it important that they can make a long-term contribution in a healthy and motivated way. Offering lifelong education and creating opportunities is very important.

Our KPI to give each employee a training of in average at least 4 working days training of at least 4 working days in average was amply exceeded with an average of 6.7 training days. We want to continue this strong result in 2024.

In addition to the individual development of our employees, attention was paid to training focused on safety, job-related knowledge and communication & social skills in 2023. The 2024 training plan includes, on top of the technical and safety training, an additional focus on resilience, sustainability and awareness regarding the new alcohol and substance abuse policy.

Well-being at the workplace

2023 was the historically best year in terms of health and safety.

Three of the four Belgian BU’s were accident-free for more than one year.

Working towards a common safety culture

The excellent safety results were achieved through maximum participation in all our departments. A strong focus was placed on training, coaching and further technical improvements. Involvement of every employee is central. These improvement actions are included in the annual action plans of the various departments.

The annual safety day was again organized for all our employees, with the following subjects: giving feedback, learning to recognize risks, AED and resuscitation and awareness about alcohol and drug abuse.

For the first time, an additional training day on “well-being” was organized for our colleagues to learn more about healthy food, resilience and ergonomics at home and at work, de-connecting ...

Each operational manager received a personal coaching program on safety.

The “godparents” programs were also evaluated and extended. Every new employee at Campine receives a godparent to guide and support his/her start-up and to make it as safe as possible. Our godparents contribute daily to a safe workplace for each newcomer.

In the actual departments, important actions were taken to further reduce dust on the work floor. At the request of the employees, an automatic car wash was installed for internal vehicles and an air shower was provided to remove dust from our work clothes.

This year, the new alcohol and substance abuse policy was introduced. The new policy puts maximum focus on prevention. In 2024 a further training program will be linked to this.

In 2023 we experienced that maintaining zero accidents with absence is possible. In 2024, Campine will continue this momentum and again aim to maintain the 0 in every department.

Focus on health

In our production, exposure to hazardous substances is minimized. Campine pursues a proactive health policy, voluntarily applying stricter limits than those required by legislation. Each year, we focus on realising an improved low-dust workplace. Thanks to additional technical measures and ongoing employee commitment, excellent results were achieved. The biomonitoring results remained low (hence good) in 2023. The biomonitoring program was also extended to our retired personnel: those who retire at Campine can - voluntarily - enjoy health monitoring for up to 10 years after retirement.

Environment

Our site in a nature reserve

Campine's Belgian site is surrounded by the Kempense Kleiputten nature reserve. Campine owns 25 hectares of this nature reserve adjacent to its production site and fully embraces the proximity of this green lung. To this end, we focus on various aspects to reduce our impact on the environment and encourage the connection between our employees and nature.

In 2023, a major step was taken in the construction of a fixed border between Campine and the nature reserve, being the completion of the first part of the earth embankment, which was constructed in 2020. We applied a coconut net on this section to prevent run-off from the embankment planted pedunculate oak on it, which promotes dust collection. Further construction will take place with soil released from developments at Campine. A soil remediation expert, always checks the quality of the released soil. This embankment creates a fixed border between industry and nature that reduces noise, light and dust impact.

The actual industrial site also got a green makeover. The break area for our employees received a thorough, green facelift at the end of 2023. The originally concrete and brick inner courtyard was completely levelled, provided with a sun and rain cloth and a planting with flower boxes and climbing plants against the facades. The project was carried out based on a design by a green manager trainee, taking into account employee input, Campine's corporate identity and the ease of maintenance of the plantings. In addition to grasses for structure, there is also an assortment of plants that fit with Campine's corporate colours. Honeysuckle was chosen for the wall planting, which is winter-hardy, does not adhere to the existing brick walls and has a maximum climbing height that corresponds to the ridge of the building. The honeysuckle is currently about 2 meters high and hopefully in a few years we can enjoy a thick green blanket against the walls of our break zone.

Our waste reduction

We are also making great strides in reducing our residual waste fraction. Thanks to the efficient operation of the renovated internal waste park and better sorting, there is a clear positive trend. By starting the separate collection of the waste streams, we hope to continue this trend.

Our emission reduction

The SO_2 emissions from our lead blast furnace have also decreased sharply. Adjusted process control and focusing on the quality of incoming raw materials has led to a drastic SO_2 emission reduction of roughly 50% compared to 2021 and 2022.

Our own park

In 2024 we remain committed to our link with our surroundings. There are plans to develop the vacant land next to the staff car park as a public park.

Eventually, we can provide our employees with a green break and picnic area as well as meeting facilities. Moreover, the park will also be accessible to passers-by and local residents, allowing them to enjoy the freed up area. This creates a place on Campine's private land where everyone can experience nature. In the first phase this year we will clearly define the boundaries with the industry and the adjacent house.

Our water management

In our follow-up of weather data, 2023 confirmed a trend that we have been seeing for several years. Increasingly longer periods of drought alternate with increasingly intense peaks of heavy rainfall. Thanks to our green location, our area is spared from heavy floods, but the future weather challenges are already obvious. The water supply is put under pressure in the dry summers. On the other hand, during heavy rainfall we see the need for more buffer capacity and a higher flow rate at which our industrial wastewater must be purified. Water management at the site in Beerse is already relatively balanced. Of the 120 000 m³ of water purified annually, we reuse more than 90%!

In 2024, various projects will start to optimise the water purification unit. In addition, alternative purification methods are being investigated.

2023 Highlights

Record profit: with an EBITDA of € 26.8 mio.

Best safety results ever making us
“best in class” in the metallurgical industry.

Successful integration of the 2 new French entities that already generate 12% of the Group’s profit.

Research and Development in recycling

Campine is preparing itself to close the loop for flame retardant plastics. The products that are now at the end of life may still contain valuable chemicals (after a long life span) that can no longer be used. Therefore Campine has committed itself to two projects (LifePlasPLUS and Plast2bCleaned) in which it is investigating the possibility of recovering these chemicals. The LifeplasPlus project has been successfully completed in the course of 2023.

> "Campine participates in several European research projects."

The aim of the LifePlasPLUS project was to recycle high-quality secondary thermoplastics (ABS, FPP, plastics) and to recover critical raw materials (antimony) from mixed plastic waste in the automotive, electrical and electronic equipment sectors.

In a first step, the plastic waste is pyrolyzed. This process results in three phases: gases (from which the energy can be recovered), pyrolysis oil (from which also the energy can be recovered) and char (bottom ash).

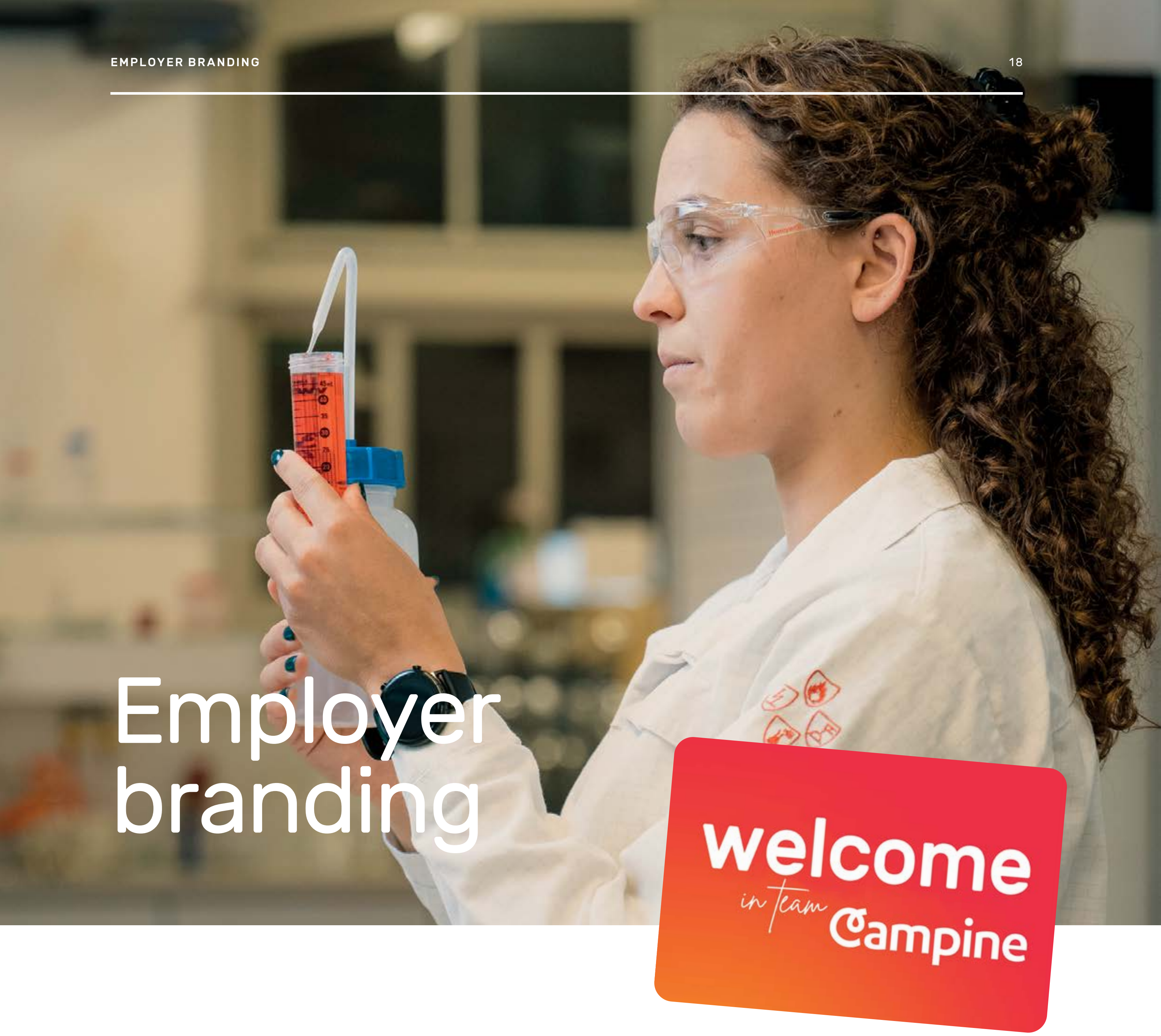
The antimony is completely concentrated in the bottom ash from which it is recovered via a hydrometallurgical route.

Campine additionally developped a pyrometallurgical route (melting process) with the same goal. In this process, the antimony was transformed directly into antimony trioxide which is being used in the production of flame retardant masterbatches.

This way Campine closes the loop completely!

LIFE PlasPLUS

PLAST2 bCLEANED



Employer branding

Campine Beerse employs 210 people, Campine France another 60. They are the driving force behind our Campine values that we respect. We recognise the importance of good entrepreneurship and make every effort to be an attractive employer.

Our employees have a name

The spearhead of our employer branding: our personnel. At Campine, every employee is unique. Everyone follows his/her personal growth path. Welcome and starter training, follow-up interviews, teleworking, personal learning sessions, bicycle leasing, fresh fruit every day, ice cream and Aquarius in the warm summer months, meal and eco vouchers, group and hospitalisation insurance, participation in sporting and other company events ... are just a few things we offer.

It goes without saying that we also attach great importance to a good onboarding! So, every employee receives a welcome card and a fluorescent safety vest at home before the start of his/her first working day at Campine.

This is how we look

In recent years we have put extra effort into our corporate branding. The first step was taken in 2018 with the design of a completely new logo and strong corporate colours. By consistently profiling ourselves in the region, Campine is becoming increasingly known which strengthens our reputation as an employer.

Our employees as loyal ambassadors

Our workforce behaves like loyal ambassadors: Campine's employees and workers warmly recommend our vacancies in their network through word of mouth. Thanks to their honest story, everyone knows what Campine stands for and what makes us unique as an employer. We made extensive use of social media (Facebook/Instagram/Linkedin) for recruitment campaigns in 2023. Our posts were shared frequently by our own employees, making these campaigns a great success. Such a recruitment campaign appears a lot more credible and convincing than a slick story from a recruitment agency.

Campine in the streetscene

As a local employer, it is important to make yourself known in the street scene. We do this in all kinds of ways. For example, we are a loyal sponsor of many events organised by local associations. We add colour to various happenings with advertisements and red-orange beach flags, banners and canvases completed with our logo.

> "In this way, we put extra effort into getting to and from work safely."

In 2023, all Campiners once again had the opportunity to order a sports outfit in our highly visible and safety-promoting red-orange colours at very affordable prices. Furthermore, each employee received a bicycle helmet as a gift to reward everybody for the good safety results in 2023. On top, the helmet radiates our corporate identity. With this, we even put extra effort into getting to and from work safely.

Our location is a big bonus as our site in Beerse is located along the Kempen canal Dessel-Schoten. Our personnel can travel safely to work via this cycling and walking route. This is a popular route for many cyclists and walkers, where we advertise our vacancies. Thanks to banners on the street side, we were able to do some successful recruitments.

Spread the word

In 2023 our HR colleagues werd present at various job and trade fairs. Our German, French and Belgian colleagues were also supported by the HR department to create attractive stands in compliance with our brand guide. The presence at job and trade fairs contributes to increased name and brand awareness and reputation in our target markets.

Association with schools

In 2023, we proactively approached a number of technical schools to enter into a partnership. To fill technical starter vacancies, we offer students an exciting internship at Campine during which they learn "on the job". This turns out to be a clear win-win situation: students do not have to search for a suitable internship and Campine was able to recruit several permanent employees after such period.

An old robot (Kuka KR 16) was donated to a technical school in the framework of our collaboration. As such, students can already put theory into practice at school.

6 values that define our company

Safety is our first concern

We decide, act and finish what we started

We engage in those things where we can make a significant contribution

We keep things simple

We are not afraid to say no

We respect people and planet

Campine recycled Polymers

Shredded PP waste, here shown as chips (shown above) are converted into an rPP compound (shown right). Such rPP compounds are used directly by automotive suppliers and converted into car parts.

In July 2022, C2P, now Campine recycled Polymers (CrP), joined the Campine group. C2P was created in 1988 in Villefranche-sur-Saône and has become expert in top-of-the-range rPP polymers. Recycled polypropylene (rPP) compounds are produced by recycling post-consumer and industrial waste. Pioneer since 1994 in the introduction of recycled polypropylene in the automotive market, a large selection of CrP's compounds are homologated by the main automotive manufacturers and their suppliers.

A renowned brand well-known for its high-end quality

Campine recycled Polymers serves customers across Europe, South America and North Africa. Our dedicated team provides our customers with high-quality technical solutions with great added value thanks to our technical knowledge.

Our recycled polypropylene products stand out for their exceptional quality and reliability. Operating our own battery breakers in Villefranche and Escaudoeuvres, we secure over 60% of our raw materials from our own factories and provide a reliable and stable recycling stream. More than 80% of our sourced raw materials are derived from end-of-life vehicle (ELV) waste, aligning with the circularity goals of automotive manufacturers and contributing to CO_2 reduction efforts.

"Our recycled polypropylene products stand out for their exceptional quality and reliability."

Thanks to more than 30 years of experience in PP recycling, Campine recycled Polymers is a reliable player in the circular economy dedicated to the plastics industry.

Our motivated employees recite:

"The acquisition of C2P by Campine brought a significant positive change to the entire organisation. An atmosphere of renewal and optimism came about, creating a stimulating dynamism for the work force, strengthening the corporate culture and opening up new, promising perspectives for the future."

Eve Ferasin,
Sourcing & supply chain manager

“I have always been passionate about recycling. CrP opened the doors to recycling for me and Campine allows me to continue working in this exciting world. At Campine, I take care of the planning and scheduling of production, the formulation of compounds and the management of the stock of raw materials. At Campine, staff are at the heart of the company. Confidence in my work and a safe workplace are important.”

Moustapha Iro Rabo,
production and formulation engineer

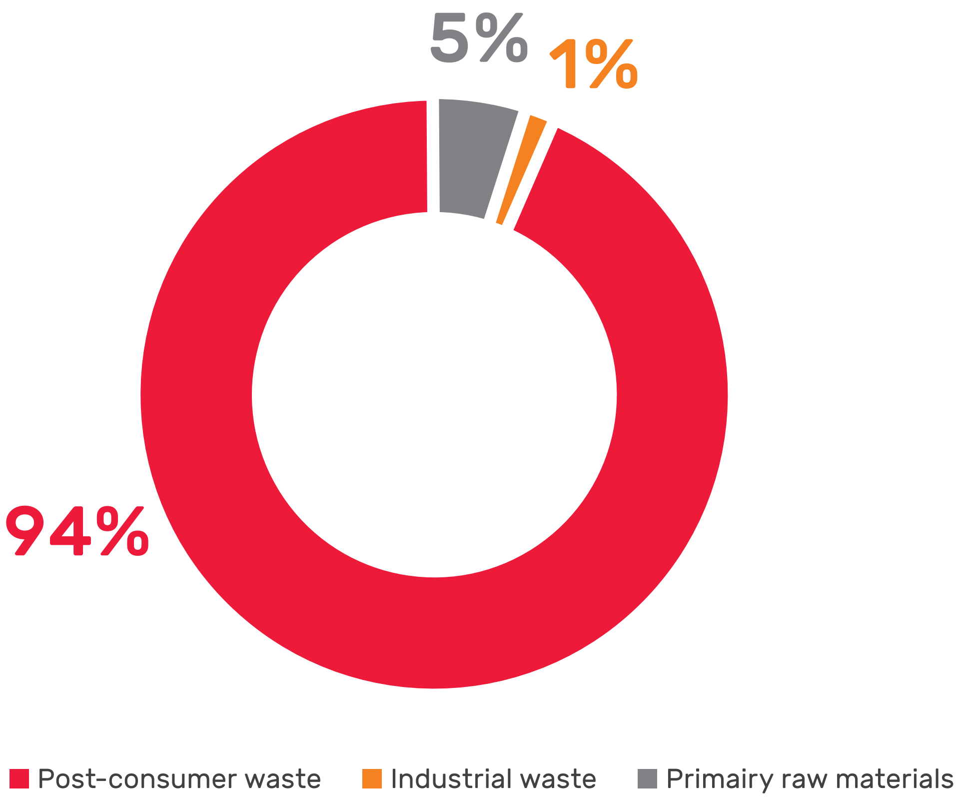
“I manage customer orders from reception to invoicing, including organising transport for the delivery of materials. I put all the logistics in place so that orders leave our various depots in order to be delivered in time. I am in permanent contact with customers, sales, production and accounting.”

“After the acquisition by Campine, I felt that we were empowered and given greater autonomy. I see more prospects in terms of growth and development for the company and for the staff. A climate of trust has been established with the new management which offers us stability, certainties and good perspectives for the future.”

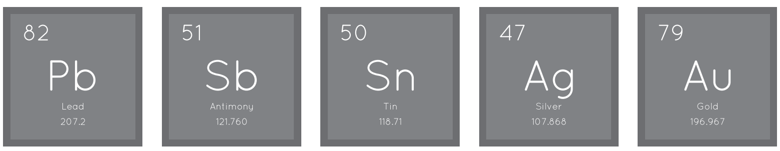
Sylvia Ondo,
logistics and sales assistant

Circular economy

IN ITS FACTORIES CAMPINE HAS CONVERTED 185 000 TONS OF MATERIAL OF WHICH 95% IS WASTE.



RECYCLED METALS



The board of directors of Campine nv reports to the shareholders on the company's activities and results over the financial year 2023. The consolidated annual accounts, the statutory annual accounts and this annual report were approved by the board of directors on March 14, 2024 and will be presented to the general meeting of May 22nd 2024.

Annual review 2023

1. 1. Campine 2.0 sets new records

2023 was the first full year for **Campine** since the expansion in France. Not only did we achieve a record turnover of € 322 million, but also the operating cash flow (EBITDA) of € 26.8 million is an absolute record, especially considering the previous highest result included an exceptional non-cash acquisition profit.

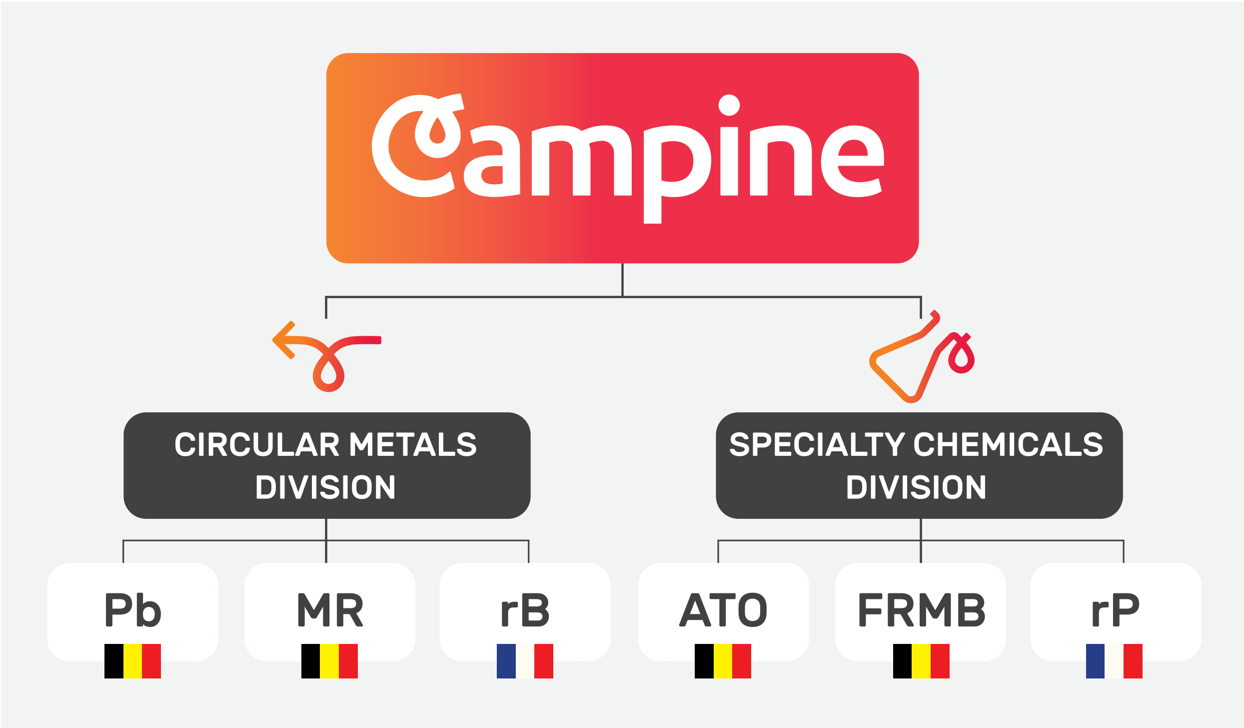
Despite the Group records, 2023 was a very difficult year for the **Specialty Chemicals division**. Due to the weak economic situation in the construction sector and disappointing activity in the automotive industry, the demand for fire retardants dropped. Volumes in the FRMB masterbatch department, where various types of flame retardant formulations are manufactured, even fell 30% compared to the previous year, while the decrease in ATO was limited to around 6%, (mainly because ATO is also used in other markets and applications, and thus less dependent on the construction and automotive sector). The weak demand also led to a general decline in many raw material prices, including that of antimony metal: in the first quarter of 2023 the price was still around $ 13 000/ton but by the end of the year this reduced to about $ 11 500/ton. Our French PP plastic recycling, on the other hand, was the bright spot of 2023. The BU rP achieved a volume of approximately 8 500 tons, which in itself is low, but represents for Campine an increase of 150% as it has now been consolidated for a full year. Despite falling PP prices, Campine was able to successfully improve its margins and CrP therefore contributed substantially to the division's results.

The **Circular Metals division,** on the other hand, had a strong year 2023. The smaller Metals Recovery business unit broke records, partly thanks to the high prices for precious metals and the processing of more complex metal flows.

In the battery recycling department, revised commercial conditions helped to increase margins to a satisfactory level. Lead LME prices were at a relatively good level throughout the year, although they fell in the first half, peaked in the autumn but fell again towards the end of the year. Campine's lead alloys output also peaked at a volume of approximately 61 000 tons. The French battery breaker plants contributed to the strong results.

2. Group results

Campine realised a consolidated turnover of € 322.0 million compared to €317.4 million in 2022 (+2%). Total sales volumes increased by approximately 36% to almost 150 000 tonnes. This increase is entirely attributable to the full consolidation of the French factories (compared to six months in 2022). The fact that volume growth is not fully reflected in turnover growth



is mainly due to the lower metal and raw material prices which form the basis of our sales prices.

The EBITDA increased from € 26.6 million in 2022 to € 26.8 million in 2023. This apparently stable EBITDA does have a different composition, as it included a € 6.5 million non-cash acquisition result last year. The total operating cash flow of € 26.8 million is therefore indeed a record operational result. The new French activities already achieved 12% of the profit (pre-IFRS consolidation).

The net result (EAT) for 2023 amounted to € 13.7 million compared to € 15.8 million in 2022 (-13%), but this can again be explained by the acquisition processing of a net € 6.5 million in 2022.

The financial ratios remained very solid again in 2023. Although the acquisition in 2022 was fully financed with own funds and this expansion led to a higher need for working capital, solvency has risen again to 55% (equity/balance sheet total). There are therefore more than sufficient financial resources for further expansions.

The table below shows the Group's financial evolution before and after the acquisition. For comparative reasons we excluded the exceptional Covid year 2020 and the acquisition year 2022, which was influenced by the acquisition accounting. The current 2023 figures are in comparison with 2019 (labelled as the last "normal year" by the industry) and 2021.

	2019 Group = Belgium only	**2021 Group = Belgium only**	**2023 Group = Belgium + France**	**2023 Belgium only**
Turnover € mio	192.5	226.3	322	262.5
EBITDA in € mio	13.3	22.6	26.8	23.9

3. Specialty Chemicals division

This division (business segment) is composed of the business units Antimony trioxide (ATO), Flame Retardant Masterbatches (FRMB) and recycled Polymers (rP).

3.1 VOLUMES

Sales volume in the Specialty Chemicals division grew by 14% to approximately 21 000 tonnes. The increase is entirely attributable to the volumes of recycled PP (rPP) from France. The 5 000 tons of additional rPP volumes even overcompensate for the volume decline due to the poor economic situation in the construction industry. The decline in virgin PP prices, led somewhat to a shrinking demand for recycled PP in the second half of the year. rPP is classically a cheaper but lower quality substitute for virgin PP.

3.2 REVENUE AND EBITDA

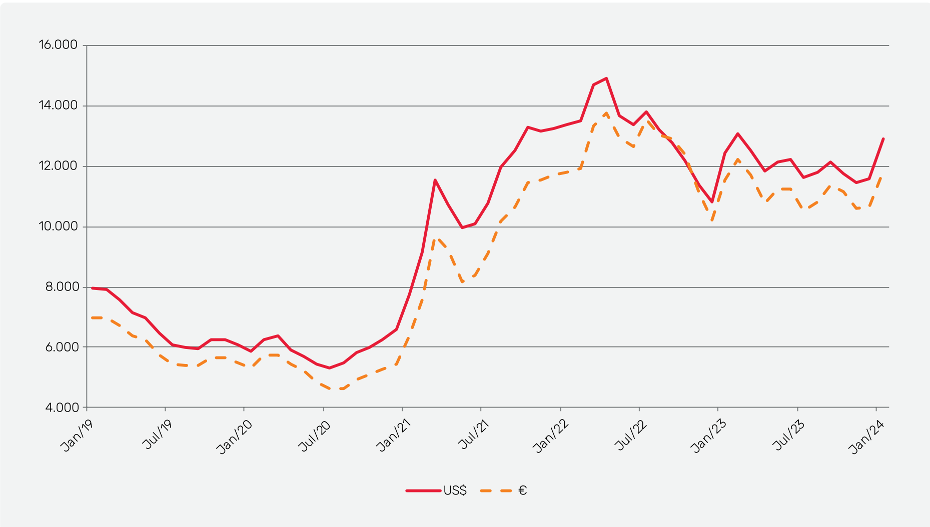
Turnover is strongly linked to the evolution of raw material and antimony metal prices, which is why sales revenues have fallen in 2023. Turnover ended at € 127.5 million compared to € 153.5 million (-17%) a year earlier. The average Antimony Metal Bulletin price in 2023 was $ 12 050/ton, which is 8.5% lower than in 2022, when the average price was $ 13 160/ton.

EBITDA ended at €4.6 million, a decrease of 29% compared to €6.4 million a year earlier. The drop in raw material and antimony prices led to a write-down of our stocks and put pressure on margins.

Volume
21 000 ton

EBITDA
€ 4.6 mio

Antimony free market 99,6% in $/ton and €/ton



4. Circular Metals division

This division (business segment) is composed of the business units Lead (Pb), Metals Recovery (MR) and recycled Batteries (rB).

4.1 VOLUMES

The year 2023 ended with a sales volume of approximately 129 000 tons, which represents an increase of 40% compared to the 91 800 tons in 2022. Here too, the rise is entirely attributable to the volumes from France. The lead department in Beerse achieved a record sales volume of approximately 61 000 tons of alloys, mainly due to high demand in the first half of the year. Demand in the 2nd semester declined somewhat, due to low maritime container rates, which helped to increase imports of lead and lead-acid batteries from Asia.

4.2 REVENUE AND EBITDA

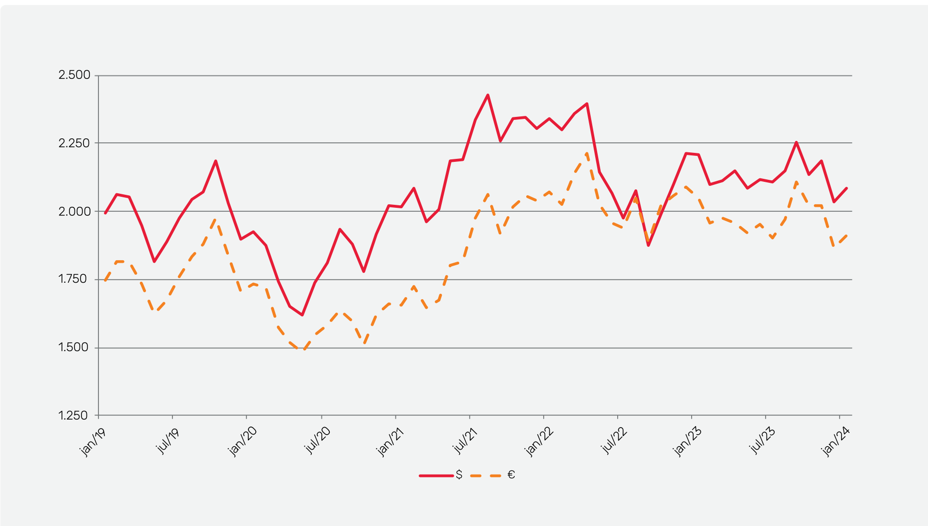
The average lead LME price in 2023 was approximately € 1 975/ton, which is about 3% lower than in 2022 (€ 2 040/ton). Higher sales premiums for specialty alloys and improved purchasing conditions helped offset inflation and other increased costs. The volumes from France contributed distinctively to cover fixed costs, as our overhead has hardly grown despite this French expansion.

Turnover increased by 20% to € 236.4 million compared to € 196.8 million in 2022 while EBITDA grew to € 22.2 million compared to € 12.5 million (+77%) in 2022.

Volume
129 000 ton

EBITDA
€ 22.2 mio

Lead LME cash/ton in $ and in €



5. Perspectives for 2024

Demand for products from our **Specialty Chemicals** division is gaining some ground in the first quarter of 2024 compared to weak sales in 2023. However, it is still unclear whether this upward trend will continue. In any case, antimony metal prices are rising again, which is already leading to a positive inventory valuation effect and improved margins. Prices for virgin PP are also slowly on the rise again and this has a positive effect on the demand for recycled PP. In addition, regulations increasingly oblige the industry to use recycled plastics, which will mean further growth for our French rP department.

In our **Circular Metals** division, LME lead prices have recovered somewhat after the decline in December. The price now fluctuates between € 1 900 and € 2 000/ton. The demand for lead remains good on average. We expect that the increase in maritime container prices, due to the problems via the Suez Canal, could fuel local European demand later this year as Asian imports become more expensive and less reliable. Campine will also use more battery fractions from our French branches in its smelter in Belgium, but there is increasingly interest for such products from several new customers. This business is expected to start up later in 2024.

6. Diversity policy

Our workforce is one of the key-factors to our success. Each employee is unique thanks to his/her personal and specific knowledge, life experience, talents and other characteristics. In case of vacancies everyone is assessed equally regardless of gender, believe or origin.

Based on our diversity policy we have built up a strong workforce with complementary teams. There are men and women of different nationalities, age, thoughts and belief …

Campine also complies with the corporate governance legislation regarding gender diversity in the board of directors.

7. Corporate matters

SIGNIFICANT EVENTS AFTER THE CLOSE OF THE YEAR

No significant events occurred after the close of the year.

USE OF FINANCIAL INSTRUMENTS BY THE COMPANY, TO THE EXTENT THAT THESE ARE SIGNIFICANT IN EVALUATING ITS ASSETS, LIABILITIES, FINANCIAL SITUATION AND EARNINGS

No deviating valuation rules have been used compared to the standard IFRS rules. For a detailed description of the valuation rules we refer to our “Consolidated financial statements 2023 – 5.2.6 Financial instruments”.

CIRCUMSTANCES WHICH COULD SIGNIFICANTLY INFLUENCE THE DEVELOPMENT OF THE COMPANY

There were no changes in circumstances which could substantially influence the development of the company.

RESEARCH AND DEVELOPMENT

Research and development is a constant theme in the improvement of the mastering of our production processes and the applicability of our products in specific markets. In each business unit, research projects were started up in collaboration with institutes, universities and customers to develop new innovative products and processes.

DIVIDEND

The board proposes that the company pays a gross dividend of € 3.00 per share, amounting to a total of € 4.50 mio based on the 2023 result. A dividend of € 3.75 mio was paid on the basis of the 2022 result.

STATUTORY AUDITOR

For the audit and non-audit services, a total of € 142 900 in fees has been approved by Campine NV and subsidiaries to the statutory auditor. Furthermore € 12 000 of non-audit services were performed and invoiced by the statutory auditor’s network.

DISCHARGE TO DIRECTORS AND STATUTORY AUDITOR

The board of directors proposes granting discharge to all directors and the statutory auditor in respect of the exercise of their mandates in 2023.

STATUTORY APPOINTMENTS
See composition board of directors.

8. Fairness statement

The board of directors declares that to the best of their knowledge:

- the financial statements, prepared in accordance with the IFRS as adopted by the European Union, give a true and fair view of the assets, liabilities, financial position and the results of the company, including its consolidated subsidiaries;
- the annual report gives a true and fair view of the development and results of the company, including its consolidated subsidiaries, together with a description of principal risks and uncertainties that they face.
- the tagging of the annual financial report, executed in accordance with the ESEF-format according to the regulatory technical standards set by the European Delegated Regulation, gives a true and fair view of the financial statements of the company.

Corporate governance statement

Campine's corporate governance charter is established in accordance with the principles of the Belgian Corporate Governance Code 2020. This code can be found on the website of the Commission Corporate Governance (www.corporategovernancecommittee.be). Our charter describes amongst others the current procedures and rules regarding corporate governance, the functioning of the board of directors and its committees (audit committee, nomination & remuneration committee and strategy committee). Our charter was adjusted in compliance with the new Code 2020. It is updated in case of changes to the Belgian Corporate Governance Code or to Campine's corporate governance model. The current version was approved by the board of directors on 14 March 2024. Our charter can be found on the website (www.campine.com) at 'Investors/Shareholder information'.

This corporate governance statement mentions the actual implementation of our corporate governance charter in 2023. It is established in accordance with the 'comply or explain'-principles. The recommendations 3.4 and 4.3 of the Corporate Governance Code are only partially followed. The explanation for these deviations can be found further in this Statement. The recommendations 7.6 and 7.9 of the Corporate Governance Code are not followed. The explanation for this can be found further in the remuneration report.

1. Corporate capital and shareholding

1.1. CORPORATE CAPITAL

The corporate capital is set at €4 000 000 represented by 1 500 000 shares without nominal value. The capital is fully paid up. One share represents one vote. There are no statutory nor legal restrictions regarding the transfer of shares, no special voting rights nor shareholders' agreements.

1.2. SHAREHOLDING STRUCTURE ON BALANCE SHEET DATE

Name	Number of shares	% of the voting rights
F.W. Hempel Metallurgical GmbH Weißensteinstraße 70, 46149 Oberhausen, Germany	1 077 900	71,86%

The ultimate parent of the Group is the F.W. Hempel Familienstiftung. The ultimate controlling person is Mr Friedrich-Wilhelm Hempel.

The remaining shares (28.14%) are, as far as the company knows, held by the public. The company has until now not received any notices from other shareholders, who are compelled to disclose their shareholdings pursuant to Belgian law governing the notification of major shareholdings.

Public takeover bid

Proceedings in case of a public takeover bid are mentioned in articles 7 (Authorised capital) and 12 (Acquisition of own shares) of the articles of association.

Rules regarding the exercise of the voting rights

Rules regarding the exercise of the voting rights are mentioned in article 10 (Exercise of the rights attached to the shares) of the articles of association.

No shareholder has any special rights. There are no statutory restrictions regarding the exercise of voting rights.

2. The board of directors

2.1 COMPOSITION

Rules for the appointment and replacement of the directors are mentioned in articles 13 (Composition of the board of directors) and 14 (Premature vacancy) of the articles of association. On 12/31/2023 the Company's board was composed of six members, being one executive director and five non-executive directors, of whom are two independent directors.

DELOX BV, chairman of the board

- Non-executive director represented by its permanent representative Mr Patrick De Groote (appointed on 05/24/2023 for a period of 4 years) and hereafter referred to as "DELOX".
- Director of various companies.

Friedrich-Wilhelm Hempel

- Non-executive director (appointed on 05/26/2021 for a period of 4 years).
- Shareholder and director of various private companies in Europe.

Hans-Rudolf Orgs

- Non-executive director (appointed on 05/25/2022 for a period of 4 years).
- Managing director of the holding company F.W. Hempel & Co Erze & Metalle.

FLG BELGIUM SRL

- Non-executive and independent director represented by its permanent representative Ms Dina Brughmans (appointed on 05/26/2021 for a period of 4 years) and hereafter referred to as "FLG BELGIUM".
- HR and Change Management senior Advisor.

YASS BV

- Non-executive and independent director represented by its permanent representative Ms Ann De Schepper (appointed on 05/24/2023 for a period of 4 years) and hereafter referred to as "YASS".
- CEO, Agilitas Group.

ZENDICS BV

- Managing director represented by its permanent representative Mr Willem De Vos (appointed on 05/24/2023 for a period of 4 years) and hereafter referred to as "ZENDICS".
- Director and advisor to boards of various companies.

None of the directors has an additional mandate in a Belgian company listed on the stock exchange.;

Campine applies the independence criteria as mentioned in our corporate governance charter. The independent directors declare that they comply with art. 7:87 §1 of the Belgian Code on Companies and Associations.

The Corporate Governance Code 2020 (art 3.4) requires that the board should comprise at least three independent directors. In view of the limited size of the board – which consists of 6 directors in total - there were 2 independent directors on 12/31/2023. This number represents one third of the total number of directors. The board is of the opinion that this ratio is sufficient. With a 6-person board of directors we have efficient decision-making whilst all directors can largely contribute to the discussions with their experience and knowledge.

Diversity policy: There are two female directors, which represents one third of the total number of directors. In composing the board, we ensure that the directors have a complementary set of competences and talents. All genders are considered equal in case of vacancies. Thanks to our diversity policy, our board of directors is a compact yet divers group of men and women of different nationalities, age, thoughts and belief ...

At the start of the nomination process, the nomination & remuneration committee draws up a profile - based on an evaluation of skills, experience and knowledge – which the candidates must meet.

Ms Karin Leysen acts as company secretary. She assists the board in most compliance matters and makes sure the board adheres to its obligations under the law, the Articles of Association and the internal rules and regulations.

2.2 FUNCTIONING

The board meets on average four times a year. This frequency enables the board to keep regular and continuous track of the consolidated and unconsolidated results, the general state of business and developments at both Campine and its subsidiaries, investment programmes of Campine, acquisitions and divestments by the Group, development of the management, etc. The board shall be called by the chairman or the managing director whenever the company's corporate interest so requires. Upon request of at least two directors additional meetings are convened.

The board of directors met 7 times in 2023:

	03/10/23	05/24/23	07/19/23	08/25/23	09/22/23	11/10/23	12/14/23
DELOX	✔	✔	✔	✔	✔	✔	✔
ZENDICS	✔	✔	✔	✔	✔	✔	✔
F.-W. Hempel	✔	✔	✔	✔	✔	✔	✔
H.-R. Orgs	✔	✔	✔	✔	✔	✔	✔
YASS	✔	✔	✔	✔	✔	✔	✔
FLG BELGIUM	✔	✔	✔	✔	✔	✔	✔

The following subjects were discussed:

- Strategy.
- Results of Campine and its subsidiaries Campine Recycling, Campine France and Campine recycled Polymers.
- Evaluation of last and current year's budget.
- Determination of next year's budget.
- Composition and evaluation of the board of directors.
- Approval of new investments.
- Evaluation of running and completed investments.
- Determination of the annual accounts for approval by the general meeting.
- Composition of the annual report to the general meeting.
- Composition remuneration report to the general meeting.
- Approval of the invitation of the general meeting.
- Approval of press releases to be published.
- Proposal of the nominations to the general meeting.
- Evaluation and determination of the risk position of lead and antimony, credit risk.
- Evaluation of the general risks and exposures to risks.
- Credit loans and bank balances.
- Status of the different business units.
- Status: personnel and organisation.
- Status: safety, health and environment.

2.3 EVALUATION

Campine has historically opted for a 'one-tier' governance structure with a board of directors. In view of the acquisition in France early July 2022, this structure was evaluated and confirmed by the board in December 2023. At least every five years, the board will assess this structure. If this structure is considered as not appropriate anymore, it will propose a new governance structure to the general meeting.

Every 3 years the functioning of the board, its committees, the chairman and the individual directors are evaluated in the framework of good corporate governance practices. In 2022, formal evaluation interviews covering the functioning in the period 1/1/2019 - 31/12/2021 have been held with the directors and with selected individuals of the executive management team and the company secretary, covering the following headlines:

- Composition and quality of the board.
- Understanding the business and risks.
- Processes and procedures.
- Specialized committees: audit, nomination/ remuneration and strategy.
- ESG (Environmental - Social responsibility - Governance).
- Interaction and communication with executive management team and company secretary.
- Recommended actions for the next evaluation period.

In summary there is a unanimous feeling of good functioning of the board with freedom of speech and in line with corporate governance rules. Recent developments concerning ESG matters are either covered or under preparation. Recommendations for points of attention in the coming years relate to persistent safety policy, ESG reporting, cyber-security, focus on long term strategy, retention plan for senior management and information/training sessions for directors on governance developments in the market.
The next evaluation, covering the period 2022-2024, will take place end 2024/begin 2025.

Evaluation of the interaction with the executive management team

The various members of the executive management team are regularly invited to the meetings of the board of directors and the committees during which they present specific aspects regarding their responsibilities. They also have the opportunity to consult with the non-executive directors. Everyone considers this active interaction between the executive management team and the board of directors positive.

3. Board committees

3.1 THE NOMINATION & REMUNERATION COMMITTEE

The nomination & remuneration committee (acting as a remuneration committee within the meaning of article 7.100 of the Belgian Code on Companies and Associations) assists the board in all matters related to the appointment and remuneration of the directors and the executive management team.

The nomination & remuneration committee advises the board regarding adjustments to the remuneration policy, prepares the remuneration report and clarifies it during the general meeting.

The managing director participates in the committee with an advisory vote, each time the nomination & remuneration committee is dealing with the remuneration of the members of the executive management team and when the committee invites him.

On 12/31/2023 the nomination & remuneration committee consisted of the chairman of the board (DELOX), the independent director FLG BELGIUM and the independent director YASS.

All members have the necessary expertise in the field of remuneration as a result of their yearlong experience in the business environment and in business associations.

The nomination & remuneration committee met twice in 2023:

	03/09/23	12/13/23
DELOX	✔	✔
YASS	✔	✔
FLG BELGIUM	✔	✔

The following subjects were discussed:

- Composition of the board of directors.
- Nomination board members.
- Preparation of the remuneration report for the board.
- Director's remuneration: tantième and director's remuneration.
- Composition, evaluation and remuneration of the executive management team.
- Evaluation and functioning of the board committees and directors.

3.2 THE AUDIT COMMITTEE

The audit committee has, at least, the following tasks:

- Monitoring the financial reporting process.
- Monitoring the effectiveness of the company's internal control and risk management systems.
- Monitoring the internal audit and its effectiveness.
- Monitoring the statutory audit of the annual and consolidated accounts, including any follow-up on any questions and recommendations made by the statutory auditor.
- Reviewing and monitoring the independence of the statutory auditor, in particular regarding the provision of additional services to the company.
- Monitoring of the whistleblower procedure implemented in Beerse.
- Risk management of the company.

Furthermore, the audit committee monitors the functioning of the executive management team. The audit committee reports all matters in respect of which it considers that action or improvement is needed to the board.

On 12/31/2023 the audit committee consisted of Mr H.-R. Orgs and the independent director FLG BELGIUM.

The Group complies with the requirements of the law and confirms that the independent directors comply with the law as to independence and competence criteria in the field of accounting and audit thanks to their extensive experience in a production environment and broad knowledge of finance and metal trading.

Pursuant to the Corporate Governance Code 2020 (article 4.3) each committee should have at least three members. In 2023, the audit committee only consisted of two directors – of which one independent director - due to the limited size of the company and the board of directors. The CEO and the CFO are invited to join each audit committee meeting.

In 2023, the audit committee met 4 times in the presence of the statutory auditor:

	03/01/23	05/17/23	08/22/23	11/10/23
H.-R. Orgs	✔	✔	✔	✔
FLG BELGIUM	✔	✔	✔	✔

The following subjects were discussed:

- Evaluation of the results of the current year.
- Preparation of the credit risk for the board.
- Preparation of the risk position of lead and antimony for the board.
- Risk analysis 'market risks'.
- Examination of the year and half-year figures and evaluation of the accounting estimates and judgements as a result of the closure of the financial year.
- Further transformation of the annual results as to ESEF-regulations.
- Internal control.
- Examination legal cases.
- Preparation of next year's budget for the board.
- Evaluation of the current budget.
- Cyber security.
- Press releases to be published: year results, half-year results …

3.3 THE STRATEGY COMMITTEE

The strategy committee assists the board in all matters related to the general management of the company and its subsidiaries.

On 12/31/2023 the strategy committee consists of the director DELOX, the independent director YASS and the managing director ZENDICS.

In 2023 the strategy committee met twice:

	10/06/23	12/10/23
DELOX	✔	✔
ZENDICS	✔	✔
YASS	✔	✔

The following subjects were discussed:

- update of the business plan.
- The long term strategy and developments per division.
- The development of new markets and products.

The committee's regulations can be found in annex of our corporate governance charter.

4. Executive management team

4.1 COMPOSITION

Willem De Vos	Chief Executive officer
Leo Cazaerck	Assets & Engineering director
Nicolas De Backer	Managing director France and Group Supply chain director
Hilde Goovaerts	Sustainability director
Jan Keuppens	Chief Financial officer
Hans Vercammen	division director Specialty Chemicals
David Wijmans	division director Circular Metals
Hans Willems	Operations director Beerse

4.2 FUNCTIONING

The managing director's responsibilities include developing and monitoring of the business plans for each business unit, as approved by the board, the implementation of the decisions of the board and the setting up of the necessary investment programmes, which are then presented to the board for approval. Furthermore, the managing director ensures that valid legislation is respected and that the company works in compliance with all valid safety, health and environmental regulations.

The managing director is assisted by the executive management team. The executive management team reports to the managing director and enables the managing director to properly perform his duties of daily management.

5. Internal control and risk management system

Campine organises the management of internal control and corporate risks by defining its control environment (general framework), identifying and classifying the main risks to which it is exposed, analysing its level of control of these risks and organising 'control of control'. It also pays particular attention to the reliability of the financial reporting and communication process.

5.1 CONTROL ENVIRONMENT

- Company organisation: The company is organised into a number of departments as set out in an organisation chart. Each person has a job description. There is a power of attorney procedure. The company's representation in different areas like human resources, purchase, sales, is integrated in the 'internal powers' document. In cases where the 'potential' risks as a result of commitments taken, can fluctuate due to price volatility of the product (energy, raw materials, foreign currency …) specific procedures apply. Management control is the responsibility of the controllers. The Finance & Control manager is in charge of organising the risk management.
- Organisation of internal control: The audit committee has a specific duty in terms of internal control and corporate risk management. The audit committee annually carries out an analysis of risks and associated action plans for which an external

party examines a specific process/part in detail. Detailed information regarding the activities of the audit committee can be found under item 3.2 above mentioned and in our corporate governance charter.
- Ethics: In 2006 the board of directors has drawn up our corporate governance charter and code of conduct (annex of our charter). These document are updated annually. The current version can be consulted on the website of Campine (www.campine.com). The board checked whether the code of conduct is complied with and is of the opinion that all persons concerned respect the code of conduct.

5.2 RISK ANALYSIS AND CONTROL ACTIVITIES

All processes, from administration to effective production, are managed in a documented management system that is based on the different risk analyses systems. The risks regarding safety, health, environment & quality are inventoried, evaluated, managed and controlled in a dynamic way based on 'continuous improvement'. The audit committee reviews the risk analysis twice a year. The main risks are described in the note 'market risks' in the annual report.

Major risks and uncertainties inherent to the sector. The management aims to tackle these in a constructive way and pays particular attention to:

- Fluctuations of the prices of raw materials and metal; Prices fluctuate as a result of changing supply and/or demand of raw materials and end products, but also because of pure speculation.
- Fluctuations in availability and cost of the energy.
- Changes in regulations (Flemish, Belgian, European and global) in the field of environment and safety/health including legislation related to sale (REACH) and storage (SEVESO) of chemical products.
- Market risks include interest risk,(see note 5.26.1), foreign exchange risk (see note 5.26.2 and valuation rule 5.2.5), price risk (see note 5.26.3) and credit risk (see note 5.13.1).
- Global pandemic or disease outbreak could affect market demand and supply and metal prices (eg COVID-19). Major area of focus and concern are:
  - Health, well-being and availability of personnel.
  - Interruptions of production and disruptions in the supply chain.

So far the current conflict between Russia and Ukraine has had no impact on Campine's activities. There are no direct purchases or sales to Ukraine and Russia but Russia is an important producer (and exporter) of antimony ore (mainly to China). However the antimony market, unlike other metals, did not experience a significant price drop after the boom of 2021/22. The boycott on Russian raw materials causes a relative shortage of antimony ores, which keeps prices high. The macroeconomic impact of this crisis in the field of energy prices and inflation obviously has consequences for the global economy. Campine passes on energy costs and inflation in its prices. Campine expects little or no further impact on its business in the short term, but is closely monitoring this situation.

Until now the conflict in Israel (Gaza) has had no impact on Campine's business. Israel is a major producer of brominated flame retardants. However, the production of these chemicals is not compromised and global availability is currently sufficient.

5.3 FINANCIAL INFORMATION AND COMMUNICATION

The process of establishing financial information is organised as follows:
A planning chart sets out the tasks with deadlines to be completed for the monthly, half-yearly and annual closures of the company and its subsidiaries. Campine has a checklist of actions to be followed up by the financial department. The accounts team produces the accounting figures under the supervision of the Chief Financial officer. The

controllers check the validity of these figures and produce the reporting. The figures are checked using the following techniques:

- Coherence tests by comparison with historical or budget figures.
- Sample checks of transactions according to their materiality.

5.4 SUPERVISION AND ASSESSMENT OF INTERNAL CONTROL

The quality of internal control is assessed over the fiscal year:

- By the audit committee. Over the fiscal year, the audit committee reviewed the half-yearly closure and the specific accounting methods. It also reviewed the disputes and main risks facing the company.
- By the auditor in the context of their review of the half-yearly and annual accounts. When appropriate, the auditor makes recommendations concerning the keeping of the financial statements.
- By the board of directors in the context of the day-to-day management. Furthermore, the board of directors supervises the performance of the duties of the audit committee in that connection, notably through that committee's reporting.

5.5 DEALING CODE REGARDING TRANSACTIONS OF THE COMPANY'S SHARES

The dealing code – part of our code of conduct – stipulates the rules regarding transactions of shares of the company.

In compliance with the Regulation (EU 596/2014 of the European parliament and of the council of 16 April 2014 on market abuse (market abuse regulation), it sets limitations for 'key-persons' regarding transactions in specific periods ('closed periods' and 'prohibited periods') and imposes a disclosure obligation to the FSMA and our compliance officer in case of transactions outside these periods.

The board of directors has appointed Mr Willem De Vos as compliance officer.

5.6 TRANSACTIONS COVERED BY THE LEGAL PROVISION ON CONFLICTS OF INTEREST

All related party transactions are conducted on a business base and in accordance with all legal requirements and our corporate governance charter. During the financial year no conflict of interest (Articles 7.96 and 7.97 of the Belgian Code on Companies and Associations) occurred.

Remuneration report

1. Remuneration policy

The remuneration policy mentions the basic principles of the remuneration of the board of directors, the managing director, the executive management team and all other employees of the company. The remuneration policy is approved by the general meeting at least every 4 years and at any material change.

The principle of our remuneration policy aims to pay the directors and our employees in line with the market conditions with a basic remuneration. In addition, each employee is incentivised with a variable salary, depending on personal and group objectives (both short and long term) to be achieved and their performance in relation to our values.

Campine also implemented a job classification and evaluation system in which each employee is classified according to his/her job and experience. The evolution of the fixed remuneration of each employee is based on this system.

Both the directors' fees as the base remuneration and variable compensation of the executive management are regularly benchmarked with the market, the evolution of such compensations at companies of similar size and complexity and within the sectors in which Campine operates.

The variable remuneration ensures that the results of the company are in line with the objectives and strategy of the company. Some of the objectives take into account the long-term development of the company.

In addition to their basic remuneration, the non-executive directors can also benefit from a tantième when the company achieves a basic profitability.

Appreciation of employees and their performance is crucial in motivating our employees. In addition to ensuring the most pleasant working environment possible, we offer opportunities for personal and professional development, we organise team buildings at all levels, social activities after working hours, etc.

NON-EXECUTIVE DIRECTORS

The remuneration of the non-executive directors and the chairman is set in the articles of association of the company – which are approved by the extraordinary meeting of shareholders in 2019. This remuneration consists of:

- The director's remuneration which is paid in the related financial year for the performance of their mandate as to article 23: The directors who fulfil their mandate for the entire financial year, receive a compensation which amounts for the financial year 2019 to twenty thousand euro (€ 20 000) gross, gross irrespective of any profits made or losses sustained by the company. The aforementioned amount is automatically increased by two hundred and fifty euro (€ 250) on the first day of each new financial year. The chairman of the board of directors who fulfils his mandate for the entire financial year, receives a compensation which amounts for the financial year 2019 to forty thousand euro (€ 40 000) gross irrespective of any profits made or losses sustained by the company. The aforementioned amount is automatically increased by five hundred euro (€ 500) on the first day of each new financial year. Directors who did not fulfil their mandate for the entire financial year will be paid on a pro rata basis of full months performed.

- The additional compensation which is paid in the related financial year for participating in the meetings of the different board committees, as set in article 23: The members of the audit committee, strategy committee and nomination and remuneration committee receive for the financial year 2019 each a compensation which amounts to one thousand two hundred and fifty euro (€ 1 250) per attended meeting unless the meeting of a committee is held immediately prior to or after a board meeting or unless the meeting is held per telephone conference. Directors who are invited to a meeting of a committee of which they are not members receive a compensation of one thousand two hundred and fifty euros (€ 1250) per meeting in which they participate, unless the meeting of the committee takes place immediately after or before a meeting of the board of directors or if the meeting is held by telephone. The aforementioned amounts of € 1 250 will automatically be increased by € 25 on the first day of each financial year.

- The tantième which is paid the year following the related financial year as set in article 39 of the articles of association: If the company's net profit amounts to one and a half million euro (€ 1 500 00) or more after deduction of taxes and part of the legal reserve capital, a tantième of fifteen thousand euro (€ 15 000) will be granted to each director with the exception of the managing director, as he is already compensated in his capacity of managing director. Only the directors that have served on the board of directors for at least six months during the financial year to which this tantième relates are entitled to the tantième and not pro rata the term of their mandate in the relevant financial year. Directors having served less than six months on the board during the relevant financial year will not be entitled to any tantième unless the annual shareholders' meeting decides otherwise. The managing director may receive a tantième as stipulated in this article in the event the annual shareholders' meeting decides so upon proposition of the board of directors and such by separate vote. The tantième granted to the chairman of the board of directors will amount to the double of the tantième granted to the directors in accordance with this paragraph.

If in a specific case, the board of directors requests the assistance of a director, the latter is entitled to a remuneration for actual working hours and expenses made.

Non-executive directors did not receive any shares, share options or other rights to acquire shares of the company or Group nor any benefits in kind nor do they participate in a pension plan.

Pursuant to the Corporate Governance Code 2020 (article 7.6) the non-executive directors should receive part of their remuneration in the form of shares in the company. Campine's board of director decided to not do so for the time being.
The possibilities to trade shares are somewhat limited in time given the potential risks of inside information and market abuse at a rather small-scale company like Campine.

MANAGING DIRECTOR AND OTHER MEMBERS OF THE EXECUTIVE MANAGEMENT TEAM

The obligation mentioned in articles 7.91 and 7.121 of the Belgian Code on Companies and Associations does not apply to executive directors, the persons who, alone or together, are charged with the day-today management and other leaders of the company mentioned in article 3.6 of the Belgian Code on Companies and Associations.

Pursuant to article 7.9 of the Corporate Governance Code 2020, the board of directors should set a minimum threshold of shares to be held by the executives. Campine's board of directors decided to not set this for the time being; the possibilities to trade shares are somewhat limited in time given the potential risks of inside information and market abuse at a rather small-scale company like Campine.

MANAGING DIRECTOR

The board of directors decides upon the remuneration of the managing director within the remuneration policy approved by the general meeting. The board oversees that the performance of the above is related to the continuity and long-term results of the company and that their remuneration is in relation to their performance and in the interest of all stakeholders.

The managing director does not receive any compensation for his duty as mere director. As to article 23 of the articles of association, the managing director may be granted a compensation if the annual shareholders' meeting agrees to this by separate vote upon proposition of the board of directors.

The managing director's remuneration for the execution of his function consisting of both a fixed and a variable compensation is based on market references.

The variable part consists of:

- A non-financial component (limited to 10% of the gross annual remuneration).
- A financial result-related component (limited to € 100 K).

The objectives linked to the variable part of the remuneration are set by the board of directors after recommendation of the nomination & remuneration committee. The objectives are set up annually and apply for the entire financial year and some possibly over multiple financial years. The choice of objectives can change every year depending on economic circumstances, regulations, organisation, strategy and other factors.

The nomination & remuneration committee assesses the performance of the managing director including the realisation of the criteria to obtain the variable remuneration and submits this assessment to the board of directors for approval.

During a board meeting – where the managing director is not present – the chairman of the nomination & remuneration committee informs the members about this assessment which is consequently discussed.

Other benefits are a monthly lump sum – which is indexed annually - for the reimbursement of all renting costs and daily travel costs. Furthermore all costs incurred for the execution of the function are reimbursed.

The managing director does not participate in a group and health insurance nor in any pension plan.

The contractual terms of hiring and termination arrangements of the managing director do not provide any specific compensation commitments, other than a term of notice of 12 months.

The company has no right to reclaim the variable remuneration when the variable remuneration was granted to the managing director based on incorrect financial data.

OTHER MEMBERS OF THE EXECUTIVE MANAGEMENT TEAM

The nomination & remuneration committee – in consultation with the managing director - advises on the nomination, remuneration and removal of the members of the executive management team within the remuneration policy approved by the general meeting. The board oversees that the performance of the above is related to the continuity and long-term results of the company and that their remuneration is in relation to their performance and in the interest of all stakeholders.

There is a Long Term Incentive plan (LTI plan) for the management. This plan should improve the retention of senior management and key-personnel and allow for extra compensation if the company continues its profitable growth. The LTI plan has a 5 year span and is based on financial and sustainability KPI's.

The remuneration of the other members of the executive management team, consisting of both fixed and variable compensation, is based on a market study.

The variable salary of the other members of the executive management team consists of 3 parts, each part with a maximum equivalent of 1 month of salary.

- Linked to the financial performance of the company.
- Linked to personal objectives, functioning as to the company's values and performance throughout the year.
- Linked to a set KPI's in their area of responsibility.

The objectives comprise both financial and nonfinancial targets. The objectives are set up annually and apply for the entire financial year and some possibly over multiple financial years. The choice of objective areas can change every year depending on economic circumstances, regulations, organisation, strategy and other factors.

The objectives linked to the variable part of the remuneration are set by the managing director. The performance of the executive management team is assessed by the managing director – in consultation with the nomination & remuneration committee.

The members participate in a pension plan based on fixed contributions with the exception of the members who execute their function through services of a management company.

The members participate – as do all employees of the company – in a group and health insurance. Other benefits are representation allowance, company car, internet connection, company phone in compliance with local market practices contributions with the exception of the members who execute their function through services of a management company.

The contractual terms of hiring and termination arrangements of the members provide in the standard notice periods as foreseen by the law, with possible deviation to max 12 months in case of early termination.

The company has no right to reclaim the variable remuneration in favour of the company when the variable remuneration was granted to the members based on incorrect financial data.

At remaining circumstances, this remuneration policy is also applicable for the next two financial years. Every adjustment to the remuneration policy will be submitted for approval to the general meeting.

PROCEDURE DEVIATIONS FROM APPROVED REMUNERATION POLICY

A deviation from the approved remuneration policy regarding the managing director and other members of the management team is only possible in exceptional situations and if the following procedure is followed.

Campine's remuneration policy does not specify the components that can be deviated from. On the one hand because a list would have an exhaustive effect and on the other hand because the company cannot foresee all exceptional situations (just think of the sudden COVID-19 situation).

Any deviation is submitted for approval by the nomination and remuneration committee to the board of directors, stating:

- The current, existing remuneration.
- The part of the policy that has been deviated from.
- The amount and magnitude of the deviation.
- An explanation of the nature of the exceptional circumstances and why the deviation was necessary to serve or ensure the long-term interest and sustainability of the company.

The board of directors examines the proposal and decides upon it. If the board of directors approves, the deviation will be implemented. The deviation is stated in the remuneration report to the general meeting.

2. Remuneration report 2023

The remuneration report displays the implementation of the remuneration policy in 2023.

NON-EXECUTIVE DIRECTORS

The non-executive directors receive the following gross compensation over the financial year 2023:

	Fixed remuneration					
	Director's remuneration (1)	Participation committees (2)	Tantième (3)	Total	Ratio fixed	/ tantième
DELOX chairman	€ 42 000	€ 2 700	€ 30 000	**€ 74 700**	59,8%	40,2%
year -1	€ 41 500	€ 2 650	€ 30 000	**€ 74 150**	59,5%	40,5%
F.-W. Hempel	€ 21 000	€ 0	€ 15 000	**€ 36 000**	58,3%	41,7%
year -1	€ 20 750	€ 0	€ 15 000	**€ 35 750**	58,0%	42,0%
H.-R. Orgs	€ 21 000	€ 5 400	€ 15 000	**€ 41 400**	63,8%	36,2%
year -1	€ 20 750	€ 6 625	€ 15 000	**€ 42 375**	64,6%	35,4%
FLG BELGIUM	€ 21 000	€ 5 400	€ 15 000	**€ 41 400**	63,8%	36,2%
year -1	€ 20 750	€ 6 625	€ 15 000	**€ 42 375**	64,6%	35,4%
YASS	€ 21 000	€ 2 700	€ 15 000	**€ 38 700**	61,2%	38,8%
year -1	€ 20 750	€ 1 325	€ 15 000	**€ 37 075**	59,5%	40,5%

(1) Director's remuneration (calculation see 1. remuneration policy) basis = 2019: € 20 000 + automatic increase of € 250 per financial year. This means: 2020 + € 250 / 2021 + € 250 / 2022 + € 250 / 2023 + € 250 = € 21 000 over 2023. The chairman receives the double.
(2) Participation committees (calculation see 1. remuneration policy) basis = 2019: € 1 250 + automatic increase of € 25 per financial year. This means: 2020 + € 25 / 2021 + € 25 / 2022 + € 25 = € 1 350 over 2023.
(3) Criterion tantième: (see remuneration policy) If the net profit is € 1.5 million, the non-executive directors who have exercised their mandate for more than 6 months during the financial year receive a tantième of € 15 K. The chairman receives the double.

MANAGING DIRECTOR AND OTHER MEMBERS OF THE EXECUTIVE MANAGEMENT TEAM

			Variable remuneration					
	Fixed remuneration	**Other benefits**	**One year**	**Multiple years**	**Pension cost**	**Total**	**Ratio fixed /**	**variable**
Zendics, CEO	€ 359 913	€ 18 208	€ 154 732	€ 75 000	€ 0	**€ 607 853**	62.2%	37.8%
payable in 2026				€ 0				
year -1	€ 326 154	€ 16 500	€ 130 006	€ 50 000	€ 0	**€ 522 660**	65,6%	34,4%
Other members executive man. team	€ 1 437 637	€ 44 413	€ 253 998	€ 75 000	€ 41 350	**€ 1 852 398**	82.2%	17.8%
payable in 2026				€ 0				
year -1	€ 1 180 598	€ 36 843	€ 217 566	€ 100 000	€ 38 040	**€ 1 573 047**	79,8%	20,2%

The fixed and variable components include the total cost for the employer, all employer contributions included for members with employee status and the total invoiced remuneration fee for members utilising a management company. The one year variable remuneration is the remuneration earned for the performance in 2023 but which will only be paid out in 2024.

Since 2021, the Board of Directors decided to grant an additional multi-year bonus – payable over several years - to the management to express its appreciation for the positive evolution of recent years and to assure a continuous retention of the team for the future.

During the financial year closed on 12/31/2022, the managing director nor the members of the executive management team (Leo Cazaerck, Nicolas De Backer, Hilde Goovaerts, Jan Keuppens, Hans Vercammen, David Wijmans , Hans Willems) received any shares, share options or other rights to acquire shares of the company or Group.

EVOLUTION FIGURES

The evolution of the remunerations and results of the company are presented in % as relative ratios are more clearly than absolute figures.

Evolution of the remunerations and results of the company

Company results	2019 (1)	2020	2021	2022	2023
Net result of the financial year '000 €	€ 8 015	€ 2 784	€ 13 511	€ 15 805	**€ 13 651**
Δ Net result vs previous financial year	37%	-65%	385%	17%	**385%**

(1) In 2019, the reduction of the European Commission fine was booked (3.88 mio €).

Evolution criterion on which the tantième is based (see 1. Remuneration policy)

	2019	2020	2021	2022	2023
Net profit of the company	> € 1,5 mio	> € 1,5 mio	> € 1,5 mio	> € 1,5 mio	> € 1,5 mio

Evolution total remuneration board members, managing director and other members of the executive management team

	2019 (1)	2020	2021	2022	**2023 (2)**
Total remuneration	€ 1 907 180	€ 1 920 316	€ 2 262 543	€ 2 327 432	**€ 2 692 451**
Δ Total remuneration vs previous financial year	36%	1%	18%	3%	**16%**

(1) 2019: increase executive management team from 5 to 7 persons and increase board remunerations (both fixed as tantième).
(2) 2023: increase executive management team from 7 to 8 persons.

Evolution criteria representing the long term objectives of the company on which the variable remuneration of the executive management team is based

Profit before taxes	50%	Annual targets per BU also for the consolidated level
Others	50%	Non-financial or other indicators showing the LT strategy ao safety, environment, research and other members of the executive

The board of directors determines the long-term objectives of the company. In order to achieve these financial and non-financial objectives, an implementation plan, being the business plan, is required. The global business plan is worked out in detail per division and even per department and contains various projects and actions to achieve the ultimate goals. Short-term targets per department are added or adjusted annually. The evolution towards the targets is monitored via KPIs (Key Performance Indicators) in different areas such as safety, health, environment, absenteeism, retention, (new) customers, (new) products, production processes, etc.

These KPIs are set per department known to all employees. They can be adjusted in function of changing (economic) circumstances, regulations, etc. This allows employees to identify themselves more quickly with annual goals. This way each employee is continuously involved in the implementation of the global long-term development of the company within his/her field and responsibilities. The annual variable remuneration of each employee is based on the progress and achievement of these targets.

The KPIs and actual objectives are not disclosed in detail as the publication of this confidential information about the company's strategy would significantly weaken our competitive position.

Average remuneration employees on FTE basis

	2019	2020	2021	2022	**2023**
Average number of employees on FTE basis	188	185	191	228	**264**
Average remuneration employees on FTE basis	€ 74 787	€ 72 941	€ 80 712	€ 79 428	**€ 86 152**
Δ avg remuneration employees on FTE basis vs previous financial year	-2%	-2%	11%	-2%	**8%**

Ratio lowest/highest remuneration in 2023: 10,99% (2022: 12.51%).

Calculation salary costs: total gross annual salary incl. employer contributions and supplementary pension contribution paid by the employer incl. all other employee benefits (group & hospitalisation insurance, meal vouchers, year-end bonus, holiday pay …).

SHAREHOLDERS' VOTE

The shareholders' vote on the remuneration report during the general meeting. At the next vote, Campine will explain to the shareholders how the votes on the previous remuneration report were taken into account.

3. Dividend policy

Campine's dividend policy is to pay out yearly dividends to its shareholders. The level of the dividend depends on certain financial parameters such as net profit level, availability of cash, future cash needs, etc. The targeted level of dividends should be about one third of the net profit, distributed over all shares.

The board of directors requests the general meeting of shareholders to approve the annual report of the board including the corporate governance statement and the remuneration report.

DELOX BV,
represented by its permanent
representative Mr Patrick De Groote

ZENDICS BV,
represented by its permanent
representative Mr Willem De Vos

Dhr. Friedrich-Wilhelm Hempel

Dhr. Hans-Rudolf Orgs

YASS BV,
represented by its permanent
representative Mrs Ann De Schepper

FLG BELGIUM SRL,
represented by its permanent
representative Mrs Dina Brughmans

Consolidated financial statements 2023

1. Consolidated income statement for the year ended 12/31/2023

'000 €	Notes	12/31/2023	12/31/2022
Revenue from contracts with customers	5.4	**321 971**	317 430
Other operating income	5.5	**2 086**	3 343
Net gain on bargain purchase*	5.4	**0**	6 478
Raw materials and consumables used		**-255 141**	-262 257
Employee benefits expense	5.24	**-22 784**	-18 080
Depreciation and amortisation expense	5.9/5.10/5.14	**-7 198**	-5 761
Changes in restoration provision	5.21	**-15**	-330
Other operating expenses	5.5	**-20 278**	-20 526
Operating result (EBIT)		**18 641**	20 297
Investment revenues		**8**	2
Hedging results	5.14	**914**	-612
- Closed Hedges		***-93***	*-44*
- Change in open position		***1 007***	*-568*
Finance costs	5.6	**-1 303**	-747
Net financial result		**-381**	-1 357
Result before tax (EBT)		**18 260**	18 940
Income tax expense	5.7	**-4 609**	-3 135
Result for the year (EAT)		**13 651**	15 805
Attributable to: equity holders of the parent		**13 651**	15 805
RESULT PER SHARE (in €)	5.8		
Number of shares		**1 500 000**	1 500 000
Result for the year (basic & diluted)		**9.10**	10.54

CONSOLIDATED OVERVIEW OF THE TOTAL RESULT

'000 €	**Notes**	**12/31/2023**	12/31/2022
Result for the year		**13 651**	15 805
Other comprehensive income:			
Comprehensive income not to be reclassified to the profit or loss statement in the future (actuarial results of retirement benefit obligations) net of tax	**5.25**	-216	62
Total result for the year		**13 435**	15 867
Attributable to: equity holders of the parent		**13 435**	15 867

* see annual report 2022 - consolidated annual accounts - note 5.4.1.

EBITDA (Earnings Before Interest, Taxes, Depreciation and Amortization)

Adding the financial target EBITDA, which is a non-IFRS term, allows to focus more on the importance of cash and should not influence negatively a decision on investments for future growth.

Calculation EBITDA:

'000 €	**12/31/2023**	12/31/2022
Result before tax (EBT)	**18 260**	18 940
Finance costs / Investment revenue	**1 295**	745
Depreciation and amortisation expense	**7 198**	5 761
Deferred tax on gain on bargain purchase	**0**	1 112
EBITDA	**26 753**	26 558

2. Consolidated balance sheet on 12/31/2023

'000 €	Notes	12/31/2023	12/31/2022
ASSETS			
Non-current assets			
Property, plant and equipment	5.9	**33 009**	32 974
Right-of-use assets	5.14	**705**	392
Intangible assets	5.10	**939**	568
Deferred tax assets	5.17	**0**	166
		34 653	34 100
Current assets			
Inventories	5.12	**52 801**	52 036
Trade receivables	5.13	**32 415**	35 619
Other receivables	5.13	**1 764**	2 873
Derivatives	5.14	**375**	0
Cash paid in escrow		**0**	57
Cash and cash equivalents		**3 738**	2 908
		91 093	93 493
TOTAL ASSETS		**125 746**	127 593
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	5.15	**4 000**	4 000
Retained results		**65 145**	55 550
Equity attributable to equity holders of the parent		**69 145**	59 550
Total equity		**69 145**	59 550
Non-current liabilities			
Retirement benefit obligation	5.25	**1 802**	1 496
Deferred tax liabilities	5.17	**503**	741
Provisions	5.21	**6 250**	6 235
Bank loans	5.16	**3 750**	5 250
Obligations under leases	5.14	**456**	184
		12 761	13 906
Current liabilities			
Retirement benefit obligation	5.25	**0**	14
Trade payables	5.18	**21 084**	23 143
Other payables	5.18	**6 125**	5 091
Capital grants	5.18	**1 065**	1 249
Provisions for production waste	5.21	**558**	655
Derivatives	5.14	**0**	632
Current tax liabilities		**205**	1 200
Lease obligations	5.14	**249**	208
Bank loans	5.16	**1 500**	3 000
Bank overdrafts	5.16	**4 171**	7 994
Advances on factoring	5.16	**8 883**	10 951
		43 840	54 137
Total liabilities		**56 601**	68 043
TOTAL EQUITY AND LIABILITIES		**125 746**	127 593

3. Consolidated statement of changes in equity for the year ended 12/31/2023

'000 €	Share capital	Retained results	Total
Balance on 31 December 2021	4 000	43 973	47 973
Total result of the year	-	15 867	15 867
Dividends and tantième	-	-4 290	-4 290
Balance on 31 December 2022	4 000	55 550	59 550
Total result of the year	-	13 435	13 435
Dividends and tantième (note 5.8)	-	-3 840	-3 840
Balance on 31 December 2023	**4 000**	**65 145**	**69 145**

4. Consolidated cash flow statement for the year ended 12/31/2023

'000 €	Notes	12/31/2023	12/31/2022
OPERATING ACTIVITIES			
Result for the year (EAT)		**13 651**	15 805
Adjustments for:			
Gain on bargain purchase	5.4	**0**	-6 478
Other gains and losses (hedging results)	5.14	**-914**	612
Finance costs / Investment revenues	5.6	**1 295**	745
(Deferred) tax expenses	5.7	**4 609**	3 135
Depreciations and write-downs	5.9/5.10	**7 198**	5 761
Change in provisions (incl. retirement benefit)		**402**	-29
Change in inventory value reduction	5.12	**86**	866
Change in trade receivables value reduction	5.13	**2**	33
Operating cash flows before movements in working capital		**26 329**	20 450
Change in inventories	5.12	**-851**	-1 680
Change in receivables	5.13	**4 537**	-11 965
Change in trade and other payables	5.18	**-2 079**	-1 514
Cash generated from operations		**27 936**	5 291
Hedging results		**-93**	-44
Interest paid / received	5.6	**-1 295**	-745
Income taxes paid		**-6 001**	-2 698
Net cash (used in) / from operating activities		**20 547**	1 804
INVESTING ACTIVITIES			
Purchases of property, plant and equipment	5.9	**-6 669**	-6 730
Purchases of intangible assets	5.10	**-687**	-591
Net cash flow on acquisition	5.4	**0**	-2 539
Net cash (used in) / from investing activities		**-7 356**	-9 860
FINANCING ACTIVITIES			
Dividends paid and tantième paid	5.8	**-3 840**	-4 290
Repayments of borrowings	5.16	**-3 000**	-3 375
Repayments of obligations under leases	5.14	**313**	-89
Proceeds from borrowings	5.16	**0**	7 500
Change in cash restricted in its use		**57**	-57
Change in bank overdrafts	5.16	**-3 823**	7 817
Change in advances on factoring	5.16	**-2 068**	3 305
Net cash (used in) / from financing activities		**-12 361**	10 811
Net change in cash and cash equivalents		**830**	2 755
Cash and cash equivalents at the beginning of the year		**2 908**	153
Cash and cash equivalents at the end of the year		**3 738**	2 908

5. Notes to the consolidated financial statement for the year ended 12/31/2023

5.1. GENERAL INFORMATION

Campine nv ('the company') is a limited liability company incorporated in Belgium. The addresses of its registered office and principal place of business are disclosed in the Corporate Data. The principal activities of the company and its subsidiaries ('the Group') are described in this annual report.

Campine has been listed on the Stock Exchange since 18 October 1936, originally under the name "Compagnie Chimique et Metallurgique de la Campine". The share price can now be found under Euronext stock exchange code 'CAMB' and the name 'Campine nv'.

5.2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared based on the International Financial Reporting Standards as adopted by the EU ("IFRS").

This year, the Group has applied all new and revised standards and interpretations that are relevant to its business and that are effective for the annual reporting period commencing on January 1, 2023. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

Following standards and interpretations became applicable for 2023:

- Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies, effective 1 January 2023. The valuation rules were reviewed based on this amendment.

- Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates, effective 1 January 2023.

- Amendments to IAS 12 International Tax Reform – Pillar Two Model Rules. Pillar two legislation has been enacted or sustantively enacted in certain jurisdictions in which the Campine Group is active. However, this legislation does not apply to the Group as the consolidated revenue is lower than € 750 mio.

- Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction, effective 1 January 2023.

- Amendments to IFRS 17 Insurance contracts: Initial Application of IFRS 17 and IFRS 9 – Comparative Information, effective 1 January 2023.

- IFRS 17 Insurance Contracts, effective 1 January 2023.

These changes had no significant impact on Campine's consolidated financial statements.

Standards and interpretations issued but not yet effective on 1 January 2023:

- Amendments to IAS 1 Presentation of Financial Statements – Classification of Liabilities as Current or Non-current (the 2020 amendments and 2022 amendments), effective 1 January 2024
- Flows and IFRS 7 Financial Instruments: Disclosures, effective 1 January 2024
- Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback, effective 1 January 2024

With regard to the standards effective from 1 January 2024, the Group is currently analyzing the impact of these amendments on Campine's consolidated financial statements. With regard to the standards that will become effective from January 1, 2025, the group will start this analysis during the second half of 2024.

5.2.1. Basis of consolidation

The consolidated financial statements incorporate the financial statements of the company and entities controlled by the company (its subsidiaries). An investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. The results of subsidiaries acquired or disposed of during the year are included in the financial information from the effective date of acquisition and up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with those used by other members of the Group. All intra-group transactions, balances, income and expenses are eliminated on consolidation.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiary.

When the Group loses control of a subsidiary, the profit or loss on disposal is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill) and liabilities of the subsidiary and any non-controlling interests. Amounts previously recognised in other comprehensive income in relation to the subsidiary are accounted for (i.e. re-classified to profit or loss or transferred directly to retained earnings) in the same manner as would be required if the relevant assets or liabilities were disposed of. The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under IFRS 9 Financial Instruments or, when applicable, the cost on initial recognition of an investment in an associate or jointly controlled entity.

Non-controlling interests in subsidiaries are identified separately from the Group's equity therein. The interest of non-controlling shareholders may be initially measured either at fair value or at the non-controlling interests' proportionate share of the fair value of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity. Total comprehensive income is attributed to non-controlling interests even if this results in the non-controlling interests having a deficit balance.

5.2.2. Business combinations

The acquisition of subsidiaries is accounted for using the purchase method. The cost of the acquisition is measured at the aggregate of the fair values, at the date of acquisition, of assets given, liabilities incurred or assumed, and equity instruments issued by the Group in exchange for control of the acquiree. The acquiree's identifiable assets, liabilities and contingent liabilities that meet the conditions for recognition under IFRS 3 ("Business combinations") are recognised at their fair values at the acquisition date, except for noncurrent assets (or disposal groups) that are classified as held for sale, which are recognised and measured at fair value less costs to sell.

Acquisition-related costs are recognised in profit or loss as incurred. Where applicable, the consideration for the acquisition includes any asset or liability resulting from a contingent consideration arrangement, measured at its acquisition-date fair value. Subsequent changes in such fair values are adjusted against the cost of acquisition where they qualify as measurement period adjustments (see below). All other subsequent changes in the fair value of contingent consideration classified as an asset or liability are accounted for in accordance with relevant IFRS.

Changes in the fair value of contingent consideration classified as equity are not recognised.

Where a business combination is achieved in stages, the Group's previously held interests in the acquired entity are remeasured to fair value at the acquisition date (i.e. the date the Group attains control) and the resulting gain or loss, if any, is recognised in profit or loss. Amounts arising from interests in the acquire prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to profit or loss, where such treatment would be appropriate if that interest were disposed of.

If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date.

If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in profit or loss.

Goodwill

Goodwill arising on acquisition is recognised as an asset and initially measured at cost, being the excess of the cost of the business combination over the group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities recognised. If, after reassessment, the group's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities exceeds the cost of the business combination, the excess (negative consolidation difference) is recognised immediately in profit or loss. The interest of minority shareholders in the acquire is initially measured at the minority's proportion of the net fair value of the assets, liabilities and contingent liabilities recognised.

5.2.3. Revenue from Contracts with Customers

IFRS 15 establishes a five-step model to account for revenue arising from contracts with customers:

- Identify the contract.
- Identify the performance obligations.
- Determine the transaction price.
- Allocate the transaction price to the performance obligations in the contract.
- Recognise revenue when or as the Group satisfies a performance obligation.

Under IFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer.

Nature of sales transactions: The Group is active in the metal business and thus contracts with customers generally concern the sale of these metal products, which qualify as separate performance obligations. Ancillary services, such as transport, are not material. As a result, revenue recognition generally occurs at a point in time, when control of the products is transferred to the customer, generally on delivery of the goods and considering the underlying incoterm.

The Group is not involved in transactions and/or contracts including volume rebates, trade discounts, (ancillary) services, customer assistance services or bundled sales contracts of a material nature.

Campine works with direct sales people for most of its sales in Europe and with distributors and agents in the rest of the world.

The direct sales/purchasing employees are on Campine's payroll or work on a self-employed basis with a service contract. The distributors and agents are remunerated through commission, which is then also part of the purchase costs.

5.2.4. Leases

Definition of 'lease'

A contract is or contains a lease if it conveys a right to control the use of an identified asset for a period of time in exchange for a consideration.

To determine whether a lease confers the right to control use of a determined asset for a determined period of time, the entity must appreciate whether, throughout the period of use, it has the right to:

- Obtain substantially all of the economic benefits from the use of the asset.
- Direct the use of the asset.

To determine the duration of the leases, any options for renewal or termination have been considered as required by IFRS 16 taking into account the probability of exercising the option and only if it is under the control of the lessee.

At the start of the lease, the lessee recognises a right-of-use asset and a lease liability. For leases with a maximum duration of 12 months or leases of assets with low value, Campine applies the practical exemption in IFRS 16. Hence, these leases are not presented on the balance sheet.

Right-of-use assets

The Group recognises right-of-use assets on the commencement date of the contract, i.e. the date on which the asset becomes available for use. These assets are valued at the initial cost of the lease liability minus depreciation and any impairment, adjusted to take into account any revaluations of the lease liability. The initial cost of the right-of-use assets includes the present value of the lease liability, the initial costs incurred by the lessee, rent payments made on the start date or before that date, minus any incentives obtained by the lessee. These assets are depreciated over the estimated lifetime of the underlying asset or over the duration of the contract if this period is shorter, unless the Group is sufficiently certain of obtaining ownership of the asset at the end of the contract.

Right-of-use assets are presented separately from other assets as a different line under non-current assets.

Lease liabilities

The lease liability is valued at the present value of the rent payments that have not yet been paid. The present value of the rent payments must be calculated using the interest rate implicit in the lease if it is possible to determine that rate. If not, the lessee must use its incremental borrowing rate.

The incremental borrowing rate is the interest rate that the lessee would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment.

Over the duration of the contract, the lessee values the lease obligation as follows:

- By increasing the carrying amount to reflect the interest on the lease liabilities.
- By reducing the carrying amount to reflect the rent payments made.
- By revaluing the carrying amount to reflect the new value of the lease obligation or modifications to the lease.

Lease liabilities are presented in a separate line on the balance sheet. Payments for the capital reimbursement and the interests are presented under financing activities in the statement of cash flows.

5.2.5. Foreign currencies

The individual financial statements of each group entity are presented in the currency of the primary economic environment in which the entity operates (its functional currency). Currently, the Group consists of Campine NV, Campine Recycling NV, Campine France sas and Campine recycled Polymers sas. For the purpose of the consolidated financial statements, the results and financial position of each entity are expressed in EUR, which is the functional currency of the company, and the presentation currency for the consolidated financial statements. In preparing the financial statements of the individual entities, transactions in currencies other than the entity's functional currency (foreign currencies) are recorded at the rates of exchange prevailing on the dates of the transactions.

At each balance sheet date, monetary items denominated in foreign currencies are retranslated at the rates prevailing on the balance sheet date. Non-monetary items that are measured in terms of historical cost in a foreign currency remain at historical rate. Exchange differences arising on the settlement of monetary items, and on the retranslation of monetary items, are included in profit or loss for the period (within other operating income/expenses).

5.2.6. Financial instruments

Classification and measurement of financial assets and financial liabilities

Financial assets and financial liabilities are recognised when a group entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

Trade receivables, cash and cash equivalents and bank loans are classified and measured at amortised cost under IFRS 9. Lease liabilities are measured in accordance with IFRS 16.

Debt instruments that meet the following conditions are subsequently measured at amortised cost:

- The financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows.
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principle and interest on the principal amount outstanding.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period.

The amortised cost of a financial asset is the amount at which the financial asset is measured at initial recognition minus the principal repayments, plus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, adjusted for any loss allowance. On the other hand, the gross carrying amount of a financial asset is the amortised cost of a financial asset before adjusting for any loss allowance.

Classification and measurement of financial liabilities of the Group has not been modified by the requirements of IFRS 9. All financial liabilities of the Group are subsequently measured at amortised cost using the effective interest rate method.

Impairment of financial assets

In relation to the impairment of financial assets, IFRS 9 requires an expected credit loss model. The expected credit loss model requires the Group to account for expected credit losses and changes in those expected credit losses at each reporting date to reflect changes in credit risk since initial recognition of the financial assets.

Specifically, IFRS 9 requires the Group to recognise a loss allowance for expected credit losses on trade receivables and cash and cash equivalents. The amount of expected credit losses is updated at each reporting date to reflect changes in credit risk since initial recognition of the respective financial instrument.

IFRS 9 provides a simplified approach for measuring the loss allowance at an amount equal to lifetime expected credit losses for trade receivables without a significant financing component (short-term trade receivables). The expected credit losses on these financial assets are estimated using a provision matrix based on the Group's historical credit loss experience adjusted for factors that are specific to the debtors, general economic conditions and an assessment of both the current as well as the forecast direction of conditions at the reporting date, including time value of money where appropriate.

All bank balances are assessed for expected credit losses at each reporting date as well.

Definition of default
The Group considers the following as constituting an event of default for internal credit risk management purposes as historical experience indicates that receivables that meet either of the following criteria are generally not recoverable:

- When there is a breach of financial covenants by the counterparty; or
- Information developed internally or obtained from external sources indicates that the debtor is unlikely to pay its creditors, including the Group, in full (without taking into account any collateral held by the Group)

Irrespective of the above analysis, the Group considers that default has occurred when a financial asset is more than 90 days past due unless the Group has reasonable and supportable information to demonstrate that a more lagging default criterion is more appropriate.

Credit-impaired financial assets
A financial asset is credit-impaired when one or more events that have a detrimental impact on the estimated future cash flows of that financial asset have occurred. Evidence that a financial asset is credit-impaired includes observable data about the following events:

- Significant financial difficulty of the issuer or the borrower.
- A breach of contract, such as a default or past due event.
- The lender(s) of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concessions(s) that the lender(s) would not otherwise consider.
- It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation. or
- The disappearance of an active market for that financial asset because of financial difficulties.

Write-off policy
The Group writes off a financial asset when there is information indicating that the counterparty is in severe financial difficulty and there is no realistic prospect of recovery, e.g. when the counterparty has been placed under liquidation or has entered into bankruptcy proceedings, or in the case of trade receivables, when the amounts are over two years past due, whichever occurs sooner. Financial assets written off may still be subject to enforcement activities under the Group's recovery procedures, taking into account legal advice where appropriate. Any recoveries made are recognised in profit or loss.

Derivative financial instruments
The Group enters into a variety of derivative financial instruments to manage its exposure to commodity price risk.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately.

Depending on the market situation, in combination with the established purchase and sales contracts, both purchase and sales hedging contracts are used. The remaining volumes are partially offset against long-term financial hedging.

5.2.7. Borrowing costs

Borrowing costs are recognised in profit or loss in the period in which they are incurred, unless they are directly attributable to qualifying assets, in which case they are capitalised.

5.2.8. Government grants

Capital grants are presented on a separate line “capital grants” in the consolidated balance sheet. Government grants are recognised in profit or loss (in other operating income) over the periods necessary to match them with the related costs. Government grants related to later periods are presented in the financial statements as deferred income in a separate section of current liabilities. Since 2022, these are now separately shown..

If the government grant relates directly to an investment, it is deducted from the investment costs or taken to the income statement as other debts over the depreciation period of the asset to which it relates.

5.2.9. Retirement benefit costs and termination benefits

For defined benefit retirement benefit plans, the cost of providing benefits - as well as the defined contribution plans - is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the statement of financial position with a charge or credit recognised in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to profit or loss.

Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. Benefit costs are categorised as follows:

- Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements).
- Net interest expense or income.
- Remeasurement.

The Group presents the first 2 components of benefit costs in profit and loss in the line item employee benefits expense. Curtailment gains and losses are accounted for as past service costs. The 3rd component is recognised directly to other comprehensive income..

The retirement benefit obligation recognised in the consolidated statement of financial position represents the actual deficit or surplus in the Group’s benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

5.2.10. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax. The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Group’s liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the balance sheet date.

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit, and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

5.2.11. Property, plant and equipment

Property, plant & equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

Properties in the course of construction for production, rental or administrative purposes, are carried at cost, less any recognised impairment loss. Cost includes professional fees and, for qualifying assets, borrowing costs capitalised in accordance with the Group's accounting policy. Depreciation of these assets commences when the assets are ready for their intended use.

Depreciation is charged so as to write off the cost or valuation of assets, other than land and properties under construction, over their estimated useful lives, using the straight-line method. Assets held under finance leases are depreciated over their expected useful lives on the same basis as owned assets or, where shorter, the term of the relevant lease.

The gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

5.2.12. Internally-generated intangible assets – research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred. An internally-generated intangible asset arising from the Group's development is recognised only if all of the following conditions are met:

- An asset is created that can be identified (such as software and new processes).
- It is probable that the asset created will generate future economic benefits and.
- The development cost of the asset can be measured reliably.

Internally-generated intangible assets are amortised on a straight-line basis over their estimated useful lives. Where no internally-generated intangible asset can be recognised, development expenditure is charged to profit or loss in the period in which it is incurred.

5.2.13. Patents, trademarks and software purchased

Patents, trademarks and software purchased are measured initially at purchase cost and are amortised on a straight-line basis over their estimated useful lives.

5.2.14. Impairment of tangible and intangible assets excluding goodwill

At each balance sheet date, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (cash generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

5.2.15. Inventories

Cost of the raw materials includes both the purchasing price (using the principle of First in First out (“FIFO”)), and the direct purchasing costs, like import duties, transportation and completion costs.

Cost of work in progress and finished products comprises all direct and indirect costs necessary that have been incurred in bringing the inventories to their present location condition on balance sheet date. Direct costs include, among others, the cost of the used raw materials and the direct labour costs.

Indirect costs include a systematical impute of fixed and variable indirect production costs proceeded from the conversion of raw materials in end products. The impute of fixed indirect production costs is based on the normal capacity of the production facilities.

For the determination of the cost, the standard cost price method is used. The standard cost price takes into account the normal use of raw and auxiliary materials, labour, efficiency and capacity. The standard cost price is frequently being evaluated and, if necessary, revised in consideration with the present conditions. The standard cost price of the raw and auxiliary materials, as also the appreciation of it in work in progress and in raw materials, will be revised every month on the basis of the new determined FIFO value of these raw and auxiliary materials.

The inventories are valued at the lower of cost, determined as described above, or net realisable value. The net realisable value represents the estimated selling price in normal circumstances less estimated cost of completion and costs to be incurred to realise sales (marketing, selling and distribution). The estimated selling price is based on the LME quotation (London Metal Exchange) for lead. For the antimony price we refer to the current prices in combination with the already contracted purchase and sales contracts.

Value reductions are made for the old and slow moving inventories.

5.2.16. Trade receivables

Trade receivables are measured at initial recognition at fair value. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired. The allowance recognised is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the effective interest rate computed at initial recognition. Based on a regular age analysis of the assets, it is determined case per case if a liability for doubtful debtors is needed.

Factoring

The Group entered into a factoring agreement with a credit institution, whereby the credit institution pays advances to the Group on trade receivables. As the credit risk of these receivables remains with the Group, not all risks and rewards of the transferred receivables are transferred. As a consequence, the receivables remain on the balance sheet of the Group and the advances received are recorded in the balance sheet under the short term advances on factoring.

5.2.17. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits. Cash and cash equivalents are included at amortized value.

5.2.18. Bank borrowings

Interest-bearing bank loans and overdrafts are measured at fair value. They are subsequently valued using the effective interest method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in accordance with the Group's accounting policy for borrowing costs (see above).

5.2.19. Trade payables

Trade payables are measured at cost.

5.2.20.Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, and it is probable that the Group will be required to settle that obligation. Provisions are measured at the directors' best estimate of the expenditure required to settle the obligation at the balance sheet date, and are discounted to present value where the effect is material.

5.2.21. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Executive officer (CEO) assisted by the executive management team.

5.3. JUDGEMENT AND USE OF ESTIMATES

The preparation of financial statements requires the use of estimates and assumptions to determine the value of assets and liabilities, to assess the positive and negative consequences of unforeseen situations and events at the balance sheet date, and to form a judgment as to the revenues and expenses of the fiscal year.

The basis of the judgement and use of estimates is consistent to our annual report 2023.

Significant estimates made by the Group in preparation of the financial statements relate mainly to:

- Valuation of the recoverable amount of stocks (see note 5.12.). The inventories are valued at cost, determined as described above, or at market value, if the latter is lower.
- Valuation of sanitation provisions (see note 5.21.). The Group has set up a provision for soil sanitation and other environmental items.
- Pension and related liabilities (see note 5.26.). The estimated liability arising from defined contribution and defined benefit retirement benefit plans of the Group, is based on actuarial assumptions. The pre-tax discount rate and estimated salary expectations are actuarial assumptions which can significantly affect the liability.
- Deferred tax assets are recognised for the carry forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised. In making its judgement, the board takes into account long-term business strategy. A major uncertainty in the determination of the future taxable result concerns the volatility and unpredictability of raw material prices.
- Others; litigation and lawsuits. The Campine group is subject to proceedings, lawsuits and other claims related to products and other matters. We are required to assess the likelihood of any adverse judgements or outcomes to these matters as well as potential ranges of probable and reasonably possible losses. This requires significant management judgement.

Due to the uncertainties inherent in all valuation processes, the Group revises its estimates on the basis of regularly updated information. Future results may differ from these estimates. As well as the use of estimates, Group management also uses judgment in defining the accounting treatment for certain operations and transactions not addressed under the IFRS standards and interpretations currently in force.

5.4. OPERATIONAL SEGMENTS

5.4.1. Geographical segments

The group's headquarters are located in Belgium, Nijverheidsstraat 2, 2340 Beerse. The group's manufacturing operations are located in Nijverheidsstraat 2, 2340 Beerse, Belgium; 300 avenue de l'Epie, 69400 Arnas France and 20 rue des Prés, 59161 Escaudoeuvres, France.

The following table provides an analysis of the Group's sales by geographical market.

	12/31/2023 € '000	**%**	12/31/2022 € '000	%
Belgium	**9 157**	**2.8%**	8 945	2.8%
Germany	**143 318**	**44.5%**	114 162	36.0%
Switzerland	**31 448**	**9.8%**	33 044	10.4%
Italy	**19 762**	**6.1%**	18 158	5.7%
France	**18 473**	**5.7%**	18 520	5.8%
Turkey	**7 444**	**2.3%**	6 497	2.0%
Poland	**6 689**	**2.1%**	6 275	2.0%
The Netherlands	**6 072**	**1.9%**	10 210	3.2%
United Kingdom	**3 542**	**1.1%**	3 075	1.0%
Roemenia	**3 030**	**0.9%**	10 686	3.4%
Other European countries	**12 289**	**3.8%**	15 066	4.7%
Asia	**33 723**	**10.5%**	26 843	8.5%
North-America	**24 259**	**7.5%**	44 470	14.0%
Others	**2 765**	**0.9%**	1 479	0.5%
	321 971	**100%**	317 430	100%

89% of the turnover of Circular Metals was realised in Europe whereas 73% of the turnover of Specialty Chemicals was achieved in Europe.

5.4.2. Business segments/divisions

Our reportable segments reflect the significant components of our operations. We evaluate our business operations in two segments, called divisions: "Specialty Chemicals" and "Circular Metals". Discrete financial information on these two segments is provided to the CODM (turnover is presented per BU, volumes are presented per division).

- **Specialty Chemicals** hosts all businesses which serve end-markets with chemical products and derivates. The manufacturing of antimony trioxide used as flame retardant, polymerization catalyst and pigment reagent and the production of different types of polymer and plastic masterbatches. The Specialty Chemicals division comprises the business units (BU's) BU Antimony trioxide, BU FR Masterbatches and BU recycled Polymers.

Turnover € '000	BU Antimony Trioxide	BU FR Masterbatches	BU recycled Polymers*	Total Specialty Chemicals
On 31 december 2023	**84 405**	**30 841**	**12 253**	**127 499**
On 31 december 2022	99 547	47 769	6 218	153 534
Δ	-15.2%	-35.4%	-	-17.0%

The total (external and cross-business unit) turnover of the Specialty Chemicals division represents a volume of 21 084 ton (12/31/2022: 18 483 ton) (+14.1%). The split between external sales and cross-business unit sales can be found in the table on the next page.

- **Circular Metals** hosts the businesses in which metals are being recovered from industrial and postconsumer waste streams. The main activity is the manufacturing of lead alloys. To this business is added the growing activity of the recycling of other metals such as antimony and tin. This division comprises the business units (BU') BU Lead, BU Metals Recovery and BU recycled Batteries.

Turnover € '000	BU Metals Recovery	BU Lead	BU recycled Batteries*	Total Circular Metals
On 31 december 2023	**17 781**	**150 181**	**68 475**	**236 437**
On 31 december 2022	18 111	149 140	29 559	196 810
Δ	-1.8%	0.7%	-	20.1%

The total (external and cross-business unit) turnover of the Circular Metals division represents a volume of 128 621 ton (12/31/2022: 91 813 ton) (+40.1%). The split between external sales and cross-business unit sales can be found in the table on the next page.

There are two customers in the Circular metals division who represents more than 10% of the Group's turnover (33%).

* After the acquisition in July 2022 only the second semester was consolidated; in 2023 an entire year.

'000 €	Specialty Chemicals 12/31/2023	Circular Metals 12/31/2023	Corporate & Unallocated 12/31/2023	Total 12/31/2023
REVENUE				
External sales	127 499	194 472	-	321 971
Cross-business unit sales in the same segment	-	41 965	-41 965	0
Total revenue	**127 499**	**236 437**	**-41 965**	**321 971**
RESULT				
Segment operating result	2 015	16 626	-	18 641
Unallocated expenses	-	-	-	-
Operating result (EBIT)				18.641
Investment revenues	-	-	8	8
Hedging results	-	914	-	914
Finance costs	-	-	-1 303	-1 303
Result before tax				18 260
Income tax expense				-4 609
Result for the period				**13 651**

'000 €	Specialty Chemicals 12/31/2023	Circular Metals 12/31/2023	Corporate & Unallocated 12/31/2023	Total 12/31/2023
OTHER INFORMATION				
Capital additions	2 840	3 799	1 278	7 917
Depreciation and amortisation (incl. right-of-use assets)	-2 024	-3 965	-1 209	-7 198
BALANCE SHEET				
Assets				
Fixed assets (incl. right-of-use assets)	7 924	21 168	5 561	34 653
Stocks	22 545	27 350	2 906	52 801
Trade receivables	20 380	12 035	-	32 415
Other receivables	-	-	1 764	1 764
Derivatives	-	375	-	375
Cash and cash equivalent	-	-	3 738	3 738
Total assets	**50 849**	**60 928**	**13 969**	**125 746**
Long term liabilities				
Retirement benefit obligation	-	-	1 802	1 802
Deferred tax liabilities	-	-	503	503
Bank loans	-	-	3 750	3 750
Obligations under leases	-	-	456	456
Provisions	65	6 185	-	6 250
Short term liabilities				
Trade payables	5 933	11 905	3 246	21 084
Other payables	-	-	6 683	6 683
Capital grants	-	-	1 065	1 065
Current tax liabilities	-	-	205	205
Obligations under leases	-	-	249	249
Bank overdrafts and loans*	-	-	14 554	14 554
Total liabilities	**5 998**	**18 090**	**32 513**	**56 601**

* Advances on bank overdrafts and loans are always withdrawn in function of the necessary working capital. They are considered to relate to the whole of the group's two legal entities and are therefore not allocated at segment level.

'000 €	Specialty Chemicals 12/31/2022	Circular Metals 12/31/2022	Corporate & Unallocated 12/31/2022	Total 12/31/2022
REVENUE				
External sales	153 534	163 896	-	317 430
Cross-business unit sales in the same segment	-	32 914	-32 914	0
Total revenue	**153 534**	**196 810**	**-32 914**	**317 430**
RESULT				
Segment operating result	4 388	9 431	-	13 819
Unallocated expenses	-	-	6 478	6 478
Operating result (EBIT)				20 297
Investment revenues	-	-	2	2
Hedging results	-	-612	-	-612
Finance costs	-	-	-747	-747
Result before tax				18 940
Income tax expense				-3 135
Result for the period				**15 805**

'000 €	Specialty Chemicals 12/31/2022	Circular Metals 12/31/2022	Corporate & Unallocated 12/31/2022	Total 12/31/2022
OTHER INFORMATION				
Capital additions	4 542	9 813	2 092	16 447
Depreciation and amortisation (incl. right-of-use assets)	-1 506	-3 294	-959	-5 759
BALANCE SHEET				
Assets				
Fixed assets (incl. right-of-use assets)	7 108	21 334	5 492	33 934
Deferred tax	-	-	166	166
Cash paid in escrow	-	-	57	57
Stocks	25 625	24 250	2 161	52 036
Trade receivables	19 382	17 850	-1 613	35 619
Other receivables	-	-	2 873	2 873
Cash and cash equivalent	-	-	2 908	2 908
Total activa	**52 115**	**63 434**	**12 044**	**127 593**
Long term liabilities				
Retirement benefit obligation	-	-	1 496	1 496
Deferred tax liabilities	-	-	741	741
Bank loans	-	-	5 250	5 250
Obligations under leases	-	-	184	184
Provisions	170	6 065	-	6 235
Short term liabilities				
Retirement benefit obligation	-	-	14	14
Trade payables	6 052	16 105	986	23 143
Other payables	-	-	5 746	5 746
Capital grants	-	-	1 249	1 249
Derivatives	-	632	-	632
Current tax liabilities	-	-	1 200	1 200
Obligations under leases	-	-	208	208
Bank overdrafts and loans*	-	-	21 945	21 945
Total liabilities	**6 222**	**22 802**	**39 019**	**68 043**

* Advances on bank overdrafts and loans are always withdrawn in function of the necessary working capital. They are considered to relate to the whole of the group's two legal entities and are therefore not allocated at segment level.

5.5. OTHER OPERATING EXPENSE AND INCOME

'000 €	12/31/2023	12/31/2022
OTHER OPERATING EXPENSE		
Office expenses & IT	**1 422**	1 325
Fees	**780**	1 169
Insurances	**1 264**	695
Interim personnel	**1 860**	2 718
Expenses related to personnel	**327**	205
Carry-off of waste	**3 806**	4 209
Travel expenses	**507**	300
Transportation costs	**7 173**	6 692
Other purchase and sales expenses	**648**	733
Negative operating hedge result	**341**	430
Research & development	**198**	186
Renting	**247**	530
Subscriptions	**524**	365
Advertising - publicity	**144**	114
Other taxes (unrelated to result)	**323**	165
Financial costs (other than interest)	**519**	303
Others	**195**	387
	20 278	20 526

Consequently to the acquisition, a revaluation of all sites was carried out which led to a revaluation of the insured premiums. In addition, the costs of the French entities were included for a full year in 2023, while in 2022 this was only for half a year.

'000 €	12/31/2023	12/31/2022
OTHER OPERATING INCOME		
Positive operating hedge result	**414**	1 192
Finance income (other than interest)	**0**	1 325
Renting	**17**	53
Claims	**603**	244
Subsidies	**504**	229
Produced assets - own construction	**205**	180
Recuperation of costs from third parties	**296**	10
Others	**47**	110
	2 086	3 343

The finance income (other than interest) for 2022 has a positive effect on exchange rate differences.
This had a limited negative effect in 2023 which is included in financial costs (other than interest).

5.6. FINANCE COSTS

'000 €	12/31/2023	12/31/2022
Interest on bank overdrafts, loans and factoring	**1 284**	742
Interest cost on leasing	**19**	5
Total borrowing costs	**1 303**	747

5.7. INCOME TAX EXPENSE

'000 €	12/31/2023	12/31/2022
Current tax	**4 609**	3 806
Deferred tax	**0**	-671
Income tax expense for the year	**4 609**	3 135

Domestic and French income tax is calculated at 25% (2022: 25%) of the estimated assessable result for the year.

'000 €	12/31/2023	12/31/2022
Result before tax	**18 260**	18 940
Tax at the domestic income tax rate of 25% (2022: 25%)	**4 565**	4 735
Tax effect of expenses that are not deductible in determining taxable result	**119**	49
Tax effect of Notional Interest Deduction (NID)	**0**	0
Tax settlement previous years	**-64**	1
Tax effect of utilisation of tax losses previously not recognised and timing differences	**-30**	-1 650
Tax penalty (insufficient prepayments)	**19**	0
Effect of different tax rates of subsidiaries operating in other jurisdictions	**0**	0
Tax expense and effective tax rate for the period	**4 609**	3 135

5.8. DIVIDENDS AND TANTIÈME

The board proposes to pay a dividend amounting to 4.5 mio € based on the 2023 results. A total dividend of € 3.75 mio was paid based on the 2022 result.

The board proposes to pay the non-executive directors a tantième for the financial year closed on 12/31/2023 as follows:

	F.-W. Hempel	FLG BELGIUM	YASS	DELOX chairman	H.-R. Orgs	Total
Tantième	€ 15 000	€ 15 000	€ 15 000	€ 30 000	€ 15 000	€ 90 000

For the financial year closed on 12/31/2022 a total tantième of € 90K was paid.

5.8.1. Result per share

As no potential shares – which could lead to dilution – were issued and no activities were ceased, the diluted result per share equals the basic result per share. The calculation of the basic and diluted result per share attributable to the ordinary equity holders of the parent is based on the following data:

'000 €	**12/31/2023**	12/31/2022
RESULT		
Result for purposes of basic and diluted results per share (result for the year attributable to equity holders of the parent)	**13 651**	15 805
NUMBER OF SHARES		
Weighted average number of ordinary shares for the purposes of basic and diluted results per share	**1 500 000**	1 500 000

5.9. PROPERTY, PLANT AND EQUIPMENT

'000 €	Land and buildings	Properties under construction	Fixtures and equipment	Total
COST OR VALUATION				
On 31 December 2021	16 951	386	83 946	101 283
Additions	6 522	246	8 981	15 749
Transfers	-	-386	386	0
On 31 december 2022	23 473	246	93 313	117 032
Additions	1 142	228	5 299	6 669
Transfers	-	-246	246	0
On 31 december 2023	**24 615**	**228**	**98 858**	**123 701**
ACCUMULATED DEPRECIATION				
On 31 december 2021	13 338	-	65 176	78 514
Depreciation charge for the year	467	-	5 077	5 544
On 31 december 2022	13 805	-	70 253	84 058
Depreciation charge for the year	685	-	5 949	6 634
On 31 december 2023	**14 490**	**0**	**76 202**	**90 692**
CARRYING AMOUNT				
On 31 December 2023	**10 125**	**228**	**22 656**	**33 009**
On 31 December 2022	9 668	246	23 060	32 974

We always depreciate until residual value 0. The following depreciation rates are used for property, plant and equipment:

Industrial, administrative, commercial buildings	5%
Furniture	20%
Vehicles	25%
Installations, machinery and equipment	min 5% – max 33% depending on the life time

The Group has not pledged land and buildings to secure banking facilities granted to the Group.

5.10. INTANGIBLE ASSETS

'000 €	Patents, trademarks and software purchased
COST	
On 31 December 2021	1 940
Additions	591
On 31 December 2022	2 531
Additions	687
On 31 December 2023	**3 218**
ACCUMULATED DEPRECIATION	
On 31 December 2021	1 837
Charge for the year	126
On 31 December 2022	1 963
Charge for the year	316
On 31 December 2023	**2 279**
CARRYING AMOUNT	
On 31 December 2023	**939**
On 31 December 2022	568

The intangible assets included in the table have finite useful lives. Intangible assets are, depending on the category, depreciated over 3 to 8 years.

5.11. SUBSIDIARIES

Details of the Group's subsidiaries on 12/31/2023 are as follows:

Name of subsidiary	Place of incorporation (or registration) and operation	Proportion of ownership interest	Proportion of voting power held	Principal activity
Campine Recycling nv VAT: BE0474.955.451	Belgium	99.99%	100%	Lead recycling
Campine France sas VAT: FR83 911 549 699	France	100.00%	100%	Lead recycling
Campine recycled Polymers sas VAT: FR 59 342 238 649	France	100.00%	100%	Plastic recycling

There are no restrictions on the access to and use of the assets of the subsidiaries nor on the proceedings to settle commitments of the Group.

5.12. INVENTORIES

'000 €	**12/31/2023**	12/31/2022
Raw materials	**14 911**	15 060
Work-in-progress	**16 838**	12 314
Finished goods	**21 052**	24 662
	52 801	52 036

The inventory per year-end includes an amount written-off of € 1 588K (2022: € 1 502K) because of the lower of cost and market value. The market value is the estimated selling price under normal circumstances less the estimated conversion cost and the estimated costs of realizing the sale (marketing, sales and distribution). The estimated sales price is determined using the LME (London Metal Exchange) quotations for lead. For the antimony price we refer to the current prices in combination with the already contracted purchase and sales contracts.

The inventories are part of the pledge on trade fund granted to the banks (see note 5.22).

5.13. FINANCIAL ASSETS

The board of directors confirms that the carrying amount of trade and other receivables approximates their fair value as those balances are short-term.

5.13.1. Trade receivables

'000 €	**12/31/2023**	12/31/2022
Amounts receivable from the sale of goods	**32 415**	35 619
	32 415	35 619

An allowance has been recorded for estimated irrecoverable amounts from the sale of goods of € 1 046K (2022: € 1 044K). This allowance has been determined on a case-by-case basis. Balances are written off when sufficiently certain that the receivable is definitely lost.

The total amount from sales of goods amounting to € 32 415K includes € 20 679K subject to commercial factoring by a credit institute. Based on these receivables the credit institute can deposit advances on the account of Campine (€ 8 883K on 12/31/2023, see note 5.16. Bank borrowings) and afterwards collects the receivables itself. The credit risk stays at Campine and is covered by a credit insurance.

There are no significant overdue amounts, older than 30 days, which are not provided for and/or are not fully covered by a credit insurance. Management has evaluated the expected loss provision on trade receivables but concluded that there was no need for a (material) additional provision on top of the specific bad debt provisions already recorded.

5.13.2. Other receivables

'000 €	**12/31/2023**	12/31/2022
Other receivables	**1 764**	2 873
	1 764	2 873

Other receivables principally comprise amounts reclaimed V.A.T.

5.13.3. Bank balances and cash

Bank balances and cash comprise cash held by the Group and short-term bank deposits with an original maturity of three months or less. The carrying amount of these assets approximates their fair value.

5.13.4. Credit risk

The Group's principal financial assets are bank balances and cash, trade and other receivables. The credit risk on liquid funds is limited because the counterparties are banks with high credit-ratings assigned by international credit-rating agencies.

Concentrations of credit risk with respect to trade receivables are limited due to the Group's customer base being large and unrelated. For more information we refer to the valuation rule 5.2.6. of the consolidated annual accounts in this annual report.

Roll-forward of the allowances for doubtful debtors:

'000 €	**12/31/2023**	12/31/2022
Opening allowance doubtful debtors	**1 044**	1 011
Additions	**2**	33
Reversals	**-**	-
Closing allowance doubtful debtors	**1 046**	1 044

Included in the Group's trade receivable balance are debtors with a carrying amount of € 4 455K (2022: € 2 453K) which are past due at the reporting date but for which the Group has not provided as there has not been a significant change in credit quality and the amounts are still considered recoverable. The Group has taken out a credit insurance for these amounts. The average age of these receivables is 9 days past due (2022: 13 days).

5.14. OTHER FINANCIAL ASSETS AND LIABILITIES

5.14.1. Derivatives

For a detailed description we refer to accounting policy 5.2.6 Financial instruments mentioned in this report.

The table below summarises the net change in fair value – realised and unrealised – of the positions on the LME lead / tin futures market where it sells forward lead and tin via future contracts.

'000 €	Fair value of current instruments	Underlying lead volumes (in ton)
On 31 december 2022	-632	5 150
On 31 december 2023	**375**	**4 025**

The change in fair value in income statement amounts to € +914K (2022: € -612K).

The fair value of the derivatives are included in the balance sheet as current assets – derivatives for € 375K.

The classification of the fair value of the hedge instruments is level 1 (unadjusted quoted prices in an active market for identical assets or liabilities) in the "fair value hierarchy" of IFRS 13.

5.14.2 Lease obligations

Roll forward of right-of-use assets:

'000 €	Company cars
On 31 December 2021	373
Additions	108
Depreciation charge for the year	-89
Disposals	-
On 31 December 2022	392
Additions	458
Depreciation charge for the year	-247
Disposals	-
On 31 December 2023	**705**

Leased assets relate to company cars. In 2023 new lease obligations were entered into for an amount of € 458K. The repayments of operating lease liabilities during 2023 amount to € 266K. The depreciation charges reached € 247K and the financial charges amounted to € 19K.

The Group also applies the practical expedients for operating leases of which the contract has a limited duration or operating leases where the underlying assets have a low value.

There were no restrictions or purchase options related to the agreements which are not index related. Lease arrangements are negotiated for an average term of four years.

5.15. SHARE CAPITAL

'000 €	**12/31/2023**	12/31/2022
Authorised		
1 500 000 ordinary shares of par value of 2.67 € each	**4 000**	4 000
Issued and fully paid	**4 000**	4 000

The company has one class of ordinary shares which carry no right to fixed income.

5.16. BANK BORROWINGS (LEASE OBLIGATIONS EXCLUDED)

'000 €	**12/31/2023**	12/31/2022
Bank loans - investment credit	**5 250**	8 250
Bank overdrafts	**4 171**	7 994
Advances on factoring	**8 883**	10 951
	18 304	27 195
Repayable borrowings		
Bank loans after more than one year	**3 750**	5 250
Bank loans within one year	**1 500**	3 000
Bank overdrafts	**4 171**	7 994
Advances on factoring	**8 883**	10 951
	18 304	27 195
Average interest rates paid		
Bank loans - investment credit	**1.86%**	1.99%
Bank overdrafts	**5.70%**	2.86%
Advances on factoring	**4.62%**	1.73%

Bank loans are arranged at fixed interest rates. Other borrowings (bank overdrafts and advances on factoring: €13 054K on 12/31/2023 (on 12/31/2022: € 18 945K)) are arranged at floating rates, thus exposing the Group to an interest rate risk (see note 5.26.1.). On 12/31/2023, the Group had available € 28 265K (12/31/2022: € 22 455K) of undrawn committed borrowing facilities.

In the credit agreements with our banks a number of covenants are agreed upon based on equity, solvency and stock rotation. On 12/31/2023 Campine complied with all covenants:

- The equity (corrected for intangible fixed assets and deferred taxes) amounted to € 68 709K on 12/31/2023 compared to the required minimum of € 22 000K.
- The solvency ratio on 12/31/2023 (55%) is in compliance with the required ratio of 30%.
- With a stock rotation of 63 days Campine complied to the stock rotation ratio (< 90 days) on 12/31/2023.

Roll-forward van de financiële verplichtingen en de aansluiting met cash-flow:

'000 €	**12/31/2023**	Financing cash-flow	12/31/2022
Bank overdrafts	**4 171**	-3 823	7 994
Advances on factoring	**8 883**	-2 068	10 951
Bank loans - investment credit	**5 250**	-3 000	8 250
	18 304	-8 891	27 195

5.17. DEFERRED TAX

The following are the major deferred tax liabilities and assets recognised by the Group, and the movements thereon, during the current and prior reporting periods.

'000 €	Timing differences on fixed assets	Positive fair value derivatives	Retirement benefit obligations	Fiscal losses	Others	Capital grants	Total
On 31 December 2021	1	-	-117	-	12	219	115
Charge/(credit) to result for the year	552	-	26	-	-108	-31	439
Charge/(credit) to other comprehensive income	-	-	21	-	-	-	21
On 31 December 2022	553	-	-70	-	-96	188	575
Charge/(credit) to result for the year	-217	94	34	-	121	-32	0
Charge/(credit) to other comprehensive income	-	-	-72	-	-	-	-72
On 31 December 2023	**336**	**94**	**-108**	**-**	**25**	**156**	**503**

The balance of € 503K consists of a deferred tax asset ad € 0K (12/31/2022: € 166K) and a deferred tax liability of € 503K (€ 741K on 12/31/2022).

5.18. TRADE AND OTHER PAYABLES

5.18.1 Trade payables

Trade creditors and accruals principally comprise amounts outstanding for trade purchases. The board of directors considers that the carrying amount of trade payables approximates their fair value as those balances are short-term.

There are no trade payables older than 60 days (with the exception of disputes), hence an age analysis is irrelevant.

'000 €	**12/31/2023**	12/31/2022
Trade creditors and accruals	**21 084**	23 143
	21 084	23 143

5.18.2 Other payables

'000 €	**12/31/2023**	12/31/2022
Other payables and accruals	**6 125**	5 091
	6 125	5 091

Other payables and accruals principally comprise amounts outstanding for ongoing costs which consist mainly of social security and VAT.

5.18.3 Capital grants

'000 €	**12/31/2023**	12/31/2022
Capital grants	**1 065**	1 249
	1 065	1 249

Capital grants comprise amounts which are spread in the proceeds. This concerns 2 investments in the Specialty Chemicals division: one at our Belgian site in Beerse (depreciation continues until 2028) and one at our French site in Villefranche (depreciation continues until 2030).

5.19. LIQUIDITY RISK

The following table details the Group's remaining contractual maturity for its non-derivative financial liabilities. The table has been drawn based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Group can be required to pay.

	12/31/2023			12/31/2022		
'000 €	**< 1 year**	**1-5 year**	**> 5 year**	< 1 year	1-5 year	> 5 year
Trade liabilities	**21 084**	**-**	**-**	23 143	-	-
Other liabilities	**7 748**	**-**	**-**	6 955	-	-
Bank overdrafts and loans	**5 671**	**3 750**	**-**	10 994	5 250	-
Advances on factoring	**8 883**	**-**	**-**	10 951	-	-
Lease obligations	**249**	**456**	**-**	208	184	-

Other liabilities consist of other payables, capital grants and provisions for production waste.

5.20. FINANCIAL INSTRUMENTS

The major financial instruments of the Group are financial and trade receivables and payables, investments, cash and cash equivalents as well as derivatives.

The financial instruments as on 12/31/2023 are presented below:

'000 €	Categories	Book value	Fair value	Level
I. Fixed assets				
II. Current Assets				
Trade receivables	A	32 415	32 415	2
Other receivables	A	1 764	1 764	3
Cash and cash equivalents	B	3 738	3 738	1
Derivatives	C	375	375	1
Total financial instruments on the assets side of the balance sheet		**38 292**	**37 917**	
I. Non-current liabilities				
Interest-bearing liabilities	A	3 750	3 775	2
Obligations under leases	A	456	456	2
II. Current liabilities				
Interest-bearing liabilities*	A	14 554	14 554	2
Current trade debts	A	21 084	21 084	2
Current other debts	A	6 125	6 125	3
Obligations under leases	A	249	249	2
Total financial instruments on the liabilities side of the balance sheet		**46 218**	**46 243**	

* Interest-bearing liabilities consist of short term bank loans, bank overdrafts and factoring.

The financial instruments as on 12/31/2022 are presented below:

'000 €	Categories	Book value	Fair value	Level
I. Fixed assets				
II. Current Assets				
Trade receivables	A	35 619	35 619	2
Other receivables	A	2 873	2 873	3
Cash paid in escrow	A	57	57	2
Cash and cash equivalents	B	2 908	2 908	1
Total financial instruments on the assets side of the balance sheet		**41 457**	**41 457**	
I. Non-current liabilities				
Interest-bearing liabilities	A	5 250	5 284	2
Obligations under leases	A	184	184	2
II. Current liabilities				
Interest-bearing liabilities*	A	21 945	21 945	2
Current trade debts	A	23 143	23 143	2
Current other debts	A	5 091	5 091	3
Obligations under leases	A	208	208	1
Derivatives	C	632	632	1
Total financial instruments on the liabilities side of the balance sheet		**56 453**	**56 487**	

* Interest-bearing liabilities consist of short term bank loans, bank overdrafts and factoring.

The categories correspond with the following financial instruments:

A. Financial assets or liabilities held until maturity, at the amortised cost.
B. Investments held until maturity, at the amortised cost.
C. Assets or liabilities, held at the fair value through the profit and loss account.

The aggregate financial instruments of the Group correspond with levels 1 and 2 in the fair values hierarchy.

- Level 1: unadjusted quoted prices in an active market for identical assets or liabilities.
- Level 2: the fair value based on other information, which can, directly or indirectly, be determined for the relevant assets or liabilities.
- Level 3: valuation techniques for which the lowest level input that is significant to the fair value measurementis unobservable.

The valuation techniques regarding the fair value of the level 2 financial instruments are the following:

- The fair value of the other level 2 financial assets and liabilities is almost equal to their book value:
  - either because they have a short-term maturity (like trade receivables and debts),
  - or because they have a variable interest rate.
- For fixed-income payables the fair value was determined using interest rates that apply to active markets.

5.21. PROVISIONS AND CLAIMS

'000 €	Soil sanitation cost	Other	Total
On 31 December 2022	6 065	170	6 235
Additions / Reversals	120	-105	15
On 31 December 2023	**6 185**	**65**	**6 250**

'000 €	**12/31/2023**	12/31/2022
Analysed as:		
Current liabilities	**-**	-
Non-current liabilities	**6 250**	6 235
	6 250	6 235

The provisions amounted to € 6 250K on 12/31/2023. These mainly relate to the soil sanitation obligation (€ 6 185K) on and around the site of the Group and other environmental items. The provisions were determined in compliance with the requirements of OVAM – by an independent study bureau.

Campine is subject to proceedings, lawsuits and other claims related to products and other matters. We are required to assess the likelihood of any adverse judgments or outcomes to these matters as well as potential ranges of probable and reasonably possible losses. A determination of the amount of liability to be recorded, if any, for these contingencies is made after careful analysis of each individual issue.

There are currently no claims for which the probability of a cash outflow is considered possible or probable.

5.22. CONTINGENT LIABILITIES

The pledge on trade fund was granted to the banks for a maximum amount of € 41 250K (12/31/2022: € 41 250K) but limited to the maximum amount of financing which amounted to € 18 304K on 12/31/2023 (12/31/2022: € 27 195K).

5.23. SHARE-BASED PAYMENTS

During the financial year closed on 12/31/2023 none of the members of the executive management team received any shares, share options or other rights to acquire shares of the company or Group.

5.24. EMPLOYEE BENEFITS EXPENSE

'000 €	**12/31/2023**	12/31/2022
Long term		
Pension cost (incl. early retirement)	**1 029**	560
Short term		
Salaries	**16 022**	12 964
Contribution social security	**4 515**	3 881
Structural reduction social contribution	**-1 064**	-1 041
Other employee benefits expense	**2 282**	1 716
	22 784	18 080
Average number of FTE's	**264**	228

The increase in costs is mainly due to the French entities that were included for a full year in 2023 (compared to half a year in 2022) as well as the high indexation applied in 2023. The increase in FTEs is also due to the French entities that were included for a full year in 2023 compared to half a year in 2022.

5.25. POST RETIREMENT BENEFITS

Following amounts with regard to the (early) retirement are booked on the balance sheet:

'000 €	**12/31/2023**	12/31/2022
Defined benefit plan	**1 196**	1 096
Early retirement and others provision	**606**	414
	1 802	1 510

5.25.1. Pension benefit plan

The Group operates a funded pension benefit plan for qualifying employees of Campine and its subsidiaries in Belgium. The pension benefit plan foresees an amount based on the salary and seniority payable as of the age of 65. For the financed plans, plan assets consist of mixed portfolios of shares, bonds or insurance contracts. The plan assets do not contain direct investments in Campine shares or in fixed assets or other assets used by the Group.

The current plans for which active contributions are paid consist only of "defined contribution" plans (classified in IFRS as "defined benefit" plans). Just for white-collar workers with a higher seniority there are still ongoing "defined benefit" plans, but no active contributions are being paid for these anymore.

The current value of the retirement benefit obligations and the assets has evolved as follows:

'000 €	Pension obligation (IAS 19)	Plan Assets	Deficit	Net liability / (asset)
On 31 December 2022	5 338	-4 242	1 096	1 096
Components of defined benefit cost				
Service cost in P/L	-	-	-	-
Current service cost (net of employee contributions)	393	-	-	393
Past service cost (incl. effect of curtailments)	-	-	-	-
Settlement (gain)/loss	-	-	-	-
Service cost				**393**
Net interest on the net liability / (asset) in P/L				
Interest cost on pension obligation	193	-	-	193
Interest income on plan assets	-	-163	-	-163
Interest on effect of the asset ceiling	-	-	-	-
Net interest				**30**
Administration costs paid from plan assets in P/L				-
Components of defined benefit cost recognised in P/L				**423**
Remeasurements of the net liability / (asset) in OCI				
Actuarial (gain) / loss arising from				
• Changes in demographic assumptions	-	-	-	-
• Changes in financial assumptions	342	-	-	342
• Experience adjustments	103	-	-	103
Return on plan assets (excl. amounts in net interest)	-	-157	-	-157
Change in effect of the asset ceiling (excl. amounts in net interest)	-	-	-	-
Total remeasurement recognised in OCI				**288**
Defined benefit cost (total amount recognised)				**711**
Cash Flows				
Employee contributions	-	-	-	-
Employer contributions to plan assets (incl. 4.4% taxes)	-	-611	-	-611
Benefit payments from plan assets	-369	369	-	0
Direct benefit payments by employer	-	-	-	-
Taxes paid from plan assets (4.4%)	-23	23	-	0
Taxes paid directly by employer (8.86%)	-48	48	-	0
On 31 December 2023	**5 929**	**-4 733**	**1 196**	**1 196**

’000 €	Pension obligation (IAS 19)	Plan Assets	Deficit	Net liability / (asset)
On 31 December 2021	6 990	-5 822	1 168	1 168
Components of defined benefit cost				
Service cost in P/L	-	-	-	-
Current service cost (net of employee contributions)	481	-	-	481
Past service cost (incl. effect of curtailments)	-	-	-	-
Settlement (gain)/loss	-	-	-	-
Service cost				**481**
Net interest on the net liability / (asset) in P/L				
Interest cost on pension obligation	68	-	-	68
Interest income on plan assets	-	-59	-	-59
Interest on effect of the asset ceiling	-	-	-	-
Net interest				**9**
Administration costs paid from plan assets in P/L				-
Components of defined benefit cost recognised in P/L				**490**
Remeasurements of the net liability / (asset) in OCI				
Actuarial (gain) / loss arising from				
• Changes in demographic assumptions	-	-	-	-
• Changes in financial assumptions	-2 261	-	-	-2 261
• Experience adjustments	216	-	-	216
Return on plan assets (excl. amounts in net interest)	-	1 963	-	1 963
Change in effect of the asset ceiling (excl. amounts in net interest)	-	-	-	-
Total remeasurement recognised in OCI				**-82**
Defined benefit cost (total amount recognised in P/L and OCI)				**408**
Cash Flows				
Employee contributions	-	-	-	-
Employer contributions to plan assets (incl. 4.4% taxes)	-	-480	-	-480
Benefit payments from plan assets	-101	101	-	0
Direct benefit payments by employer	-	-	-	-
Taxes paid from plan assets (4.4%)	-18	18	-	0
Taxes paid directly by employer (8.86%)	-37	37	-	0
On 31 December 2022	**5 338**	**-4 242**	**1 096**	**1 096**

The average duration of the benefit plan with fixed income is 13 years.
The average duration of the benefit plan with fixed costs is 16 years.

Major actuarial assumptions in use at balance sheet date:

	12/31/2023	12/31/2022
Discount rate	**3.20%**	3.80%
Expected rate of salary increases	**3.10%**	3.20%
Inflation	**2.10%**	2.20%

Split of the plan assets on balance sheet date:

	12/31/2023	12/31/2022
Equity securities, incl. cash	**6%**	5%
Fixed income securities	**94%**	95%
	100 %	100 %

Sensitivity analysis of a percentage increase or decrease in the discount rate or an increase in salary to the retirement benefit obligation:

Discount rate	**-0.50%**		**0.50%**
Assumptions	**2.70%**	3.20%	**3.70%**
Pension obligation (K€)	**6 284**	5 929	**5 629**

Salary increase	**-0.50%**		**0.50%**
Assumptions	**2.60%**	3,10%	**3.60%**
Pension obligation (K€)	**5 881**	5 929	**6 020**

The Group expects to contribute € 454K to its defined benefit plans in 2024.

5.25.2. Early retirement and others provisions

Early retirement provisions are set up based on agreements with those affected on amounts to be paid until the age of 65 year. The provision on 12/31/2023 amounts to € 606K (on 12/31/2022: € 414K).

5.26. MARKET RISK

5.26.1. Interest risk

Funding of the company is done through bank loans, bank overdrafts and factoring. On 12/31/2023 bank loans amounted to € 5 250K, bank overdrafts and advances on factoring amounted to € 13 054K. Bank loans are arranged at fixed rates. The bank overdrafts and advances on factoring are arranged at variable rates (see note 5.16.).

An increase or decrease of the interest with 10% would have an impact on the income statement of € -65K (in case of 10% increase) or € +65K (in case of 10% decrease) based upon the amount on 12/31/2023. The retained earnings will also be influenced.

5.26.2. Foreign Exchange risk

The Group is managing its foreign currency risk by matching foreign currency cash inflows with foreign cash outflows (USD is our main foreign currency).

An increase or decrease of the USD/EUR rate with 10% would have an impact on the income statement of € -69K (in case of 10% increase) or € +69K (in case of 10% decrease) based upon the assets and liabilities denominated in USD on 12/31/2023. The retained earnings will also be influenced.

5.26.3. Price risk

The value of these fixed price contracts and the future LME commitments are both shown in the balance sheet; changes in the values will be shown in the profit and loss account (see note 5.14.1. Derivatives).

There is no price risk on the fixed price contracts as the impact of price fluctuation on respective fixed purchase and sell contracts are compensated by the impact on the respective sell and purchase contracts on the LME.

A movement of the LME lead- and tin futures price by 10% would have impacts on the income statement. The immediate effect based on the underlying open position on 12/31/2023 of a price fall of 10% would be € +482K or of a price raise of 10% would be € -482K.

5.27. EVENTS AFTER THE BALANCE SHEET DATE

No significant events occurred after the close of the year.

5.28. RELATED PARTIES

As to the transparency notification of 9 July 2019 the current shareholder structure of Campine is:

Name	Number of shares	% of the voting rights
F.W. Hempel Metallurgical GmbH Weißensteinstraße 70, 46149 Oberhausen, Germany	1 077 900	71.86%

The ultimate parent of the Group is the F.W. Hempel Familienstiftung. Mr Friedrich-Wilhelm Hempel is the ultimate controlling person with 71.86% of Campine NV's voting rights.

Transactions between the company and its subsidiaries, which are related parties of the company, have been eliminated on consolidation and are not disclosed in this note. Transactions between the Group and the management and key-management are disclosed in the Remuneration report. Details of transactions between the Group and other related parties are disclosed below.

5.29. RELATED PARTY TRANSACTIONS

All related party transactions are conducted on a business base and in accordance with all legal requirements and the Corporate Governance Charter.

5.29.1. Trading transactions

In 2023, Group entities entered into the following trading transactions with related parties that are not members of the Group:

- Purchase of lead wastes from Hempel Legierungsmetalle GmbH for € 1 783K (2022: € 832K). Open amount on 12/31/2023: 46K.

5.29.2. Other transactions

The companies below passed through personnel and IT expenses to the Campine Group:

- F.W. Hempel Metallurgical: € 318K (2022: € 325K). Open amount on 12/31/2023: € 20K.
- F.W. Hempel & Co Erze und Metalle: € 98K (2022: € 98K). There is no open amount on 12/31/2021.

The Campine Group passed through personnel and IT expenses to F.W. Hempel & Co Erze und Metalle:

- F.W. Hempel & Co Erze und Metalle t.b.v. € 9K (2022: € 8K). Open amount on 12/31/2023: € 9K.

5.30. RIGHTS AND OBLIGATIONS NOT INCLUDED IN THE BALANCE SHEET

Commercial commitments: There are firm commitments to deliver or receive metals to customers or from suppliers at fixed prices.

'000 €	**12/31/2023**	12/31/2022
Commercial commitments for metals purchased (to be received)	**15 904**	6 729
Commercial commitments for metals sold (to be delivered)	**17 156**	17 336

5.31. COMPENSATION OF KEY MANAGEMENT PERSONNEL

The total remuneration of the executive management team including the board members amounts to € 2 692K (2022: € 2 328K). For further details, we refer to the Remuneration report.

'000 €	**12/31/2023**	12/31/2022
Board		
Fixed remuneration	**142**	141
Tantième	**90**	90
Executive management team (incl. CEO)		
Fixed remuneration	**1 797**	1 507
Other benefits	**63**	53
Pension cost	**41**	38
Variable remuneration one year	**409**	349
Variable remuneration multiple year	**150**	150
Total compensation paid to key management personnel	**2 692**	2 328

None of the above-mentioned persons received any shares, share options or other rights to acquire shares of the company or Group. The remuneration of the members of the executive management team is decided upon by the Nomination and Remuneration committee, based on market trends and individual performances.

5.32. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the board of directors and authorised for issue on 14 March 2024.

Independent auditor's report

to the general meeting of Campine NV for the year ended 31 December 2023

In the context of the statutory audit of the Consolidated Financial Statements of Campine NV (the "Company") and its subsidiaries (together the "Group"), we report to you as statutory auditor. This report includes our opinion on the consolidated balance sheet as at 31 December 2023, the consolidated income statement, the consolidated overview of the comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year ended 31 December 2023 and the disclosures including material accounting policy information (all elements together the "Consolidated Financial Statements") as well as our report on other legal and regulatory requirements. These two reports are considered one report and are inseparable.

We have been appointed as statutory auditor by the shareholders' meeting of 26 May 2021, in accordance with the proposition by the Board of Directors following recommendation of the Audit Committee and following recommendation of the workers' council. Our mandate expires at the shareholders' meeting that will deliberate on the Consolidated Financial Statements for the year ending 31 December 2023. We performed the audit of the Consolidated Financial Statements of the Group during 3 consecutive years.

Report on the audit of the Consolidated Financial Statements

UNQUALIFIED OPINION

We have audited the Consolidated Financial Statements of Campine NV, that comprise the consolidated balance sheet as at 31 December 2023, the consolidated income statement, the consolidated overview of the comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement of the year and the disclosures ,including material accounting policy information, which show a consolidated balance sheet total of K€ 125 746 and of which the consolidated income statement shows a profit for the year of K€ 13 651.

In our opinion, the Consolidated Financial Statements give a true and fair view of the consolidated net equity and financial position as at 31 December 2023, and of its consolidated results for the year then ended, prepared in accordance with the International Financial Reporting Standards as adopted by the European Union ("IFRS") and with applicable legal and regulatory requirements in Belgium.

BASIS FOR THE UNQUALIFIED OPINION

We conducted our audit in accordance with International Standards on Auditing ("ISA's") applicable in Belgium. In addition, we have applied the ISA's approved by the International Auditing and Assurance Standards Board ("IAASB") that apply at the current year-end date and have not yet been approved at national level. Our responsibilities under those standards are further described in the "Our responsibilities for the audit of the Consolidated Financial Statements" section of our report.
We have complied with all ethical requirements that are relevant to our audit of the Consolidated Financial Statements in Belgium, including

those with respect to independence.
We have obtained from the Board of Directors and the officials of the Company the explanations and information necessary for the performance of our audit and we believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current reporting period.

These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole and in forming our opinion thereon, and consequently we do not provide a separate opinion on these matters.

Significant impact of metal price fluctuations on the valuation of inventory, operating profit, and group hedging results

Description of the key audit matter
The market prices of metals (mainly lead and antimony) may be subject to significant fluctuations due to supply and demand changes relating to these metals on the markets. This has a significant impact on the Group's valuation of the inventory, the operating result, and of the hedging results, and is therefore a key audit matter.

Inventory:
The inventory is valued according to the FIFO method, which means that the valuation closely matches the evolution of market prices. Consequently, significant price evolutions have a direct impact on the valuation of the inventory at the end of the closing period. As per 31 December 2023, the inventory consists of the following components: (i) raw materials (K€ 14 911), (ii) work in progress (K€ 16 838), and (iii) finished products (K€ 21 052).
As a result of frequent price changes in the market, the Group performs a monthly so-called '-"lower of cost or market" - or net recoverability analysis. The resulting "lower of cost or market" -provision is calculated on the raw materials of metals, the by-products and the finished goods. In calculating this provision, the Group compares the valuation of the aforementioned inventory items against independent market benchmarks (such as for example, the "London Metal Exchange" or "LME" for lead prices) or the Group uses its own valuation method that is close to the market price when the market price is not publicly available (such as for antimony, for example).

Operational and hedging result:
Since there is a time delay between the moment of a purchase and of a sale, there is a risk that the operating margin will be subject to the impact of price fluctuations for metals in the period between the purchase of the metal as a raw material and the sale of the finished products.
In order to reduce that price risk, the Group uses derivatives whereby a distinction must be made between the metals for which a liquid market exists (e.g. lead) and those for which there is no such market (e.g. antimony).

Hedging metals for which there is no liquid market is mainly done by means of natural hedging of physical positions, trying to align the buying and selling positions as closely as possible in order to minimize price risk. On the other hand, derivatives are used for metals for which there is a liquid market in order to limit the price risk on open inventory positions and future sales and purchase transactions. Due to the fact that the Group does not apply hedge accounting, the impact of the derivatives used, is recognized in the income statement, in accordance with the principles set out in IFRS 9 "Financial Instruments".

Summary of the procedures performed
- Evaluation of the design of internal controls with regard to the valuation of inventory (and the related derivatives);
- Substantive audit procedures through sampling, on the valuation of raw materials inventory of metals and of the valuation of these raw materials included in the manufacturing price of work in progress and of finished goods;
- Substantive audit procedures of the market value determination and the analysis by management of determining the lower of cost or market provision, by reconciliation with independent market data for lead prices and alternative evidence

for antimony prices. This included procedures to assess the reasonableness and consistency of the input used by management (such as contracted and expected sales, estimates of price evolutions, and price sensitivity analysis);
- An assessment of the detailed margin analysis per business unit, as prepared by management, and in which the operational results of these business units are discussed in relation to the evolution of the market prices;
- Verifying the completeness, existence, and valuation of the open hedging transactions by agreeing these positions with the confirmations received from the brokers;
- Verifying the accuracy of the hedge results recorded by agreeing these results with the confirmations received from the brokers for a sample of closed hedging transactions;
- Monitoring the application of the IFRS 9 accounting principles of the aforementioned hedging transactions and related hedge results;
- Assessment of the appropriateness of the information on derivatives in Notes 5.20 "Financial Instruments and 5.14.1 "Derivatives" and assessment of the appropriateness in Note 5.26.3 of management's price risk and the description of this risk and the related sensitivity analysis.

ACCOUNTING TREATMENT OF THE ENVIRONMENTAL REMEDIATION PROVISIONS

Description of the Key Audit Matter

The total provision for risks and costs as per 31 December 2023 amounts to K€ 6 250, of which K€ 6 065 relates to environmental related provisions.

The decision to recognize these provisions is mainly determined by the expected liability and associated remediation obligation that exists at the balance sheet date or will take effect in the event that the Group starts its existing investment and remediation plans.

The evaluation of the extent of the remediation (and associated estimated cost) is determined on the basis of reports by external environmental experts and calculations made by competent government authorities that monitor compliance with environmental legislation.

The final settlement of these provisions may be significantly affected by (i) the effective pollution and the related remediation costs, (ii) any changes in managements decisions regarding investment plans (and related remediation), (iii) evolution of technology or (iv) changes in legislation. As a result, the final settlement of these provisions made may differ significantly from what was recorded based on previous estimates, which may have a material effect on the Group Financial Statements, and is therefore a key audit matter.

Summary of the procedures performed

- Evaluation of management's assessment and used (investment) plans, regarding the probable outcome and possible financial risk of the relevant environmental remediation;
- We assessed the competence, expertise, and objectivity of the external environmental experts appointed by management to substantiate the assumptions and calculations regarding the determination of the provision;
- Assessing the completeness of the inventory of environmental related mediation as well as the evolutions, through discussions with management and the audit committee, as well as where possible through direct confirmations from the external advisors of the Group or relevant public authorities;
- Analyzing the minutes of the board of directors and of the audit committee, in which the environmental provisions and developments in this regard are discussed;
- Reading and analyzing pertinent and new correspondence between the parties involved, such as neighboring companies in the area, the respective authorities responsible for environmental matters, local governments, etc., that are important in the final settlement of the costs associated with these environmental remediations;
- Assessment of the recognition and valuation of environmental provisions in accordance with IAS 37 Provisions;
- Assessment of the adequacy of the remediation information as included in Note 5.21 of the Consolidated Financial Statements.

RESPONSIBILITIES OF THE BOARD OF DIRECTORS FOR THE PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

The Board of Directors is responsible for the preparation of the Consolidated Financial Statements that give a true and fair view in accordance with IFRS and with applicable legal and regulatory requirements in Belgium and for such internal controls relevant to the preparation of the Consolidated Financial Statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of Consolidated Financial Statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, and provide, if applicable, information on matters impacting going concern, The Board of Directors should prepare the financial statements using the going concern basis of accounting, unless the Board of Directors either intends to liquidate the Company or to cease business operations, or has no realistic alternative but to do so.

OUR RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance whether the Consolidated Financial Statements are free from material misstatement, whether due to fraud or error, and to express an opinion on these Consolidated Financial Statements based on our audit. Reasonable assurance is a high level of assurance, but not a guarantee that an audit conducted in accordance with the ISA's will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

In performing our audit, we comply with the legal, regulatory and normative framework that applies to the audit of the Consolidated Financial Statements in Belgium. However, a statutory audit does not provide assurance about the future viability of the Company and the Group, nor about the efficiency or effectiveness with which the board of directors has taken or will undertake the Company's and the Group's business operations. Our responsibilities with regards to the going concern assumption used by the board of directors are described below.

As part of an audit in accordance with ISA's, we exercise professional judgment and we maintain professional skepticism throughout the audit. We also perform the following tasks:

- identification and assessment of the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, the planning and execution of audit procedures to respond to these risks and obtain audit evidence which is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting material misstatements resulting from fraud is higher than when such misstatements result from errors, since fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtaining insight in the system of internal controls that are relevant for the audit and with the objective to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control;
- evaluating the selected and applied accounting policies, and evaluating the reasonability of the accounting estimates and related disclosures made by the Board of Directors as well as the underlying information given by the Board of Directors;
- conclude on the appropriateness of the Board of Directors' use of the going-concern basis of accounting, and based on the audit evidence obtained, whether or not a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's or Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated

Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Company to cease to continue as a going-concern;
- evaluating the overall presentation, structure and content of the Consolidated Financial Statements, and evaluating whether the Consolidated Financial Statements reflect a true and fair view of the underlying transactions and events.

We communicate with the Audit Committee within the Board of Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Because we are ultimately responsible for the opinion, we are also responsible for directing, supervising and performing the audits of the subsidiaries. In this respect we have determined the nature and extent of the audit procedures to be carried out for group entities.

We provide the Audit Committee within the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Audit Committee within the Board of Directors, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our report, unless the law or regulations prohibit this.

Report on other legal and regulatory requirements

RESPONSIBILITIES OF THE BOARD OF DIRECTORS

The Board of Directors is responsible for the preparation and the content of the Board of Directors' report on the Consolidated Financial Statements, and other information included in the annual report.

RESPONSIBILITIES OF THE AUDITOR

In the context of our mandate and in accordance with the additional standard to the ISA's applicable in Belgium, it is our responsibility to verify, in all material respects, the Board of Directors' report on the Consolidated Financial Statements, and other information included in the annual report, as well as to report on these matters.

ASPECTS RELATING TO BOARD OF DIRECTORS' REPORT AND OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

In our opinion, after carrying out specific procedures on the Board of Directors' report, the Board of Directors' report is consistent with the Consolidated Financial Statements and has been prepared in accordance with article 3:32 of the Code of companies and associations.
In the context of our audit of the Consolidated Financial Statements, we are also responsible to consider whether, based on the information that we became aware of during the performance of our audit, the Board of Directors' report and other information included in the annual report, being:

- "2023 Financials" (page 9);
- The Corporate Governance statement (pages 32 to 39);
- The remuneration report (pages 40 to 47).

contains any material inconsistencies or contains information that is inaccurate or otherwise misleading. In light of the work performed, there are no material inconsistencies to be reported

INDEPENDENCE MATTERS

Our audit firm and our network have not performed any services that are not compatible with the audit of the Consolidated Financial Statements and have remained independent of the Company during the course of our mandate.

The fees related to additional services which are compatible with the audit of the Consolidated Financial Statements as referred to in article 3:65 of the Code of companies and associations were duly itemized and valued in the notes to the Consolidated Financial Statements.

EUROPEAN SINGLE ELECTRONIC FORMAT ("ESEF")

In accordance with the standard on the audit of the conformity of the financial statements with the European single electronic format (hereinafter "ESEF"), we have carried out the audit of the compliance of the ESEF format with the regulatory technical standards set by the European Delegated Regulation No 2019/815 of 17 December 2018 (hereinafter: "Delegated Regulation").

The board of directors is responsible for the preparation, in accordance with the ESEF requirements, of the Consolidated Financial Statements in the form of an electronic file in ESEF format in the official Dutch language as well as the free translation into English (hereinafter 'the digital consolidated financial statements') included on the portal of the FSMA (https://www.fsma.be/en/data-portal) in the official Dutch language as well as the free translation into English.

It is our responsibility to obtain sufficient and appropriate supporting evidence to conclude that the format and markup language of the digital consolidated financial statements comply in all material respects with the ESEF requirements under the Delegated Regulation.

Based on the work performed by us, we conclude that the format and tagging of information in the digital consolidated financial statements included in the annual financial report available on the portal of the FSMA (https://www.fsma.be/en/data-portal) in the official Dutch language are, in all material respects, in accordance with the ESEF requirements under the Delegated Regulation, and we conclude that the format of the free translation of the digital consolidated financial statements included in annual report in English corresponds to the digital consolidated financial statements included in the annual financial report in the official Dutch language.

Due to the technical limitations inherent in the tagging of consolidated financial statements using the ESEF format, it is possible that the content of certain tags in the accompanying notes is not reproduced in an identical manner as in the consolidated financial statements attached to this report."

OTHER COMMUNICATIONS

- This report is consistent with our supplementary declaration to the Audit Committee as specified in article 11 of the regulation (EU) nr. 537/2014.

Diegem, 19 April 2024

EY Bedrijfsrevisoren BV
Statutory auditor
Represented by

Ludovic Deprez*
Partner
* Acting on behalf of a BV/SRL

Corporate Data

Corporate data

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Represented by Ludovic Deprez*
partner
* acting on behalf of a BV/SRL

Financial calendar

22 May 2024	General meeting of shareholders
14 June 2024	Payment of dividend
13 June 2024	Record date
12 June 2024	Ex-date
Last week of august 2024	Announcement of half-year results 2024
Last week of March 2025	Announcement of annual results 2024

Recover.
Renew.
Repeat.

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