



Annual report 2023



Profile

Message

Spadel in 2023

Markets & brands

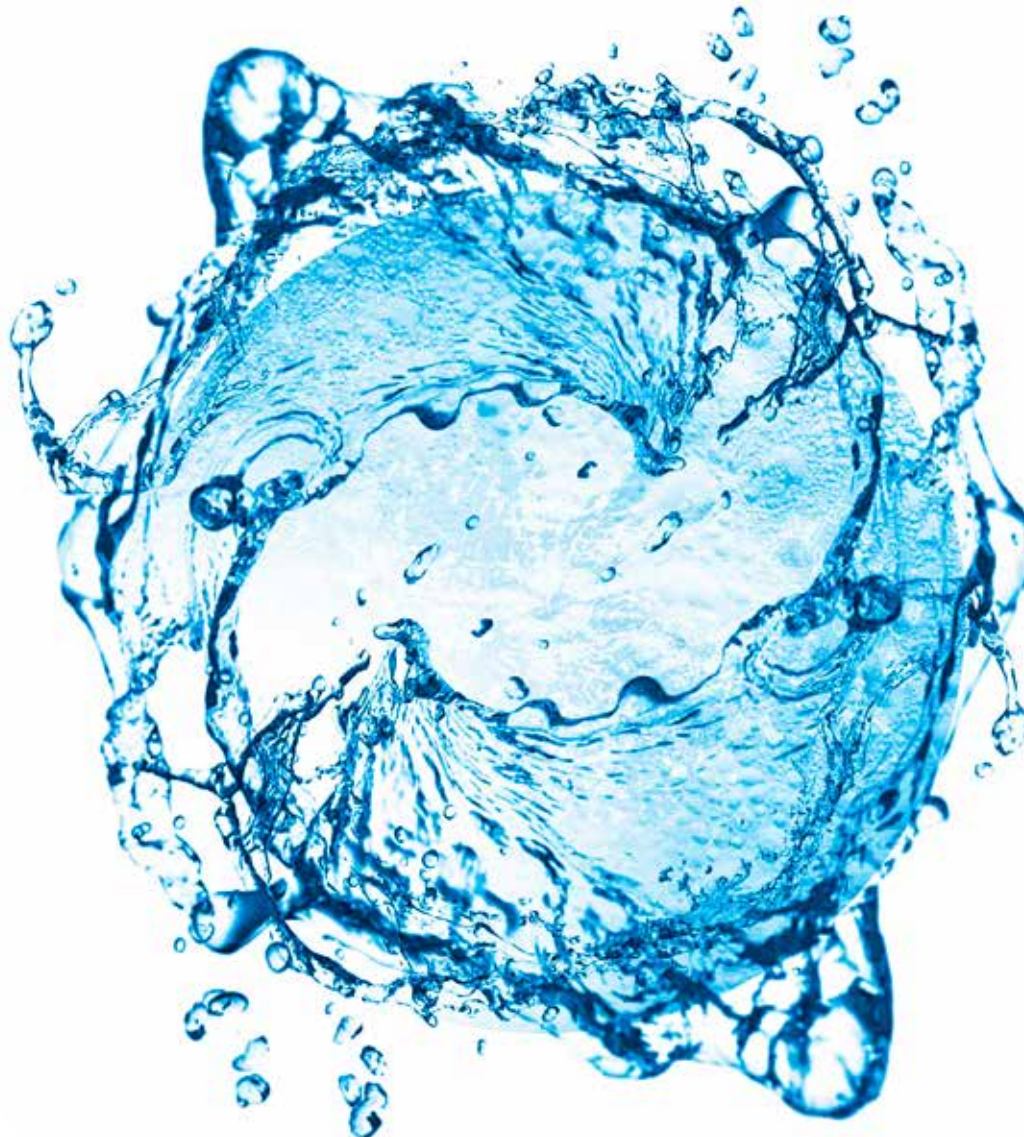
Sustainability

Management report

Governance

Financial report

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This is Spadel

Positioning of the spadel group

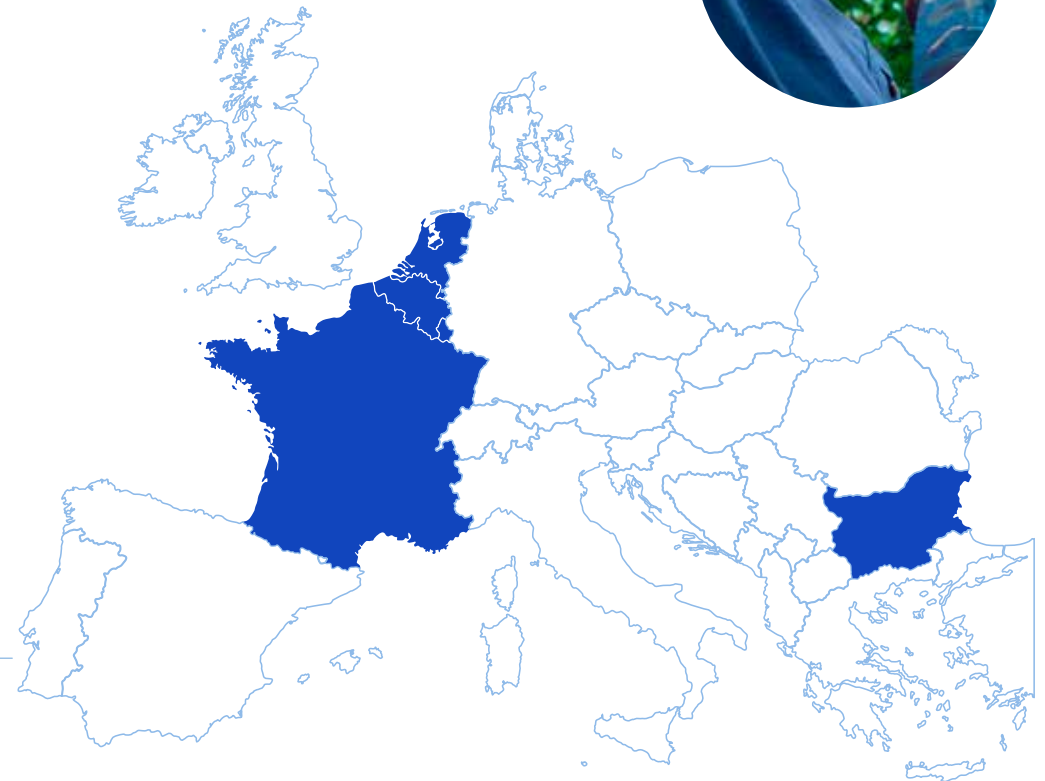
Spadel is a European family group that produces and markets brands of natural mineral water, spring water and refreshing drinks based on natural mineral water: SPA and Bru in the BeNeLux, Devin in Bulgaria, Wattwiller and Carola in France. Spadel is a sustainable multi-local company characterised by the regional anchorage of its brands, its leadership on a human scale in its field of natural drinks, its respect for the area in which its springs are found and the naturalness of its waters, and its efforts to keep its ecological footprint as small as possible. A vision that makes more and more sense today, in a world concerned about its ecological impact.

Spadel sees innovation as a key axis and a springboard for growth. This presupposes the development of new drinks that are natural, healthy and low in calories, providing a direct response to what consumers want. Every year, the group prides itself on proposing new products for one or other of its brands, renowned for their quality. However, it also innovates with regard to its firm commitments to reduce the waste and CO2 emissions generated by its activities (packaging, transport, etc.).

These strategic choices in the field of innovation, combined with a regional approach at European level backed up by a visible presence in five countries (Belgium, the Netherlands, Luxembourg, France and Bulgaria) enable the group to stand out from its competitors.

A sizeable challenge, multiple firm commitments

In an international group made up of brands securely anchored in their regions, it is important that everyone is moving in the same direction, regardless of the country, the site and the department. Hence the importance of knowing what Spadel represents, having a clear understanding of its vision of the world and the way in which its entities work with one another. But it is also essential to understand the challenges it faces, which develop in line with the concerns that preoccupy the world.





One purpose

At the end of 2022, the Spadel group specified and reinforced its purpose aiming for sustainable development:

'We connect People and Nature for a healthier life, today and tomorrow'.

Our mission is clear: Spadel wants to offer 100% natural and local products, which - thanks to their mineral resources - hydrate and refresh our customers, and help to make our world more sustainable.

To offer natural and local products that contribute towards improving the health of consumers and making the world more sustainable, while ensuring constant and profitable growth for the group and a position as undisputed regional leader in the water-based products market.

Four values driving our activity

In 2023, Spadel shared its redefined values which are driving its activities.



Create positive impact

We listen to and engage with our stakeholders

We take care of our colleagues and help them grow and thrive

We act for a better environment and society

We propose qualitative natural products to contribute to a healthier life



Be agile and decisive

We decide (to achieve our objectives)

We move fast with foresight

We are flexible and reconsider in due time

We sometimes fail but always learn



Go beyond expectations

We set high and inspiring standards

We go the extra mile

We continuously improve

We recommend new solutions and innovative ideas



Move as one team

We trust and respect each other

We connect and make progress together

We speak with one voice

We have fun and celebrate our successes



Three strategic pillars

To guide the company and its people in their choices, Spadel has built a strategic plan on three pillars:

Expertise

Our activity covers a wide variety of professions, from the most versatile to the most technical. Extraction, logistics, and marketing our bottled products all call on a wide range of talents. Our working methods also aim for operational excellence.

Innovation

Innovation is for us a key axis and a springboard towards growth. This presupposes the development of new natural, healthy and low-calorie drinks in direct response to what consumers demand. Innovation is also found in our firm commitments to reduce waste and CO₂ emissions from our activities (packaging, transport, etc).

Sustainable development

A perfectly circular packaging strategy which contributes to environmental protection and human health - that's the vision set out in Spadel's new sustainable packaging strategy for 2025. We are fully aware of the impact of bottled water packaging on the environment, and we want to lead the way to a positive future.

In the context of its CSR strategy Source of Change, based on 4 pillars, Spadel has set up a unique platform detailing all its ambitions and actions so as to contribute to protect natural resources and become a company having a positive impact.

A purpose in action

As a positive impact company, Spadel endeavors to further increase the protection of the biodiversity and the water resources, to use but natural ingredients, and to reach packaging circularity by 2025.



A B CORP certified company: a positive impact company

Our desire for a more sustainable world is illustrated by our practical and measurable actions towards environmental protection: reduction of our carbon footprint, emphasis on packaging recycling, protection of biodiversity, establishment of catchment protection perimeters, the first carbon neutral mineral group in Europe for the entire life cycle of its products, and security guarantees for employees and local stakeholders.

As a B Corp certified company, we're transparently sharing our choices and our actions. For example, we want to accelerate our transition to a circular economy, and to promote the recycling cycle of plastic packaging. And we stimulate sustainable innovation and talented entrepreneurs that improve the customer experience and provide added value in our sector.



A win-win relation in 2023



MARC DU BOIS
CEO – SPADEL GROUP

What do you think is the most notable achievement of 2023?

Roel Van Neerbos: Spadel's performance is to have gained market share wherever it is active, both in volume and value, while restoring its profitability. Typically, a business focuses on one or the other of these two goals. However, and this is what is remarkable in my eyes, Spadel has succeeded on both fronts.

Marc du Bois: The year ended on a very good note, to which all the company's departments and all of its employees contributed, in each of the countries where Spadel is active. We sold... 982 million liters. A historical volume. We're getting closer to a billion! This made it possible to achieve strong double-digit growth.

2023, indeed, comes after three complicated years: the Covid-years 2020 and 2021 and, when we thought we were out of the rut, the inflationary year 2022, which saw our budgetary process shattered and our financial results fall below our expectations.

The increase in inflation from the spring of 2022, reaching a peak in the fall, had disrupted that year: for the first time in its history, Spadel had to place a second price increase, the first being insufficient to cover the explosion in the price of raw materials. Inflation also disrupted our programming for 2023. However, this year 2023, which we expected to be complicated, was positive.

Unexpected, you say. For what ?

MdB: Because the 2023 season was a bit chaotic in terms of weather. What we gained in June, an exceptional month, and lost in gloomy July and August, was recovered in

September, phenomenal, or even exceeded in October. Which leads me to say that in our profession, the season now begins in May and ends at the end of September, if not mid-October, whereas, historically, it focused on June, July, and August.

But what was even more unexpected was that the catch-up took place on several levels. We have achieved great commercial success, gaining market share everywhere. Without losing the credibility of our customers, because our price increases were of a moderate level. There was therefore no tension, no boycott, and very little out-of-stock levels. On the contrary, we have been able to serve our customers, sometimes beyond what was initially planned. It was a gamble that we took and succeeded.

Does this observation of growth apply to the four markets where Spadel operates?

MdB: In Bulgaria, the market continued to grow in 2023. On the other hand, the BeNeLux and France showed signs of decline, or even declined slightly (from -3 to -4%, to -10 to -11 % in the Netherlands), driven among other things by the pressure on consumers' purchasing power. Whether it is real or hyped.

The consumer has opted for three choices: abandon the bottled water category; move towards distributor or first-price brands; or choose the region's reference brand. This is one of the main lessons of 2023: with private labels, we are the two winners of 2023.



The way Spadel was able to turn around 2023 is amazing. Its resilience is remarkable and worthy the respect. Respect for both the company and its employees.

MARC DU BOIS
CEO – Spadel Group

982 million

LITERS SOLD IN 2023.
A HISTORICAL RECORD.



ROEL VAN NEERBOS
CHAIRMAN SPADEL GROUP

Distributors, certainly those present in Belgium, are worried about the growth in cross-border purchases. Knowing that mineral water is precisely one of the products most sought after by Belgian consumers in France, the subject should concern Spadel. Is that the case ?

MdB: Cross-border traffic obviously concerns us, even though it concerns Belgium more, where half of the population lives less than 50 kilometers from a border, than our other markets. We've been talking about it for 15 years. And we are neither listened to nor heard. Without these cross-border purchases, Spadel's balance sheet would clearly be better, with its corollaries in terms of jobs, taxes, etc.

Has the pressure on purchasing power amplified these cross-border purchases? And could we think that, in the wake of a drop in inflation, they would decrease?

MdB: I would say that this flight towards adjacent markets has increased with the pressure on purchasing power. But this is not the only reason. I think that now, for part of the population, cross-border purchasing has become part of consumption habits, is part of a behavior. Which is more insidious.

And let's not kid ourselves, behind these cross-border purchases, it is above all a tax rage that is hidden: value added tax, tax on deposits, tax on wild waste... Which makes the same bottle of water is more expensive here than there. This without prejudging what the elections of June and October 2024 will bring which will fuel – or not – the vicious circle.

And that's really a shame. Because it is not only a Belgian consumer who does not buy in Belgium, it is a Belgian taxpayer who buys abroad.

In the analysis of your results, you do not seem to mention any cost reduction...

MdB: It's understood. We naturally worked a lot on costs and on streamlining the company. We scrutinized each market, each brand and decided on a certain number of references. We looked at the efficiency of the Spadel organization in the broad sense: the factories, the teams... We revisited the commercial budgets – promotions, communication – in order to see if it was not possible to do better with less. And we reduced the size of the head office offices by half by implementing another configuration. With success since employees return to the office. Contacts are more informal, ideas flow between members of different departments... This promotes innovation, which is far from trivial in the growth of the brands and the group.

What are the innovations to be credited to 2023?

MdB: In 2022, we successfully launched the 5-liters SPA Reine Eco Pack: practical, ecological, easy to transport and store. In 2023, we moved up a gear with a 10-liters Eco Pack from SPA Reine, but also a 5-liters Eco Pack from Wattwiller. What is interesting to remember, apart from the fact that they represented a volume of 16 million additional liters, is that 30% of the volumes come from consumers who, for whatever reason, had abandoned the category of bottled water. A beneficial observation for the category, for Spadel, but also for its distributor clients who generate turnover that they had lost.



There is not one, but two words, depending on whether we consider the year from an internal or external point of view. The first is 'relaunch' because, after Covid in 2021 and 2022, after galloping inflation and rising costs in 2022, Spadel regained its financial health in 2023.

The second word is 'winning'. Compared to its competitors, Spadel made its mark in the different markets in 2023.

ROEL VAN NEERBOS
CHAIRMAN SPADEL GROUP



Apart from our own innovations, we work also on other ones, driven by our partnerships via our investment fund *The Source*, which supports start-ups and as such explores new market segments which have not been part of our mission.

MARC DU BOIS
CEO - SPADEL GROUP



30 %

OF THE ECO PACK VOLUMES COMES FROM CONSUMERS WHO HAD ABANDONED THE BOTTLED WATER CATEGORY.

Tomorrow, I see these Eco Packs opening up new outlets: in gas stations' convenience stores, in camping, sailing or sports equipment stores, in garden centers. Places where we don't expect to see ourselves, to which this packaging of the future will open the doors.

RvN: I think it is in innovation, in particular, that we will stand out in the coming months. The launch of several new products will be crucial, which are all strategic projects.

What are they ?

RvN: The first will allow us to bring hydration into companies and to independent workers, into workplaces and waiting rooms. Its name: SPA Fountain. Or a dispenser housing 4 10-liters Eco Packs, one in use, 3 in reserve. Enough to compete with existing players with another quality of water since it is natural mineral water. The initiative is large-scale and in line with our values, and is of great importance in terms of sustainability.

The other project is a revolution for Spadel as it stands out from our usual waters and lemonades. It is in fact focused on the launch of an energy drink, but natural, with plant extracts, without added sugar, which fits perfectly with the company's purpose. A way to completely differentiate ourselves from current players in this market category. Called Zyla – the syllabic anagram of lazy (lazy in English) – it will be available in 3 versions depending on the expected energy boost: light, medium and strong and has been launched in March 2024 in Belgium.

MdB: But we are also working on other innovations, driven in particular by our partnerships carried out via our investment fund *The Source*, which aims to invest in start-ups and as such explores new market segments which have not been part of our mission.

Whose achievements could come out in 2024?

In any case, that's the goal. In the three years that the fund has existed, it has invested in four start-ups.

Andy, in 2021, specialized in home delivery of drinks and emptying services, which unfortunately went bankrupt last year. But that's the game, and a risk to take for a fund like *The Source*.

Qallo, in 2023, which produces energizing powders to be diluted in water. The opportunity for us to understand the world of drinks to be diluted, on the one hand, and energizing on the other. With the fact that these are individual doses, which can easily be added to the water offered in bulk.

Also in 2023, we made an investment in Dripl which offers consumers the opportunity to make their own drink by adding flavorings. What interests us in this participation, which seems to be a little extreme since connected to tap water, is to understand the vending market (automatic distribution), since Dripl often replaces automatic dispensers, but also that of do-it-yourself. With this, the start-up also has great expertise in the machine that distills aromas.

Finally, there is *The Mocktail Club*, an Antwerp company in which *The Source* also entered last year, very advanced since its products are already listed at Colruyt and soon at Delhaize. Non-alcoholic, natural drinks that replace an aperitif. A market with a bright future.

But even if these start-ups do not last, which I very much doubt, they will, in any case, have stimulated Spadel with their entrepreneurial spirit, their liveliness, their desire to move forward. A way to recharge your batteries.

Spadel has focused extensively in recent years on health and sustainability. But we hear less about global warming.

MdB: If we hear it less, it's because we're not listening to it well (smile). It is not Spadel who is going to deny the problem of climate change, quite the opposite.

Whatever we think, we are not happy about the frequency of heatwave years. Because that would reduce the company's model, its great professional mastery, to the weather alone – which has always irritated me. But above all, because this type of peak is matched by other extremes – droughts, excessive rain, floods, lack of snow – which impact the soil and the water tables. Shallow aquifers suffer as much from drought and soil warming as from the turbulence of heavy or torrential rains. Which is fortunately not the case with ours: it takes 5 to 50 years, depending on the sources, for rainwater to reach the water tables of SPA, and 60 years for those of Bru. We are nevertheless being extra careful in monitoring water recharge: we respect the catchment routes, we draw without exhausting. We have, based on our growth model and over a five to ten year horizon, no problem with water availability. However, we want to prepare for the future. We have, therefore, in Belgium as well as in France and Bulgaria, relaunched drilling campaigns. We are convinced that water will become a rare and expensive resource, and we want to be sure not to run out of it. This means that there is not only reason to find it, but also to save it. Currently, some of our plants operate at a ratio of 1.2 to 1.3 liters of water pumped per 1 liter bottled, while other sites hover around 1.5 liters per liter bottled. But we are working towards a ratio of 1.2 to 1.3 liters.

Two new directors joined the board last year, Louis-Guy du Bois and Mieke Van de Cappelle. With what impetus for Spadel?

RvN: A few years ago, we began to welcome the new generation of the du Bois family to the Board of Directors with the arrival of Barbara, Marc's daughter. Trained at L'Oréal for almost eight years, her experience in a multinational consumer goods company was invaluable to us. Last year, she decided to join the ranks of the company and is currently leading the Zyla project, for which she is doing a fantastic job. His vacant seat at the council table was occupied in May 2023 by his brother, Louis-Guy du Bois. His profile is more entrepreneurial and perfectly complements the panel of personalities on the Board.

As for Mieke Van de Cappelle, she replaces Jean Vandemoortele who decided to pursue other activities after 15 years with us. Mieke is Director of Human Resources at DSM-Firmenich, a large company listed on the stock exchange in Switzerland and the Netherlands. We aspired to have a more HR and sustainability perspective within the Board of Directors, to better attract talent but also to be able to face the complex challenge of artificial intelligence.

Thanks to these two newcomers, the Board of Directors is balanced and strengthened. This is the strongest board I have served on for Spadel and I am very happy with it.

How do you see Spadel by the end of 2024?

RvN: I am an optimistic person by nature and I am confident about the positive results that we will draw from the current year which promises to be very interesting. The foundations of the company were strengthened in 2023 and are now solid. 2024 will be a year of accelerated growth for Spadel. And this, especially since the year started on a much better footing than what we had imagined last year. Spadel is fortunate to bring together motivated and invested employees, with crazy energy, who have worked to exceed our expectations in 2023. I am very proud of what they have accomplished. They are truly the ones who made the difference.

That said, I must add that 2024 is not without its share of challenges for the company. War still rages in Ukraine and the Middle East; while important elections are coming, in the United States and elsewhere in the world. In Belgium, in particular.

The outcome of these elections is likely to destabilize the political and macro-economic environment in which Spadel operates. It is impossible to predict what awaits us, nor to control it. We will have to suffer the consequences, as with other crises we have gone through in the past.



Bottling without exhausting.

MARC DU BOIS
CEO - SPADEL GROUP

1.2 to 1.3 liters

OF WATER PUMPED FOR 1 LITER BOTTLED.



MdB: I immediately see three challenges for 2024.

The first challenge is to anticipate. The Belgian market ended 2023 in slight decline (-3%) and I think it will remain so because the pressure – dare I add psychological – on purchasing power is still being felt. I don't see a big change in consumer attitudes despite the automatic indexation of salaries. In France, it should be the same as the behavior of the two markets is similar. In the Netherlands, the market will regain color – it was -10% in 2023 – thanks to the decision of the Dutch government to almost triple excise duties on lemonades but to completely eliminate those on water, which will make it less expensive. Will there be an effect on demand? Without a doubt. How big? I don't know how to say it. As for our latest market, Bulgaria, I have no worries: it has grown impressively and will continue to grow.

Our second challenge is to successfully launch the two projects: SPA Fountain and the Zyla energy drink. The public response must be there. For one, because SPA is the Group's flagship brand. For the other, because it is the first time that we have committed to a name and recipes created from scratch, without any connection with the water from one of our extraction sites.

The third and final challenge, perhaps the most unusual given that our last acquisition, that of Devin in Bulgaria, dates from 2017: establishing a foothold in a new market. At the very least, let's see if we can do it.



“

Our biggest and most unusual challenge for 2024: gain a foothold in a new market.

At the very least, let's see if we are capable to enter new segments.

MARC DU BOIS
CEO - SPADEL GROUP



Highlights 2023

January

1 New brand, innovation and sustainability department lead by V. Siegler

A new department 'Brands, Innovation and Sustainability' develops and dynamizes the Spadel offer in new beverages segments, increasing the brand propositions on natural mineral waters always more attractive and sustainable.

February

2 The SPA Monopole plant wins the coveted Factory of the Future award

'Factories of the Future' are companies that invest in digitalisation, people, intelligent processes and products, and world-class production. They manage energy and materials wisely, and stimulate the involvement, creativity and autonomy of their employees.

March

3 Eco Pack SPA Reine 5l voted Product of the Year 2023 in Belgium and the Netherlands

This award is given annually by a panel of consumers based on four key criteria: innovation, attractiveness, purchase intention and consumer experience.

April

4 Spadel's venture capital fund The Source invests in Qallo

The promising start-up Qallo, launched in 2021, develops and markets an innovative powdered-based energizer packed with plant extracts and vitamins to be mixed with water. The Belgian company aims to become a leader in the growing market of functional beverages aims to target the entire European market.

May

5 Board changes

The ordinary general meeting of the Spadel group approved the appointment of Mieke Van de Capelle and Louis-Guy du Bois as new board members. They replace Jean Vandemoortele, who resigned from his position as board member, and Barbara du Bois, who stepped down to take up an operational role within the group.

6 SPA innovates at the 20 KM of Brussels

We provided 40,000 runners with refreshing SPA water in reusable cups, reducing plastic waste.

June

7 Spadel introduces new 10-liters and 5-liters Eco Packs, expanding its sustainable packaging range

The success of our 5-liters SPA Reine Eco Pack enabled Spadel to reduce its plastic footprint with 167 tons. About 2 million 5-liters Eco Packs have been sold in one year. Spadel also launched a 10-liters Eco Pack. Additionally, Spadel brings the Eco Pack to France, introducing the 5-liters format for Wattwiller.

The 10-liters Eco Pack surpasses its smaller 5-liters counterpart by achieving a 70% reduction in plastic compared to a pack of six 1.5-liter plastic bottles, and a 76% reduction compared to a pack of six 1-liter plastic bottles.

August

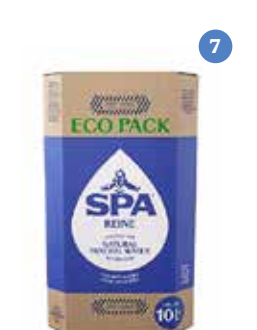
8 The Source takes a stake in Dripl, a Belgian start-up aiming to revolutionize the soda industry

The impact start-up offers companies a healthier, more sustainable alternative to traditional sodas, thanks to a machine that produces natural, low-calorie, low-sugar sodas on site, without disposable packaging. With a market size of 2.1 billion euros in the Western European office space alone, the growth potential of this new type of dispenser is huge.

2 FACTORY OF THE FUTURE



WINNER OF THE 2023 AWARD



September

9 Wattwiller introduces tethered cap to help prevent litter and boost recycling

The Wattwiller tethered cap illustrates its leading sustainability efforts. The other brands of the Spadel group follow in the first half of 2024.

October

10 One Citizen Day becomes Positive Impact Day

Reflecting our new values and B Corp thinking, the One Citizen day, bringing our sustainability alive for every volunteer employee, was rebranded to the Positive Impact Day. The purpose remains the same: employees dedicate that day to participate in environmental initiatives and to support social programs in order to make a difference.

November

11 Spadel invests in The Mocktail Club via The Source

The start-up, set up in 2017, specialises in the highly promising segment of alcohol-free cocktails (or mocktails) based on natural, low-calorie ingredients, offering 9 blends already available in some retail chains and some restaurants.

Thanks to the financial resources and expertise provided by The Source and Spadel, the ambition is to move up a gear in the coming years.

December

12 Spadel voted Belgian Marketing Company of the Year

In a very competitive and complex market, Spadel responds to perfectly to the challenges it is facing, and sets the bar high on sustainability. This approach, combined with a strong philosophy and an ever innovating product range awarded Spadel Belgian Marketing Company of the Year.

13 SPA Monopole renews its collaboration with the Domaine de Bérinzenne (Belgium) for 10 more years

SPA Monopole will invest another 1 million euros in the Domaine de Bérinzenne in the 10 coming years. The aim of this renewed partnership is to contribute to better preservation of the precious natural environments and remarkable biodiversity that can be found at the Domaine de Bérinzenne and its surroundings. In addition, the aim is to encourage visitors to discover this magnificent site while raising their awareness of environmental protection through a range of educational tools, such as the Museum of the Forest and Waters and targeted animations developed by the regional center for initiation to the environment.



Key figures

TURNOVER

345.9 MIO €

+7,9% (VS 2022)

PROFIT BEFORE TAX

34.6 MIO €

+101,3% (VS 2022)

DIVIDEND/SHARE

1.54 €

EBIT

34.2 MIO €

+65,2% (VS 2022)

EBITDA

56.9 MIO €

+34,1% (VS 2022)

INVESTMENTS

21.3 MIO €

+24,6% (VS 2022)

LITERS

982 MIO liters

+1,54% (VS 2022)

EMPLOYEES

1,310



Nr 1

ON THE BOTTLED WATER MARKET
IN THE BENELUX

Regional leader

IN ALSACE

National leader

IN BULGARIA



Non-financial figures

-33% CO₂/l

33% REDUCTION OF CO₂ EMISSIONS PER LITER OF BOTTLED MINERAL WATER / LEMONADES VS 2010 (INCL. DEVIN)

78,635 MWh

ENERGY CONSUMPTION (-6.66% VS 2022)

1.45 l/l

WATER USED TO BOTTLE 1 LITER OF MINERAL WATER OR LEMONADE IN 2023 (-2.7% VS 2022)

98.9%

OF OUR PURCHASES ARE DONE WITHIN 500 KM RADIUS AROUND OUR PRODUCTION SITES

32.4 hours

HOURS OF TRAINING PER EMPLOYEE OF SPADEL (AVERY ON GROUP LEVEL)

6.2 kcal/100 ml

AVERAGE CONTENT IN CALORIES OF FLAVORED WATERS AND LEMONADES (-6.1% VS 2022 AND -57.5% VS 2017)

22,748 ha

OF PROTECTED NATURE



Markets & brands

- 1 Spadel Group headquarters (Brussels, Belgium)
SPA BeNeLux (Brussels, Belgium)
- 2 SPA BeNeLux (Made, Netherlands)
- 3 Devin EAD (Sofia, Bulgaria)

BRU®

BRU-CHEVRON
Lorcé, Belgique

- Natural mineral water
- 26** employees
32.9 million liters
2 production lines

SPA

NATURAL SINCE 1583

SPA Monopole
Spa, Belgique

- Natural mineral water
 - Flavored water
 - Lemonade
- 473** employees
466.9 million liters
8 production lines

Carola

Eaux minérales de
Ribeauvillé, France

- Eau de source
 - Flavored water
- 51** employees
54.4 million liters
2 production lines

WATTWILLER

Grandes sources de
Wattwiller, France

- Natural mineral water
- 54** employees
76.2 million liters
1 production lines

DEVIN

Devin,
Bulgarie

- Natural mineral water
 - Eau de source
 - Flavored water
- 582** employees
351.4 million liters
6 production lines

981.8
million

LITERS

1,310

EMPLOYEES



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Spadel in 2023

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Spadel continued to strengthen its market leadership

“

Spadel anticipated as good as possible the difficult economical context focusing relentlessly on simplification and value creation.

BART PEETERS
GENERAL MANAGER
BENEFRALUX

What were the most important trends and facts which influenced the sector in 2023?

2023 was a warm, but also wet year.

In Belgium, the average temperature was 12.2 degrees in 2023 vs. a normal year at 11.0 degrees, whilst the total amount of rain reached 1020mm vs. a normal year at 837mm (source: KMI, Ukkel). The high temperatures were driven by exceptional hot weather in June and September, whereas the temperatures in July and August were well below historical values. The same trend was observed in France and The Netherlands.

Water scarcity discussions are gaining momentum giving **the drought experienced in several regions in France**. This has led to severe out-of-stock issues from key competitors.

Consumer and shopper behavioral changes, accelerated during Covid pandemic, are still very present.

- Consumers are becoming more **social responsibility conscious**, looking for propositions meeting their personal values like recyclable products, less plastic, carbon neutrality, ...

- They are looking for more **authenticity and meaning**, looking for transparency and integrity with 'honest' brands that have a positive impact on the environment, treat their partners well and create a healthy environment for their employees, i.e., brands with a meaningful purpose.

- Consumers look for more **health and well-being**, implying the search for hydrating, natural drinks, without or low in calories.

- People continued to **work** few days a week **from home** limiting non-alcoholic ready-to-drink consumption at work. The e-commerce business growth, accelerated during Covid pandemic, slowed down, whilst horeca and on-the-go channels regained growth.

Whilst above trends would positively impact Spadel business, they were overshadowed by the further increase in raw material prices and the resulting consumer inflation, which accelerated even more in 2023 on top of the fast growth already observed in 2022.

- **The cost of doing business has further augmented in 2023**, with important increases in raw material prices, energy prices, logistical costs as well as SG&A following the important inflation in 2022.

• Increase of the prices on shelf.

In Belgium the shelf price of bottled water increased in 2023 on average by 7.4%, flavored water by 6.6% and fruit lemonades by 8.7%. Similar increases were visible in France. Higher inflation rates have been observed in The Netherlands (source: Nielsen data Home channel).

• Important drop in category volume sales.

The inflation rates resulted in a high pressure on shoppers' purchasing power. In Belgium, the categories of water dropped by -1.3% in 2023 vs. being flat over the last 4 years, the flavored water category declined by -16.3% vs. +6% CAGR L4Y '22 and the fruit lemonade category reduced by -1.2% in line with the last 4 years' trend. Similar declining trends were observed in France. More negative volume trends were seen in the Netherlands with declines by -7.4% for bottled water and by -5.4% for fruit lemonades, (source: Nielsen data Home channel).

NATURAL SINCE 1583

PRODUCT OF
BELGIUM



Eternally pure

From the legendary purity of Spa® Reine to the powerful bubbles of Spa® Intense through the subtlety of Spa® Finesse, not to mention the light fruit flavors of Spa® Touch, free of sugar and artificial additives, and the astonishing fruit soft drinks of 100% natural origin. There's no question the range of Spa® waters and drinks has something to satisfy all tastes.

Visit www.spa.be



In what sense have these trends and facts influenced the business of Spadel in 2023?

Spadel and its brands are perfectly positioned to address the needs of consumers and customers. Our purpose 'to Connect People and Nature for a Healthier Life, today and tomorrow' is fully in line with the overall consumer trends. As a B-Corp certified company we aim to maximize positive impact on society, on our local partners and on the environment. Consequently, our brands are honest, transparent and have a clear purpose. We aim to improve the health and well-being of our consumers offering the purest natural mineral and spring waters, as well as 100% natural fruit lemonades with low calories.

Spadel relentless focus on optimal water management creates a competitive edge. Spadel's 'bottling without exhausting' philosophy, including highly efficient processes with low water ratio, results in a water exploitation index below 10%. Spadel water sources are all AWS certified (Alliance for Water Stewardship). Thanks to this optimal water management, Spadel had no water capacity issues, and thus no out-of-stock situations.

Spadel anticipated as good as possible the difficult economical context focusing relentlessly on simplification and value creation. Few examples.

- We have decided to focus on existing innovation platforms vs. creating new ones, for example by strengthening the Eco Pack platform (using 65% less plastic) through expansion into new markets, such as France with Wattwiller, and into new channels and occasions through the launch of SPA 10 liters on top of 5 liters.
- We have simplified our brand portfolios by stopping more than 10% of the lowest performing SKUs which has allowed to capture operational efficiencies.
- We have been driving efficiencies by capturing cost savings in all departments.
- We have implemented revenue growth (RGM) levers by driving value via tariff increases, promo optimization and mix improvements in order to minimize impact of continued increase of cost-of-doing business.



Our purpose is 'to Connect People and Nature for a Healthier Life, today and tomorrow', being fully in line with the overall consumer trends.

BART PEETERS
GENERAL MANAGER BENEFRALUX





Eat local, drink local

The secret of Bru® is concealed in the depths of the earth, at the heart of the Belgian Ardennes, near Stoumont.

As the water of Bru® surfaces, it has already finished a journey of more than 50 years through the underground on the Ardennes

It is this long voyage that gives Bru its unique taste and its contact with the carbon gas of the Eifel region makes it 'naturally' sparkling.

Thanks to its mineral balance between calcium and magnesium, its low sodium and dry residue content Bru® has a neutral taste and adapts perfectly to Belgian gastronomy. As a bonus, to its neutral taste and very light bubbles, BRU® adapts perfectly to Belgian gastronomy.

Visit www.bru.be



How would you define your market performance in 2023?

Spadel BeNeFraLux (BNFL, Belgium, Netherlands, France, Luxembourg) **pursued its growth** and landed at 268 million EUR net turnover, +6% vs. 2022, with consistent growth numbers across the different markets / brands.

- We **minimized the volume decline of Spadel brands** despite the **fast declining category volume sales**. This implies strong share growth of all Spadel brands proving consumers and customers' preference for Spadel positioning in terms of health, quality, naturality and pleasure, but also in terms of societal and environmental achievements and commitments.
- We **improved the net turnover per liter** by implementing key RGM levers. We installed smart tariff increases based on in-depth shopper understanding, optimized promo effectiveness and we improved the mix by better playing the portfolio of brands, formats and customers.

We were able to deliver our bottom-line growth target, reaching 35 million EUR with an EBITDA increase of +29% vs. 2022 for BNFL.

- We focused relentlessly on simplification and value creation, e.g., focusing on existing innovation platforms, simplifying brand portfolios, capturing cost savings.
- We have been forced to deploy many other initiatives to compensate salary increases linked to automatic indexation in Belgium impacting our overheads without implementing a restructuring.

However, all these elements weren't sufficient to restore the margins to the ones before Covid time necessary to invest in innovations, sustainability deployments and commercial support for our brands.

What are the main performances of the different brands? And has Spadel held up better than the competition?

SPA brand on the BeNeLux market: further strengthening its position

SPA reinforced its number 1 position in bottled water (including flavored water) both in Belgium and the Netherlands, reaching 15.7%/23.6% volume share in the Home channel BE/NL +0.5%pt/+1.3%pt vs. 2022 respectively. This was driven by further strengthening our equity, leveraging the SPA brand purpose 'Drink better – Live better', the carry-over of our entry at Aldi BE and Lidl NL in June 2022, and the successful launch of SPA Reine 5 and 10 liters Eco Pack. Note that volume share growth in the Home channel is uniquely driven by the SPA water proposition, as SPA Touch slightly lost share points to private labels due to our weakened value equation in the inflationary context and rationalization of our offering. In the Out-of-Home channel SPA water gained important distribution both in Horeca, Quick Service Restaurants and Leisure.

SPA Fruit results are mixed 2 years post-relaunch with SPA Fruit growing volume share in Belgium reaching 3.7%, +0.4%pt mainly driven by still, and declining in the Netherlands to 2.4%, -0.2%pt with growth on still not offsetting decline on sparkling. On the one hand, the SPA Fruit brand power has become strong, higher than the average of the fruit lemonade category, and household penetration grew significantly on SPA Fruit still/sparkling in both markets. On the other hand, SPA Fruit repeat rate dropped due to (i) high pricing in inflationary context (mainly impacting sparkling propositions) and (ii) some not optimal portfolio/formulation changes done.

268 million EUR

BNFL TURNOVER IN 2023
(+6% VS. 2022)

35 million EUR

BNFL EBITDA IN 2023
(+29% VS. 2022)



We minimized the volume decline of Spadel brands despite the fast declining category volume sales.

BART PEETERS

GENERAL MANAGER BENEFRALUX

Les meilleures choses arrivent naturellement



Bru: turnaround and financially healthy

Bru continued to strengthen its presence in the Horeca channel in Belgium, mainly in premium and trendy restaurants. In the sparkling bottled water category in the Home channel, Bru landed a 8.0% volume share, flat vs. 2022, keeping its leader position in the more premium, light sparkling segment. We were able to optimize our marketing expenditures partly driven by the strong expansion and visibility we create in the premium restaurants.

Carola: strengthening to become the #1 sparkling water brand in the eastern region (Le Grand Est) in France

Carola has gained volume share in sparkling water reaching 19.1%, +1.0%pt vs. 2022 in Le Grand Est France. Consideration and penetration of Carola have been strengthened thanks to its proximity and strong commitment in the territory, whilst benefiting from Perrier out-of-stocks. Carola's flavored range achieved 23.2% volume share, +6.9%pt vs. 2022 benefiting on top from a new flavor innovation.

Wattwiller: innovations driving Wattwiller business

Wattwiller has grown its volume share in still mineral water in France reaching 3.0%, +0.2%pt vs. 2022. Our new 5 liters Fontaine launched in exclusivity with Système U and the integration of the tethered cap in the whole standard range have been well accepted.

Wattwiller has also doubled its small business in sparkling, thanks to distribution gains which accompanied the national relaunch.

Which product/brand innovations have been driving the business in 2023? Was innovation an important driver in 2023?

In the BeNeLux the Eco Pack is a key driver behind SPA Reine success

Launched and rewarded as 'Product of the Year' in 2022, SPA Reine Eco Pack 5 liters continued to grow to become the number 1 A-brand big format in both markets. With this innovation, we succeeded to recruit new, younger consumers to the mineral water category.

The Eco Pack 10 liters, launched in June in exclusivity with Colruyt, brought additional and complementary volumes, addressing larger families and B2B at work consumption.

In France, the Wattwiller sparkling relaunch was deployed at national level

The sparkling range almost doubled its volumes, representing now 6% of the total brand. A new bottle with tethered cap and a new visual identity were at the core of this innovation. The deployment was supported by a first national outdoor campaign in top cities and by instore animations.

In France, Carola flavored waters consolidated the number 1 rank in Le Grand Est

Carola flavored waters brought 50% of the volume growth of the brand, while representing 7% of the total Carola volumes. The new flavor 'blackberries blueberries' was successfully launched in the second quarter and became our #1 contributor to growth. The full range of Carola flavored waters was animated during the summer by strong instore support and local events in Le Grand Est (Carola summer Fraich'tour).



Which marketing campaigns and sales efforts have promoted the brands in 2023?

Our 2023 marketing communication continued to be purpose-driven to support the consumer in his daily life towards a healthier and more responsible lifestyle

SPA inspires people to 'Drink better to Live Better' which is built around four pillars: Drink pure, Drink fully, Drink responsibly and Drink naturally. These efforts have been recognized by two prestigious awards: a Silver Effie Award for the new SPA campaign and a Gold Belgian Marketing Award rewarding Spadel as the best marketing company of the year.

- (i) Our well-known SPA Reine 'Purity'-campaign was massively present on television and online.
- (ii) The Eco Pack TV-campaign was deployed in Belgium for the second year, with a focus on families with kids.



Our efforts with the brand SPA were awarded with a Silver Effie Award and a Belgian Marketing Award.

BART PEETERS
GENERAL MANAGER BENEFRALUX

(iii) Our always-on digital strategy has been reworked with successful results on consideration, consolidating our brand's uniqueness by entertaining and educating consumers.

(iv) At the end of the year, a 'Drink and Drive' campaign invited all Belgians to drink water when driving in order to reduce dehydration which could be compared to a certain level of alcohol in the blood.

Bru invites people to 'Eat local and Drink Local'. This purpose has been put at the forefront of our always-on communication and activations: Bru is a naturally light sparkling water, offering perfect balance for food pairing and inviting to togetherness. As historical partner of the best restaurants in Belgium, we developed two activations linking a purchase in the Home channel with experience in Out-of-Home channel.

Carola's successful recipe of the past years was brought alive once again in 2023. Three key occasions / moments, i.e., Sport, Summer and Christmas, received attention in the media, instore and at local events, resulting in a perfect execution of a 360° plan. Each of these moments reinforced the brand's proximity and the authenticity.

Wattwiller's new communication has been developed underlining our sustainability commitment and its unique premium sparkle supporting the new sparkling range. For the launch of the 5 liters Fontaine, we focused our efforts on PR (with record high results in EMV) and on an online campaign (social media and influencers).

Carola

Share the taste of being here

It's impossible to find something more emblematic on Alsatian tables. Carola spring water is part of the local heritage, so much so that it can be found both at home and in restaurants to accompany local dishes. A true embodiment of conviviality and the pleasure of being together, Carola® blue, green, or red, it is available in still, slightly sparkling and sparkling waters, 100% natural without added sugar.



Visit www.carola.fr



+1,500

SPADEL BRAND REFERENCES
IN MORE THAN 1500 NEW
OUTLETS IN BENEFRALUX



Our 2023 sales strategies focused on clear channel play choices, joint business planning and revenue growth management clearly delivered

In BeLux, 2023 was an extraordinarily successful year in both Home and Out-of-Home channels, characterized by 3 key elements:

- (i) important value creation for our partners;
- (ii) strong tailored win-win plans with our partners;
- (iii) more visits and conversions in selected Out-of-Home channels. Despite the bad summer weather, we increased Out-of-Home volumes with 1.6% driven by high increase in numeric distribution in Horeca (more than 800 outlets) and by increased distribution in the impulse market. In the Home channel, customers have voted for Spadel thanks to our value creation and tailored approach, resulting in important share growth, becoming #1 in the Advantage Survey.

In the Netherlands, we improved visibility of SPA in retail by increasing touchpoints (cooled availability and second placement) and expanding distribution. This has led to strong share growth of SPA waters in the Dutch market. We also strengthened the position of SPA and Bru in Out-of-Home by extending current contracts, as well as by expanding distribution in new outlets (more than 380 outlets).

In France, we gained also important market share in the Home channel : (i) by expanding distribution on Wattwiller leveraging the full potential of the strong innovations in the relaunch of the sparkling range, the introduction of Fontaine 5 liters in exclusivity with Système U); (ii) by strengthening the Carola range as a leader in Le Grand Est. In Out-of-Home, we kept strengthening

Carola's leadership position with RGB-propositions conquering 300 new sales points.

What are the challenges and opportunities for 2024?

The high **uncertainty of the consumers' consumption behavior** persists in light of the recession over the last 2 years, which might continue to negatively impact the categories' volume progressions.

Regulations and inflation continue to put pressure on cost-of-doing-business.

- Regulations on single use plastic stipulate PET-bottles to capture 25% recycled plastic by the end of 2024 as well as caps and lids to remain attached to the bottles.
- Salaries are expected to further increase following the observed inflation in 2023.
- Excises in the Netherlands on the total NARTD category (excl water) have increased from 8.83 eurocent/l to 26.13 eurocent/l impacting SPA Fruit and Touch; on bottled water these excises have been removed leading to a volume opportunity for SPA water in case retailers decide to drop shelf prices (price at sole discretion of the retailers).
- Governments continue to look for additional sources of income and might decide to take additional measures, such as litter tax in Belgium, penalties shrank package in France etc.

Retailers and governments are putting pressure on shelf prices to induce price deflation. This might lead to tough customer negotiations as retailers look for tariff decreases.



Profile

Message

Spadel in 2023

Markets & brands

Sustainability

Management report

Governance

Financial report



What are the business priorities and which actions do you plan in 2024?

We will **continue to grow market share of our Spadel brands in the water category**, further building brand equities and distributing Eco Pack .

We will **secure Spadel flavored water and lemonades to contribute to overall value** for the category and for Spadel addressing key barriers.

We will **continue driving inspiration in the Out-of-Home channel** addressing new occasions and customers.

And **we will expand into new white space opportunities**, by entering in Belgium (i) the high potential energy drinks category with Zyla, a new brand with a unique proposition; (ii) hydration in the B2B channel (companies, SMEs, ...) exploiting the Spadel Eco Pack technology.



In 2024 we will enter two categories with strong potential, which are to this day unexplored by Spadel.

BART PEETERS
GENERAL MANAGER BENEFRALUX

WATTWILLER

A source of serenity

Its protected territory gives Wattwiller® its original purity. Water free of nitrates, low sodium, and weakly mineralised, Wattwiller® is perfect for the whole family, including the very delicate, infants, and breastfeeding mothers. Wattwiller®, still water, subtly sparkling and intensely sparkling enhances the flavor of the accompanying dishes.

Visit www.wattwiller.com



Devin reinforced its leadership position in volume and value

“

Devin is involved on three fronts: continue its growth, communicate effectively and preserve the relevance of products in a mature market.

BORISLAVA NALBANTOVA
GENERAL MANAGER DEVIN

What are the most important facts and major trends that influenced the bottled water category in Bulgaria in 2023?

It is the only major category in the beverage sector to have recorded positive developments in both volume and value.

All segments participated in this growth: natural mineral waters and spring waters stimulated it, but it was especially flavored waters and sparkling waters which showed the most sustained growth.

In terms of trends and purchasing behavior, we can say that for the second year in a row, consumers favored 'on-the-go' packaging. It is believed

that they have been affected by the instability of the macroeconomic landscape (high inflation) and have tracked down the best value for money. Another trend to note: the search for a balance between health/well-being, on the one hand, and pleasure, on the other, as a factor determining consumer preference.

To what extent have these trends and facts influenced Spadel's activities in 2023?

In this buoyant context, Devin managed to record growth higher than that of its category. And therefore to strengthen its position as market leader.

This is a result of the company's go-to-market approach, with 98% weighted distribution ensuring product availability and visibility in any channel, at any time.

Key drivers of growth include Devin's packaging and distribution channel assortment strategy, as well as the enrichment of its portfolio to meet consumer needs, with a focus on the Devin Mineral & Vitamins and Devin Air sub-brands.

How would you define the company's performance in 2023?

Devin consistently drives category growth by leveraging the strength of its brand and the effectiveness of its approach to market. In a very competitive arena, it also attacks consumer motivations or, on the contrary, obstacles. This strategic approach positions the company not only as a participant, but also as a key player shaping market dynamics.

To which brands would you particularly attribute Devin's good results?

To Devin Mineral whose growth is above its category; to Devin Air who, thanks to the support she received within the company, contributed to the expansion of the soft drinks category; to Devin Mineral & Vitamins which did the same in the flavored water segment; and finally to Devin Spring who further strengthened its leadership position and thus contributed to the company's overall results.

350 million

LITERS SOLD IN 2023
(+5% VS 2022)

DEVIN

Nestled in the heart of the Rhodopean mountains

Pure water from the Rhodope Mountains, Devin® is the drink of athletic and active people. Its balance is rich in minerals, and its practical formats for everyday life allow good hydration, all day long.

With Devin® Mineral, Devin®S pring and Devin® Air, Devin® is market leader in Bulgaria (with a more than 40% market share). The innovation Devin® Mineral & Vitamins expands the category of mineral water, contributing to a healthy lifestyle



Devin constantly stimulates growth in its category by taking advantage of the strength of its brand and the effectiveness of its market approach.

BORISLAVA NALBANTOVA
GENERAL MANAGER DEVIN

Visit www.devin-bg.com/en/





X3

THE PARTICIPATION OF BULGARIAN SCHOOLS IN 'ENTER THE GREEN CIRCLE' HAS BEEN TRIPLED IN 2023.

Did Devin hold up better than the competition?

The company has achieved a strategic balance, which ensures healthy margins throughout the chain, while maintaining competitive relevance for the end consumer.

The flagship brands are leaders in their category of natural mineral waters and spring waters, with an above-average capacity for loyalty. This is thanks, among other things, to a vast distribution network which strengthens Devin's presence on the market, consolidating its position as a key player in the beverage category.

Has innovation been an important driver in 2023?

It's even one of Devin's main growth drivers. Among the innovations that stimulated activity, we can cite the launch of the Devin Minerals & Vitamins brand in flavored waters and the consecration – second year – of the distribution of the 1.8l pack at home.

What marketing campaigns and sales efforts help promote brands in 2023?

Devin Mineral has launched a new campaign entitled 'The Invisible Power', which draws on the history of water, revealing, in a way, its 'invisible' power by capturing the authentic spirit of the Rhodope Mountains, this massif of mountains where it comes from. The video features actors from the region, recognizable by their slang. A song, inspired by the magic of Bulgarian folklore and montages, was even specially written for this purpose.

Devin Air, for which this was the very first campaign in 2023, relied on its links with Devin Mineral and the benefits of the product. It performed well in terms of brand attribution.

Devin Spring, for his part, continued his actions on the theme 'Bees never lie' and on monitoring the source they operate. As part of this campaign, the brand announced a partnership with eco-schools within the 'Enter into the Green circle' platform. This project led by Devin and the Bulgarian Blue Flag Movement, and supported by the Ministry of Education and Science and Environment and Water, aims to introduce large-scale eco-education in Bulgaria following the methodology of the global Eco-Schools program. In the 2022-2023 school year, 50 schools and kindergartens participated in the program. The activities included 1,390 teachers, 15,078 students, 869 members of eco-committees, parents, partners and local authorities.



Devin aspires to become the leader in its sector in sustainable development by showcasing responsible behavior and a responsible objective.

BORISLAVA NALBANTOVA
GENERAL MANAGER DEVIN

B Corp

BEING ONE OF THE FEW COMPANIES TO BE CERTIFIED B CORP IN BULGARIA, DEVIN SEEKS TO INCREASE THE WARENESS OF THIS CERTIFICATION AND ENCOURAGES A GREATER NUMBER OF LOCAL COMPANIES TO START THE JOURNEY TOWARDS THIS CERTIFICATION IN THE PUBLIC INTEREST.

How have you implemented sustainable development? What initiatives have been taken in these areas in your market?

Pursuing the goal of connecting people with nature for healthier living, Devin has actively engaged in conversations with consumers about what healthy hydration means. The brand's efforts to protect water have resulted in a new AWS certification (Alliance for Water Stewardship), the world's strictest standard for the responsible management of water resources.

Two other initiatives can be highlighted.

On the one hand, the company's commitment to B Corp. Devin is in fact one of the rare Bulgarian companies to be B Corporation certified, a certification that it seeks to make better known. She organized, jointly with one of her certified counterparts, an event called B Corp Café, where they shared their experiences with candidate companies. It has also published the Bulgarian translation of the B Corp manual, which will encourage a greater number of local companies to begin the journey towards this public utility certification.

On the other hand, there is the work provided as part of the restoration and reforestation of the forest in the Sechemeka region, burned in the 2020 fires. Devin's sustainable development team led this three-year project in collaboration with the forest services of the city of Devin. This concluded successfully in 2023 with the reforestation of 3 acres (1.2 hectares) of pine forest by company volunteers.

What are the challenges and opportunities for 2024?

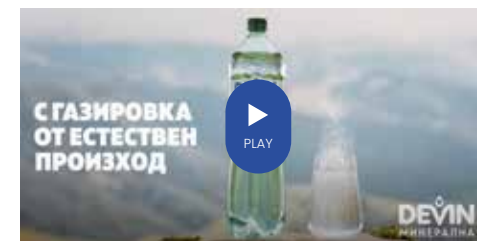
The company is and remains aware of macroeconomic and political risks. It is dedicated to providing high-quality and natural products, with a focus on developing its brands, adopting customer-centric go-to-market strategies, prioritizing excellence in execution and ensuring the well-being of its employees.

What are the company's priorities and what actions do you plan for 2024?

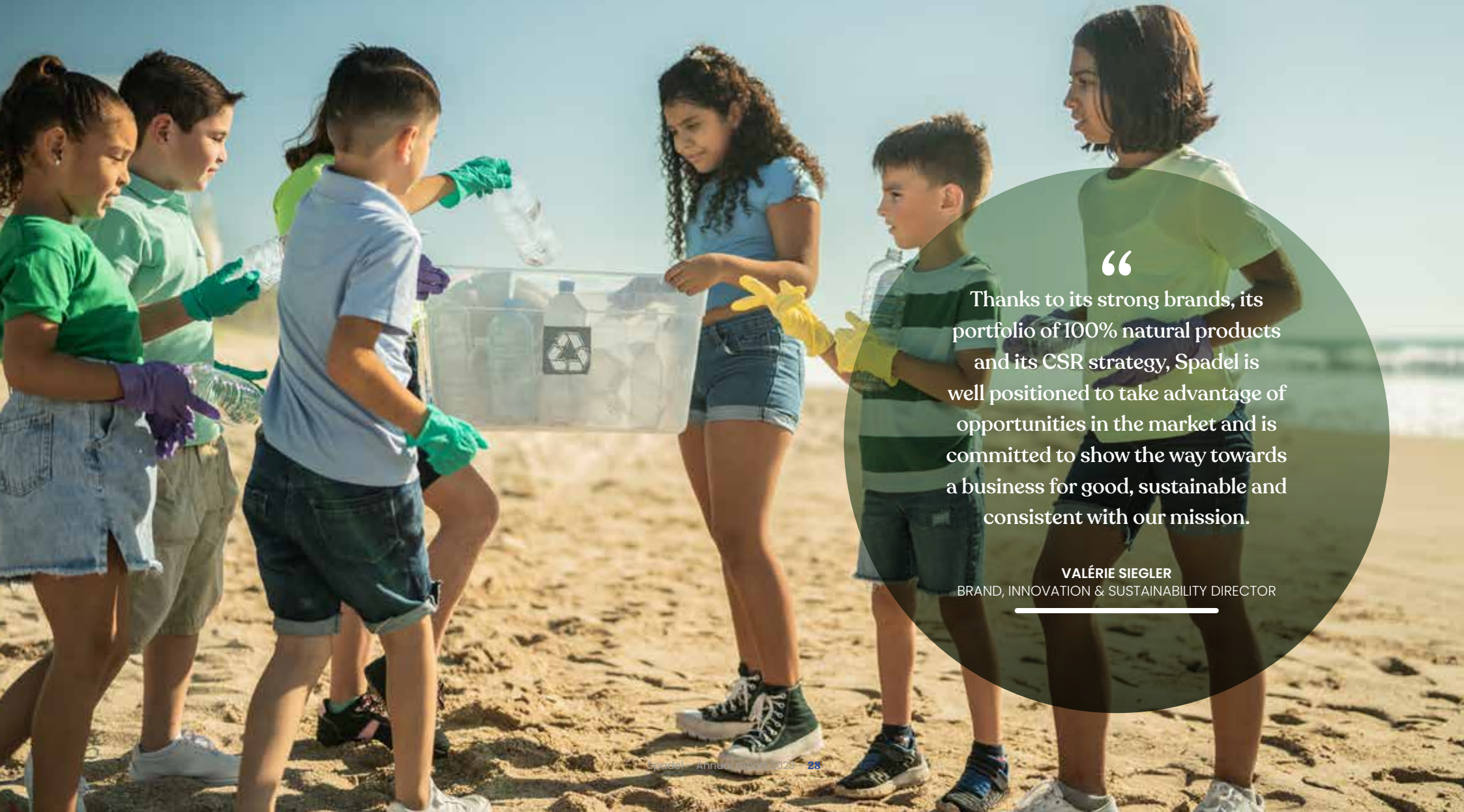
Devin is committed on three fronts: continuing its growth, communicating effectively and preserving the relevance of its products in a mature market. It is indeed not just a question of maintaining oneself, but of thriving in an environment that demands adaptability and innovation.

The company also aspires to become the leader in its sector in terms of sustainable development, which involves, among other things, promoting responsible behavior and objectives. Employee well-being is considered one of the highest priorities in this era of uncertainty.

Another priority is to integrate artificial intelligence, in particular to measure performance and deploy a omnichannel strategy, as Devin is convinced that the launch of e-commerce meets the evolving needs of its customers.



Corporate social responsibility



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Thanks to its strong brands, its portfolio of 100% natural products and its CSR strategy, Spadel is well positioned to take advantage of opportunities in the market and is committed to show the way towards a business for good, sustainable and consistent with our mission.

VALÉRIE SIEGLER

BRAND, INNOVATION & SUSTAINABILITY DIRECTOR

New segments and even more sustainable propositions



VALÉRIE SIEGLER

At the start of 2023, Spadel created a new Brands, Innovation and Sustainability department. The themes it brings together are not new for the group, on the contrary....

Strong brands, innovation and sustainable development have always been at the heart of Spadel's strategy. In the past, these areas were managed by different cells. But in a rapidly changing market, where consumers expect more and more from manufacturers and brands, the connection between marketing strategy and CSR was obvious. This corporate social responsibility is, in fact, now at the heart of our brands, at all levels: operational, offer, design, packaging, product transformation, communication issues...

The decision to bring them together within our organization, in a single department, has established itself in order to improve the perfect alignment between the company's objective, the expectations of consumers and stakeholders, the strategies of our brands and our commitments and actions in terms of corporate social responsibility.

10 liters

UNIT VOLUME OF THE SECOND ECO PACK SUCCESSFULLY LAUNCHED BY SPA, SHOWING THE WAY TOWARDS THE PACKAGING OF THE FUTURE

This new team constitutes, in a way, the backbone of the ways of working at Spadel, serving 'impactful' actions, more information and more transparency. With, I would add, a golden rule: no greenwashing.

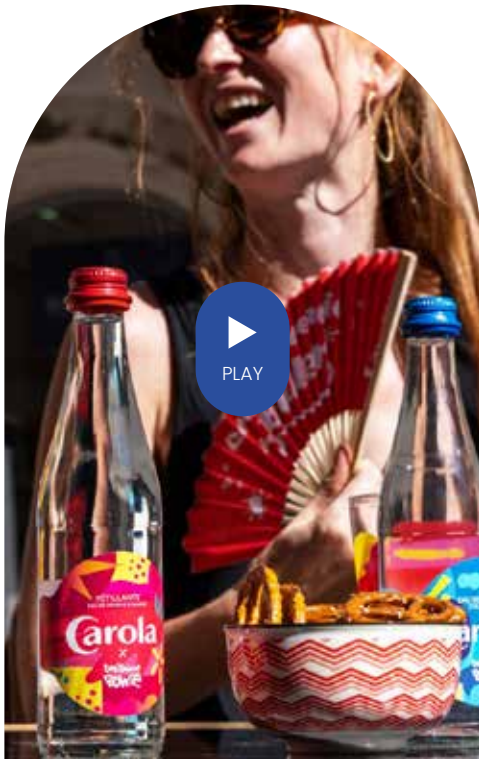
At the same time, two previously distinct geographical regions, BeNeLux and France, together representing four brands – SPA, Bru, Wattwiller and Carola – have joined forces. What purpose ?

We can see the achievement of economies of scale – and they are there. But this union of two markets – which we label, internally, BeNeFraLux – goes much further. It personifies the transversal approach between two markets, so that the teams learn from each other, aiming for true agility. The rapprochement encompasses strategic reflections, organizational planning, marketing, sustainability, etc. While maintaining a strong local anchor, with teams in each country, because everything starts from the expectations of local stakeholders.



You manage this new department from France, on the lands of Wattwiller and Carola...

The Brands, Innovation and Sustainability department is centralized in Brussels and SPA, where it accommodates most of our employees, but has also people in France and the Netherlands and benefits from a relay in Bulgaria. In any case, it illustrates Spadel's loyalty to local roots. We are convinced that by maintaining a local anchoring of our strategies and action plans, we will further gain in agility, while inspiring the entire organization to lead our company towards a positive impact.



What have you already accomplished, implemented or started in 2023?

We managed this major organizational change while continuing to carry out a large number of projects, not without ensuring that we take care of our teams, by clearly defining priorities and areas of action.

Among these projects, we can cite the definition of our Net Zero decarbonization roadmap on the three driving forces of operations, procurement and packaging.

At brand level, we have designed the launches planned for 2023/2024: preparing the move to attached caps (including the exclusive Wattwiller cap), initiatives leveraging the success of our SPA Eco Packs and Fontaine Wattwiller, the launch of Wattwiller Pétillante in France, several range optimizations for SPA Fruit and new products of flavored waters (new range of Mocktails flavors and a cherry variant for Carola and SPA Touch, for example).

But we have also prepared the launch of innovations that will take the group into new segments, such as energy drinks with Zyla and hydration in office spaces with SPA Fountain.

Always in this spirit of anticipation, we have, during 2023, defined our portfolio of medium-term projects, framed by key innovation platforms and updated our CSR commitments on the basis of our achievements to date.

You mention, like others in this annual report, the future Zyla and SPA Fountain brands. How do they inspire the director of this new department which, precisely, relies on brands?

I would say, for Zyla, that it is rare to create a new brand. And this requires in particular to offer real innovation: a natural offering, less caloric, with a good taste quality, offering three choices, in other words, three energy levels (Boost, Focus, Vitality), which is unprecedented in the energy drinks segment. And new also, is our unique personality, with a mascot not being a roaring lion or bellowing bull, but an... (unlazy) sloth. It's a step aside to address a broader target, but with the youthful spirit that characterizes this category of drinks.

Likewise, we are innovating with SPA Fountain, which is moving Spadel from B2C to B2B. With a visibility of the brand which must be expressed differently than on the packaging as the packs will be hidden. We therefore think of developing carafes, flasks, cups, glasses, all equipment which will regulate consumption, which is durable and reusable, to ensure a more sustainable mode of consumption, while ensuring that the brand is visible at places of consumption. And that too is new for Spadel.



In 2023, we have defined our portfolio of medium-term projects, framed by platforms of key innovations, and we updated our CSR commitments on the basis of our achievements to date.

VALÉRIE SIEGLER

BRAND, INNOVATION & SUSTAINABILITY DIRECTOR

80%

RATE OF ACHIEVEMENT OF OUR 2025 CSR COMMITMENTS



What was the main challenge or what were the priorities of this new Brands, Innovation and Sustainability department in 2023?

Our challenge is to develop and boost our offering in new beverage segments while making our main offerings on natural mineral waters ever more attractive and more sustainable.

Spadel's Purpose and Vision, complemented by our Source of Change CSR strategy, provides a valuable guide to help us make right choices and take good decisions.

And in terms of CSR?

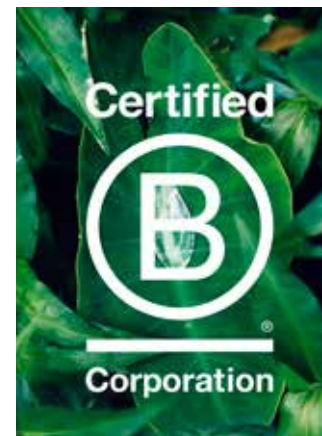
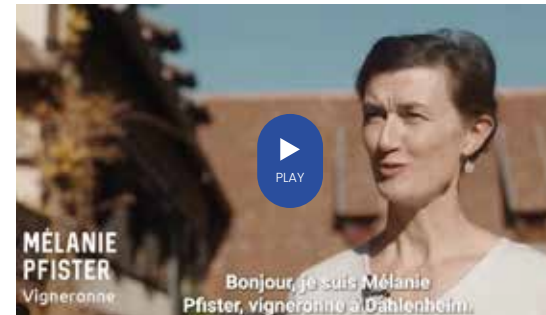
Our Source of Change CSR strategy, defined in 2019 and articulated for 2025, is ambitious, unique and in line with the expectations of our stakeholders. Well anchored in the company's values, and thanks to transversal projects such as decarbonization, it inspires the entire organization (operations, logistics, procurement, marketing, HR, R&D, etc.) to improve or transform our operational models. It also nourishes the image of our brands through concrete CSR actions and indicators, in addition to their traditional fundamentals. But above all, it constitutes the framework for defining action plans aimed at ensuring that our company has a positive impact. The B Corp certification obtained in 2022 helps us in this direction.

You mentioned the challenges of 2023. What are those of 2024? And the related opportunities?

On the challenges side, I would cite plastic bashing, changing packaging regulations, the impact of inflation on volumes and market dynamics. And also, we must continue to clarify in the mind of the consumer the difference between mineral water, tap water and filtered water. Finally, we must also take into account the context of climate change which puts the issue of water at the heart of the news. On all of these subjects, we have achievements and commitments to highlight, but the education and communication are real challenges.

On the opportunity side, we can point to consumers' and customers' expectations for more responsible and sustainable products, brands and manufacturers: trends towards healthier eating, search for natural pleasure and preference for local products.

Thanks to its strong brands, its portfolio of 100% natural products and its CSR strategy, Spadel is particularly well positioned to take advantage of these opportunities and is committed to leading the way towards a sustainable business for good that is consistent with our corporate mission.





Don't you think that plastic bashing is a rearguard battle? Spadel has been talking about it for so many years already...

Plastic bashing remains Spadel's major concern, because it is the most important criticism made to the category and this subject is the center piece in recent (Agec in France) or future regulations (PPWR in Europe). There is tension around plastic that needs to be resolved, which is almost a form of schizophrenia between, on the one hand, its practicality, its performance in terms of quality, its accessibility, its low costs, and on the other, the problems it raises in terms of waste management and non-renewable resources. The subject is complex and no one has yet found a miracle solution; so we haven't finished working on it...

More specifically in terms of sustainable development, what actions do you plan for 2024?

We will begin implementing our Net Zero roadmap, which in practice means accelerating initiatives around packaging and energy and starting to engage our suppliers.

We will continue to position ourselves as a leader in sustainable water management and biodiversity initiatives, and pursue our commitment to share 5% of our profits with local initiatives in the regions where we operate.

Finally, we continue our journey with B Corp, being an active and supportive member of this community and with a mindset of continuous improvement, consistent with the increasing expectations of this certification.

What word would you choose to define Spadel in 2023

Consistency

'Because, in all departments, at all stages of production, there is consistency between upstream strategic thinking and the reality of the resulting action plans. To put it simply, there is coherence between strategic thinking and innovations, between objectives, values and actions. And this was especially seen in 2023. Particularly within the framework of this new organization that I lead.'

1

1 SINGLE TEAM WORKING CLOSELY ON BRANDS, INNOVATION AND SUSTAINABILITY

Progress CSR report of our company for 2023

Non-financial information

The chapters 'Internal Control and Risk Management' and 'Risk Factors' describe Spadel's exposure to risks and the management systems it applies.

These include the following risks in particular:

- issues relating to the environmental impact of its products;
- defects or contamination of a product marketed by the group;
- the availability and price volatility of raw materials and energy;
- the trend in the fees payable on the several types of packaging.

In the specific context of non-financial information, Spadel applies the GRI standards (Global Reporting Initiative). The main risks and themes concerning Spadel relate to the social, ethical and environmental aspects of its activities and are determined on the basis of the materiality analysis. These risks are then integrated into the corporate social responsibility strategy (CSR) and the relevant governance system. These themes apply to the company's entire value chain, including suppliers and partners as well as the various clients (mass retail, out-of-home consumption, etc.) and end consumers.

Materiality

A materiality analysis is repeated regularly. Spadel has been working on sustainability in a structural way since 2010, when targets 2015 were established. This was followed by an update of the strategy in 2015 and targets towards 2020. Next, we zoomed in on our packaging and the resulting sustainable packaging strategy was launched in 2019.

In 2020 we launched our CSR Strategy 2025, called Source of Change. The CSR Strategy 2025 revolves around four pillars: Green, Pure, Local and Together, with the ambition to become and remain a B Corp. The specific risks, actions and results are explained in this report under the respective themes.

The ever faster changing environment requires us to continually question our sustainability approach. Think of developments in the climate/nature field around carbon net-zero or biodiversity for example. CSR is also high(er) on the agenda of the regulatory (EU) and corporate world resulting in ambitious target setting. More detailed reporting requirements, transparency, and an increased focus on the social agenda are more coming to the forefront, on top of an unstable macroeconomic and environment.



Short-term changes to 2025 strategy

In this fast evolving context the question of what it means to be a leader in sustainability, Spadel's ambition, needs constant reflection. So, in 2022 we started a 'mid-term review, questioning and challenging our CSR strategy: adapting targets where needed, prioritizing and preparing ourselves for 2030.

Various initiatives and sources served as input for our reflection: an external sounding board, research on (regulatory) trends, benchmarking of KPIs and performance, interviews and desk research with selected partners on green developments (climate, water, biodiversity), a consumer CSR study and the future B Corp framework.

The conclusions were finalized at the end of 2022 and confirmed by Spadel's Executive Committee in the first quarter of 2023. Apart from providing valuable input to the 2030 CSR strategy, which is to be developed, the

following short-term changes were made to the 2025 strategy:

- **platform 'Climate'**: add current SBTi emission reduction target and update this SBTi target in line with the net-zero standard;
- **platform 'Packaging'**: focus our efforts on the 3R-agenda of Reuse, Reduce and Recycle;
- **platform 'Biodiversity'**: focus on one program per country as part of the roadmap 2030 to become biodiversity-positive over the entire value chain;
- **platform 'Protection'**: add a KPI on water efficiency, following the Water Use Ratio (WUR).

The updated strategy thus looks as follows:

Preparing for the CSRD

In 2019 the EU announced the EU Green Deal, setting out an ambition roadmap to steer Europe towards a sustainable future. In order to foster transparency and realize this transition, the EU initiated various regulatory initiatives, such as the Corporate Sustainability Reporting Directive (CSRD), the EU Taxonomy and others.

The CSRD amends the 2014 Non-financial Reporting Directive (already applied by Spadel) by introducing more detailed reporting requirements for large companies. Under the CSRD, companies will need to prepare an extensive reporting of qualitative and quantitative disclosures (KPIs) related to ESG topics, which will be subject to an external audit.

Spadel falls under the first stage of the CSRD implementation. This means that Spadel's report 2025, on information for fiscal year 2024, will be presented according to the CSRD. Preparatory work started in 2023, with the double materiality exercise, an analysis on data gaps and the resulting identification of next steps to be ready for the CSRD in 2025.

Sustainable Development Goals

The sustainable development goals (SDG) were officially adopted by the General Assembly of the United Nations in September 2015, with the 2030 Agenda for Sustainable Development. Through its CSR strategy, Spadel contributes towards achieving several of these goals.



570 million

LITERS OF CLEAN DRINKING WATER TO 250,000 PEOPLE

Water for Climate

One of Spadel's partnerships contributing strongly to the SDGs, is the 'Water for Climate' project in Rwanda. In 2023 the partnership is halfway through the 10-years' project. Together with the local NGO Water Access Rwanda, Spadel is rehabilitating about 40 boreholes around the country. Some of these boreholes were broken, others had been contaminated by bacteria, such as E-coli. By fixing them and protecting the

soil around the boreholes, we make them safe again. These boreholes will deliver more than 570 million liters of clean drinking water to 250,000 people through hand pumps and water networks. This will help save an estimated 3,000,000 trees and avoid 400,000 tons of CO₂ in just 10 years.

Bringing benefits on multiple SDGs, some impact highlights in 2023 include:

SDG 1 – No Poverty

- Reduced expenditure on water: on average 75 RWF saved per jerrican of 20l (81% reduction)
- 29% reduction in hospital expenditure due to less water borne diseases

SDG 3 – Good Health and Well-Being

- Better hygiene through more daily cleaning routines: people went from 64% cleaning daily at baseline to 89% when accessing a public water point, and 96% when water is available in their homes

- Reduced instances of water borne diseases (from 31% to 5%)

SDG 5 – Gender Equality

- Increased women participation in leadership: a key attribute of Water Access Rwanda as a female founded enterprise working on an issue that typically burdens women more (49% of WASH committee leaders are women, 59% of trained trainers of WASH are women, and 77.7% in company management ranks are women)

SDG 8 – Decent Work and Economic Growth

- 23 full time descent jobs created with:
 - assured monthly basic income;
 - health insurance for the whole family;
 - pension and work-related life insurance.

More information can be found on www.waterforclimate.org.

Governance

The group CSR department is responsible for the creation of the CSR vision and strategy, driving the CSR implementation and building external stakeholder trust.

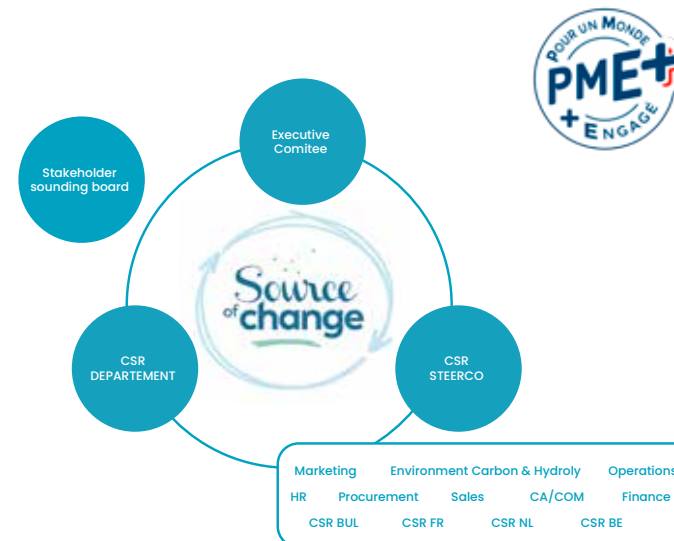
It is supported by local CSR coordinators and a CSR Steering Committee, led by a member of the Executive Committee and assisted by an external stakeholder sounding board, consisting of topical and/or regional CSR experts. It meets four times per year.

External recognitions

Spadel brands' sustainability efforts did not go unnoticed in 2023.

In **France**, both Carola and Wattwiller were recertified as PME+, one of the most recognizable certifications in France. Based on ISO 26000, the PME+ label covers six themes, ranging from governance and ethics to environmental management and preservation, and employment and supply. The CSR actions are audited by an independent body, EcoCert Environnement.

The PME+ label was created in 2014 by the Fédération des Entreprises et Entrepreneurs de France, which acts as a growth accelerator for SME suppliers to the food and non-food retail sectors. Spadel was an early adopter of the PME+ label, first having been accredited in 2015.



In **Bulgaria**, Devin received three awards at the B2B Media Awards 2023:

- first place in the Socially Responsible Campaign (CSR Campaign) category for DEVIN and B Corp – transforming business into a force for good;
- first place in the Educational Idea category for the ‘Enter the Green Circle’ and the ‘Eco Schools’ programs. This joint initiative with the Bulgarian ‘Blue Flag’ movement draws children’s attention to the value of our natural resources and how we can protect them with small actions every day;
- third place in the Cause Campaign/Project category for our anniversary initiative ‘30 years of DEVIN – Trust in Every Drop’. On our 30th anniversary, we supported the restoration of 30 public fountains with mineral and spring water throughout Bulgaria.

Devin was also awarded in the most contested category ‘Investor in the environment’ of the Bulgarian Business Leaders Forum (BBLF) competition.

In the **Netherlands**, SPA was named ‘Most sustainable brand’ in the beverages category for the second year. The Sustainable Brand Index™ measures the sustainability perception of brands across industries and countries. It is an independent study consisting of nearly 1,600 brands, 36 industries, and 80,000 consumer interviews across Europe (the Nordics, the Netherlands and the Baltics). This Sustainable Brand Index™ shows how brands are perceived to be sustainable, why they are perceived this way, and what to do about it.



CSR Strategy 2025 – Progress report

SPADEL AND ITS BRANDS, B CORP CERTIFIED

In February 2022 Spadel became the first family-owned mineral water group to obtain B Corp certification for all its brands. B Corp is an international movement of companies who want to have a positive impact on the world around them. B Corp’s unifying goal is using business as a force for good to solve social and environmental problems whilst making profit.

In 2023 Spadel focused on consolidating and further anchoring B Corp within the company and inspiring other companies to become B Corp.

Purpose and values

At the end of 2022, Spadel redefined its purpose: ‘We connect people and nature, for a healthier life, today and tomorrow’. As part of this reflection the values were reassessed, using different perspectives and including our employees’ input: pride about Spadel’s sustainability efforts and a desire stand out as strong features.

As a result ‘Create positive impact’ is now one of Spadel’s values (the three others: be agile and decisive, go beyond expectations and move as a team). During internal trainings organized at all levels throughout Spadel in 2023 the purpose and values and how to put them in practice have been explained.



B Corp Gazette

To celebrate our one-year certification we developed a short comic in March 2023.

The goal was to explain in an accessible way what *B Corp* is about and why Spadel and its brands achieved the certification. The comic was sent via mail to all employees' homes.

Spreading the word

Externally, Spadel's different business units shared their B Corp journey at several fora and occasions.

While the B Corp communities in Belgium, the Netherlands and France are quite established, the situation is different in Bulgaria where Devin was one of only three certified B Corps in 2023. So, Devin took up an active role to spread the B Corp message and to inspire other organizations in Bulgaria. Some examples.

- On World Water Day (March 23) and the first anniversary as a B Corp company, DEVIN created an information wall designed to introduce students at the faculty of economics of Sofia University 'St. Kliment Ohridski' into the sustainable business model being part of the *B Corp* philosophy. At this event, the *B Corp* movement and good practices were presented to students, the Bulgarian association of CSR professionals and guests.
- In June, Devin was co-organizer of the first *B Corp* café in Sofia, gathering business and media to share its *B Corp* experience.
- Devin participated in the 'Green Transition' forum organized by dir.bg, which gathers leading experts and representatives from various sectors to discuss trends and challenges towards the green transition.

- At the end of the year, Devin presented the Bulgarian translation of the *B Corp* Handbook, and shared it with students and companies.

Spadel also financially supports the 'IBMSeries', a program of exploration and experimentation on impact business models (IBM). This partnership between Utopies and B Lab France aims to identify the key determinants linking impact and value creation, to share successful examples, and to help companies structure or strengthen an approach aimed at bringing together their economic model and impact. Findings per IBM are shared publicly.

GREEN

In our green pillar we transition towards zero carbon production, circular packaging and we restore natural habitats.

Climate

Objective

In 2010 the group set its goal of being fully CO₂ neutral (scopes 1, 2 and 3) by 2020. And it succeeded. Towards 2025:

- we will remain carbon neutral for the entire value chain (scope 1, 2 and 3);
- we set further reduction targets according to Science Based Targets: -42% absolute reduction by 2030 (baseline 2015).

Actions 2023

Climate change is without a doubt one of the greatest challenges our world faces. Spadel embarked on an ambitious journey in 2010, when it launched the goal to become carbon neutral over the entire value chain by 2020. Recognizing the priority of reduction over compensation, Spadel defined a program to reduce emissions, and



had SBTi-goals according to the 'well below 2°'-framework approved in 2019.

By the end of 2021 Spadel managed to disconnect business growth from its carbon footprint: despite a 21% volume increase since 2010, the absolute carbon footprint had decreased by 15% over the same period. Spadel also achieved the goal of carbon neutrality over the entire life cycle in 2020, as planned.

However, climate science and carbon accounting evolve, as well as insights regarding the meaning and robustness of environmental claims. So, in 2023, we focused on these developments and what they mean for Spadel. We aligned our carbon reduction goal to the SBTi's Net-Zero standard. Spadel's case was submitted to SBTi at the end of 2023 and approval is expected in the 2nd quarter of 2024. With more than 95% of the carbon footprint in scope 3, working with suppliers will be one of the key challenges in the coming years.

Spadel also started a reflection on the carbon neutral claim, aiming to bring it in line with net zero-thinking in 2024.

Our reporting as of next year will reflect the above-mentioned changes in carbon accounting (net-zero) and carbon claims. For comparison purposes this year still follows the figures according to previously set targets.





Status of performance indicators 2023

In 2023, our absolute total CO₂ emissions amounted to 122,553 tons, similar to 2022, despite a small volume increase. The relative carbon footprint thus decreased slightly: from 125.6 gCO₂/l last year to 125.2 gCO₂/l in 2023.

- Carbon neutrality for the entire value chain (scope 1, 2 and 3): achieved.
- CO₂ reduction targets 2030 -42%, according to SBTi: -1%.

2 million

ECO PACKS OF 5 LITERS SOLD
IN BENELUX IN ONE YEAR

Sustainable packaging

Objective

Spadel is aware of the impact of packaging on the environment and wants to play a leading role in shaping a positive future. Therefore, in 2019, we launched 10 commitments around four key drivers (Reinvent, Reduce, Recycle, Restore), aimed to accelerate our transition towards a circular economy.

Actions 2023

In the 'mid-term' review we mentioned our future focus on the 3 Rs - Reuse, Reduce and Recycle -also prominently featured in the EU Packaging and Packaging Waste Directive (due to be final in 2024). Our innovation projects are already inspired by this agenda.

Launched in 2022, the 5-liters SPA Reine natural mineral water Eco Pack has been seamlessly integrated into consumers' routines, along with plastic and return glass bottles. Having been awarded Product of the Year, nearly 2 million 5-liters Eco Packs were sold in the BeNeLux within a year.

Following this success, Spadel launched in 2023 a 10-liters Eco Pack, hereby achieving a 70% plastic reduction compared to a six-pack 1.5l plastic bottles and a 76% plastic reduction compared to a six-pack of 1l plastic bottles. Moreover, Spadel introduced the Eco Pack in France, launching the 5l-format with Wattwiller.

In 2023, Wattwiller took another major step towards a circular economy for PET-bottles introducing attached (or tethered) caps as the first Spadel brand. This user-friendly cap design with flower design is connected to the bottle by an extra plastic 'link', preventing loss and littering and ensuring recycling along with the bottle.



In 2023, Wattwiller took another major step towards a circular economy for PET-bottles introducing attached (or tethered) caps as the first Spadel brand.

By shortening the neck of the bottle and associated plastic reduction, Wattwiller was able to more than offset the increase in plastic due the attached cap.

Apart from the Wattwiller plastic bottle reduction, SPA Reine formats also reduced their plastic content: 50cl and 1l SPA Reine (-1g each), SPA Intense formats (-2g each), and 1.25l Bru (-2.5g).

Status of performance indicators 2023

- 20% Reuse: 10.2% sold in reusable packaging.
- 15% Reduce (vs 2018): 23,132 tons single use plastic vs target of 19,655 tons.
- 100% Recycle: all Spadel packaging is 100% recyclable; 12% recycled material in single use packaging.
- Spadel reports annually via the New Plastics Economy Global Commitment.

Biodiversity

Objective

The protection and restoration of nature and biodiversity are deeply embedded in the DNA of the Spadel group and its various brands. Spadel wants to be biodiversity positive over the entire value chain by 2030.

Actions 2023

In November 2021, on the 100th anniversary of SPA Monopole and SPA Reine, a quantitative scientific study showed that Spadel has had a net positive impact on local biodiversity thanks to the measures taken for decades to protect and restore biodiversity in the SPA mineral water protection zone. Biodiversity accounting, however, is still developing and maturing.



Wanting to apply the latest insights and start from a clear baseline, Spadel initiated in 2023 a new measurement according to the Global Diversity Score (GBS) of its activities negative impacts, both at its own facilities as in the value chain. The objectives of this quantitative evaluation are to:

- evaluate the biodiversity footprint of all Spadel activities;
- identify and assess the biodiversity impacts of groundwater withdrawal and superficial on biodiversity;
- align with the recommendations of steps 1 & 2 of the Corporate Engagement program of SBTNI (Science-Based Target Network) for the ecological integrity part.

In parallel to this impact assessment, various ongoing projects protect and restore nature and as such offset Spadel's negative impact.

In Belgium, Spadel partnered with WWF. The project aims to restore forest edges creating a more natural habitat for lynx prey, but also offering plenty of hiding places for this predator. The expected outcome is about 100 ha of forest edge with a high level of biodiversity restored.

Another example concerns the Parc Naturel des Sources. Initiated in 2011 by the communes of SPA and Stoumont in partnership with Spadel group and the Domaine de Bérinzenne asbl, Parc Naturel des Sources works to protect the region's unique environmental heritage in line with the aspirations of the inhabitants and players in the economic, social and tourism sectors. About 100 ha of grassland is currently being restored to improve the ecosystem for Natura 2000 rare birds in the area.

PURE

In our Pure pillar we work to provide the purest water, healthy for our consumers and respectful to nature.

Protection

Objective

Spadel wants to be a certified leader in sustainable water management. All five sites to be Platinum certified according to the Alliance for Water Stewardship (AWS) framework.

Spadel is also committed to an efficient use of water, aiming for a WUR of 1.45/l.

Actions 2023

The goal of the Spadel Water Stewardship strategy is to act and demonstrate the sustainable water use of all Spadel water resources. It is based on three key drivers.

The first driver is to not over-exploit the water resource. For many years Spadel has been protecting its waters by applying the motto 'draw without depleting'. It means Spadel never collects more than the annual rainfall in the catchment areas. This is monitored by the Water Exploitation Index (WEI) on an ongoing basis. The EU identifies a WEI of 20% as 'low-stressed' and 10% as 'non-stressed'; Spadel's standard is to have a WEI < 10% at all sites. In 2023, four Spadel sites had a WEI below 2.5%, one site stood at 3.5%.

The second driver deals with water savings, acting efficiently and avoiding any water losses. Spadel monitors the Water Use Ratio (WUR), meaning the water needed to produce one liter of bottled water.

The third driver is the water resource risks assessment and the corresponding mitigation action plan, together with a transparent communication with local stakeholders.

All this is underpinned by the AWS certification. AWS is a globally applicable framework for major water users to understand their water use and impacts, and to work collaboratively and transparently for sustainable water management within a catchment context.

Both SPA and Bru have achieved the highest platinum level, meaning they are managed and bottled sustainably, without overexploitation, in full transparency, and with the trust of the other local actors that use these waters.

Status of performance indicator 2023

- 2 sites Platinum certified, 3 sites Core - on track.
- WUR: 1.45 l/l - on track.

2

SITES PLATINUM CERTIFIED,
3 SITES CORE



Purity

Objective

Be recognized as the 'purest' water by consumers (as per % of targets achieved).

Actions 2023

'Water is just water'. Is it? The EU has laid down specific rules for natural mineral and spring waters, which clearly set them apart from drinking water (bottled or otherwise) and tap water.

Natural mineral water comes from a single underground source. Bottled on site, it is as pure when it reaches your dinner table as it is at the source. Naturally filtered during its journey into the ground, it is enriched with minerals from deep in the earth's crust. This means the water's purity is safeguarded from outside contaminants, and its mineral balance is always stable. As it is microbiologically safe at the source, it does not need any kind of treatment or processing. In fact, this is prohibited for natural mineral water. The EU asks that natural mineral water meets the following criteria:

- natural mineral water is 100% underground;
- it has an original purity that comes from nature itself;
- the source is protected against any risk of contamination;
- it should not be chemically treated;
- it has a stable and unique mineral composition;
- it may claim health benefits.

For all Spadel brands this natural purity is a key component of the brand identity. Depending on the brand positioning, different KPIs and objectives have been set for the brands. These different KPIs are brought together in one score, as a % of achieving all targets. The KPIs are monitored via market research.

Status of performance indicator 2023

- Internal KPI: on track.

Ingredients

Objective

All ingredients are from 100% natural origin according to the guidelines of our naturalness grid.

Actions 2023

Because there is no legal definition of what 'natural' means, Spadel and its stakeholders worked together to draw up a framework for natural products.

The basis is formed by the origin of the ingredient and how it is processed. The result is a matrix to determine what is acceptable.

Status of performance indicator 2023

- All non-functional recipes were in accordance with our naturalness framework: on track.

LOCAL

In our Local pillar we continue to create and sustain a strong local anchorage in the regions where we operate.

Selling

Objective

At least 95% of our sales within a radius of 500 km.

Actions 2023

Spadel wants to limit the logistic impact of its commercial activity and considers that its bottled water should not travel more than 500 km from the different sources.

This is a constant point of attention and has been part of the policy for years.

Status of performance indicator 2023

- In 2023 98.2% was sold within 500 km: on track.

Employing

Objective

We hire our employees no more than 500 km from the production plant, meaning at least 95% local employment.

Actions 2023

Spadel's strategy is one of strong local brands. Often the factories are in natural areas where a large part of local employment and economic activity is linked to the factories.

Conscious of its presence and possible impact, all brands work on strong local ties, not only in terms of employment, but also as being part of the local community.

Status of performance indicator 2023

- In 2023, 98% of employees came from within the 500 km range: on track.

98.2 %

98.2% WAS SOLD WITHIN 500 KM





Buying

Objective

Our procurement policy provides us with an important lever to promote and support sustainability in our supply chain. We expect our suppliers to demonstrate the same sustainability ambitions as we have ourselves.

- 95% of our total spend should come from local suppliers, which are defined as being less than 500 km from the production plant.
- Our sustainable sourcing policy is related to the sustainability approach of our strategic suppliers, which we monitor via Ecovadis. 95% of strategic suppliers should be monitored via Ecovadis.

Actions 2023

Spadel conducts 100% of its business activities in Europe, in compliance with strict laws and regulations. This applies to both employees and customers of the group.

The risk of human rights violations or noncompliance is much greater in the supply chain. The main human rights risks relate to child labor, forced labor, working hours and wages, discrimination, freedom of association, and health & safety.

Spadel limits its exposure to risk in the supply chain by focusing on local sourcing. In 2023, 98.9% of purchases (ingredients for the flavored waters and lemonades, packaging materials, etc.) were made within a radius of 500 km around the Belgian production sites.

In addition, Spadel asks all its suppliers to sign the Spadel Sustainability Procurement Policy (SSPP). This policy contains the minimum expectations regarding ethical, environmentally related and social efforts (child labor, discrimination, working hours, etc.).

The group also requires its key suppliers to participate in EcoVadis or Sedex, which provides a third-party assessment of those suppliers' sustainability initiatives. In 2023, 92% of them had complied with this requirement from Spadel.

Status of performance indicator 2023

- 98.9% of total spend went to local suppliers: on track.
- 92% of strategic suppliers took part in Ecovadis: on track.

TOGETHER

In the Together pillar we work to ensure a safe, engaging workplace and on creating local impact with our partners.

Engagement

Objective

Spadel wants to be an attractive employer where people like to work. The Great Place to Work philosophy and tools guide us in this ambition. By 2025 we want Great Place to Work (GPTW) certification in all four sites (with trust index above 70%).

Actions 2023

In 2021, all four entities (Belgium, Bulgaria, France and The Netherlands) were certified for the first time. In 2022 the focus was on implementing improvement plans resulting from the 2021 survey.

In 2023, Spadel decided to move from GPTW to a new system of organizing and monitoring employee satisfaction aiming to be more frequent and lighter in use and application.

An engagement survey according to the new approach is scheduled in 2024.

Status of performance indicator 2023

- 4 sites GPTW certified 2021.



Safety

Objective

Zero accidents (# LTI, Lost Time Injury).

Actions 2023

The factories are where it all starts. There is a clear and firm management commitment to offer a safe and healthy work environment in our factories. By 2025 we want to reach zero accidents, an ambition we follow up via the 'Lost Time Injury' indicator.

Status of performance indicator 2023

- Internal KPI: on track.

5.15 %

OF OUR NET PROFIT BACK TO LOCAL PARTNERSHIPS AND INITIATIVES

Partnering

Objective

5% of net profit back to society.

Actions 2023

To calculate what falls under the 5% we were inspired by the Business for Societal Impact Framework (B4SI). B4SI is the global standard in measuring and managing a company's social impact. B4SI primarily looks at societal/social impacts. Building on the B4SI thinking, Spadel created its proper framework, including environmental initiatives as well.

This way we take 3 types of input into account for measuring:

- product donations;
- cash expenses: partnerships, sponsorships, memberships, ...;
- time: volunteering.

What matters is whether the initiatives are voluntary and if they contribute to a social or environmental purpose. Our KPI is then calculated as dividing these expenses by our net profit.

In 2023 we landed at 5.15% 'given back'.

The product donations account for about 12% of our total contributions in 2023. Examples include donations made to local food banks or to local sports, social and cultural events.

Financial contributions, such as partnerships, memberships or sponsorships account for about 76% of the total amount. Examples in Belgium include support for the Domaine de Berinzenne or the Parc Natural des Sources. In Bulgaria, Devin and the NGO Blue Flag organized the second national training for the 'Enter the Green Circle' educational program. Created in 2022, its primary objective is to nurture future generations into active citizens with a clear understanding of environmental protection. For this second edition in 2023, principals and teachers from 151 schools from across Bulgaria actively participated in the event – three times more than the year before. In France, Wattwiller supports biodiversity and research activities in the field of arterial hypertension and the promotion of 'low sodium' consumption.

The final area of covered contributions is 'time', which accounted for less than 1% in 2023. Since we first introduced the 'One Citizen Day' in Spadel Belgium in 2017, we have experienced the many benefits of volunteering first-hand. Reflecting our new values and B Corp thinking, the 'One Citizen Day' was rebranded the 'Positive Impact Day' in 2023.

The purpose remains the same: each employee is encouraged to choose a cause close to his or her heart and dedicate this day to make a difference, whether participating in environmental initiatives, supporting social programs, or any other project that aims to create a positive change.

In Belgium and the Netherlands Spadel teamed up with Hu-Bu (Human Business), which connects the non-profit community and the corporate world to build a more inclusive society and circular economy. Spadel employees worked in 16 different NGOs, ranging from a children's farm over rooftop isolation to an elderly home.

Spadel France organized the 'Positive Impact Day' at the occasion of the Journée au Vert, on September 28th, to which all Carola and Wattwiller personnel (white and blue collars as well as salespeople) were invited.

In Bulgaria the three-year program developed by Devin and the city of Devin, to help the restoration of the burned forest in the "Sechemeka" zone, successfully ended in 2023. Nearly 100 employees volunteered to reforest, clear and improve the area and planted 330 new pine saplings.

Status of performance indicator 2023

- 5,15% of our net profit back to local partnerships and initiatives: on track.





Always create, recreate and reinforce connections

At Spadel Human Resources are a key element. With the launch of new initiatives every year. Which ones were taken in 2023?

There have been several. Of varying size and importance, some being more general, others focused on a single market, a single group of people (white collars, blue collars, gray collars) or a major theme (such as sustainability). As an example of the latter, I want to mention our mobility policy (green vehicles, more bikes and walking), but the right to disconnect.

If I had highlight just one initiative, I would choose the new performance process, launched at the start of 2023 and tested throughout the year. From a static evaluation of employees, carried out twice a year, we have moved to continuous feedback on their professional, functional and behavioral objectives which we review, with regular check-ins, formal or informal. Because it is not enough to work. You also have to live Spadel's values.

To do this, we have developed new procedures and trained evaluators to be able to set objectives, provide feedback, coach employees and mobilize them around the company's values.

How are these values different?

They are not different, but we have reformulated them.

In 2022, we defined Spadel's objectives and purpose, creating its vision over a five to ten year horizon. At the same time, we pointed out values and behaviors to adopt and defined new ways of working. This broad vision was communicated through workshops – 74 in total – led internally by Spadel ambassadors. The idea was to translate these behaviors and values for each team in each of our markets, a beautiful cross-disciplinary project, now being put into practice. Each team has its charter. This is, for me, the second major initiative of 2023.

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OUR SPADEL AMBASSADORS LED 74 WORKSHOPS COMMUNICATING ABOUT OUR VALUES AND BEHAVIORS.





What are these values more precisely?

There is no drastic change, no complete turnaround, but an evolution. There are four of them.

The first: create a positive impact, by taking care of your colleagues, by acting to improve the environment and society.

The second: be agile and decisive, dare to make decisions, be flexible, know how to question yourself.

The third: exceed expectations, set ambitious and inspiring goals, surpass yourself. The fourth: act as a single team, that is to say collaborate, progress together, speak with one voice...

One might believe that these values are generic, but they are specific to Spadel, as we focus on behavior. We can be agile, flexible and get things done quickly, because we are a small company. However, employees are asked to act with foresight. We expect everyone to come with ideas. Not everything has to come from hierarchy. There is a latitude that is allowed, even encouraged. But at the same time, we accept failure. Because we learn from our failures. And we work a lot on 'working together' and on creating connections.

Are there any highlights or HR events to highlight for the year 2023?

Most of them are precisely linked to those connections that we want to create, recreate, strengthen. The redevelopment of the Brussels offices is part of this renewal.

The years 2021 and 2022 were marked by Covid and teleworking, 2022 and 2023 by inflation and cost savings. We had to reinvent ourselves, question our daily lives. The end of our head office's lease was an excellent opportunity to review its size and configuration against the backdrop of new ways of working (teleworking, flexi-working, hybrid working, etc.). We thought about it which resulted in the elimination of assigned offices (for everyone, management included), the creation of collaborative but also hyper-connected spaces, the installation of acoustic cabins and of recreational spaces and places of conviviality ending up into more cohesion, connection and exchanges. This creates more noise, but more dynamism too.

Have only the Belgian headquarters benefited from such changes within the group?

Yes, at least last year. In 2018 and 2019, similar work was carried out in France and in Spadel's Dutch offices. Moments of conviviality have been reiterated, restored or concocted everywhere: we celebrate successes and share information; we organize Easter or Halloween lunches, green days, managers' forums, quarterly sales force meetings, staff meetings in each country and a large annual workers' gathering. Last year, in order to promote the new projects and objectives of the BeNeFraLux entity, we set up an event with workshops, dinners and sports activities. A major event.

Has the group again organized Family Days and citizen actions as before Covid?

Yes! A Family Day was organized last year in Bulgaria. And One Citizen Day, which allows employees to allocate their working day to a good cause (waste collection, tree planting, social service, etc.), has been expanded and renamed Positive Impact Day. This is important because we are convinced that the more involved we feel, the better we work. In 2024, we will open up this day also to factory workers.

Then there is the Spadel Academy, the heart of the HR strategy and linked to our value of caring for colleagues. Launched in 2022 this digital learning center enables employees to drive their own professional growth and stay at the forefront of their abilities. The platform is not only a spectrum of Spadel's technical and non-technical training options, but it is also an ecosystem that seamlessly blends online learning and instructor-led sessions. Adopting the 70-20-10 learning model (70% on-the-job training, 20% social learning and 10% personal study), our platform integrates real-world experiences, social interactions and formal training. In 2023, we focused our efforts on enriching and refining the training portfolio for our employees.

In 2024, we will make this Spadel Academy also accessible to factory workers.

This does not mean that before that, there have been no trainings planned for them. There are what we call 'a set of skill matrices' and we work already a lot on versatility and flexibility.



The Spadel Academy is at the heart of our HR strategy.

TATIANA GOEMINNE

HUMAN RESOURCES DIRECTOR



Would you say that you are satisfied with the actions achieved?

Entirely. And I'm not the only one. Last June, Spadel was elected Leading Employer Belgium 2023, a cutting-edge employer, which puts us in the Top 1% of employers in Belgium.

The external and objective research combined no less than 200 different sources.

What have you planned for 2024?

One of our key projects is the People Review & Succession, a positive approach where we will evaluate the performance and potential of all executives in order to have internal successors for critical functions.

Another is project deals with Rewarding (Compensation, Completion & Benefits) aiming to clarify remuneration and, above all, salary benefits. We already did part of the work last year by listing all extra-legal benefits to which employees are entitled and by modernizing our policy on expense reports and travel. In 2024, we plan to do the same clarification exercise, working on our job grading and job weighting system.

A third key project is the organization of Spadel's first pulse survey. In the past, we had a bi-annual cumbersome system of open questions leading to weighed results. Now we will settle for three simple questions: Why would you encourage someone to come to Spadel? What problems would you identify?

Why is Spadel a great place to work? A more agile approach that will allow us to act quickly, as results will be analyzed every year, even every half-year and quarter.

And we plan to modernize the Spadel LinkedIn page so that employees can share commitments and vacancies. In collaboration with the Communication department, Human Resources will also work on our B Corp-certification update for 2025.





Management report

from the Board of Directors on the 2023 financial year

In accordance with the legal and statutory requirements, we are pleased to present to you our report on the past financial year.

1. Consolidated results

Development of activities and revenue

The consolidated net revenue of the group amounted to EUR 345.9 million, sharply up by 7.9% compared with 2022. This striking rise in revenue, driven by a 1.1% volume effect and a 6.8% price/mix effect, was seen across all our markets and reflects the dynamism of our brands, our innovations and our commercial policy.

The revenue recorded in the **BeNeLux** rose by over 6% compared with the previous year (+9% in Belux and +2% in the Netherlands), despite one category recording a decline in volume. This performance, which reflects an increase in our market share in Belgium and in the Netherlands, was made possible thanks in particular to the reputation of the SPA brand, backed up by a communication campaign focusing on the brand's raison d'être: 'Mieux boire. Mieux vivre' (Drink better, Live better), extending the listing of our products in all the hard discount stores in Belgium and the Netherlands in mid-2022 over a full year and the successful launch of the new, more environmentally friendly SPA Reine Eco Pack 5 L size. The Bru brand also strengthened its positions by continuing to extend its presence in the Belgian hospitality circuit and especially in gourmet restaurants.

Revenue in **France** rose by almost 7%. Wattwiller sales improved by around 1% compared with 2022 in a still mineral water category that shrank by 2.6%. Sales of the brand were strengthened by the new Eco Pack Fontaine 5 L product made available exclusively at Système U and by the relaunch of its sparkling water range combined with distribution gains. Meanwhile, Carola continued to grow, recording an increase in revenue of almost 14% compared with the previous year. The brand has become even better known and its market penetration has improved thanks to its proximity and the extent of its involvement in the region. Its market shares in the Grand Est region of France are growing. Sales were also boosted by the fine performance of the flavoured water range.

In **Bulgaria**, Devin continued to grow at a faster pace than the category, thereby improving its market shares and strengthening its position as undisputed leader. The Bulgarian subsidiary recorded a remarkable rise in revenue of over 16%. This performance was underpinned by efficient commercial implementation in the various distribution channels, making the product available immediately, everywhere at all times, as well as an appropriate strategy as regards the packaging assortments on offer. Sales are also benefiting from the recent extension of the products portfolio and the focus on developing the 'Devin Mineral and Vitamins' range based on mineral water enriched with vitamins and micro-elements and the 'Devin Air' range

Operating result

The operating result (EBIT) rose sharply by 65.2% to EUR 34.2 million, compared with EUR 20.7 million in 2022.

This increase in the operating result, despite inflationary pressures weighing heavily on the cost of energy, transport, salaries, etc., is primarily due to the rise in revenue underpinned by growth in volumes and by our commercial policy that aims to strengthen value and restore our margins.

The result was also reinforced by an efficiency and savings plan targeting all our costs, both operating and commercial.

Moreover, the operating result in 2022 had been affected by restructuring costs amounting to a total of EUR 2.7 million. Taking into account this non-recurring element, the recurring operating result rose by 46.1% compared with the previous year.

The operating cash flow (EBITDA) at the end of 2023 stood at EUR 56.9 million, compared with EUR 42.4 million in 2022 (+34.1%).



Financial result

The financial income stood at EUR 2.5 million, up compared with 2022 (EUR 0.2 million), mainly further to the interest rates rise and a write-down reversal on cash investments linked to the rise in prices.

The financial costs stood at EUR 2.2 million, down compared with the previous year (EUR 3.2 million), which had been impacted by a write-down recognised on financial investments.

Moreover, the financial costs were impacted by a write-down of EUR 1.5 million to fully write off the value of the holding in the capital of the company Contaynor SRL, as well as the convertible loans granted, further to the latter's declaration of bankruptcy.

Taxes

The tax burden for the financial year amounted to EUR 6.3 million, up compared with 2022 (EUR 4.4 million). This was linked to the rise in the pre-tax result.

Net result

The group closed the financial year with a net profit of EUR 28.2 million, compared with EUR 12.8 million the year before.

2. Consolidated balance sheet structure

As at 31 December 2023, equity valued in accordance with the IFRS standards stood at EUR 279.1 million, compared with EUR 257.8 million at the end of 2022. Equity covered 118.8% of non-current assets.

The solvency ratio, which corresponds to the amount of equity in relation to total liabilities, amounted to 65.5%.

Operating activities generated a cash position of EUR 58.2 million in 2023, compared with EUR 40.9 million the year before. After funding of the working capital requirement, investment activities and financing, the net cash position generated by the group in 2023 stood at EUR 31.1 million.

The group therefore closed the year 2023 with a cash position of EUR 114.1 million and has not had any financial liabilities in respect of credit institutions since 2022.

3. Investments

Investments in property, plant and equipment and in intangible non-current assets made by the Spadel group in 2023 amounted to EUR 21.3 million, compared with EUR 17.1 million in 2022.

Investment trend over five years:

Investments per year	MEUR
2019	27.1
2020	22.9
2021	19.6
2022	17.1
2023	21.3

Investments per site in 2023 can be broken down as follows:

Investment site	MEUR
SPA Monopole	7.0
Devin	6.6
Spadel SA	3.0
Ribeauvillé	2.3
Wattwiller	1.0
Bru-Chevron	1.2
Spadel NL	0.2
Group total	21.3

The investments mainly concern:

- investments linked to the new design of the PET bottles, the extension of the solar panels, investments linked to the new attached cap, tank renovation work, work on the collection chambers, the purchase of glass bottles, etc. on the SPA site;
- bottling line equipment, work in the production halls and warehouses in response to growth, the purchase of refrigerators for the points of sale, the purchase of dispensers and cans for the HOD activity and the acquisition of vehicles in Bulgaria;
- the fitting out of new office spaces, the implementation of a new 'Customer Relationship Management' app and various items of IT hardware and software for Spadel SA;
- the installation of a new combi block (PET line), the purchase of glass bottles and crates, electrical equipment and a compressor at the Ribeauvillé site;
- wastewater treatment equipment, a new compressor, investments linked to the 'Bag in Box' format and new 1 L bottles for sparkling water at the Wattwiller site;
- the purchase of glass bottles and crates, as well as the replacement of pipes at the Bru site.



4. Innovation

The main innovations marketed during 2023 are as follows:

Brand	Month	Description
Wattwiller	February	Launch of the new 'flower' attached cap on the still water range
Spa	March	New visual identity for SPA Sparkling (1-1.25-1.5 l): new bottles
Spa	March	Launch of the 'Strawberry Raspberry' variety in returnable glass bottles, 25 cl
Spa	April	New visual identity for SPA Still: new bottle (0.5 l) and new label (0.33 l)
Wattwiller	April	Launch of the new 1 l sparkling water bottle and its flower attached cap
Wattwiller	May	Launch of Fontaine (BIB 5 l)
Devin	May	Launch of new sport bottle 75 cl (Mineral & Spring)
Spa	June	Launch of EcoPack 10 L
Spa	October	New visual identity for SPA Still: new bottles (75 cl and 1 l)
Spa	October	SPA Fruit: Launch of 'Mango/Grapefruit' flavour
Spa	October	SPA Fruit: Launch of new 'Grenadine' flavour
Spa	November	SPA Fruit: Launch of 'Raspberry-Blackcurrant' flavour on Dutch market
Bru	December	New visual identity for the Bru range

5. Non-consolidated results of Spadel SA

Revenue

The revenue of Spadel SA amounted to EUR 174.5 million at the end of 2023, compared with EUR 161.9 million in 2022, up 7.8%.

This performance, on a market under pressure, reflects an increase in our market share thanks in particular to the reputation of the SPA brand, backed up by a communication campaign focusing on the brand's raison d'être: 'Mieux boire. Mieux vivre' (Drink better, Live better), extending the listing of our products in all the hard discount stores in Belgium and the Netherlands in mid-2022 over a full year and the successful launch of the new, more environmentally friendly SPA Reine Eco Pack 5 L size. The Bru brand also strengthened its positions by continuing to extend its presence in the hospitality circuit and especially in gourmet restaurants.

Operating result

The operating result amounted to EUR 6.5 million, sharply up by 121% compared with 2022, which closed with a result of EUR 3.0 million.

This development may be attributed to the following main favourable and unfavourable elements:

Favorable elements

- The increase in revenue;
- The fall in external fees linked mainly to a strategic study on innovation and the group's growth drivers carried out in 2022;
- The fall in depreciation charges;
- The fall in provisions for pension charges.

Unfavorable elements

- The increase in supply costs for goods from the group's subsidiaries further to the rise in ingredients, raw materials and energy prices;
- The increase in remuneration charges, due mainly to the significant indexation at the start of the year;
- The increase in expenditure on advertising and special offers to support growth and innovation;
- The increase in the costs of temporary staff and directors;
- The increase in the Fost+ contributions;
- The increase in training costs;
- The increase in costs linked to the refitting of office spaces;
- The increase in car leasing costs;
- The increase in freight transport costs.

Financial results

The financial income stood at EUR 11.5 million, down compared with 2022 (EUR 22.1 million), further to the fall in dividends collected from subsidiaries.

The financial costs stood at EUR 1.8 million, down compared with the previous year (EUR 2.2 million) which had been impacted by a write-down recognised on financial investments partially included in 2023. The non-recurring financial costs consist of a write-down of EUR 2.2 million to fully write off the value of the holding in the capital of the company Contaynor SRL, as well as the convertible loans granted, further to the latter's declaration of bankruptcy.

Net result

The net result available for appropriation for the 2023 financial year stood at EUR 13.4 million, compared with EUR 20.4 million in 2022.



6. Spadel sa profit distribution

The Board of Directors is to put a proposal to the ordinary general meeting of 28 May 2024 to set the profit to be appropriated as follows (in euros):

Net profit for the financial year to be appropriated	13,358,252
Profit carried forward from the previous financial year	10,310,841
Profit to be appropriated	23,669,093

and therefore proposes the following breakdown (in euros):

Distribution of a gross dividend of EUR 2.20 (EUR 1.54 net) per share to the 4,150,350 entitled shares	9,130,770
Appropriation to reserves available for distribution	4,000,000
Profit to be carried forward	10,538,324
Total	23,669,093

The gross dividend proposed is stable compared with that of the previous year and represents a payout ratio of 32% of the consolidated profit.

It will be payable on Wednesday, 5 June 2024 upon presentation of coupon No 25.

7. Outlook

The growth in the operating result recorded in 2023 reflects both the sound commercial performance of our brands and the various measures taken to reduce the cost structure and restore our margins.

However, the group continues to monitor the development of the bottled water market, which was under pressure in 2023, inflation which remains high and the increased tax pressure owing in particular to the new 'litter' taxes, which will have a major impact in Belgium, and new penalties on plastic packaging in France.

Backed up by a financial structure that was strengthened over the past year and sound fundamentals, the group aims to continue its growth thanks in particular to innovation. In this respect, 2024 is to see, among other things, (i) the launch of new range of natural, less sugary energy drinks under the 'Zyla' range, available on the Belgian market in three energy types: Vitality, Focus and Boost, and (ii) the strengthening of the 'Devin Mineral and Vitamins' range in Bulgaria.

As leader on the mineral water market, the group is continuing with its efforts and investments to offer consumers ever more innovative products focusing on health, hydration, natural ingredients and sustainability. The attention we pay to our societal and environmental impact for the benefit of a more circular and inclusive economy also demonstrates our capacity for innovation.

8. Internal audit and risk management

The Board of Directors supervises the implementation of the reference framework for the internal audit and risk management.

The Audit Committee is tasked, among other things, with the following missions:

- informing the Board of Directors of the results of the legal audit of the statutory and consolidated annual accounts, explaining the way in which the legal audit of the statutory and consolidated annual accounts contributed to the integrity of the financial information and the role that the Audit Committee played in this process;
- monitoring the process of preparing the financial information and making recommendations or proposals to guarantee its integrity;
- monitoring the efficiency of the company's internal audit and risk management systems as well as that of the internal audit;
- monitoring the legal audit of the statutory and consolidated annual accounts, including following up questions and recommendations from the statutory auditor;
- examining and monitoring the independence of the statutory auditor, in particular as regards the validity of the provision of additional services to the company;
- making a recommendation to the Board of Directors of the company regarding the appointment of the statutory auditor.

During the 2023 financial year, the chairman of the Audit Committee had the required accounting and auditing capabilities.

The company has hired an internal auditor whose mission is to independently analyse and assess the existence and working of the internal auditing system and to make recommendations with a view to improving this system. In hierarchical terms, the internal auditor reports to the Chief Financial Officer (CFO) and in functional terms to the chairman of the Audit Committee. He attends the meetings of the Audit Committee and draws up the reports on these meetings.

The Audit Committee examines the extent to which the Executive Committee takes account of the findings of the internal audit and the letter of recommendation from the external auditor. In addition, the Audit Committee examines the specific mechanisms which the company staff can use to pass on confidentially any concerns they may have regarding possible irregularities in the preparation of the financial information or other subjects. The Audit Committee endorses the mechanisms enabling staff to inform the chairman of the Audit Committee directly through the internal auditor. If necessary, arrangements are made for a proportionate and independent inquiry into these subjects and appropriate follow-up measures.

The Audit Committee validates the internal audit plan annually. The internal audit plan is drawn up in particular on the basis of an inventory of risks which is regularly updated. The most recent update took place in November 2023.



Moreover, the CEO has set up a Risk Committee tasked with overseeing the management of the risks included in the inventory referred to above. This committee meets with the risk managers several times per year to assess the preventive and protective actions implemented. The main risks and uncertainties weighing on the activities of the company are described in the management report from the Board of Directors to the general meeting.

The internal auditor also prepares a regular report on the risks and litigation that could impact on the result. The Audit Committee reports to the Board of Directors after each meeting. A summarised copy of this report is given to the directors.

As regards the financial information preparation process, Spadel has put in place an internal audit and risk management system to ensure:

- that the financial information, drawn up in accordance with Belgian accounting standards at the statutory level and the International Financial Reporting Standards (IFRS) at the consolidated level, is published within the legal deadlines and faithfully reflects the assets, the financial situation and the consolidated results of the company and of the subsidiaries of the company included in the consolidation;
- that the management report contains a faithful account of the development of business and the situation of the company and the subsidiaries included in the consolidation and a description of the main risks and uncertainties they face.

Procedures are in place to ensure that investments are made and that goods and services are purchased in line with the budgets adopted by the Board of Directors and under the supervision of the Executive Committee. A system is in place to check invoices relating to these transactions.

Performance indicators have been set for the various industrial and commercial operations. Reports on market performances and transactions are prepared on a monthly basis as regards the Executive Committee and a quarterly basis as regards the Board of Directors.

9. Risk factors

Due to its activities, the Spadel group is exposed to various risk factors:

- **Exchange risk:** most of the group's activities are located in the euro zone. Only the activities of the subsidiary Devin AD are undertaken in a foreign currency (BGN). However, the BGN exchange rate against the euro has until now been fixed. Moreover, there are very few other foreign currency transactions. The foreign exchange risk is therefore small.
- **Interest rate risk:** apart from standard trade payables, most of the group's liabilities consist of payables related to refundable guarantee deposits. These payables do not bear any interest charge. The group holds no significant long-term interest-bearing assets. Most of the group's financial liabilities are contracted at a fixed rate. In general, Spadel group's operating result and cash flow are largely unaffected by fluctuations in market interest rates.
- **Price risk:** Spadel's financial assets consist of investments made with due diligence in risk-free instruments. The main risks to which the group is exposed arise from PET material prices and the price of ingredients for the lemonades, as well as energy prices with their effects on production and transport costs.
- **Credit risk:** the credit risk arises from cash and cash equivalents, deposits with financial institutions and trade receivables. In the case of deposits with financial institutions, only independently rated counterparties with a minimum rating of A are accepted. The group also makes very short-term investments in commercial papers recommended by its usual bankers. The group's credit risk is concentrated on a few major customers.

Payments from these customers are monitored regularly. The management does not anticipate any losses arising from a default of these counterparties.
- **Liquidity risk:** prudent management of the liquidity risk implies maintaining sufficient cash and marketable securities, the availability of funding thanks to appropriate credit facilities and the ability to close out market positions. The group's objective is to maintain financial flexibility by keeping open but unused credit lines.
- **Risks related to disputes:** the group regularly assesses its exposure to complaints and disputes that arise in the normal course of its business and recognises adequate provisions.



• **Risks related to the course of business:** the main risks and uncertainties weighing on the company's course of business are as follows:

- issues relating to the environmental impact of our products;
- defects or contamination of a product marketed by the group;
- the availability and price volatility of materials and energy;
- the ever-growing concentration in the distribution sector;
- the rise of distributors' own brands and budget brands;
- the development of taxes on the various types of packaging.

10. Shareholding body

On the basis of the transparency notifications received by the company in 2023, the respective percentage of shares held by the main and historic shareholders in the company at 31 December 2023 is as presented in the table below. However, this table cannot take account of variations which are unknown to the company as they do not reach the transparency notification limits.

According to Article 8 of the articles of association of the company applicable as at 31 December 2023 and in accordance with Article 18 of the act of 2 May 2007 on the public disclosure of major shareholdings in issuers whose stocks are admitted for trading on a regulated market, containing various provisions, the obligation to provide notification laid down in Articles 6 ff. of this act applies when any minimum portion is exceeded, upwards or downwards, by one per cent (1%), three per cent (3%), five per cent (5%) and portions of ten per cent (10%), fifteen per cent (15%) and so on, in brackets of five per cent (5%), of the total voting rights in circulation when the situation giving rise to a declaration pursuant to this act occurs.

	Number of shares	% of total
Finances & Industries SA	3,861,187	93.03
Mr de Barys and Sogemindus Holding SA	184,584	4.45
Public (free float)	104,579	2.52
TOTAL	4,150,350	100.00

All the transparency notifications received by the company as well as the notifications pursuant to Article 74 § 8 of the act of 1 April 2007 on public takeover bids, dated 22 August 2023, from Mr Marc du Bois, Finances & Industries SA and the MACDUB Foundation are available on its website, www.spadel.com, under the 'Governance' tab.

Spadel does not have any knowledge of agreements between its shareholders or others which could entail restrictions on the transfer of securities or the exercising of voting rights or, as regards the latter, a more general restriction resulting from the law or the articles of association. Furthermore, the articles of association of the company do not contain different categories of shares or special controlling rights or a staff shareholder system. Nor are there any specific rules linked to the appointment or replacement of the directors which are not included in the articles of association or the rules of procedure published and the company has not entered into any major commitment which may contain clauses linked to its own change of control.

No transactions involving shares in the company had been reported as at 31 December 2023 in the context of the rules adopted by the Board of Directors on this subject.

II. Other information pursuant to the code for companies and associations

Article 7:96 § 1 of the CSA: During the 2023 financial year, Article 7:96 of the CSA regarding conflicts of interest had to be applied once, at the meeting of the Board of Directors on 30 March 2023. At this meeting, Marc du Bois, CEO, told the Board of Directors, before the Board considered the item relating to the review of his performance and his variable remuneration in 2022, that he had a direct proprietary interest conflicting with decisions to be taken by the Board of Directors, within the meaning of Article 7:96 of the CSA, regarding his performance and his remuneration. Marc du Bois did not take part in the deliberations or the decision on this matter. The Board of Directors, with the exception of Marc du Bois, validated the review of the performance of the CEO and the payment of variable remuneration (a bonus based on his individual targets (150% payment)).

Article 7:97 of the CSA: During the 2023 financial year, there were no transactions or decisions referred to by these provisions on conflicts of interests in relations with certain affiliated entities.

Article 7:203 of the CSA: As the company does not have any authorised capital, this provision concerning the use of the authorised capital does not apply.

Article 7:220 CSA: As the company does not have authorisation to purchase treasury shares, no treasury share purchase transactions were effected during the 2023 financial year.

Article 7:226 of the CSA: The company has not pledged treasury shares.

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12. Major events occurring after the close of the financial year

The Board has no knowledge of any major events occurring after the close of the financial year which could significantly affect the annual financial statements.

13. Non-financial statement

The non-financial statement is drawn up in a separate report, attached to this management report.

14. Corporate governance

As regards corporate governance, the company takes account of the relevant provisions of the Code for Companies and Associations that came into effect on 1 January 2020 (the **CSA**) and the Belgian Corporate Governance Code 2020 (**Code 2020**).

Spadel has adopted Code 2020 as its reference code and applies its recommendations in line with the 'comply or explain' principle. The adoption of the CSA and Code 2020 also led to modifications of the articles of association – approved by the extraordinary general meeting of 10 June 2021 – and the adaptation of its Corporate Governance Charter and the rules of procedure of the Board and its committees, as well as its Dealing Code. In addition, Spadel adopted a Code of Conduct during the 2020 financial year.

These various documents are available for consultation on the company's website (www.spadel.com).

As at the date of this report, Spadel complies with the provisions of Code 2020, with the exception of certain principles explained in more detail in the company's statutory management report or remuneration report.

Spadel constantly reflects on its governance and the company is keen to formulate a specific assessment on this matter. Spadel's governance rules take account in particular of the close links it aims to maintain with its reference shareholder and of its size, while maintaining its autonomy.

The Board of Directors would like to thank all the staff for the efforts made during 2023.

27 March 2024

The Board of Directors



Statement of corporate governance

A. Déclaration de Gouvernance d'Entreprise

1. The Corporate Governance Charter

As regards corporate governance, this statement contains the information required by the Code for Companies and Associations that came into effect on 1 January 2020 (the **CSA**) and the Belgian Corporate Governance Code 2020 (**Code 2020**).

Spadel has adopted Code 2020 as its reference code and applies its recommendations in line with the 'comply or explain' principle. The adoption of the CSA and Code 2020 also led to modifications of the articles of association – approved by the extraordinary general meeting of 10 June 2021 – and the adaptation of its Corporate Governance Charter and the rules of procedure of the Board and its Committees, as well as its Dealing Code. In addition, Spadel adopted a Code of Conduct during the 2020 financial year. These various documents are available for consultation on the company's website (www.spadel.com). As at the date of this report, Spadel complies with the provisions of Code 2020, with the exception of certain principles set out in more detail in the following sections or in the remuneration report.

Spadel constantly reflects on its governance and the matter is subject to ongoing assessment. Spadel's governance rules take account in particular of the close links it aims to maintain with its reference shareholder and of its size, while maintaining its autonomy.

2. The main internal audit and risk management characteristics

2.1. Internal audit

The Board of Directors supervises the implementation of the reference framework for the internal audit and risk management.

The Audit Committee is tasked, among other things, with the following missions:

- informing the Board of Directors of the results of the legal audit of the statutory and consolidated annual accounts, explaining the way in which the legal audit of the statutory and consolidated annual accounts contributed to the integrity of the financial information and the role that the Audit Committee played in this process;
- monitoring the process of preparing the financial information and making recommendations or proposals to guarantee its integrity;

- monitoring the efficiency of the company's internal audit and risk management systems as well as that of the internal audit;
- monitoring the legal audit of the statutory and consolidated annual accounts, including following up questions and recommendations from the statutory auditor;
- examining and monitoring the independence of the statutory auditor, in particular as regards the validity of the provision of additional services to the company;
- making a recommendation to the Board of Directors of the company regarding the appointment of the statutory auditor.

In 2008 the company hired an internal auditor whose mission is to independently analyse and assess the existence and working of the internal auditing system and to make recommendations with a view to improving this system. In hierarchical terms, the internal auditor reports to the Chief Financial Officer (CFO) and in functional terms to the chairman of the Audit Committee. He attends the meetings of the Audit Committee and draws up the reports on these meetings.

The Audit Committee examines the extent to which the Executive Committee takes account of the findings of the internal audit and the letter of recommendation from the external auditor. In addition, the Audit Committee examines the specific mechanisms which the company staff can use to pass on confidentially any concerns they may have regarding possible irregularities in the preparation of the financial information or other subjects. The Audit Committee endorses the mechanisms enabling staff to inform the chairman of the Audit Committee directly through the internal auditor. If necessary, arrangements are made for a proportionate and independent inquiry into these subjects, and appropriate follow-up measures.

The Audit Committee validates the internal audit plan annually. The internal audit plan is drawn up in particular on the basis of an inventory of risks which is regularly updated. The most recent update took place in November 2023.

Moreover, the CEO has set up a Risk Committee tasked with overseeing the management of the risks included in the inventory referred to above. This committee meets with the risk managers several times per year to assess the preventive and protective actions implemented. The main risks and uncertainties weighing on the activities of the company are described in the management report from the Board of Directors to the general meeting.



The internal auditor also prepares a regular report on the risks and litigation that could impact on the result. The Audit Committee reports to the Board of Directors after each meeting. A summarised copy of this report is given to the directors.

As regards the financial information preparation process, Spadel has put in place an internal audit and risk management system to ensure:

- that the financial information, drawn up in accordance with Belgian accounting standards at the statutory level and the International Financial Reporting Standards (IFRS) at the consolidated level, is published within the legal deadlines and faithfully reflects the assets, the financial situation and the consolidated results of the company and of the subsidiaries of the company included in the consolidation;
- that the management report contains a faithful account of the development of business and the situation of the company and the subsidiaries included in the consolidation and a description of the main risks and uncertainties they face.

Procedures are in place to ensure that investments are made and goods and services are purchased in line with the budgets adopted by the Board of Directors and under the supervision of the Executive Committee. A system is in place to check invoices relating to these transactions.

Performance indicators have been set for the various industrial and commercial operations. Reports on market performances and transactions are prepared on a monthly basis as regards the Executive Committee and a quarterly basis as regards the Board of Directors.

2.2. External audit

The statutory auditor's mandate is exercised by PwC Réviseurs d'Entreprises SRL, represented by Mr Romain Seffer. PwC was appointed by the ordinary general meeting of 24 May 2022 for a period of three years ending at the close of the ordinary general meeting of 2025. The amount of the fees of the statutory auditor is published, in accordance with Article 3: 65 of the CSA, as an annex to the consolidated accounts and in section C 6.18.2 of the company accounts.

3. Shareholding structure

The shareholders have free access to the 'Investors' tab on the company's website (www.spadel.com), where they can consult all the information they need to act in full knowledge of the facts. They can also download the necessary documents to take part in the vote at the company's general meetings. All Spadel shareholders are treated in exactly the same way and Spadel respects their rights.

As at 31 December 2023, the share capital stood at EUR 5,000,000, represented by 4,150,350 ordinary shares, fully paid up. Each share confers one vote at the general meeting. There are no preferential shares. The shares are registered or dematerialised, freely transferable and admitted for trading on the Euronext Brussels regulated market.

The obligations of the company and the rights of the shareholders as regards the general meeting are indicated in extenso, from convening to participation and voting, on the Spadel website (www.spadel.com), where this information can be consulted at any time.

On the basis of the most recent transparency notifications received by the company, the respective percentage of shares held by the main and historic shareholders in the company at 31 December 2023 is as presented in the table below. However, this table cannot take account of variations which are unknown to the company as they do not reach the transparency notification limits.

According to Article 8 of the articles of association of the company and in accordance with Article 18 of the act of 2 May 2007 on the public disclosure of major shareholdings in issuers whose stocks are admitted for trading on a regulated market, containing various provisions, the obligation to provide notification laid down in Articles 6 ff. of this act applies when any minimum portion is exceeded, upwards or downwards, by one per cent (1%), three per cent (3%), five per cent (5%) and portions of ten per cent (10%), fifteen per cent (15%) and so on, in brackets of five per cent (5%), of the total voting rights in circulation when the situation giving rise to a declaration pursuant to this act occurs.

	Number of shares	% of total
Finances & Industries SA	3,861,187	93.03
Mr de Barys and Sogemindus Holding SA	184,584	4.45
Public (free float)	104,579	2.52
TOTAL	4,150,350	100.00

All the transparency notifications received by the company as well as the notifications pursuant to Article 74 § 8 of the act of 1 April 2007 on public takeover bids, dated 22 August 2023, from Mr Marc du Bois, Finances & Industries SA and the MACDUB Foundation are available on its website, www.spadel.com, under the 'Governance' tab.

Spadel does not have any knowledge of agreements between its shareholders or others which could entail restrictions on the transfer of securities or the exercising of voting rights or, as regards the latter, a more general restriction resulting from the law or the articles of association. Furthermore, the articles of association of the company do not contain different categories of shares or special controlling rights or a staff shareholder system. Nor are there any specific rules linked to the appointment or replacement of the directors which are not included in the articles of association or the rules of procedure published and the company has not entered into any major commitment which may contain clauses linked to its own change of control.

No transactions involving shares in the company had been reported as at 31 December 2023 in the context of the rules adopted by the Board of Directors on this subject.

Finally, Articles 7:96 and 7:97 of the CSA regarding conflicts of interest had to be applied at the meeting of the Board of Directors on 30 March 2023. At this meeting, Marc du Bois, CEO,



told the Board of Directors, before the Board considered the item relating to the review of his performance and his variable remuneration in 2022, that he had a direct proprietary interest conflicting with decisions to be taken by the Board of Directors, within the meaning of Article 7:96 of the CSA, regarding his performance and his variable remuneration. Marc du Bois did not take part in the deliberations or the decision on these matters. The Board of Directors, with the exception of Marc du Bois, validated the review of the performance of the CEO, giving him the right to a bonus based on his individual targets (150% payment).

4. Diversity policy

For Spadel, all aspects of diversity and inclusion are essential at every level. Moreover, the B Corp certification obtained by the Spadel group in 2022 – a label for companies that have a positive societal impact – includes measures on diversity, fairness and inclusion.

In terms of staff, Spadel aims to achieve a balanced representation of men and women. Taking the group as a whole at all levels of the organisation, as at 31 December 2023, 71% of staff were men and 29% were women.

As bottling mineral water is a local issue, Spadel offers local employment in all the countries in which the group operates. If possible, Spadel also seeks alternative forms of employment for those who have to contend with physical difficulties during their career and would otherwise be unable to remain in the regular work circuit.

As regards the composition of the Executive Management, Spadel takes care to welcome representatives of the various geographic areas in which the group operates. Spadel constantly checks, from every point of view, that the composition of the Executive Management team meets the needs of the organisation and the world in which the group carries out its activities, from the point of competences, expertise and general capacities as well as education or professional experience. If necessary, Spadel also invests in the training of its staff in order to be able to meet the challenges facing the group ever more effectively.

As regards gender diversity, the Executive Committee includes three women out of total of eight members. Spadel continues to apply unrestricted gender neutrality in the choice of new members. The factors underlying new recruitments are good professional, managerial and cultural compatibility.

As regards the composition of the Board of Directors, Article 7:86 §1 of the CSA states that at least one-third of the members of the Board of Directors must be of a different gender than the other members. The minimum number required is rounded off to the nearest whole number. Since the ordinary general meeting of 2023, the Board of Directors has been made up of five male members and two female members

5. Composition and working method of the Board of Director and the various committees

The rules governing the composition, the responsibilities and the working of the Board of Directors and the committees created within the Board are described in the Spadel Corporate Governance Charter and the respective rules of procedure.

5.1. The Board of Directors

Composition of the Board of Directors

The Spadel Board of Directors, the composition of which is given below, had seven members as at 31 December 2023, appointed by the general meeting, four of whom are independent and meet the general criteria of independence referred to in Article 7:87 of the CSA as well as the specific independence criteria laid down in Article 3.5 of Code 2020.

The Chairman of the Board of Directors and the Chief Executive Officer (**CEO**) are not the same person. The position of CEO is held by Gerefis SA, represented by Marc du Bois.



name	capacity	date of appointment/ renewal	end of mandate
Gerefis SA, permanently represented Baron Marc du Bois	Executive director - CEO - Chairman of the Executive Committee	Co-opted by the Board of Directors' meeting of 30 March 2022 and appointment confirmed by the ordinary general meeting of 24 May 2022	Ordinary general meeting of 2025
Finances & Industries SA, permanently represented by Mr Axel Miller	Non-executive director	Ordinary general meeting of 24 May 2022	Ordinary general meeting of 2026
Baron Jean Vandemoortele	Independent director	Ordinary general meeting of 11 June 2020	resigned at the end of the ordinary general meeting in 2023
Familia Numerosa BV, permanently represented by Mr Roel van Neerbos	Independent director - Chairman of the Board of Directors ¹	Ordinary general meeting of 10 June 2021	Ordinary general meeting of 2025
UpsilonLab BV, permanently represented by Ms Corinne Avelines	Independent director	Ordinary general meeting of 11 June 2020	Ordinary general meeting of 2024
A2 BV, permanently represented by Mr Alain Beyens	Independent director	Ordinary general meeting of 10 June 2021	Ordinary general meeting of June 2025
Louis-Guy du Bois	Non-executive director	Ordinary general meeting of 23 May 2023	Ordinary general meeting of June 2027
Mieke Van de Capelle	Independent director	Ordinary general meeting of 23 May 2023	Ordinary general meeting of June 2027

1. Chairman of the Board of Directors since 23 August 2021.

A proposal will be put to the ordinary general meeting of 28 May 2024, on the recommendation of the Appointment and Remuneration Committee, not to renew the mandate of UpsilonLab BV, permanently represented by Ms Corinne Avelines, and to appoint a new female member as a director of the company with a four-year mandate, that is until the ordinary general meeting of 2028.

Working of the Board of Directors

The Board of Directors met five times in 2023 for its regular meetings, including for its annual strategic meeting in September.

The members' attendance rate at the regular meetings of the Board of Directors was as follows:

Name	Capacity	Attendance rate
Gerefis SA, permanently represented Baron Marc du Bois	Executive director as of 1 April 2022	100%
Finances & Industries SA, permanently represented by Mr Axel Miller	Non-executive director	5/5
Baron Jean Vandemoortele	Independent director until 23 May 2023	0/1
Familia Numerosa BV, permanently represented by Mr Roel van Neerbos	Independent director - Chairman of the Board of Directors	5/5
UpsilonLab BV, permanently represented by Ms Corinne Avelines	Independent director	5/5
A2 BV, permanently represented by Mr Alain Beyens	Independent director	5/5
Louis-Guy du Bois	Non-executive director since 23 May 2023	4/4
Mieke Van de Capelle	Independent director since 23 May 2023	4/4



At its quarterly meetings, the Board considers in particular:

- the follow-up of its decisions;
- the reports and recommendations from the Audit and the Appointment and Remuneration Committees;
- the evolution of the commercial situation per market on the group's main markets, as regards the past quarter and as at the date of the meeting, focusing in particular on points of special interest and action plans;
- the consolidated financial situation in the past quarter.

The following subjects were also included on the agenda of the quarterly meetings of the Board:

- 1st quarter: closure of the statutory accounts and approval of the accounts for the past financial year, preparation of the ordinary general meeting and the press release on the annual results;
- 2nd quarter: various subjects depending on the development of the situation;
- 3rd quarter: closure of the half-yearly situation and press release on the half-yearly results;
- 4th quarter: approval of the budgets and investment plans for the following year.

Departures from Code 2020 concerning the working of the Board of Directors

The Board believes that a formal meeting per year of the non-executive directors intended to assess their interaction with the CEO serves no purpose, given the excellent open and permanent dialogue with the CEO, either informally or at meetings of the Board of Directors and its Committees.

When the Board has to deliberate on matters involving the CEO, the latter is asked to leave the meeting. Spadel thus departs from principle 3.11 of Code 2020.

5.2 Committees created by the Board of Directors

Spadel has two committees established within the Board of Directors: the Audit Committee (in accordance with Article 7: 99 of the Code for Companies and Associations) and the Appointment and Remuneration Committee (in accordance with Article 7:100 of the Code for Companies and Associations).

The Audit Committee

The Audit Committee comprises three members who are non-executive directors. Two of them are independent. Until 23 May 2023, it was made up of the following members:

- Jean Vandemoortele (chairman);
- Finances & Industries SA, permanently represented by Mr Axel Miller; and
- A2 BV, permanently represented by Mr Alain Beyens

Since 24 May 2023, it has been made up of the following members:

- A2 BV, permanently represented by Mr Alain Beyens (chairman);
- Finances & Industries SA, permanently represented by Mr Axel Miller; and
- UpsilonLab BV, permanently represented by Ms Corinne Avelines.

Mr Alain Beyens, currently chairman of the Audit Committee, is competent in the field of auditing and accounting owing to his training and his long professional experience as an executive manager or a director.

The Audit Committee met three times in 2023. All the members were present at each meeting.

The statutory auditor, the CEO and the CFO as well as the internal auditor attended the meetings of the Audit Committee. At each meeting, time was scheduled for a discussion between the committee and the statutory auditor, without the presence of the management.

The Audit Committee fulfilled its task in application of and within the limits governing its missions and working method. The chairman of the Audit Committee reported systematically to the Board of Directors on its meetings and recommendations, submitted for approval.

The Appointment and Remuneration Committee

The Appointment and Remuneration Committee comprises three members who are independent, non-executive directors. Until 23 May 2023, it was made up of the following members:

- Familia Numerosa BV, permanently represented by Mr Roel van Neerbos (chairman);
- UpsilonLab BV, permanently represented by Ms Corinne Avelines; and
- Finances & Industries SA, permanently represented by Mr Axel Miller.

Since 24 May 2023, it has been made up of the following members:

- Familia Numerosa BV, permanently represented by Mr Roel van Neerbos (chairman);
- Finances & Industries SA, permanently represented by Mr Axel;
- Mieke Van de Capelle.

Owing to their present or past positions as business leaders, the members of the Appointment and Remuneration Committee possess the necessary expertise in remuneration policy.

The committee met twice in 2023. An informal meeting was also held. All the members were present. The CEO and the Group HR Director attended the meetings of the committee except for the items that concerned them personally.

The Appointment and Remuneration Committee fulfilled its task in application of and within the limits governing its missions and working method. The chairman of the Appointment and Remuneration Committee reported systematically to the Board of Directors on its meetings and recommendations, submitted for approval.



5.3. Executive Committee

The Executive Committee of the group currently consists of the CEO/Chairman of the Executive Committee – Gerefis SA, represented by Mr Marc du Bois – and other members.

The following persons were members of the Executive Committee in 2023:

Name	Position
Marc du Bois	CEO
Didier De Sorgher	CFO
Bart Peeters	General Manager BeNeFraLux
Borislava Nalbantova	General Manager Bulgaria
Amaury Collette	Group Operations Director
Jo Swennen	Group Procurement & Supply Chain Director
Valérie Siegler	Head of Brands, Innovation & Sustainability
Tatiana Goeminne	Group HR Director

As well as reviewing the development of the commercial situation on the various markets on which the Spadel group operates, points of special interest and action plans, the Executive Committee also expresses its opinion of the various projects affecting the activities of the group.

At the meeting that follows a meeting of the Board of Directors, the decisions, requests and recommendations of the Board are reviewed and where necessary translated into points of action.

5.4. Assessment of the working of the Board of Directors and its Committees

The Corporate Governance Charter defines the informal assessment processes of the Board of Directors, the directors, the Audit Committee and the Appointment and Remuneration Committee. These assessments are carried out at regular intervals. They cover the size, the composition and the performance of the Board of Directors and its Committees. Similarly, periodically or when a mandate is renewed, the contribution of each director is assessed with a view to adapting the composition of the Board of Directors if necessary and to taking account of changes in circumstances. This assessment is carried out in particular on the basis of the following criteria, which are also those adopted when appointing new directors:

- capabilities in the company's fields of activity;
- experience in the company's geographic markets;
- diversity of capabilities, age, gender, nationality;
- commitment and constructive involvement in the debates and decisions taken;
- probity and good reputation;
- collegial spirit;
- interest in the company and its development.

Under the leadership of its chairman, the Board of Directors regularly and informally assesses its size, its composition, its performance and those of its specialised committees as well as its interaction with the Executive Committee.

Upon the expiry of the mandate of each director, the Board of Directors assesses their participation in meetings of the Board or of specialised committees, their commitment and their constructive involvement in debates and decisions. The Appointment and Remuneration Committee also assesses whether the contribution made by each director is appropriate for changing circumstances.

The Board of Directors takes decisions further to the performance assessments. If necessary, this means proposing the appointment of new directors, not re-electing existing members or taking any measure deemed appropriate to ensure that the Board works effectively. Moreover, the Board constantly and informally examines the performances of the Executive Committee and, at regular intervals, the implementation of the strategy in line with its risk appetite.

B. Remuneration report

This remuneration report (**Remuneration Report**) has been prepared in the context of the provisions of the Belgian Corporate Governance Code 2020 (**Code 2020**) and Article 3:6 §3, paragraph 2 of the Code for Companies and Associations (the **CSA**).

It provides an overall view of the remuneration and benefits, whatever form they take, granted during the course of the 2023 financial year to each of the members of the Board of Directors, to the CEO and to the other members of the Executive Committee. It lays down the main principles of the remuneration policy and the way these were applied during the past financial period. There are no exceptions to be reported compared with the remuneration policy as approved by the ordinary general meeting of 10 June 2021 and available on the company's website, www.spadel.com.

I. Total remuneration

The total remuneration paid by the company or by one of its subsidiaries to the directors, the CEO and the other members of the Executive Committee is fully in line with the remuneration policy that was in force until the ordinary general meeting of 10 June 2021, as well as the remuneration policy approved by the ordinary general meeting of 10 June 2021. The performance criteria have been applied fully in accordance with this policy.



1.1. Total remuneration of the directors

The remuneration of the directors is determined by the general meeting of the company at the proposal of the Board of Directors, which in turn has received proposals from the Appointment and Remuneration Committee.

The remuneration of the directors is made up of fixed emoluments allocated by the general meeting and attendance fees.

The ordinary general meeting of 11 June 2015 set:

- the fixed remuneration at EUR 15,000 per year per director (apart from the chairman) for the five set meetings and also allocated an attendance fee of EUR 3,000 per meeting (i.e. EUR 15,000 for the five set meetings), it being understood that for their attendance at any additional meeting, each director will be granted an additional attendance fee of EUR 6,000 per meeting;
- the fixed remuneration at EUR 30,000 per year for the chairman for the five set meetings and also allocated an attendance fee of EUR 6,000 per meeting (i.e. EUR 30,000 for the five set meetings), it being understood that for his attendance at any additional meeting, the chairman will be granted an additional attendance fee of EUR 12,000 per meeting (i.e. a fixed remuneration and an attendance fee set at twice that of a director);

- the amount of the attendance fee for each participation at a meeting of the Audit Committee and/or the Appointment and Remuneration Committee at EUR 2,500 per person, subject to the fact that the chairman of these committees receives an attendance fee of EUR 5,000 per meeting.

Moreover, the ordinary general meeting of 10 June 2021 clarified that:

- the fixed remuneration and the attendance fees referred to above will in any case be paid taking into account the length of the term of office served by each director during a financial year and their actual participation in meetings of the Board of Directors and the specialised committees; and
- any participation in an 'ad hoc' Board of Directors meeting that does not require any particular preparation will not give rise to an additional attendance fee, barring exceptional cases.

With the exception of the CEO who fulfils his duties with independent status (service provision contract), there is no service provision contract between the company and the directors, who exercise their mandate with independent status. In accordance with the articles of association of the company, they may be dismissed at any time, with immediate effect, without grounds or compensation.

The table below indicates the total annual remuneration paid individually to each member of the Board of Directors on the basis of their participation in the meetings of the various advisory committees:

	Capacity	Annual fixed remuneration (in EUR)	Attendance fees (in EUR)			Total (in EUR)
			Board of Directors	Appointment and Remuneration Committee	Audit Committee	
Finances & Industries SA (Axel Miller)	Non-executive director, member of the Audit Committee, member of the Appointment and Remuneration Committee	15,000	15,000	5,000	7,500	42,500
Gerefis SA (Marc du Bois)	Director / CEO	15,000	15,000	-	-	30,000
Baron Jean Vandemoortele	Independent director, chairman of the Audit Committee until 23 May 2023	3,000	0		5,000	8,000
Familia Numerosa BV (Roel van Neerbos)	Independent director and chairman of the Board of Directors, member and chairman of the Appointment and Remuneration Committee	30,000	30,000	10,000	-	70,000
UpsilonLab BV (Corinne Avelines)	Independent director, member of the Appointment and Remuneration Committee until 23 May 2023, member of the Audit Committee since 24 May 2023.	15,000	15,000	2,500	5,000	37,500
A2 BV (Alain Beyens)	Independent director, member of the Audit Committee until 23 May 2023, chairman of the Audit Committee since 24 May 2023.	15,000	15,000	-	12,500	42,500
Louis-Guy du Bois	Non-executive director since 23 May 2023	12,000	12,000			24,000
Mieke Van de Capelle	Independent director since 23 May 2023, member of the Appointment and Remuneration Committee since 24 May 2023	12,000	12,000	2,500	-	26,500



1.2. Total remuneration of the CEO

The managing director of Spadel, who is the only executive director, fulfils the position of CEO.

The remuneration of the CEO is determined by the Board of Directors on the basis of recommendations made by the Appointment and Remuneration Committee. This remuneration consists of a fixed part, a variable part and other benefits.

The **basic remuneration** is determined, for the CEO (and each member of the Executive Committee), in accordance with the nature and extent of his responsibilities and his individual capabilities. In order to ensure conformity with market practices, the basic remuneration of the Executive Committee is periodically reviewed in accordance with reference scales among the relevant sectors and geographic markets. These reference scales are established by internationally acknowledged consultants specialising in remuneration further to benchmarking.

The criteria for the **variable remuneration** of the CEO (and of each member of the Executive Committee) of the company correspond to quality performances in line with expectations, in terms of results, professionalism and motivation. They consist of a combination of collective and individual financial and quality goals which are weighted. The Board of Directors sets criteria which favour predetermined and measurable goals that have a positive impact on the company both in the short term, that is over one year (Short-Term Incentive or **STI**) and in the long term, that is over three years (Long-Term Incentive or **LTI**) and which are aligned with the company's strategy.

Short-Term Incentive

The STI represents a total gross annual potential, compared with the basic remuneration, of:

- 50% for the CEO and
- 30% for the other members of the Executive Committee.

The STI is based on performance criteria relating to the year for which it is granted. It consists of a combination of quantitative and qualitative indicators and individual performance indicators which are weighted. Each indicator is allocated a multiplying factor based on the level of fulfilment of the goal compared with the goal set.

The qualitative assessment criteria are subjected to an overall appraisal by the Appointment and Remuneration Committee which then submits its opinion to the Board of Directors.

Long-Term Incentive

The LTI is intended to align the members of the Executive Committee and encourage them to adopt a long-term view based on (i) creating lasting value for the company's shareholders and (ii) creating a positive impact on society and the environment.

A new LTI plan has been in effect since 2023. It consists of a financial part and a non-financial part. The financial part represents potential that corresponds to a percentage of the value creation of the company's equity over a three-year period, equally divided among the members of the Executive Committee. The CEO counts twice. The non-financial part is based on achieving sustainability goals over three years.

The modification of the LTI plan was incorporated into the remuneration policy, which will be submitted for approval to the ordinary general meeting to be held on 28 May 2024.

The total remuneration paid to the CEO in 2023, compared to that paid in 2022, can be broken down as indicated in the table below:



Total remuneration ¹

	Fixed remuneration		Variable remuneration		Extraordinary items (in EUR) ⁴	Pension cost (in EUR) ⁵	Total remuneration (in EUR)	Fixed and variable proportion of remuneration ⁶
	Basic remuneration (in EUR)	Additional benefits (in EUR)	STI (in EUR) ²	LTI (in EUR) ³⁻⁷				
Marc du Bois 2022	25,134	3,514 ²	54,501	10,054-	-	26,832		
Gerefis SA, represented by Marc du Bois 2022	471,705	-	185,529	35,700	-	-	Fixed : 65% Variable : 35%	
Total Marc du Bois and Gerefis SA 2022	496,839	3,514	240,030	45,754	-	26,832	812,969	
Marc du Bois 2023	-	-	33,195	-	-	-		
Gerefis SA, represented by Marc du Bois 2023	536,064	-	99,587	-	-	-	Fixed : 80% Variable : 20%	
Total Marc du Bois and Gerefis SA 2023	536,064	-	132,782	-	-	-	668,846	

1. All the remuneration components are given in gross amounts.

2. The amount reported is equal to the monetary value of the variable remuneration acquired during the year to which the report relates for the variable remuneration of the previous year.

3. The amount reported is equal to the monetary value of the variable remuneration paid during the year to which the report relates, based on performance criteria relating to several years.

4. The CEO did not receive any extraordinary items in 2023, such as sign-off fees, retention bonus, contributions to the removal costs, compensation for payments pursuant to previous employment contracts, etc.

5. The amount reported includes all the contributions that were actually paid by the employer during the course of the year to compulsory and optional pension schemes.

6. Relative share of the fixed remuneration = (Fixed remuneration + pension cost) / (Total remuneration)

Relative share of the variable remuneration = (Variable remuneration) / (Total remuneration)

Spadel does not grant any additional benefits.

The variable remuneration of the CEO is paid in April of the year following the financial period for which it is allocated.



1.3. Total remuneration of the Executive Committee, with the exception of the CEO

The remuneration of the members of the Executive Committee is determined by the Board of Directors on the basis of recommendations made by the Appointment and Remuneration Committee. This remuneration, like that of the CEO, consists of a fixed part, a variable part and other benefits.

Owing to the multinational nature of the Executive Committee and as Spadel's activities are scattered among various geographic zones, the employment contracts of the members of the Executive Committee are, however, governed by different jurisdictions.

Please refer to section 1.2 for more detailed explanations of the method used to determine the fixed and variable remuneration of the other members of the Executive Committee.

The total remuneration paid to the members of the Executive Committee (with the exception of the CEO) in 2023, compared to that paid in 2022, can be broken down as indicated in the table below:

	Fixed remuneration		Variable remuneration		Extraordinary items (in EUR) ⁴	Pension cost (in EUR) ⁵	Total remuneration (in EUR)	Fixed and variable proportion of remuneration ⁶
	Basic remuneration (in EUR)	Additional benefits (in EUR)	STI (in EUR) ²	LTI (in EUR) ³				
Other members of the Executive Committee 2022	1,696,858	71,437	521,600	180,362	15,195	93,951	2,579,405	Fixed : 72% Variable : 28%
Other members of the Executive Committee 2023	1,582,632	62,567	310,378	0	4,431	98,370	2,058,379	Fixed : 84% Variable : 16%

1. All the remuneration components are given in gross amounts.

2. The amount reported is equal to the monetary value of the variable remuneration acquired during the year to which the report relates for the variable remuneration of the previous year.

3. The amount reported is equal to the monetary value of the variable remuneration paid during the year to which the report relates, based on performance criteria relating to several years.

4. This refers to extraordinary items such as the sign-off bonus, exceptional bonuses, profit sharing for the French entities, etc.

5. The amount reported includes all the contributions that were actually paid by the employer during the course of the year to compulsory and optional pension schemes.

6. Relative share of the fixed remuneration = (Fixed remuneration + pension cost) / (Total remuneration)

Relative share of the variable remuneration = (Variable remuneration) / (Total remuneration)

The members of the Executive Committee all benefit from a company car, the benefit in kind for which is indicated above.

The members of the Executive Committee whose employment contract is subject to Belgian legislation also benefit from hospitalisation insurance and meal vouchers.

The members of the Executive Committee whose employment contract is subject to French law also benefit from an agreement on sharing the profits of the company concluded with the relevant entity.

The variable remuneration of the members of the Executive Committee is paid in April of the year following the financial period for which it is allocated. The payment of the variable remuneration of the members of the Executive Committee whose employment contract is subject to Belgian law is made in cash. Part of it benefits from favourable tax and social security treatment (collective labour agreement 90 on non-recurring benefits linked to results). They also benefit from the possibility of collecting part of their variable remuneration in the form of warrants or options.

The pension plan for members of the Executive Committee, other than the CEO and the General Manager of Devin, is a defined contribution plan.



2. Remuneration linked to shares

Code 2020 – principle 7.6 recommends that the non-executive directors receive part of their remuneration in the form of shares in the company. These shares are kept for at least one year after the non-executive director has left the board and for at least three years after they are allocated. The non-executive directors do not benefit from stock options.

Spadel departs from this principle and does not grant remuneration in the form of shares to non-executive directors. Bearing in mind the presence of a reference shareholder with over 90% of the capital of the company and the independent nature of the non-executive directors, Spadel believes that granting (part of) the remuneration in shares would not necessarily contribute to the objective of Code 2020 to encourage such directors to act with the perspective of a long-term shareholder. Spadel's general policy and working method already meet the objective of recommendation 7.6 of Code 2020, which aims to promote the creation of lasting value and ensure a balance between the interests and legitimate expectations of shareholders and of all the stakeholders. These principles are laid down in particular in the Governance Charter and in the rules of procedure of the Board of Directors. Moreover, the company modified its articles of association in 2021, in particular to expressly state that the company will take steps to ensure that it has a significant positive impact on society and the environment through its operational and commercial activities, which also helps to promote the creation of lasting value.

Code 2020 – principle 7.9 recommends setting a minimum threshold of shares which the business leaders must hold.

Spadel departs from this principle and does not set any express minimum threshold for shares held by the CEO or the other members of the Executive Committee. This departure is again justified by the capitalistic structure of the company and in particular the presence of a reference shareholder with over 90% of the company's capital, which sharply reduces the liquidity of the company's shares. Spadel believes that its simple, transparent remuneration policy for the members of the Executive Committee supports its growth strategy.

3. Severance pay

No severance pay was granted in 2023.

4. Use of rights of recovery

Code 2020 – principle 7.12 recommends that the Board should include clauses enabling the company to recover variable emoluments paid or to delay the payment of variable emoluments and specifies the circumstances in which such action should be taken, to the extent that this is permitted by law.

In 2022, Spadel introduced recovery provisions for the variable remuneration plans of the CEO upon the conclusion of the service provision contract between Gerefis SA and Spadel. This means that the Board of Directors can, subject to the applicable law, recover the variable remuneration that was paid or acquired (return) in the event of (i) fraud or (ii) financial turnaround, calculation error or administrative error leading to the payment of a variable remuneration in excess of that which Gerefis SA should have received under the terms of the applicable plan.

Apart from the service provision contract of the CEO, Spadel has not to date included clauses enabling the company to recover variable emoluments paid or to delay the payment of variable emoluments, or specified the circumstances in which such action should be taken, to the extent that this is permitted by law. This may be explained by the fact that the contracts of the members of the Executive Committee were concluded before Code 2020 came into force. Consequently it is not currently possible to request the return of variable remuneration (except that of the CEO). However, the company may include such clauses the next time these contracts are revised.

5. Difference compared with the remuneration policy.

There was no difference compared with the remuneration policy in force in 2023 or compared with the remuneration policy.

6. Trend in the remuneration and performances of the company

In accordance with Article 3:6 § 3, paragraph 5 of the CSA, this section places the remuneration of the CEO and the members of the Executive Committee and the development thereof over time in the wider context of the average remuneration of Spadel staff (on a full-time equivalent basis) and the performance of the company.

The table below provides an overview of the development of the total remuneration of the CEO and the members of the Executive Committee over time during the past four years¹. The table also shows this development in the wider context of the average remuneration of Spadel staff (on a full-time equivalent basis) and the global annual performance criteria.

The following methodology is used to calculate the average remuneration (on a full-time equivalent basis) of Spadel staff: the total payroll declared in the balance sheet for the group's three Belgian entities divided by the total number of staff on a full-time equivalent basis declared in the balance sheet for the group's three Belgian entities.

1. As the company does not immediately have the required information concerning the previous five financial years, it has decided to provide information relating only to the four previous financial years for which the reporting obligation applies.



	2020	2021	2022	2023
Remuneration of the CEO and other members of the Executive Committee				
Rémunération totale CEO ¹	787,952	818,314	812,969	668,846
<i>Development in % compared with the previous year</i>	NA	3.85%	-0.6% ²	-17.73%
Overall remuneration of the members of the Executive Committee ²	2,445,959	2,578,564	2,579,405	2,058,379
<i>Development in % compared with the previous year</i>	NA	5.42%	0,03%	-20,20%
Global annual performance criteria				
Revenue (in KEUR)	266,607	282,159	320,751	345,939
<i>Development in % compared with the previous year</i>	NA	5.83%	13.7%	7.9%
EBIT (in KEUR)	35,791	36,554	20,733	34,247
<i>Development in % compared with the previous year</i>	NA	2.13%	-43.3%	65.2%
EBITDA (in KEUR)	55,289	56,813	42,420	56,868
<i>Development in % compared with the previous year</i>	NA	2.76%	-25.3%	34.1%
Net profit (in KEUR)	27,334	26,649	12,788	28,236
<i>Development in % compared with the previous year</i>	NA	-2.51%	-52.0%	120.8%
Average remuneration of staff on a full-time equivalent basis				
Average remuneration of staff	63,760	64,988	68,292	73,206
<i>Development in % compared with the previous year</i>	NA	1.92%	5.08%	7.20%

1. Excluding the director's fees of the CEO.

2. Excluding the remuneration of the CEO.

7. Ratio between the highest remuneration and the lowest remuneration

The ratio between the highest remuneration among the members of the Executive Committee and the lowest remuneration among the employees of the group expressed on a full-time equivalent basis (other than members of the Executive Committee) is 1/15.79. This is the ratio between the remuneration of the CEO and that of a full-time equivalent manual worker employed by Spa-Monopole¹, one of the group's Belgian subsidiaries.

8. Shareholders' vote

The ordinary general meeting of 2023 voted unanimously in favour of the previous remuneration report. Consequently, the company has not made any major modifications to the remuneration policy which was in force in 2022.

1. Estimated at EUR 42,353, comprising the gross annual remuneration, the bonus and the holiday pay.

9. Non-financial statement

The non-financial statement is drawn up in a separate report, attached to this management report.

The Board of Directors would like to thank all the staff for the efforts made during 2023.

27 March 2024

The Board of Directors



Financial report

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General information

Activities

Spadel SA and its subsidiaries (hereinafter referred to as Spadel) constitute a European group whose mission is to produce and market environmentally friendly, quality products based on natural mineral water which provide added value for consumers.

Total staff

The group employed 1,310 people as at 31 December 2023.

Legal status

Spadel SA is a société anonyme (limited liability company) with its registered office at Avenue des Communautés 110, 1200 Brussels. It is listed in the register of legal entities of the commercial court of Brussels under No 0405.844.436 (VAT number: BE 405.844.436). The most recent amendment of the coordinated articles of association was decided upon during the general meeting of 10 June 2021. The company is listed on the Euronext stock market in Brussels (ISIN code BE 0003798155).

The main shareholder of the company is Finances & Industries, which holds 93% of the Spadel shares.

Financial statements

The consolidated financial statements for the year ended 31 December 2023, prepared in accordance with the IFRS reference system, as endorsed by the European Union, were approved by the Board of Directors on 27 March 2024 and submitted to the shareholder's meeting of 28 May 2024. The figures in this document are expressed in thousands of euros (KEUR), unless expressly stated otherwise.

Board of Directors

The Board of Directors of the company is composed as follows:

Familia Numerosa BV

Permanently represented by Mr Roel van Neerbos
Director and Chairman of the Board of Directors since 23/08/2021
End of term: ordinary general meeting of 2025

Gerefis SA

Permanently represented by Mr Marc du Bois, CEO
End of term: ordinary general meeting of 2025

Finances et Industries SA,

Permanently represented by Mr Axel Miller
Director
End of term: ordinary general meeting of 2026

UPSILONLAB BV

Permanently represented by Ms Corinne Avelines
Director
End of term: ordinary general meeting of 2024

A2 BV

Permanently represented by Mr Alain Beyens
Director
End of term: ordinary general meeting of 2025

Louis-Guy du Bois

Director
Appointed at the ordinary general meeting of 23 May 2023
End of term: ordinary general meeting of 2027

Mieke Van de Capelle

Director
Appointed at the ordinary general meeting of 23 May 2023
End of term: ordinary general meeting of 2027

Baron Jean Vandemoortele

Director
Resigned at the end of the ordinary general meeting of 23 May 2023

Statutory Auditor

The statutory auditor of the company is PWC Reviseurs d'Entreprises SRL, with its registered office at Culliganlaan 5, 1831 Diegem, permanently represented by Romain Seffer. Its term expires at the end of the ordinary general meeting to be held in 2025.

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Consolidated statement of financial position (KEUR)

ASSETS	Note	31/12/2023	31/12/2022
NON-CURRENT ASSETS			
Intangible assets	8	114,289	117,073
Right-of-use assets	1.6	4,419	5,718
Property, plant and equipment	9	114,172	113,132
Financial assets	10	2,115	2,165
Undertakings incorporated using the equity method	7.2	-	-
Deferred tax assets	18	-	-
		234,995	238,088
CURRENT ASSETS			
Inventories	11	23,307	21,645
Trade and other receivables	10	52,433	51,808
Current tax assets		1,050	1,510
Short-term financial assets	12	17	17
Cash and cash equivalents	13	114,059	82,913
		190,866	157,893
TOTAL ASSETS		425,861	395,981

Notes 1 to 33 form an integral part of the IFRS consolidated financial statements for the year ended 31 December 2023.



	Note	31/12/2023	31/12/2022
EQUITY			
Share capital and reserves attributable to the shareholders of the company			
Issued share capital	14	5,000	5,000
Reserves	15	274,070	252,785
		279,070	257,785
Interest		56	54
TOTAL EQUITY		279,126	257,839
LIABILITIES			
Non-current liabilities			
Long-term financial liabilities	16	-	-
Lease commitment liabilities		2,825	4,121
Employee benefit liabilities		2,793	2,434
Deferred tax liabilities		22,709	23,925
Provisions		722	322
Other payables		3,545	3,217
		32,594	34,019
Current liabilities			
Refundable guarantee deposits		16,466	16,669
Short-term financial liabilities	16	-	-
Lease commitment liabilities		1,080	1,485
Employee benefit liabilities		312	139
Trade payables		73,292	64,007
Social liabilities		18,265	16,232
Current tax liabilities		2,086	2,228
Provisions		42	123
Other payables (*)		2,598	3,240
		114,141	104,123
TOTAL LIABILITIES		146,735	138,142
TOTAL EQUITY AND LIABILITIES		425,861	395,981

(*) Including advance payments received as at 31 December 2022 and 2023

Notes 1 to 33 form an integral part of the IFRS consolidated financial statements for the year ended 31 December 2023.



Consolidated statement of comprehensive income (KEUR)

	Note	31/12/2023	31/12/2022
Revenue	6	345,939	320,751
Raw materials and consumables		-86,230	-87,316
Miscellaneous goods and services		-138,911	-130,405
Employee expenses	22	-74,596	-67,830
Amortisation and impairment	8.9	-22,622	-21,687
Other operating income and expenses	23	10,667	7,220
Operating profit/(loss)		34,247	20,733
Financial income	24	2,536	213
Financial costs	25	-2,201	-3,192
Share in the result of companies incorporated using the equity method	7.2	-	-577
Profit/(loss) before income tax		34,582	17,177
Taxes	26	-6,346	-4,389
Profit/(loss) for the year		28,236	12,788
OTHER COMPREHENSIVE INCOME:			
Actuarial profits (losses) of defined benefit plans		-994	2,436
Deferred taxes		282	-621
Total items that will not be reclassified to income statement		-712	1,815
Translation differences		-	-
Total items that will not be reclassified to income statement		-	-
Other comprehensive income, net of tax		-712	1,815
Total comprehensive income for the year		27,524	14,603
PROFIT/(LOSS) FOR THE YEAR ATTRIBUTABLE TO:			
shareholders of the company		28,236	12,788
Non-controlling interest		-	-
TOTAL COMPREHENSIVE INCOME FOR THE YEAR ATTRIBUTABLE TO:			
shareholders of the company		27,524	14,603
Non-controlling interest		-	-
EARNINGS PER SHARE ATTRIBUTABLE TO SHAREHOLDERS (IN EUR PER SHARE)			
- basic		6.80	3.08
- diluted		6.80	3.08

Revenue excludes excise duties and packaging contributions amounting to KEUR 25,599 in 2023 and KEUR 26,576 in 2022.

Notes 1 to 33 form an integral part of the IFRS consolidated financial statements for the year ended 31 December 2023.

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Consolidated statement of changes in equity (KEUR)

	Issued share capital	Translation differences	Group reserves	Total equity
BALANCE AT 1 JANUARY 2022	5,000	-	246,537	251,537
Comprehensive income for the year 2022				
Profit			12,788	12,788
Translation differences			-	-
Revaluation of net assets or net liabilities as defined benefits (IAS 19R)			1,815	1,815
Dividends distributed			-8,301	-8,301
Non-controlling interest				
BALANCE AT 31 DECEMBER 2022	5,000	-	252,839	257,839
BALANCE AT 1 JANUARY 2023	5,000	-	252,839	257,839
Comprehensive income for the year 2023				
Profit			28,236	28,236
Translation differences		-	-	-
Revaluation of net assets or net liabilities as defined benefits (IAS 19R)			-712	-712
Dividends distributed			-6,237	-6,237
Non-controlling interests				
BALANCE AT 31 DECEMBER 2023	5,000	-	274,126	279,126

Consolidated reserves are further detailed in note 15.

Notes 1 to 33 form an integral part of the IFRS consolidated financial statements for the year ended 31 December 2023



Consolidated statement of cash flows (KEUR)

	Note	2023	2022
PROFIT/(LOSS) FOR THE YEAR		28,236	12,788
Financial result		-336	2,979
Share of companies accounted for by the equity method		-	577
Income tax	26	6,346	4,389
Operating profit		34,247	20,733
Amortisation and impairment of value on tangible assets	9	18,241	17,260
Amortisation of intangible assets	8	3,658	3,960
(Gain)/loss on disposal of tangible and intangible assets	23	-147	-408
Costs not paid out: retirement and early retirement obligations		1,212	-982
Costs not paid out: impairment		203	87
Costs not paid out: other provisions		840	204
Gross cash inflow/ (outflow) from operating activities		58,254	40,854
Changes in working capital			
Inventories		-1,865	-3,575
Trade and other receivables		1,307	-1,083
Trade payables, guarantee deposits, social liabilities, employee benefits and short-term provisions		9,927	5,263
Cash inflow/ (outflow) from operating activities		67,623	41,459
Income taxes refunded / (paid)		-5,814	-5,241
Net cash inflow/ (outflow) from operating activities		61,809	36,218
Payments to acquire tangible assets	9	-20,118	-15,788
Cash inflow from disposal of intangible and tangible assets		416	427
Payments to acquire intangible assets	8	-1,503	-380
Investments and credit in affiliated company		-1,250	-1,927
Net cash inflow from investing activities		-22,455	-17,668
Proceeds from / (repayment of) borrowings		-	-10,500
Repayment leasing		-2,309	-1,726
Dividends paid to shareholders	32	-6,237	-8,302
Interest received		1,186	213
Interest paid		-848	-3,192
Net cash inflow / (outflow) from financing activities		-8,208	-23,507
Net increase / (decrease) in cash and cash equivalents		31,146	-4,957
CASH AND CASH EQUIVALENTS AT 1 JANUARY	13	82,913	87,870
Translation difference Fixed Assets		-	-
Translation difference Equity		-	-
CASH AND CASH EQUIVALENTS AT 31 DECEMBER	13	114,059	82,913

Notes 1 to 33 form an integral part of the IFRS consolidated financial statements for the year ended 31 December 2023.



Notes to the consolidated accounts

Note 1. Summary of significant accounting policies

The most significant accounting policies adopted in the preparation of the consolidated financial statements are described below

1.1. Basis of preparation and statement of compliance with IFRS

The consolidated financial statements of the group were approved by the Board of Directors of Spadel SA on 27 March 2024 and have been prepared under the historical cost convention.

The consolidated financial statements of Spadel for the year ended 31 December 2023 have been prepared in accordance with all the provisions of the International Financial Reporting Standards (IFRS) as endorsed by the European Union and published on this date, i.e. the standards issued by the International Accounting Standards Board (IASB) as well as the interpretations published by the IFRS Interpretations Committee (IFRSIC). These principles correspond to the standards and interpretations published by the IASB on 31 December 2023.

Standards and amendments to standards published and effective in 2023

The following amendments to standards became mandatory for the first time for the annual reporting period beginning 1 January 2023 and have been endorsed by the European Union:

The following **amendments** to standards became **mandatory** for the first time as of the annual reporting year beginning on 1 January 2023 and **have been endorsed by the European Union**:

• **IFRS 17, 'Insurance Contracts' (effective date 1 January 2023), contains the amendments published in June 2020.** This standard replaces IFRS 4, which gives rise to a great many different accounting approaches to insurance contracts. IFRS 17 will fundamentally change recognition for all entities that issue insurance contracts and investment contracts with an element of discretionary participation. The approval includes the amendments published by the IASB in June 2020, aimed at helping businesses to implement the standard and facilitate the explanation of their financial performance.

The EU regulation provides for an optional exemption from the application of the annual cohort requirement that relates to the timing of the recognition of the contract profit, the contractual service margin, in profit or loss. Entities that make use of this exemption do not apply the IFRS as published by the IASB and have to indicate this.

Amendments to IAS 1 'Information to be provided on the accounting policies' (draft modification of IAS 1 and the practices statement on IFRS 2) (effective date 1 January 2023). The modifications are intended to improve the information to be provided on the accounting policies and help users of financial statements to make the distinction between changes in accounting estimates and changes in accounting policies.

The amendment to IAS requires that the entities present all their significant accounting policies, rather than their main accounting policies. In addition, the amendment to IAS 1 stipulates that non-significant information about the accounting policies does not have to be provided. To support these modifications, the IASB has also drawn up guidelines and examples intended to explain and illustrate the application of the process in four stages, described in the Practice Statement on IFRS 2 Making Materiality Judgements, to the information to be provided on the accounting policies. The modifications take effect for the annual reporting periods open as of 1 January 2023. Early application is authorised (subject to any local endorsement process).

• **Amendments to IAS 8 'Accounting Policies, Changes in Accounting Estimates and Errors' (effective date 1 January 2023).** The amendment to IAS 8 clarifies the way in which undertakings should distinguish between changes in accounting policies and changes in accounting estimates. The modifications come into force for the annual reporting periods open as of 1 January 2023. Early application is authorised (subject to any local endorsement process).

• **Amendments to IAS 12 'Income Taxes': Deferred tax assets or deferred tax liabilities resulting from a single transaction (draft modifications of IAS 12) (effective as of 1 January 2023 but immediate application permitted).** The modification clarifies the way in which companies recognise deferred tax for obligations related to rollback and leases. The modifications are effective for financial periods open as of 1 January 2023. Early application is permitted.

• **Amendments to IFRS 17 Insurance Contracts: Initial application of IFRS 17 and IFRS 9 - Comparative information (effective date 1 January 2023).** The amendment is a transitional option related to comparative information about financial assets presented at the time of the initial application of IFRS 17. The amendment aims to help entities avoid temporary accounts receivable and payable misalignments between the financial assets and liabilities of insurance contracts and thus improve the usefulness of comparative information in financial statements.

• **Amendments to IAS 12 'Income Taxes': International Tax Reform - Pillar Two Model Rules (effective date 1 January 2023).** The IASB has published these amendments introducing:

- a temporary exception to the requirements regarding the recognition and publication of information on deferred tax assets and liabilities linked to tax on second-pillar results; and
- targeted disclosure requirements for affected entities.



Standards, amendments to standards and interpretations already published but not yet effective

The new amendments to the following standards have been published and endorsed by the European Union but are not yet mandatory for the annual reporting period beginning on 1 January 2023:

- **Amendments to IAS 16 ‘Leases’’: Lease liability in the context of a sale and leaseback (effective date 1 January 2024).** The modifications explain how an entity recognises a sale and leaseback after the transaction date, in particular when all or part of the lease payments are variable lease payments that do not depend on an index or a rate. They state that when lease commitments are subsequently assessed, the seller-lessee determines the ‘lease payments’ and ‘the revised lease payments’ in a manner that does not entail the seller-lessee recognising any gain or loss linked to the retained right of use. Gains and losses related to the total or partial termination of a lease continue to be recognised when they occur as they concern the terminated right of use and not the retained right of use.

Application of the following standard has been mandatory since the financial period beginning on 1 January 2016 (however, it has not yet been endorsed by the European Union). The European Commission has decided not to launch the approval procedure for this provisional standard, but to await the definitive standard.

- IFRS 14 ‘Regulatory deferral accounts’ (effective date: 1 January 2016). This standard permits entities that are first-time adopters of IFRS to continue to apply the accounting methods in accordance with their previous GAAP for the recognition of rate regulatory activities. IFRS 14 permits first-time adopters who exercise rate regulatory activities, when they adopt the IFRS standards, to continue to recognise the amounts booked in application of their previous accounting principles as regards rate regulation and more specifically as regards the recognition, measuring and depreciation of regulatory deferral accounts. However, to enable comparability with entities that already apply the IFRS and consequently do not recognise such amounts, the standard requires the effect of rate regulation to be presented separately.

The standard and the amendments to the standards have been published but are not yet mandatory for the financial periods beginning on 1 January 2023 and have not yet been endorsed by the European Union:

- **Amendments to IAS 1, ‘Presentation of financial statements: classification of liabilities as current or non-current’ (effective date 1 January 2024).** These amendments only affect the presentation of liabilities in the statement of financial position, and not the amount or the time of recognition of an asset, income or charges under liabilities or the information that the entities disclose regarding these items.

They:

- Clarify that the classification of liabilities as current or non-current must be based on rights that exist at the end of the reporting period and align the wording in all the paragraphs concerned to refer to the ‘right’ to defer settlement for at least twelve months and specify that only the rights in force “at the end of the reference period” should affect the classification of a liability;
- Specify that the classification is not affected by the expectations as to whether an entity will exercise its right to defer the settlement of a liability; and specify that the settlement refers to the transfer to the counterparty of cash, equity instruments, other assets or services.
- Clarify how the conditions which an entity must fulfil within 12 months following the reporting period, such as the restrictive clauses, affect the classification of the corresponding liability.

- **Amendments to standard IAS 7 ‘Statement of Cash Flows’ and IFRS 7 ‘Financial Instruments: Disclosures’: Financing agreements with suppliers (effective date: 1 January 2024).** The amendment describes the characteristics for which an entity will have to provide additional information concerning the impact of suppliers’ financing agreements on the liabilities, cash flows and exposure to the liquidity risk.

- **Amendments to IAS 21 “The effects of changes in foreign exchange rates: lack of exchangeability” (effective date 1 January 2025).** Previously, IAS 21 did not cover the way in which the exchange rates are determined in the event of a lack of long-term convertibility and the spot exchange rate to be applied by the company cannot be observed. The limited modifications add specific requirements concerning:

- Determining when a currency is exchangeable against another currency and when it is not;
- Determining the exchange rate to be applied if a currency is not exchangeable;
- Additional information to be provided when a currency is not exchangeable.

The standard and amendments to the standards whose application is not mandatory in 2023 have not been applied in advance by Spadel.

The new IFRS 17 ‘Insurance Contracts’ and the amendments to IFRS 4 on insurance contracts ‘Apply IFRS 9 Financial Instruments with IFRS 4’ do not apply to Spadel.

The other standards and amendments have no impact on the group’s accounting policies and do not require any backdated adjustments



1.2. Consolidation

The parent company together with all the subsidiaries it controls have been included in the consolidation.

1.2.1. Subsidiaries

The assets, liabilities, rights and obligations, income and expenses of the parent company and the subsidiaries it controls exclusively have been consolidated using the full consolidation method. The group controls a company when the group is exposed to, or has rights to, variable returns from its involvement with the company and has the ability to affect these returns through its power to direct the activities of the company. This control is presumed to exist when Spadel holds more than 50% of the voting rights; this presumption can be rebutted in the event of tangible evidence to the contrary. The existence of potential voting rights exercisable or convertible immediately is taken into account when assessing whether or not there is control.

A subsidiary is consolidated from the date of acquisition, that is to say, the date on which control is effectively transferred to the acquirer. From that date, the parent company (the acquirer) includes the results of the subsidiary in the consolidated income statement and recognises in the consolidated statement of financial position assets, liabilities and contingent liabilities acquired at their fair value, including any goodwill arising on acquisition. A subsidiary ceases to be consolidated from the date on which Spadel loses control. Upon consolidation, intra-group balances and transactions, as well as unrealised gains, are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

The consolidated financial statements are prepared using consistent accounting policies for similar transactions or other events throughout the Spadel group.

1.2.2. Associates

Associates are all entities over which the group exercises significant influence but not control or joint control. This is usually the case when the group holds between 20% and 50% of the voting rights. Participating interests in associated companies are recognised using the equity method, having initially been recognised at cost.

1.2.3. Goodwill and negative acquisition differences

Goodwill is determined as the surplus of the total consideration transferred and the amount of the non-controlling interest on the net fair value of acquired identifiable assets, liabilities and any identifiable liabilities of the acquired business. If, on the acquisition date, the net balance of the amounts of acquired identifiable assets and liabilities recognised is higher than the consideration transferred, the surplus is immediately booked in the income statement as profit on a business combination under advantageous conditions. In accordance with IFRS 3 'Business Combination', goodwill is recognised at cost and is not amortised but is tested for impairment annually or more frequently if circumstances indicate that it might be impaired. Impairment losses on goodwill cannot be reversed.

1.2.4. Translation of financial statements of subsidiaries and branches denominated in foreign currencies

All monetary and non-monetary assets and liabilities are translated into the consolidated accounts at the closing rate. Income and expenses are translated at the average rate for the period under review. These exchange differences on the translation of the financial statements of foreign entities are presented in the consolidated statement of comprehensive income and represent the accumulated exchange gains (losses) resulting from net investments of the Spadel group in foreign entities.

1.3. Business combinations

Business combinations are recognised in accordance with the method of acquisition. The consideration transferred in the event of a business combination is assessed at fair value on the acquisition date as the sum of the fair values of the assets transferred, the debts contracted and the securities representing equity capital issued. On the acquisition date, the identifiable assets acquired and the liabilities recognised as well as any identifiable liabilities are recognised at their fair value on this date. The surplus of the consideration transferred and of the amount of the non-controlling interest on the fair value of all the assets and liabilities identified is recognised as goodwill. The allocation of the fair value of identifiable assets acquired and liabilities recognised is based on various assumptions formed in the judgement of the management. The acquisition costs are expensed when they are incurred.

1.4. Intangible assets

An intangible asset is recognised in the statement of financial position when the following conditions are met:

- (1) the asset is identifiable, i.e. either separable (if it can be sold, transferred, leased individually), or resulting from contractual or legal rights,
- (2) it is probable that this asset will generate economic benefits for Spadel,
- (3) Spadel controls the asset,
- (4) the cost of the asset can be measured reliably.

Intangible assets are measured at their acquisition cost (including costs directly attributable to the acquisition, excluding indirect costs), less accumulated amortisation and any accumulated impairment losses.

No borrowing costs are included in the acquisition cost of intangible assets.



Intangible assets are amortised over their probable useful lives using the straight-line method. The useful lives adopted are as follows:

Intangible assets	Probable useful lives
Software licences	5 years
Concessions	Concession period
Brands	Indefinite, annual impairment testing
Customer relationships	10 years
Goodwill	Indefinite, annual impairment testing or more frequently if circumstances so require

Amortisation begins from the time the asset is ready for use.

Research costs are expensed in the income statement. Development costs are capitalised when Spadel can demonstrate (1) the technical feasibility of the project (2) its intention to sell or use the asset (3) how the asset will generate future economic benefits (4) the existence of adequate resources to complete the project and (5) that these costs can be measured reliably. Maintenance costs that only maintain (rather than improve) the performance of the asset are expensed in the income statement.

The majority of the water sources are held under concessions and are therefore not recognised in the financial statements. Water sources held in ownership before the conversion to IFRS have not been recognised. The only water sources recognised in the balance sheet are those of Wattwiller, Les Eaux Minérales de Ribeuville and Devin, valued as part of the 'Purchase Price Allocation' of business combinations.

The valuation method used to assess these assets in the context of previous business combinations is the 'Discounted Cash Flows' method based on an estimated rental payment or theoretical fee per litre bottled on the assumption that the company did not own the source ('Relief from Royalty Method').

1.5. Property, plant and equipment

1.5.1. Property, plant and equipment

Property, plant and equipment are measured at their acquisition cost less accumulated amortisation and any accumulated impairment losses. The acquisition cost includes all direct costs as well as well costs necessary to bring the assets into working condition.

Repair and maintenance costs that only maintain, and do not increase, the value of the property, plant and equipment are expensed in the income statement. However, expenditure for major repairs and major maintenance, which increase the future economic benefits that will be generated by the property, plant and equipment, are identified as a separate item from the acquisition cost. The acquisition cost of property, plant and equipment is then broken down into major components. These major components, which are replaced at regular intervals and consequently have a different useful life from the asset to which they belong, are amortised

over their specific useful life. In the event of a replacement, the replaced asset is derecognised from the statement of financial position and the new asset is amortised over its own useful life.

The depreciable amount of property, plant and equipment is amortised over its probable useful life using the straight-line method. The amortisation amount corresponds to the acquisition cost. The useful lives adopted are as follows:

Property, plant and equipment	Probable useful lives
Land	Indefinite
Sources	Indefinite
Administrative buildings	50 years
Industrial buildings	40 years
Fixtures and fittings	20 to 25 years
Production equipment	6 to 20 years
Returnable packaging	3 to 12 years
Furniture	10 years
IT equipment	3 to 5 years
Vehicles	5 to 8 years

1.6. Leases

The group has taken out several leases for buildings, industrial equipment and rolling stock. The main leases concern corporate buildings, solar panels at SPA Monopole and car leases, mainly in Belgium and the Netherlands.

The leases are recognised as right-of-use assets and a corresponding lease commitment is recognised under payables on the date on which the leased asset is ready for use by the group. The cost of the right-of-use assets includes the amount of the lease commitments recognised, the initial direct costs incurred and the lease payments made on the start date or before this date, less any lease incentive received. The right-of-use asset is amortised on a straight-line basis over the useful life of the asset or until the end of the lease, whichever of these two periods is shorter. Right-of-use assets could suffer a capital loss.

The lease commitment is measured at the discounted value of the lease payments that have to be made during the lease term, which are discounted in line with the marginal borrowing rate (rate at which the company is capable of obtaining financing from the bank; this stood at 3.50% at 31 December 2023) on the start date of the lease if it is not possible to easily determine the interest rate implicit in the lease. The lease payments comprise fixed payments less lease incentives to be received, lease payments that vary in line with an index or a rate and sums that should be paid as guarantees of residual value. Lease payments also comprise the purchase option exercise price when the group is reasonably certain that this will be exercised and the payment of penalties in the event of the cancellation of the lease. Each lease payment is divided between the reimbursement of the capital of the lease commitment and the interest charged. The interest charged is expensed in the income statement over the lease term and must correspond to the application to the balance of the lease commitment of a constant



interest rate for each period. Payments relating to short-term leases and leases for low-value assets are expensed to the consolidated income statement on a straight-line basis.

At 31 December 2023, the leases did not present any restrictions or contingent clauses (covenants).

The carrying amount of right-of-use assets on the reporting date, per category of underlying asset:

	31/12/2023	31/12/2022
Buildings	2,848	4,127
Industrial equipment	398	479
Company cars	1,173	1,112
TOTAL RIGHT-OF-USE ASSETS	4,419	5,718

1.7. Impairment of assets

An impairment loss on intangible assets (including goodwill) and property, plant and equipment is recognised when the carrying amount of an asset exceeds its recoverable amount, which is the higher of:

- (1) its fair value less costs of disposal (i.e. the amount that Spadel would receive if it sold the asset), and
- (2) its value in use (i.e. the amount that Spadel would generate if it continued to use the asset).

Whenever possible, impairment tests are performed on each asset individually. However, where assets do not generate cash flows independently, the test is carried out at the level of the cash generating unit (CGU) to which the asset is allocated (CGU = the smallest group of identifiable assets that generates cash flows independently of the cash flows generated by other assets/CGUs).

For a CGU to which goodwill and/or a non-depreciable intangible asset is allocated, an impairment test must be performed annually. For a CGU to which no goodwill is allocated, an impairment test must be performed only when circumstances indicate that it might be impaired. Goodwill arising from an acquisition is allocated to the acquired subsidiaries and, where applicable, allocated to CGUs which are expected to benefit from the synergies resulting from the acquisition.

When an impairment loss is recognised, it is first allocated against goodwill. Any surplus is then allocated against the other fixed assets of the CGU pro rata their carrying amounts, but only to the extent that the sales value of these assets is lower than their carrying amount. An impairment on goodwill can never be reversed at a later date. An impairment on other fixed assets is reversed if circumstances justify the reversal.

1.8. Inventories

Inventories are recognised at the lower of their acquisition cost or their net realisable value.

The acquisition cost of fungible inventories is determined using the weighted average price method. Low-value inventories whose value and composition remain stable over time are recorded in the statement of the financial position at a fixed amount.

The acquisition cost of inventories includes all the costs necessary to bring the products to their present location and condition. The cost price includes the direct and indirect production costs, excluding borrowing costs and overhead costs that do not contribute to bringing the products to their present location and condition. The allocation of fixed production costs to the cost price is based on the normal capacity of the production facilities.

A write-down is recognised if the net realisable value of an item of inventory at the balance sheet date is lower than its carrying amount.

The same applies for non-strategic spare parts for which write-downs of 50% or 100% are recorded after 3, 5 or 10 years, depending on their technical features.

1.9. Revenue from ordinary activities from contracts concluded with customers

In accordance with the basic principle underlying IFRS 15, the group recognises the revenue from ordinary activities so as to show when the goods or services promised to customers are supplied and the amount of the consideration to which the entity expects to be entitled in exchange for these goods or services. The transfer is complete when the customer obtains control of the goods or services. More specifically, the revenue from ordinary activities is recognised at the time when control is transferred, whether this is progressive or at a precise point in time. The application of the indication depends on facts and circumstances relating to the contract with a customer and requires the exercising of professional judgement.

Moreover, the elements indicating the transfer of control comprise the following, among others:

- the right of the seller to a payment;
- as regards the assets transferred to the customer:
 - the customer has the title of ownership;
 - the entity has transferred material possession;
 - the customer assumes the main risks and rewards inherent in ownership;
 - the customer has accepted it.

The amount of the revenue recognised does not include the income linked to the value of the refundable guarantee deposits; this is expensed directly in liabilities under refundable guarantee deposits. We refer to the comments below for the measurement of the liability related to the refundable guarantee deposits at the end of the financial year.



The group offers customers various incentive programmes, including commercial discounts and discount coupon programmes. These customer incentive programmes involve a variable consideration. The variable considerations given to customers are estimated using the anticipated value method, taking account of historical data and sales volumes recorded during the financial year. On the basis of contracts concluded with customers, no material commitment to take back goods is made. The group applies the estimated variable consideration deducted from revenue when it is highly probable that the subsequent outcome of the uncertainty regarding the variable consideration will not give rise to a significant downward adjustment of the accumulated amount of revenue from ordinary activities. Free samples offered to customers are recognised as sales costs or other operating charges depending on their nature.

Certain commissions paid to end customers known as 'by-pass' are closely linked to the initial sale of products to the retailer and do not constitute a payment in exchange for separate goods or services. In accordance with IFRS 15 (Revenue from ordinary activities from contracts concluded with customers), these costs should be deducted from the turnover.

The group has opted to apply the simplification measures relating to the marginal costs of obtaining a contract and the effects of a major financing component. The marginal costs of obtaining contracts are expensed when they are incurred as the amortisation period of the asset that would have been recognised in this respect is less than 12 months. The promised considerations are not adjusted to take account of the effects of a major financing component because the interval between the time of delivery of the goods promised to customers and the moment when the customers pay for these goods does not usually exceed one year.

On the basis of these elements, Spadel therefore recognises its sales on the basis of the precise moment of delivery and not gradually on the principle of advancement.

1.10. Trade and other receivables

Classification and measurement

Receivables are initially recognised at nominal value. More precisely, trade receivables are initially recognised at their transaction price (within the meaning of IFRS 15). Receivables are subsequently measured at their amortised cost, that is the present value of future cash flows (except where the impact of discounting is insignificant).

Depreciation

The group applies the IFRS 9 simplification measure by assessing expected credit losses over the useful life of trade receivables. In order to estimate the anticipated credit losses, trade receivables have been reclassified on the basis of their anteriority and an anticipated loss rate has been applied for each of the categories. The anticipated credit loss rates are based on the anteriority of receivables and reflect the current and forward-looking information on macroeconomic future factors affecting customers' ability to settle their debts.

At the same time, an individual measurement is taken of trade receivables presenting a greater credit risk. Please see notes 3.1.4 and 9 for more information on impairments and write-downs on trade receivables.

Deferred charges and accrued income are also classified under this heading.

1.11. Financial assets

Classification and measurement

Financial assets are initially measured at the fair value of the consideration transferred to acquire them, including transaction costs directly attributable to the acquisition or issuing of these financial assets.

The group classifies its financial assets in the following valuation categories:

- financial assets subsequently measured at fair value through other elements of the comprehensive result;
- financial assets subsequently measured at fair value through the net results and
- financial assets subsequently measured at the amortised cost.

The classification depends on the economic model applied by the group for the management of financial assets and their contractual cash flow features. The classification of financial assets is determined as follows:

- financial assets subsequently measured at the amortised cost are those whose contractual cash flows represent only payment of the principal and interest on the residual value and for which the economic model applied is holding for the realisation of contractual flows;
- financial assets subsequently measured at fair value by means of other comprehensive income are those whose contractual cash flows represent only payment of the principal and interest on the residual value and for which the economic model applied is holding for the realisation of contractual flows and sale of the asset;
- financial assets subsequently measured at fair value by means of the net result are those that are not included in the above categories and those for which the fair value option has been applied to eliminate an accounting mismatch.

The group has irrevocably opted to present in other comprehensive income the subsequent variations in the fair value of its investments in equity instruments as these investments are not held for transaction purposes. At the moment of sale, the accumulated gains or losses in the equity are not transferred to the income statement.

Regular purchases and sales of financial assets are recognised on the settlement date.



1.12. Cash and cash equivalents

This heading includes cash in hand and at bank, deposits held at call, short-term investments (with initial maturities of three months or less) and monetary funds (variable-revenue investment securities with banks with a rating better than or equal to A), highly liquid, which are readily convertible to a known amount of cash and which are subject to an insignificant risk of changes in value, as well as bank overdrafts. Bank overdrafts are presented as borrowings under the financial liabilities in the statement of financial position.

1.13. Capital

Ordinary shares are classified as equity. Treasury shares are deducted from equity. Changes in treasury shares do not impact on the income statement.

1.14. Capital grants

Capital grants are booked in deferred revenue. The grants are credited to the income statement at the same rhythm as the amortisation of the fixed assets for which they were obtained.

1.15. Employee benefits

1.15.1. Short-term benefits

Short-term benefits are expensed as services are provided by employees. Benefits unpaid at the reporting date are recognised under 'social liabilities'.

1.15.2. Post-employment benefits

The group operates a defined benefit plan which is provided for on the basis of actuarial valuation (after deducting any plan assets) to the extent that Spadel has an obligation to bear these costs related to services provided by employees. This obligation may be legal, contractual or constructive when it stems from past practices (implicit obligation).

The group also operates a defined contribution plan under which Spadel pays a defined contribution on a mandatory, contractual or voluntary basis.

The defined contribution plans include a legal minimum guarantee. This minimum return is generally insured by an external insurance company that receives and manages all contributions to the plans. Since the return guaranteed by the insurance company may be less than the legal minimum guarantee return, these plans have certain features that are similar to the defined benefit plans given that Spadel is exposed to investment and financial risks associated with any shortfall in the return.

The obligation for both these plan types (defined benefit and defined contribution) is calculated using the projected unit credit method as included in IAS 19^R.

Actuarial assumptions (concerning the discount rate, mortality rate, wage increases, inflation, etc.) are used to estimate social obligations in accordance with IAS 19. Actuarial gains

and losses inevitably arise from changes in actuarial assumptions from one year to the next and differences between actual results and the actuarial assumptions used for the assessment under IAS 19. All actuarial gains and losses are recognised in other comprehensive income and are not recycled to the income statement. The amount of the liability recognised in the statement of financial position is equal to the present value of the obligation, less the market value of plan assets at the reporting date.

1.15.3. Other long-term benefits

Other long-term benefits denote benefits that fall due more than twelve months after the end of the reporting period in which the related services have been provided by employees. IAS 19 requires a simplified accounting method for these benefits. The amount recognised in the statement of financial position is equal to the present value of the obligation, less the market value of plan assets, if any, at the reporting date.

1.15.4. Severance pay

A liability for severance pay is recognised when Spadel terminates the employment contract for one or more employees before the normal retirement date, or when the employees accept voluntary redundancy in exchange for these benefits, to the extent that Spadel has an obligation either when the group can no longer withdraw its offer to terminate the contract or, if this date is earlier, when restructuring costs are recognised in application of IAS 37 and severance payments are made. This liability is discounted to present value if the benefits fall due more than 12 months after the end of the reporting period.

1.16. Provisions

A provision is recognised only when the following conditions are met:

- (1) Spadel has a present obligation (legal or implicit) to incur expenses as a result of a past event,
- (2) it is probable that the expense will be incurred, and
- (3) the amount of the obligation can be measured reliably.

Where the impact is likely to be significant (mainly for long-term provisions), the provision is measured at the present value. The impact of the passage of time on the provision is recognised in financial costs.

A provision for site restoration is recognised when Spadel has an obligation to do so (legal or implicit).

Provisions for future operating losses are prohibited.

If Spadel has an onerous contract (Spadel will have to face an unavoidable loss that results from the performance of a contractual obligation), a provision must be established.



1.17. Income tax

The income tax comprises current and deferred taxes. Current tax is the amount of tax payable (to be recovered) on the taxable income of the year under review, as well as any adjustment to taxes paid (to be recovered) related to previous years. It is calculated using the tax rate at the reporting date.

Deferred tax is calculated using the liability method on temporary differences between the tax base of assets and liabilities and their carrying amount in the IFRS consolidated financial statements. Deferred tax is assessed on the basis of the expected tax rate when the asset will be realised or the liability settled. In practice, the rate used is that adopted or virtually adopted on the reporting date.

However, there are no deferred taxes on:

- (1) goodwill whose amortisation is not tax deductible,
- (2) initial recognition of an asset or a liability (other than the acquisition of subsidiaries) which affects neither the accounting nor the taxable profit and
- (3) temporary differences on investments in subsidiaries, joint ventures and affiliated companies as long as it is not probable that dividends will be distributed in the foreseeable future.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences existing on the reporting date, such as those resulting for reclaimable tax losses, can be imputed. This criterion is reassessed at each reporting date.

Deferred taxes are calculated at the level of each fiscal entity. Deferred tax assets and liabilities relating to difference subsidiaries may not be offset, except where there is tax consolidation.

1.18. Amounts payable

Classification and measurement

Amounts payable are initially measured at their fair value (which usually corresponds to their nominal value) net of transaction costs. They are subsequently measured at their amortised cost, that is the present value of future cash flows, using the effective interest rate method (except where the impact of discounting is insignificant). Amounts payable are classified as other financial liabilities subsequently measured at amortised cost.

The liability related to refundable guarantee deposits is initially measured at its historical carrying amount on the basis of the sales transaction flows on the market concerned by the refundable guarantee deposits and recorded returns. The value of the refundable guarantee deposit does not go through the revenue or the sales cost but is recognised immediately in the liability related to refundable guarantee deposits on the balance sheet.

The group updates the liability related to refundable guarantee deposits annually based on the estimated number of returnable bottles and crates held by customers at 31 December. The accounting liability is adjusted to lie within a bracket of up to 10% of the estimate.

The debt relating to the Devin concession agreements is remeasured annually on the basis of a unit price per cubic metre of the estimated quantity of water used taking account of an annual increase in the unit price of 0.5% throughout the period of the concession right.

The term of this concession is currently 35 years as of 2009, that is until 2044. The accounting liability is therefore adjusted annually to reflect these estimates. The variations in value are recorded in the income statement under the heading 'Other operating income and expenses'.

The dividends that Spadel distributes to its shareholders are recognised as other liabilities in the financial statements during the period in which they are approved by the Spadel shareholders.

Deferred income, or the share of revenue collected in advance during the financial period or previous financial years but to be linked to a previous financial year, is also classified under other liabilities.



1.19. Foreign currency transactions

Foreign currency transactions are initially translated into the functional currency of the entities concerned using the exchange rates applicable on the date of the transaction. Realised and unrealised foreign exchange gains and losses on monetary assets and liabilities are recognised in the income statement at the reporting date.

1.20. Derivative financial instruments and hedging activities

Derivative financial instruments are recognised at their fair value in the statement of financial position at each reporting date. Variations in fair value are recognised in the income statement. Special rules may apply where derivatives are designated as hedging instruments. Spadel does not trade in derivatives for speculative purposes.

1.21. Segment information

An operational segment is a component of an entity:

- (a) that engages in business activities from which it may earn income and incur expenses (including income from ordinary activities and expenses relating to transactions with other components of the same entity);
- (b) whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance and
- (c) for which discrete financial information is available.

1.22. Statement of cash flows

Cash flows from operating activities are reported using the indirect method, whereby the net profit or loss is adjusted for the effects of transactions of a non-cash nature, changes in working capital requirements and items of income or expenditure associated with investing or financing cash flows.

2. Capital management

The group's objectives when managing capital are to safeguard its ability to continue as a going concern by maintaining a sound financial structure while providing attractive returns for shareholders.

In order to maintain or adjust this sound financial structure, the group may, for example, adjust the amount of the dividends paid to shareholders, return capital to shareholders, repurchase treasury shares, reimburse its borrowings prematurely or, conversely, increase external financing or its equity.

The group closely monitors its solvency ratio, which corresponds to the amount of shareholders' equity relative to total liabilities (representing the group's overall capacity to act), and its return on equity (calculated by dividing the net result for the year by total equity).

In 2023, the group continued to apply its 2022 strategy, i.e. to maintain a solvency ratio of more than 30%. The group may temporarily deviate from this principle in the event of significant strategic investments.

At 31 December 2023 and 2022, the solvency and return on equity ratios were as follows:

	31/12/2023	31/12/2022
Total equity	279,126	257,839
Total liabilities	425,861	395,981
Net result	28,236	12,788
Solvency ratio	66%	65%
Return on equity	10%	5%

3. Financial risk management

3.1. Financial risk factors

The group's activities expose it to a variety of financial risks: market risk (including currency risk, the risk of changes in future cash flows or the value of financial assets and liabilities due to changes in interest rate and price risk), credit risk and liquidity risk. The group manages these risks by seeking to minimise their potential adverse effects on its profitability. Derivative financial instruments may occasionally be used for this purpose.

3.1.1. Foreign exchange risk

Most of the group's activities are located in the euro zone. Only the activities of the branch Devin AD are concluded in a foreign currency, i.e. BGN. The BGN exchange rate against the euro has until now been fixed. Given the sale of the Spadel UK branch in 2019, there are very few other transactions in foreign currencies. The foreign exchange risk is therefore insignificant and is not actively managed.

3.1.2. Interest rate risk

Apart from standard trade payables, most of the group's liabilities consist of payments related to refundable guarantee deposits. These payables do not bear any interest charge. They therefore present no risk.

The group holds no significant long-term interest-bearing assets.

Most of the group's financial liabilities are contracted at a fixed rate. The fair value of these financial liabilities may therefore vary as interest rates change. The group has no systematic interest rate hedging policy but regularly reviews its exposure to the interest rate risk and, when deemed necessary by the financial management, considers other financing options and hedging operations.

In general, the Spadel group's operating profit and cash flows are largely unaffected by fluctuations in market interest rates. At 31 December 2023 and at 31 December 2022, the group was not exposed to any significant interest rate risks.



3.1.3. Price risk

Spadel's financial assets consist of investments that are diligently made in risk-free instruments.

3.1.4. Credit risk

The credit risk arises from cash and cash equivalents, deposits with financial institutions and trade receivables.

In the case of financial institutions, only independently rated counterparties with a minimum rating of A are accepted. The group also makes very short-term investments (usually one month) in commercial papers recommended by its usual bankers.

Although the credit risk on trade receivables is low, the group's credit risk is concentrated on a few major customers. Payments from these customers are monitored regularly. The management does not anticipate any losses arising from a default of these counterparties. On the other hand, provisions for possible credit losses are calculated in accordance with the anteriority of trade receivables for invoices issued but not due (refer to note 9).

3.1.5. Liquidity risk

The collection of guarantee deposits on reusable and returnable packaging reduces the need for financing in this area.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding thanks to appropriate credit facilities and the ability to close out market positions. The group's objective is to maintain financial flexibility by keeping open but unused credit lines.

The financial liabilities that will be settled when due are included in the statement of financial position. Trade payables and liabilities for refundable guarantee deposits are payable within one year. The payment schedule for financial liabilities is given in note 15.

The group's credit lines (KEUR 14,757) have an indefinite maturity. The related interest rate is determined at the time the credit line is used.

Credit lines not used by Spadel amounted to KEUR 14,606 at 31 December 2023 (2022: KEUR 15,604).

3.1.6. Sensitivity analysis risk

No sensitivity analysis is presented as the exchange rate risk in 2023 is not significant.

3.2. Recognition and measurement of derivative financial instruments

At 31 December 2023 and 31 December 2022, Spadel did not have any significant derivative financial instruments.

3.3. Financial instruments by category

The financial assets of the group totalled KEUR 168,624 KEUR at 31 December 2023 and KEUR 136,903 at 31 December 2022. They are recorded under the following headings in the balance sheet:

	31/12/2023	31/12/2022
Financial assets	2,115	2,165
Trade receivables and other current receivables	52,433	51,808
Short-term financial assets	17	17
Cash and cash equivalents	114,059	82,913
TOTAL FINANCIAL ASSETS	168,624	136,903

With the exception of short-term financial assets which are measured subsequently at fair value using other comprehensive income, these financial assets are measured subsequently at amortised cost, as described in Note 1.9 of the annex 'Summary of significant accounting policies'.

The group's total financial liabilities amounted to KEUR 93,663 at 31 December 2023 and KEUR 86,282 at 31 December 2022. They are recorded under the following headings in the balance sheet:

	31/12/2023	31/12/2022
Long-term lease liabilities	2,825	4,121
Short-term lease liabilities	1,080	1,485
Refundable guarantee deposits	16,466	16,669
Short-term financial liabilities	-	-
Trade payables	73,292	64,007
TOTAL FINANCIAL LIABILITIES	93,663	86,282



3.4. Fair value estimation

Due to their short-term nature, the nominal value less any write-down of trade receivables and the nominal value of trade payables are assumed to approximate their fair value as indicated in the notes.

IFRS 13 'Fair value' classifies items measured at fair value in the following three levels of fair value:

- Level 1: quoted market prices (non-adjusted) in active markets for identical assets or liabilities
- Level 2: inputs other than quoted prices included in level 1, that may be observed for the asset or liability either directly (e.g. prices), or indirectly (e.g. derived prices),
- Level 3: input on the asset or liability not founded on observable market data (unobservable information).

The cash investments in unit trusts (SICAV) indicated in note 13.1 have been measured at fair value using quoted prices in active markets (level 1).

There are no other significant assets or liabilities measured at fair value or other assets or liabilities whose fair value is indicated in the notes and differs significantly from their carrying amount.

4. Management of other risks

The main risks to which the group is exposed arise from PET material prices and energy prices with their effects on transport costs.

4.1. Assessment of the impacts of climate change

Risk caused by global warming impacting on our water resources

Climate change is impacting on the water cycle at global level and this impact will increase. Both the annual quantity and the force of rainfall may alter. More rain that is more intensive and frequent is expected in our part of the world in the coming decades. In the countries and regions where Spadel operates (Wallonia (BE), Alsace (FR) and Bulgaria), the climate is favourable to rainfall and the small proportion of built-up areas in the zones in which we are active provide conditions that promote the replenishing of groundwater tables. This suggests that the effect of global warming on the resources will be negligible or non-existent.

However, global warming is included as a risk that may impact on our water resources and we have drawn up a management strategy. This revolves around three axes:

- **Axis 1 – Knowing:** In order to assess the impact of climate change on our water resources, we study this issue to gain as clear as possible an understanding. For many years, therefore, Spadel has conducted dozens of hydrogeological studies to define the groundwater exploitation parameters.
- **Axis 2 – Anticipating:** Spadel regularly studies the anticipated impact of climate change on the water cycle. The results of these studies, conducted in particular in collaboration with universities, allow us to assess any changes in the volumes available over the long term and to anticipate modifications in our sustainable water resource management practices.
- **Axis 3 – Acting:** On the basis of our knowledge of groundwater tables and the impact of climate change, we have drawn up action plans that enable us to ensure the long-term future of the company's water supply process.

The group's carbon footprint

Climate change is one of the major challenges facing the world.

With global warming gathering pace, the quest for carbon neutrality and efforts to safeguard future generations from the impact of CO₂ emissions are important commitments which Spadel has entered into in order to fully assume its responsibility in this respect.

In 2010, the group set itself the target of becoming fully CO₂ neutral for the entire life cycle of its products in 2020 (scope 1, 2 and 3). This target was achieved.

We have committed to attaining the following goals by 2025:

- to be carbon neutral for our entire product cycle (scope 1, 2 and 3)
- to reduce our footprint still further in line with the Science Based Targets methodology (Paris Agreement): -42% absolute reduction by 2030 (base 2015). Our packaging is the biggest contributor to our carbon footprint, followed by distribution and ingredients. So our aim to reduce carbon emissions is a key driver of our sustainable packaging commitments.

4.2. Assessment of impacts linked to inflationary context

2023 saw a sharp rise in sales and we are confident about the long-term development of this category. However, we will continue to closely monitor the development of consumption over the coming months, given the macro-economic situation marked by the economic slowdown and the inflationary pressures impacting on consumers' purchasing power and behaviour.

Nevertheless, the group continues to display agility and resilience by adapting its purchasing strategy, its selling price policy and its own organisation and by drawing up cost-cutting plans to restore its margins and fulfil its aim to bring about growth in the operating result.



5. Significant accounting estimates and judgements

When measuring assets and liabilities that appear on the consolidated statement of financial position, Spadel has to make certain estimates and exercise judgement in certain areas. For example, various estimates and assumptions are used to establish long-term budgets and plans that serve as a basis for some measurements. These estimates and assumptions are determined on the basis of the best information available at the time of the closing of the consolidated financial statements. However, estimates by definition seldom correspond to the actual results; the resulting accounting measurements therefore inevitably include some degree of subjectivity.

Estimates and assumptions that may have a significant impact on the measurement of assets and liabilities are discussed below.

5.1 Measurement of revenue from the sale of goods

Revenue from the sale of goods is presented less discounts and other commercial costs. In some cases, the amounts of discounts and fees are established on the basis of assumptions founded on estimates based on the group's past results and experience.

5.2 Refundable guarantee deposits

The amount of the liability for refundable guarantee deposits recorded as current liabilities represents an estimate of the amount to be reimbursed by Spadel to customers that send back returnable packaging. The group reassesses this liability annually on the basis of an estimate of the number of returnable bottles and crates held by customers at 31 December. The accounting liability is adjusted to lie within a bracket of up to 10% of the estimate. The estimated liability for refundable guarantee deposits is inevitably an approximation.

5.3 Liability relating to concession agreements

The amount payable relating to concession agreements among other payables represents an estimate of the total fees payable by the Devin subsidiary in exchange for the concession right on mineral water sources. The group reassesses this liability annually on the basis of an estimate of the metric volume of water used over the concession term. Measuring the liability relating to concession agreements requires significant accounting estimates and judgements. (see note 1.18)

5.4 Impairment of intangible assets

Bearing in mind the presence of (non-amortised) water sources and brands and goodwill recognised under intangible fixed assets, an impairment test was carried out on the assets of the CGUs 'Wattwiller', 'Ribeauvillé' and 'Devin' which appear in the consolidated financial statements at 31 December 2023 in accordance with the methodology required by IAS 36 'Impairment of assets'. This test indicated that the carrying amounts of these companies are in line with their recoverable amount; consequently, it is not necessary to record an impairment loss.

The value in use of the CGUs consists of the present value of the future cash flows resulting from the five-year detailed business plans of these companies approved by the Board of Directors. These plans are extended by a further five years on the basis of general assumptions about market trends, market shares, prices of major raw materials, inflation, etc. Cash flows beyond the ten-year period have been extrapolated using a growth rate of 2%. The operating margin used by Spadel to determine the value in use of the CGU is estimated by the management on the basis of past performances and the outlook as regards future developments.

The discount rate (WACC) adopted on 31 December 2023 was 8.29% for the French companies and 9.94% for Devin. These figures were respectively 8.79% and 10.42% at 31 December 2022.

The discount rate used reflects the specific risks associated with the CGU concerned.

The values in use calculated on the basis of the business plans and the various sensitivity analyses carried out on growth, the levels of operating margins and the variation in the WACC for the three companies indicate that it is not necessary to recognise an impairment in 2023. These sensitivity analyses in fact indicated that a 10% increase in the WACC combined with a fall in the terminal growth rate adopted of 1% still left substantial room for manoeuvre given the growth in the activities of the CGUs in question.

5.5 Employee benefits

The carrying amount of Spadel's obligations resulting from employee benefits is determined on an actuarial basis using certain assumptions. One particularly sensitive assumption used to determine the net cost of benefits granted is the discount rate. Any change in this assumption affects the carrying amount of these benefits.

The discount rate depends on the estimated duration of the post-employment benefit obligations. On the basis of IAS 19 R, the discount rate must correspond to the rates of high-quality corporate bonds with terms to maturity approximating those of the benefits valued, denominated in the same currency as the benefits.

5.6. Determining lease terms

In order to determine the length of a lease, the management takes account of all the relevant facts and circumstances to assess whether or not it is economically advantageous for the group to exercise an option, including changes in the facts and circumstances expected between the option start date and exercise date. Extension options (or periods after termination options) are only included in the length of the lease if it is reasonably certain that the lease will be extended (or not terminated). Determining the economic advantage of exercising these options requires the use of assumptions and estimates such as planned use of the property leased and future market conditions. Whether or not payments relating to periods of extension, termination or purchase are taken into account can have a significant impact on the value of the right-to-use asset and the lease commitment.



6. Segment information

In accordance with IFRS 8 'Operating segments' operating segment information is derived from the internal organisation of the group's activities.

The operating segment information reported is based on the internal information used by the group management to make decisions about the resources to be allocated and the assessment of segment performance. The allocation of resources and the assessment of performance are carried out at the level of the different markets; mainly the BeNeLux market and Bulgaria.

Each market has a segment manager responsible for implementing decisions on the resource allocation and performance assessment. Segment inputs are measured using the same accounting policies as those used to prepare the consolidated financial statements summarised and described in the notes to the financial statements.

Inter-sector eliminations concern inter-company sales by companies in one sector to companies in another sector.

The results of the segments for the years ended 31 December 2023 and 2022 are detailed below:

2023 FINANCIAL YEAR	BeNeLux	Bulgaria	France	Inter-sector elimination	Total
Ext. sales	230,553	77,636	37,750	-	345,939
Inter-sector sales	-	-	-	-	-
Total sales	230,553	77,636	37,750	-	345,939
Sect. result	16,359	14,325	3,563	-	34,247
Items not affected	-	-	-	-	-
Operating result					34,247
NET NON-CURRENT ASSETS	79,235	122,756	32,673		234,664

2022 FINANCIAL YEAR	BeNeLux	Bulgaria	France	Inter-sector elimination	Total
Ext. sales	217,161	68,155	35,435	-	320,751
Inter-sector sales	-	-	-	-	-
Total sales	217,161	68,155	35,435	-	320,751
Sect. result	9,355	8,615	2,763	-	20,733
Items not affected	-	-	-	-	-
Operating result					20,733
NET NON-CURRENT ASSETS	83,368	123,566	31,171		238,105

The performance measure of each segment used by the group's management is the segment result. The segment result includes all income and expenses directly attributable to it and the income and expenses that can reasonably be allocated to it. Given the concentration of production assets in Belgium and the (virtual) absence of external indebtedness, the group management does not monitor assets and liabilities per operating segments internally.

Transfers or transactions between segments are carried out under customary market conditions identical to those that would be applied to unrelated third parties.

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A limited number of our major distributors account for a significant portion of our revenues.

Total sales to customers that individually represented more than 10% of the group's revenues in 2023 and 2022 are broken down by segment as follows:

Total sales to customers individually representing more than 10% of consolidated sales

2023 FINANCIAL YEAR	BeNeLux	Other	Total of individual major customers	Total group
TOTAL SALES	42,182	-	42,182	345,939

2022 FINANCIAL YEAR	BeNeLux	Other	Total of individual major customers	Total group
TOTAL SALES	37,854	-	37,854	320,751

Number of customers and associated sales representing 10% or more in the segment considered

2023 FINANCIAL YEAR	Sector	Number of customers	Sales
	BeNeLux	2	68,664
	Other	3	18,081
	TOTAL	5	86,746

2022 FINANCIAL YEAR	Sector	Number of customers	Sales
	BeNeLux	2	62,850
	Other	3	16,397
	TOTAL	5	79,247



7. List of subsidiaries and companies incorporated using the equity method

7.1. List of subsidiaries

The Spadel subsidiaries are as follows:

Name	Share of voting rights in % at 31 December		Location of registered office	VAT N°
	2023	2022		
SPA Monopole SA	100	100	Belgium	BE 420.834.005
Bru-Chevron SA	99.99	99.99	Belgium	BE 403.939.672
Spadel Nederland BV	100	100	Netherlands	NL 007271542B01
Les Grandes Sources de Wattwiller SA	100	100	France	FR 96 383 616 307
Les Eaux Minérales de Ribeuuillé SA	99.61	99.61	France	FR 18 915 420 236
Devin AD	100	100	Bulgaria	BG040428304

In 2023, there were no unusual elements that significantly affect the assets, liabilities, equity, net result or cash flows of the group.

Bru-Chevron SA produces Bru branded products.

Spadel Nederland BV commercialises Spadel group products on the Dutch market.

Les Grandes Sources de Wattwiller produces Wattwiller and Jouvence branded products and commercialises Spadel group products on the French market.

Eaux Minérales de Ribeuuillé SA produces and commercialises Carola branded products. Finally, Devin AD produces and distributes mineral waters in Bulgaria.

7.2 Equity-accounted interests

On 20 May 2021, the group acquired 636,031 Class A preferential shares in the capital of Contaynor BV at EUR 0.98266/preferential share for a cash consideration of KEUR 625. The number of shares held by Spadel stood at 645,022 further to the re-allocation of shares held by an employee who left the company. Contaynor BV operates an e-commerce logistics platform for drinks and related products and provides last-kilometre logistics and delivery services for drinks and related products. Its registered office is established at avenue de Tervueren 36, box 18, 1040 Brussels.

This investment represents a 25.34% stake in the capital of Contaynor BV. Immediately before making this investment, the group did not hold any ordinary shares in Contaynor BV.

Given these facts and circumstances, the group has concluded that it exerts a notable influence on the entity and recognises its holding using the equity method.

The total transaction costs relating to the acquisition of this holding amounted to KEUR 25.

Further to the bankruptcy declared in 2023, Spadel recognised write-downs in order to bring the assets relating to this holding to zero.

The company did not give a guarantee in the context of this liquidation and therefore no provision was recognised.

7.3 Business combinations

No business combinations occurred during the 2023 financial year.



8. Intangible assets

	Goodwill	Brands	Customer base	Software programs	Rights and concessions	Total
At 1 January 2022						
Acquisition value	44,925	50,007	25,585	13,493	14,905	148,915
Accumulated amortisation and impairment	-	-	-15,600	-10,669	-1,833	-28,102
Net carrying amount	44,925	50,007	9,985	2,824	13,072	120,813
2022 FINANCIAL YEAR						
Net carrying amount on opening	44,925	50,007	9,985	2,824	13,072	120,813
Acquisitions	-	-	-	380	-	380
Transfers and closures	-	-	-	-2	-	-2
Heading transfers	-	-	-	-158	-	-158
Impairments	-	-	-	-	-	-
Amortisation for the year	-	-	-2,300	-1,660	-	-3,960
Translation differences	-	-	-	-	-	-
Net carrying amount on reporting date	44,925	50,007	7,685	1,384	13,072	117,073
At 31 December 2022						
Acquisition value	44,925	50,007	25,585	13,684	14,905	149,105
Accumulated amortisation and impairment	-	-	-17,900	-12,300	-1,833	-32,033
Net carrying amount	44,925	50,007	7,685	1,384	13,072	117,073
2023 FINANCIAL YEAR						
Net carrying amount on opening	44,925	50,007	7,685	1,384	13,072	117,073
Acquisitions	-	-	-	1,503	-	1,503
Transfers and closures	-	-	-	-479	-	-479
Heading transfers	-	-	-	-150	-	-150
Impairments	-	-	-	-	-	-
Amortisation for the year	-	-	-2,150	-1,508	-	-3,658
Translation differences	-	-	-	-	-	-
Net carrying amount on reporting date	44,925	50,007	5,535	750	13,072	114,289
At 31 December 2023						
Acquisition value	44,925	50,007	25,585	14,481	14,905	149,903
Accumulated amortisation and impairment	0	0	-20,050	-13,731	-1,833	-35,614
Net carrying amount	44,925	50,007	5,535	750	13,072	114,289



The line items 'Brands' and 'Customer base' reflect the fair values of the Wattwiller, Carola and Devin brands as well as the customer base of these subsidiaries on their acquisition dates, less the related accumulated amortisation as regards the customer base and any impairment losses recognised. The Wattwiller and Carola brands and those associated with Devin have an indefinite useful life and are not subject to a systematic amortisation plan. An impairment test is carried out annually by the group as part of the annual closing. The discount rate to estimate the value in present use remained unchanged. These assets per CGU are broken down as follows:

NET CARRYING AMOUNT (MEUR)	Goodwill	Brands
Devin	44.9	36.9
Wattwiller	-	10.1
Ribeauvillé	-	3.0
TOTAL	44.9	50.0

Rights and concessions include concession rights, green certificates and CO² emission rights. It should be noted that since April 2017, concession rights have also included the concession rights to the Devin mineral water sources for the extraction of mineral water until 2034.

Research and development costs recognised in the income statement amounted to KEUR 1,391 in 2023 (2022: KEUR 1,416), including KEUR 693 classified under 'Miscellaneous goods and services' (2022: KEUR 735) and KEUR 698 under 'Employee costs' (2022: KEUR 681).

Research and development mainly concerns the development and formulation of new products (flavoured waters, lemonades, etc.) and product packaging and industrialisation.



9. Property, plant and equipment and leases

	Land and buildings	Industrial equipment	Furniture and rolling stock	Other tangible assets	Total
At 1 January 2022					
Acquisition value	133,271	234,479	16,276	41,361	425,387
Accumulated amortisation and impairment	-78,082	-189,423	-11,469	-27,143	-306,119
Net value	55,189	45,055	4,807	14,218	119,269
2022 FINANCIAL YEAR					
Net carrying amount on opening	55,189	45,055	4,807	14,218	119,269
Acquisitions	2,709	6,449	1,118	6,426	16,701
Transfers and closures	-	-13	-	-6	-18
Heading transfers	24	2,075	40	-1,981	158
Other	-	-	-	-	-
Amortisation	-4,243	-8,707	-1,090	-3,220	-17,260
Translation differences	-	-	-	-	-
Net carrying amount on reporting date	53,679	44,860	4,875	15,437	118,851
At 31 December 2022					
Acquisition value	136,004	242,990	17,434	45,800	442,228
Accumulated amortisation and impairment	-82,325	-198,130	-12,559	-30,363	-323,377
Net value	53,679	44,860	4,875	15,437	118,851
2023 FINANCIAL YEAR					
Net carrying amount on opening	53,679	44,860	4,875	15,437	118,851
Acquisitions	7,083	6,000	1,366	5,669	20,118
Transfers and closures	-2,258	-15	-8	-6	-2,287
Heading transfers	393	2,086	-	-2,329	150
Other	-	-	-	-	-
Amortisation	-4,468	-9,501	-1,084	-3,188	-18,241
Translation differences	-	-	-	-	-
Net carrying amount on reporting date	54,429	43,430	5,149	15,583	118,591
At 31 December 2023					
Acquisition value	141,222	251,061	18,792	49,134	460,209
Accumulated amortisation and impairment	-86,793	-207,631	-13,643	-33,551	-341,618
Net value	54,429	43,430	5,149	15,260	118,591



New investments in property, plant and equipment (KEUR 20,118) mainly concern:

- Investments linked to the new design of the PET bottles, the extension of the solar panels, investments linked to the new attached cap, tank renovation work, work on the collection chambers, the purchase of glass bottles, etc. on the SPA site;
- Bottling line equipment, work in the production halls and warehouses in response to growth, the purchase of refrigerators for points of sale, the purchase of dispensers and cans for the HOD business and the acquisition of vehicles in Bulgaria;
- The fitting out of new office spaces, the implementation of a new 'Customer Relationship Management' app and various IT hardware and software items for Spadel SA;
- The installation of a new combi block (PET line), the purchase of glass bottles and crates, electrical equipment and a compressor at the Ribeauvillé site;
- Wastewater treatment equipment, a new compressor, investments linked to the new 'Bag in Box' format and new 1 L bottles for sparkling water at the Wattwiller site;
- The purchase of glass bottles and crates, as well as the replacement of pipes at the Bru site.

'Other property, plant and equipment' mainly consist of crates and bottles as well as assets under development.

Heading transfers concern assets put into service and therefore reclassified from assets under development.

Certain bank loans and lease liabilities are secured by land and buildings and by industrial equipment (note 27).

The variation in right-of-use assets (included under other tangible assets in the table above) between 1 January 2023 and 31 December 2023 was as follows:

	Right-of-use assets
Cost	
Balance at 31 December 2022	11,788
Additions	2,911
Transfers	-4,039
Other	
BALANCE AT 31 DECEMBER 2023	10,660
<i>Accumulated amortisation and impairment</i>	
Balance at 31 December 2022	6,070
Additions	1,951
Transfers	-1,780
Impairments	
Transfers to other headings	
BALANCE AT 31 DECEMBER 2023	6,241
NET CARRYING AMOUNT	4,419

The appropriation to amortisation of right-of-use assets was as follows for the 2023 financial year:

	Buildings	Industrial equipment	Company cars	Total
Appropriation to amortisation of right-of-use assets	1,134	51	766	1,951

'Miscellaneous goods and services' also include a charge of KEUR 7,968 related to repairs and maintenance of property, plant and equipment (2022: KEUR 7,069).

The charge linked to short-term and low-value leases recognised in the income statement under miscellaneous goods and services amounted to KEUR 1,806 for 2023.

The table below presents an analysis of the due dates of the group's lease commitments based on planned contractual cash flows until the contractual due dates. The amounts correspond to non-discounted contractual cash flows.

Contractual due dates of lease commitments	Less than 6 months	6 to 12 months	Entre 1 an et 2 ans	Between 1 year and 2 years	Over 5 years	Total cash flows	Carrying amount
At 31 December 2023	424	1,655	1,728	1,090	592	5,489	4,419

10. Financial assets

Trade receivables and other receivables can be broken down as follows:

	31/12/2023	31/12/2022
Gross trade receivables	45,825	44,583
Less: provisions and write-downs on doubtful receivables	-1,374	-854
Net trade receivables	44,451	43,729
Deferred charges	1,704	1,605
Other receivables and financial assets	8,393	8,639
TOTAL	54,548	53,973
Less: non-current portion (financial assets)	-2,115	-2,165
Current portion	52,433	51,808

Other receivables include VAT to be recovered, amounting to KEUR 4,754 (2022: KEUR 4,998). They also include bank deposits with third parties as guarantees to cover the future fee payment obligation relating to the concession agreements of the subsidiary Devin and its undertakings to protection water sources against depletion and the pollution of mineral resources.



The non-current portion, financial assets, (KEUR 2,115 KEUR) consists mainly of the balance of the long-term receivable relating to the sale of the Brecon branch in 2019 (KEUR 798) as well as holdings taken in three companies, amounting to KEUR 1,250 (Dripl: KEUR 500, Qallo: KEUR 500 and The Mocktail Club: KEUR 250).

Spadel has no control or significant influence over these three companies and no write-down is required at end 2023 compared with their estimated fair value.

All non-current receivables are recoverable within five years as of the reporting date.

The carrying amount of non-current receivables represents a good approximation of their fair value.

At 31 December 2023, the amount of provisions for expected credit losses on trade receivables issued and due was as follows:

At 31 December 2023	0 to 30 days	31 to 60 days	60 to 90 days	90 to 120 days	> 120 days	Total
Rate of expected credit losses	1%	2%	5%	10%	20%	
Carrying amount of trade receivables - gross	-1,051	674	-139	75	515	73
Provision for expected credit losses	-11	13	-7	7	103	105

At 31 December 2023, the write-down on trade receivables posing a greater credit risk, based on the individual analysis of unpaid amounts and their credit risk, stood at KEUR 1,334. The nominal value of individually impaired receivables amounts to a total of KEUR 1,748. According to our estimates, some of these receivables are expected to be recovered. The ageing of these receivables is given below:

	31/12/2023	31/12/2022
3 to 6 months	451	-415
More than 6 months	1,297	814
TOTAL	1,748	399

Trade receivables overdue for less than three months are not considered to be at risk. At 31 December 2023, receivables amounting to KEUR -1,001 (2022: KEUR -242 KEUR) were overdue but not impaired. These receivables relate to customers for whom there is no recent history of default. The ageing of these receivables is given below:

	31/12/2023	31/12/2022
Less than 3 months	-378	541
More than 3 months	-624	-783
TOTAL	-1,001	-242

The credit quality of trade receivables that are neither overdue nor impaired can be measured by reference to the historical data of the counterparties.

Trade receivables	31/12/2023	31/12/2022
Counterparties without independent credit rating		
Group 1	-	-
Group 2	45,352	44,816
Group 3	-	-
Trade receivables that are neither overdue nor impaired	45,352	44,816

Group 1 - new customers (less than 6 months).

Group 2 - existing customers (more than 6 months) without a history of defaults.

Group 3 - existing customers (more than 6 months) with a history of defaults.

None of the unimpaired receivables was renegotiated in during the year.

The maximum exposure to credit risk at the reporting date corresponds to the carrying amount of the receivables. The group does hold any significant collateral in relation to these receivables.

The table below shows the variations in accumulated write-downs on receivables:

	2023	2022
At 1 January	854	589
Provision for write-downs	533	403
Use of write-downs on receivables written off as uncollectable	-	-
Reversals of write-downs	-13	-138
At 31 December	1,374	854

The creation and reversal of provisions for impaired receivables are recognised under 'Other operating income/expenses' in the income statement.

The 'Other receivables' item does not include any impaired assets.



11. Inventories

Inventories can be broken down as follows :

	31/12/2023	31/12/2022
Raw materials and consumables (gross)	14,878	14,078
Inventory write-downs (mainly SPA Monopole supplies)	-861	-551
Raw materials and consumables	14,017	13,527
Finished goods and work in progress	10,327	9,262
Réduction de valeur sur stock	-1,037	-1,144
Acomptes versés	-	-
TOTAL	23,307	21,645

The following amounts relating to inventories impact on the income statement for the financial years 2023 and 2022:

	2023	2022
Variation in inventories of raw materials and consumables (included in Raw materials and consumables')	-67	217
Business combinations	-	-
Translation differences	-	-
	-67	217
Variation in inventories of finished goods and work in progress	-	-
Inventory write-downs (included in 'Other operating income and expenses')	204	194

12. Financial assets

12.1. Financial assets

	2023	2022
Balance at 1 January	17	17
Balance at 31 December	17	17

13. Cash and cash equivalents

13.1 Cash and cash equivalents

	31/12/2023	31/12/2022
Term deposits (maximum 3 months)	44,841	31,987
Money market funds (non-fixed income investment securities)	28,419	26,913
Assets available	40,799	24,013
TOTAL	114,059	82,913

The average effective interest rate on the term deposits is 3.30% (2022: 1.83%). These term deposits (maximum 3 months) had an average maturity of approximately 3 month in 2023 and in 2022

In the consolidated statement of cash flows, the net cash position is broken down as follows:

	31/12/2023	31/12/2022
Cash and cash equivalents	114,059	82,913
Bank overdrafts	-	-
TOTAL	114,059	82,913

At 31 December 2023, investments in term deposits were made with banks with an independent credit rating equal to or greater than A.



13.2 Reconciliation of liabilities from financing activities

	Short-term lease liabilities (IFRS 16)	Long-term lease liabilities (IFRS 16)	Short-term borrowings	Long-term borrowings	Total
Net liabilities at 1 January 2022	1,280	5,139	10,500	-	16,918
Acquisitions - finance lease and lease benefits	-	-	-	-	-
Cash flow	205	-1,018	-10,500	-	-11,313
Other movements without impact on cash position	-	-	-	-	-
Net liabilities at 31 December 2022	1,485	4,121	-	-	5,606
Acquisitions - leases	-	-	-	-	-
Cash flow	-405	-1,296	-	-	-1,701
Other movements without impact on cash position	-	-	-	-	-
Net liabilities at 31 December 2023	1,080	2,825	-	-	3,905

14. Share capital

The number of shares is as follows:

	Total
At 1 January 2022	4,150,350
Movements 2022	-
At 31 December 2022	4,150,350
Movements 2023	-
At 31 December 2023	4,150,350

The share capital of Spadel SA at 31 December 2023 is represented by 4,150,350 ordinary shares without a designated nominal value.

The share capital remained unchanged at KEUR 5,000.

The company has not issued any preferential shares or a stock option plan.

15. Consolidated reserves

The group's consolidated reserves of KEUR 274,070 at 31 December 2023 include a legal reserve of KEUR 500 relating to Spadel SA, legal reserves relating to its subsidiaries amounting to KEUR 2,320 and a share premium of KEUR 1,881. Under the Companies Code, the legal reserve must reach a minimum of 10% of the share capital. As long as this level is not reached, at least one twentieth of the net profit from the financial year (determined in application of the Belgian Companies Code) must be allocated to the formation of this reserve fund. The current level of the legal reserve is sufficient in relation to this legal requirement. Consequently, no allocation is currently required. Legal reserves are not available for distribution.

The group's consolidated reserves at 31 December 2023 also include other reserves not available for distribution amounting to KEUR 44,205.

The group's consolidated reserves at 31 December 2023 also include other reserves amounting to KEUR 12,653 net of taxes relating to tax-free reserves mainly corresponding to capital gains realised previously free of tax. These tax-free reserves should give rise to a tax payment in the event of distribution. This tax is recognised in deferred tax liabilities at 31 December 2023 (note 17).

The consolidated reserves also include group reserves amounting to KEUR 212,511 established via previous results.



16. Financial liabilities

	31/12/2023	31/12/2022
Non-current		
Dettes d'obligations locatives (annexe 1.6)	2,825	4,121
TOTAL	2,825	4,121
Current		
Lease commitment liabilities (note 1.6)	1,080	1,485
TOTAL	1,080	1,485
TOTAL FINANCIAL LIABILITIES	3,905	5,606

The liability relating to concession agreements relates to Devin's commitment concerning future fees linked to the mineral water source concession rights, which Devin is obliged to pay for a defined period. This liability is recognised under the heading 'Other payables'.

16.1. General information

The payment schedule for non-current financial liabilities is as follows :

	31/12/2023	31/12/2022
Between 1 and 2 years	-	-
Between 2 and 5 years	-	-
Over 5 years	-	-
TOTAL	-	-

The effective interest rates at the reporting date are as follows :

	31/12/2023	31/12/2021
Bank overdrafts	-	-
Bank borrowings	-	1.05%
Finance lease liabilities	3.50%	1.50%

The carrying amounts of current and non-current financial liabilities represent a good approximation of their fair value.

The carrying amounts of financial liabilities (incl. IFRS 16) are denominated in the following currencies:

	31/12/2023	31/12/2022
EUR	2,693	4,656
BGN	1,212	950
TOTAL	3,905	5,606

The group's credit lines (KEUR 14,757) have an indefinite maturity. The related interest rate is determined at the time the credit line is used. Credit lines not used by Spadel amounted to KEUR 14,606 at 31 December 2023 (2022: KEUR 15,604).

The credit lines used are guarantees granted to the Customs and Excise administration and to a bank for KEUR 1,401.

17. Employee benefit liabilities

Employees of the Belgian, Dutch and French entities are entitled to retirement benefits in the form of either annuities or capital. The benefit plans are either 'defined benefit plans' or 'defined contribution plans'.

In Belgium, Spadel SA, SPA Monopole SA (Belgian division) and Bru-Chevron SA have two types of pension plans for white-collar employees: (i) a defined benefit plan for all employees who joined the entity before 1 May 2000 and who chose to keep this type of plan, and (ii) a defined contribution plan for other employees (plan 2000). All blue-collar workers have a limited defined benefit plan.

In the Netherlands, there is a defined contribution plan for all employees.

Finally, the French entities (Wattwiller and Carola) award service medal bonuses (long-term benefits).

Of the 1,310 employees in the group, a total of 492 are covered by the defined benefit plans (for the Belgian and French entities). This is the subject of a provision in the financial statements at 31 December 2023 based on actuarial calculations established in accordance with IAS 19^R.

For Belgian employees not covered by the defined benefit plan, the plan set up (plan 2000) is a defined contribution plan for which payments are made to the group insurer. The statutory minimum guaranteed return for this plan complies with the return required by the law on supplementary pensions and the related tax rules and certain additional social security benefits of 28 April 2003, which stipulate benchmark rates of return of 3.75% on employees' contributions and 3.25% on employers' contributions until 31 December 2015 and 1.75% since 1 January 2016 (for both employees' and employers' contributions).

Spadel assesses the pension commitment for the defined contribution plans for the three Belgian entities using the actuarial method prescribed by IAS 19^R (projected unit credit method). As a result of this calculation, the pension commitment was increased at 31 December 2023 by KEUR 33 (fall of - KEUR 898 in 2022). This provision was recognised via the income statement for - KEUR 649 and via an impact on other comprehensive income for EUR 682.

Both the defined benefit plan and the defined contribution plan are subject to an actuarial assessment using the project unit credit method prescribed by IAS 19^R. At the end of 2023, Spadel called upon an external actuary to assist in the calculation of its liabilities under IAS 19^R. The calculation is based on actuarial assumptions determined at different reporting dates, taking into account macroeconomic factors prevailing on the relevant dates and specific features of the different plans assessed. The assumptions represent Spadel's best estimates for the future. They are reviewed periodically in line with market trends and available statistical data.



Finally, early retirement schemes are in place in Belgium (termination benefits).

The liability for employee benefits recognised in the statement of financial position can be broken down as follows:

	31/12/2023	31/12/2022
Post-employment benefits (IAS 19R - defined benefit plans)	1,681	1,510
Business combinations		
Post-employment benefits (IAS 19R - defined contribution plans)	12	-21
Severance pay	1,216	893
Other long-term benefits	196	190
TOTAL	3,105	2,573
Less current portion	-312	-139
Non-current portion	2.793	2.434

17.1. Post-employment benefits - pension commitments

Total premiums paid under **defined contribution plans for the group** as a whole amount to KEUR 1,449 (2022: KEUR 816). However, most of this amount covers the employees working for the group's Belgian entities.

As regards **the defined benefit plans**, virtually all of which are in Belgium (KEUR 1,681 at the end of 2023), the information is as follows:

Amounts recognised in the statement of financial position	31/12/2023	31/12/2022
Present value of the obligation at reporting date	7,953	7,746
Fair value of assets at reporting date	-6,272	-6,235
Plan deficit (surplus)	1,681	1,510
Net unrecognised actuarial gains and losses		
Liabilities in statement of financial position	1,681	1,510

Amounts recognised in the income statement	2023	2022
Cost of services provided during the year	346	451
Financial cost	53	26
Administrative costs	41	44
Past service cost	-50	-142
Total amount included in employee benefit expenses (note 21)	390	379

Reconciliation of opening and closing balances of the present value of the obligation	2023	2022
Present value of the obligation on opening	7,746	9,881
Past services cost	-93	-7
Business combinations	-	-
Cost of services provided during the year	346	451
Financial cost	293	70
Contributions made by plan participants	8	9
Benefits paid	-765	-964
Curtailments and settlements	-	-
Actuarial gains and losses	514	-1,611
Taxes	-79	-83
Impact of change in assumptions	-16	-
Present value of the obligation at reporting date	7,953	7,746



Reconciliation of opening and closing balances of fair value of assets	2023	2022
Fair value of assets on opening	6.235	6.410
Financial income	240	44
Contributions made by the employer	672	709
Contributions made by plan participants	9	9
Benefits paid	-742	-956
Actuarial gains and losses	-21	147
Taxes	-79	-83
Administrative costs	-41	-44
Fair value of assets at reporting date	6,272	6,235

Actual return on plan assets	2023	2022
	220	191

Variations in liabilities recognised in the statement of financial position	2023	2022
Liabilities in the statement of financial position on opening	1,510	3,471
Business combinations	-	-
Total expense charged to the income statement	391	379
Contributions made by the employer	-738	-582
Impact on other comprehensive income (OCI)		1,758
Impact of change in policy	-	-
Liabilities in the statement of financial position on reporting date	1,681	1,510

Actuarial assumptions (weighted):	2023	2022
Discount rate	3.15-3.25%	3.65-3.80%
Expected rates of return on plan assets	0.40-3.25%	0.40-3.85%
Expected salary growth (above inflation)	0.40%	0.30%
Inflation rate	2.05%	2.20%
Mortality tables	(MR/FR – 5 years for Belgium)	(MR/FR – 5 years for Belgium)
Expected average remaining working life	8.73	8.91

The discount rate used for employees' pension plans is 3.15% (3.65% in 2022). That used for workers' pension plans is 3.25% (3.80% in 2022). If the rate used fell by 0.5%, the group employee benefit liability would increase by KEUR 322. If the rate used rose by 0.5%, the group employee benefit liability would fall by KEUR 288.

Contributions paid to the post-employment benefit plans for the year ended 31 December 2024 are estimated at KEUR 356.

The total amount recognised in other comprehensive income during 2023 on the IAS 19⁸ plans amounts to - KEUR 712.

As regards the **defined contribution plans**, all of which are in Belgium (KEUR 12 at the end of 2023), the information is as follows:

	Assets	Liabilities	Total
01/01/2023			
Income statement			
Cost of services provided	380	242	622
Financial costs	593	-565	27
Sub-total income statement	972	-323	649
Gain/(loss) - other comprehensive income			
Impact of new provision on opening	15,222	-15,201	21
Taxes	-159	159	0
Changes in actuarial assumptions	-214	-469	-682
Sub-total other comprehensive income	14,849	-15,511	-661
31/12/2023	15,822	-15,834	-12

Actuarial assumptions (weighted):	2023	2022
Discount rate	3.30%	3.80%
Expected rates of return on plan assets	3.20%	3.80%
Expected salary growth (above inflation)	-	-
Inflation rate	2.05%	2.45-2.70%
Mortality tables	(MR/FR – 5 years for Belgium)	(MR/FR – 5 years for Belgium)
Expected average remaining working life	10.47	12.30

Contributions paid to the defined contribution plans for the year ended 31 December 2024 are estimated at KEUR 719.

The discount rate used for the employees' defined contribution plans is 3.30%. That used for workers' pension plans is 3.30%. If the rate used fell by 0.5%, the group employee benefit liability would increase by KEUR 18. If the rate used rose by 0.5%, the group employee benefit liability would fall by KEUR 7.



17.2. Early retirement obligations

Early retirement obligations are provided for in Belgium through Collective Labour Agreements. The following liabilities relate to employees who have taken early retirement:

Early retirement obligations	2023	2022
Value of obligation for severance pay on opening	893	1,213
Movements in the provision (note 21)	323	-320
Value of obligation for severance pay on reporting date	1,216	893
Less: current portion	-312	-139
Non-current portion	904	754

17.3. Other long-term benefits

A long-term bonus is recognised at group level (KEUR 810)

Other long-term benefits	2023	2022
Value of obligation for long-term benefits on opening	0	0
Severance provision made (paid) by the employer	396	190
Value of obligation for long-term benefits on reporting date	396	190

18. Deferred tax assets and liabilities

Deferred taxes	2023	2022
- Deferred tax assets	-	-
- Deferred tax liabilities	-22,709	-23,925
TOTAL	22,709	23,925

The movements during the year can be summarised as follows:

	2023	2022
Balance at 1 January	23,925	24,604
Expense/(Credit) in the income statement	-934	-94
Direct allocation to other comprehensive income	-282	-595
Balance at 31 December	22,709	23,925

Deferred tax position by nature (+ asset, - liability)	31/12/2023	31/12/2022	Fluctuation
- Elimination of inventory margin	200	200	-
- Pension provision IAS 19R	-431	-318	-113
- Property, plant and equipment and intangible assets	-18,267	-19,329	1,062
- Tax-free reserves	-4,006	-3,940	-67
- Other (including government grants, provisions and staggered taxation)	-205	-538	333
Net deferred tax position	-22,709	-23,925	1,216

Deferred tax assets are recognised when it is probable that taxable profit will be available against which the temporary deductible differences and recoverable tax losses existing on the reporting date can be imputed.

19. Trade payables

The trade payables position at the reporting date is as follows:

	31/12/2023	31/12/2022
Suppliers	36,311	33,458
Invoices to be received, credit notes to be issued	15,253	10,000
Municipal fees payable	2,660	2,715
Discounts and promotions to be granted	18,669	17,504
Other	399	330
TOTAL	73,292	64,007

Commercial discounts and promotions to be granted represent the amounts of the provisions established to cover Spadel's commercial commitments to its customers. These liabilities are estimated on the basis of contractual data and sales volumes recorded during the financial year, taking account of invoicing flows already established during the year.



20. Other payables

The other payables position at the reporting date is as follows:

	31/12/2023	31/12/2022
Deferred income	9	58
Accrued charges	381	1,250
Miscellaneous payables	5,740	5,149
TOTAL	6,130	6,457
Less: current portion	-2,585	-3,240
Non-current portion	3,545	3,217

Miscellaneous payables mainly include VAT (KEUR 153 in 2023 as against KEUR 10 in 2022), other taxes payable (KEUR 1,694 in 2023 as against KEUR 1,778 in 2022) and a commitment relating to the Devin concession amounting to KEUR 2,721 (KEUR 2,889 in 2022).

The liability relating to concession agreements relates to Devin's commitment concerning future fees linked to the mineral water source concession rights, which Devin is obliged to pay for a defined period.

21. Provisions

The provisions position at the reporting date is as follows:

	Site restoration	Other	Total
At 1 January 2023	422	23	445
Recognised in the consolidated income statement:			
- Increase in provisions	400	19	419
- Reversals of unused amounts	-	-	-
- Used during the year	-100	-	-
- Business combination	-	-	-
At 31 December 2023	722	42	764

	Site restoration	Other	Total
At 1 January 2022	460	25	485
Recognised in the consolidated income statement:			
- Increase in provisions	-	-	-
- Reversals of unused amounts	-38	-	-38
- Used during the year	-	-2	-2
- Business combination	-	-	-
At 31 December 2022	422	23	445

At 31 December 2023, provisions classified as current liabilities amounted to KEUR 42 and non-current liabilities amounted to KEUR 722 (the cash outflow will occur within a period of 1 to 5 years).

The provision for site restoration relates to the rehabilitation of sites belonging to SPA Monopole.



22. Employee expenses

Employee expenses can be broken down as follows:

	2023	2022
Salaries and remuneration, including severance pay of KEUR 399 (2022: KEUR 2,177)	59,188	52,634
Social security charges	12,595	11,849
Pensions - defined contribution plans	1,449	816
Pensions - defined benefit plans (note 16.1)	390	379
Early retirement charges	95	166
Usage of provision for early retirement (note 16.2)	323	-320
Other	556	2,306
TOTAL	74,596	67,830

The average number of employees was 1,310 in 2023 (including 680 blue-collar workers and 630 white-collar workers) and 1,329 in 2022 (including 685 blue-collar workers and 644 white-collar workers).

23. Other operating income and expenses

Other operating income and expenses can be broken down as follows:

	2023	2022
Sale of advertising articles and miscellaneous	165	173
Waste sold	131	154
Gains on disposals of property, plant and equipment	182	438
Grants	32	44
Miscellaneous rentals	56	45
Recovered costs and other operating income	16,117	11,130
Other duties and taxes	-5,623	-4,375
Losses on disposals of property, plant and equipment	-35	-30
Other operating expenses (including losses on foreign packaging, CO ₂ quotas and write-downs)	-358	-359
TOTAL	10,667	7,220

24. Financial income

Financial income can be broken down as follows:

	2023	2022
Interest income	1,068	144
Foreign exchange gains and translation differences	-	-
Other financial income	1,468	69
Positive translation differences	-	-
TOTAL	2,536	213

The financial income stood at EUR 2.5 million, up compared with 2022 (EUR 0.2 million), mainly further to the rates rise and a write-down reversal on cash investments linked to the rise in prices.

25. Financial costs

Financial costs can be broken down as follows:

	2023	2022
Interest burden on bank borrowings	11	44
Exchanges losses on transactions in foreign currencies - net	-	-
Other financial costs	85	615
Financial expenses on pension obligations	322	-25
Write-downs on cash investments	-	2,501
Write-downs on associated companies	1,523	-
Interest on lease	260	45
TOTAL	2,201	3,192

The financial costs stood at EUR 2.2 million, down compared with the previous year (EUR 3.2 million), which had been impacted by a write-down recognised on financial investments.

Moreover, the financial costs were impacted by a write-down of EUR 1.5 million to fully write off the value the holding in the capital of the company Contaynor SRL, as well as the convertible loans granted, further to the latter's declaration of bankruptcy.



26. Taxes

Income tax expenses for the year can be broken down as follows:

	2023	2022
Current taxes	7,117	5,128
Deferred taxes (note 17)	-771	-739
Total tax charge	6,346	4,389

The tax charge on Spadel's pre-tax income differs from the theoretical amount that would have resulted from the application of the Belgian tax rate applicable to the parent company of the Spadel group. The analysis is as follows:

	2023	2022
Profit/(loss) before income tax	34,582	17,177
Taxes calculated on the basis of the Belgian tax rate (25%)	8,646	4,294
Effect of tax rate in foreign subsidiaries	-2,478	-1,202
Effect of non-tax-deductible expenses	538	565
Adjustment for prior period taxes (related to tax inspections)	-174	29
Other	-185	703
Total tax charge	6,346	4,389

27. Contingent liabilities and assets

At 31 December 2023, the group had no significant contingent liabilities or assets.

28. Rights and commitments

28.1. Commitments to acquire non-current assets

The group has contracted expenses to acquire property, plant and equipment not yet undertaken at 31 December 2023 amounting to KEUR 1,493 (2022: KEUR 2,764).

28.2. Guarantees provided

Bank guarantees have been given in favour of the Customs and Excise Administration and in favour of a bank amounting to KEUR 1,401 (2022: KEUR 1,422).

29. Information on related parties

29.1. Remuneration of senior management

The remuneration of members of the Executive Committee amounts to:

	2023	2022
Salaries and other short-term benefits	3,085	3,511
Other long-term benefits	810	307
TOTAL	3,895	3,818

Group insurance premiums paid in 2023 amount to KEUR 98.

Total remuneration of the directors of Spadel SA amounted to KEUR 1,106 in 2023 (2022: KEUR 957).

The Spadel group consists of Spadel SA and the subsidiaries listed in note 6.1. above.

All the financial statements of these companies are included in the consolidated financial statements of Spadel SA, parent company, consolidating company.

All group companies maintain or may maintain relations with the other entities as follows:

- 'Customer-supplier' relationships in the context of exchanges of services or supplies of goods in connection with the sale or distribution of Spadel products by other subsidiaries of the group.
- 'Lender-borrower' relationships when a company has a cash need and another company is in cash surplus. The aim is to optimise cash flow for the entire group.

Spadel SA holds 100% of all its subsidiaries that are affiliated parties.

All transactions and all inter-company accounts between group companies, which are related entities, are eliminated on consolidation and in the group's consolidated financial statements.



30. Events occurring after the reporting date

The Board has no knowledge of any major events occurring after the close of the financial year which could significantly affect the annual financial statements.

31. Earnings per share

31.1. Basic earnings

Basic earnings per share are calculated by dividing the net profit attributable to Spadel shareholders by the weighted average number of ordinary shares outstanding during the financial year.

	2023	2022
Profit/(loss) attributable to shareholders	28,236	12,788
Weighted average number of ordinary shares outstanding (in thousands)	4,150	4,150
Basic earnings per share (EUR per share)	6,80	3,08

31.2. Diluted earnings

Diluted earnings per share are calculated by increasing the weighted average number of shares outstanding by the number of shares that would result from the conversion of all potentially dilutive ordinary shares and adjusting the numerator if necessary. Spadel has not issued any securities with a potentially dilutive effect. Consequently, diluted earnings per share correspond to basic earnings per share.

32. Dividend per share

The dividends paid in 2023 and 2022 amounted respectively to KEUR 6,237 (EUR 1.5 gross or EUR 1.05 net per share) and KEUR 8,300 (EUR 2 gross or EUR 1.40 net per share). A dividend of EUR 2.20 gross and EUR 1.54 net per share for the year ended 31 December 2023, representing a total distribution of KEUR 9,131, will be proposed to the general meeting of shareholders on 28 May 2024. This distribution proposal is not yet recognised as a liability in the financial statements at 31 December 2023

33. Fees paid to the statutory auditor and persons affiliated to him

Fees paid to the statutory auditor

33.1. Consolidated fees paid to the statutory auditor for the auditing of the 2023 accounts (including KEUR 128,100 for the parent company Spadel SA): EUR 180,325

33.2. Consolidated fees for exceptional services or special assignments carried out within the group by the statutory auditor (in EUR):

- other certification assignments: EUR 26,250
- tax consultancy assignments: -
- other assignments outside the auditing assignment: EUR 10,583

Fees paid to persons affiliated to the statutory auditor

33.3. Fees relating to the mandates of the statutory auditor or similar mandates exercised for the group (in EUR): EUR 56,500

33.4. Consolidated fees for exceptional services or special assignments carried out within the group by persons related to the statutory auditor (in EUR):

- other certification assignments: -
- tax consultancy assignments: -
- other assignments outside the auditing assignment: -



Abridged annual accounts of Spadel SA, prepared in accordance with Belgian accounting standards

1. Abridged balance sheet at 31 December, in KEUR

The annual accounts of Spadel SA are presented in abridged form below. In accordance with the Companies Code, the annual accounts of Spadel SA and the management report as well as the report from the statutory auditor are filed with the National Bank of Belgium.

These documents are also available upon request at:

Spadel SA, Avenue des Communautés 110, 1200 Brussels.

The statutory auditor has expressed an opinion without reservations on the annual accounts of Spadel SA

	31/12/2023	31/12/2022
ASSETS		
Non-current assets	127,540	128,389
II. Intangible assets	1,268	1,339
III. Tangible assets	1,090	593
IV. Financial assets	125,82	126,457
Current assets	185,505	168,622
V. Receivables payable on more than one year	-	-
VII. Receivables payable on not more than one year	74,680	89,136
VIII. Cash investments	73,107	58,112
IX. Securities	33,562	18,112
X. Adjustment accounts	4,156	2,475
TOTAL ASSETS	313,045	297,011
LIABILITIES		
Shareholders' equity	224,090	225,098
I. Share capital	5,000	5,000
IV. Reserves	208,551	189,562
V. Forward profit	10,538	30,536
Provisions and deferred taxes	0	0
VII. Provisions for risks and charges	0	0
Debts	88,955	71,913
VIII. Debts on more than one year	0	0
IX. Debts on not more than one year	88,579	71,709
X. Adjustment accounts	377	204
TOTAL LIABILITIES	313,045	297,011

2. Abbreviated income statement in KEUR

	2023	2022
I. Operating income	176,154	163,657
II. External operating costs	-169,632	-160,707
III. Operating earnings	6,521	2,951
IV. Financial income	11,460	22,092
V. Financial costs	391	-2,197
VI. Current profit before taxes	18,372	22,846
VII. Non-recurring income	0	0
VIII. Non-recurring costs	-2,225	0
IX. Profit before income tax	16,147	22,846
X. Taxes	-1,799	-1,026
XI. Profit for the year	14,348	21,819
XII. Direct debit / (transfers) from / to immune reserves	-989	-1,389
XIII. Profit to be allocated	13,358	20,430

3. Statement of capital in KEUR

	2023	2022
A. Share capital		
1. Subscribed capital		
- At the end of the previous financial year	5,000	5,000
- Increase of capital		
- At the end of the financial year	5,000	5,000
2. Representation of the capital		
Classes of existing shares		
- Membership shares without par value	5,000	5,000
2.2. Registered or dematerialised shares		
- Registered	3,892,040	3,892,040
- Dematerialised	258,310	258,310
	Number of shares	Number of shares
G. Shareholding structure as at 31/12/2022		
1. Finances & Industries SA - Brussels		
Company controlled in law by Gerefis SA	3,861,187	3,861,187



Statement from those responsible

The undersigned, Marc du BOIS, CEO of the Spadel group, and Didier DE SORGHIER, Financial Director of the Spadel group, declare that to the best of their knowledge:

- a) the consolidated financial statements closed on 31 December 2023, established in accordance with the International Financial Reporting Standards (IFRS), provide a true reflection of the assets, the consolidated financial position and the consolidated results of the company Spadel SA and its subsidiaries included in the consolidation;
- b) the management report contains a faithful account of the development of business, the results and the situation of the issuer and the companies included in the consolidation and a description of the main risks and uncertainties facing them.

Brussels, 27 March 2024

Didier De Sorghier
Financial Director

Marc du Bois
CEO

Statutory Auditor's report



RAPPORT DU COMMISSAIRE A L'ASSEMBLEE GENERALE DES ACTIONNAIRES DE SPADEL SA SUR LES COMPTES CONSOLIDES POUR L'EXERCICE CLOS LE 31 DECEMBRE 2023

Dans le cadre du contrôle légal des comptes consolidés de SPADEL SA (la « Société ») et de ses filiales (conjointement « le Groupe »), nous vous présentons notre rapport du commissaire. Celui-ci inclut notre rapport sur les comptes consolidés ainsi que les autres obligations légales et réglementaires. Ce tout constitue un ensemble et est inséparable.

Nous avons été nommés en tant que commissaire par l'assemblée générale du 24 mai 2022, conformément à la proposition du conseil d'administration émise sur recommandation du comité d'audit. Notre mandat de commissaire vient à échéance à la date de l'assemblée générale délibérant sur les comptes annuels de l'exercice clos au 31 décembre 2024. Nous avons exercé le contrôle légal des comptes consolidés de la Société durant 5 exercices consécutifs.

Rapport sur les comptes consolidés

Opinion sans réserve

Nous avons procédé au contrôle légal des comptes consolidés du Groupe, comprenant l'état consolidé de la situation financière au 31 décembre 2023, ainsi que l'état consolidé du résultat global, l'état consolidé des variations des capitaux propres et le tableau consolidé des flux de trésorerie pour l'exercice clos à cette date, ainsi que des notes reprenant un résumé des principales méthodes comptables et d'autres informations explicatives. Ces comptes consolidés font état d'un total de l'état consolidé de la situation financière qui s'élève à EUR 425.861 milliers et d'un état consolidé du résultat global qui se solde par un bénéfice de l'année attribuable aux actionnaires de la Société de EUR 28.236 milliers.

À notre avis, ces comptes consolidés donnent une image fidèle du patrimoine et de la situation financière consolidée du Groupe au 31 décembre 2023, ainsi que de ses résultats consolidés et de ses flux de trésorerie consolidés pour l'exercice clos à cette date, conformément aux normes internationales d'information financière (IFRS) telles qu'adoptées par l'Union Européenne et aux dispositions légales et réglementaires applicables en Belgique.

Fondement de l'opinion sans réserve

Nous avons effectué notre audit selon les Normes internationales d'audit (ISA) telles qu'applicables en Belgique. Par ailleurs, nous avons appliqué les normes internationales d'audit approuvées par l'IAASB et applicables à la date de clôture et non encore approuvées au niveau national. Les responsabilités qui nous incombent en vertu de ces normes sont plus amplement décrites dans la section « *Responsabilités du commissaire relatives à l'audit des comptes consolidés* » du présent rapport. Nous nous sommes conformés à toutes les exigences déontologiques qui s'appliquent à l'audit des comptes consolidés en Belgique, en ce compris celles concernant l'indépendance.

Nous avons obtenu du conseil d'administration et des préposés de la Société, les explications et informations requises pour notre audit.



Nous estimons que les éléments probants que nous avons recueillis sont suffisants et appropriés pour fonder notre opinion.

Points clés de l'audit

Les points clés de l'audit sont les points qui, selon notre jugement professionnel, ont été les plus importants lors de l'audit des comptes consolidés de la période en cours. Ces points ont été traités dans le contexte de notre audit des comptes consolidés pris dans leur ensemble et lors de la formation de notre opinion sur ceux-ci. Nous n'exprimons pas une opinion distincte sur ces points.

Perte de valeur des actifs incorporels

Description du point clé de l'audit

Comme décrit dans les notes 1.7 et 5.4 relatives aux tests de perte de valeur des actifs incorporels (en ce compris les sources, marques et goodwill), la Société revoit la valeur nette comptable de ses unités génératrices de trésorerie (« UGT ») chaque année ou lorsqu'il existe des indices de perte de valeur. Le test de perte de valeur consiste en une comparaison entre l'estimation de la valeur d'utilité de chaque UGT et sa valeur nette comptable (comprenant le goodwill et marques pour un total de EUR 94,9 million pour les UGT tel que repris en note 8). L'évaluation des valeurs d'utilité est un jugement qui requiert des estimations concernant les projections des flux de trésorerie futurs associés aux UGTs, les besoins en fonds de roulement, le taux d'actualisation et le taux de croissance du chiffre d'affaires à moyen et long terme.

Nous avons considéré ce point comme un point clé de l'audit en raison de l'importance des soldes au bilan, du niveau du jugement et de l'expertise technique requise pour réaliser les tests de perte de valeur des actifs incorporels.

Nos procédures d'audit relatives au point clé de l'audit

- Nous avons évalué la conception et la mise en œuvre des contrôles internes relatifs au test de perte de valeur du goodwill et autres actifs incorporels (non amortis).
- Nous avons contrôlé la validité du modèle de test de perte de valeur utilisé et évalué si les formules sont correctement appliquées aux données reprises dans le modèle.
- Nous avons testé chacune des hypothèses clés utilisées dans le test de perte de valeur. Ces hypothèses clés concernent principalement le taux d'actualisation et le taux de croissance.
- Nous avons impliqué nos spécialistes internes en matière d'évaluation pour comparer et évaluer la pertinence de ces hypothèses à partir de données externes comparables.
- Nous avons testé le niveau de précision des flux de trésorerie futurs sur base des données historiques disponibles et rapproché les données prévisionnelles utilisées avec les plans d'affaires approuvés par le Conseil d'Administration.
- Nous avons conclu sur le caractère approprié d'absence de perte de valeur sur les actifs considérés.



- Nous avons évalué le caractère approprié et l'exhaustivité des informations présentées dans la note 5.4 et ce conformément à la norme IAS 36.

Sur base de nos diligences, nous estimons que la position de la direction est appropriée. De plus, nous avons constaté que les estimations de la direction reposaient sur des hypothèses raisonnables dont seules des modifications déraisonnables à la baisse pouvaient entraîner une réduction de valeur significative.

Provisions relatives aux remises et promotions commerciales

Description du point clé de l'audit

Les remises et promotions commerciales octroyées par le Groupe à ses clients sont comptabilisées en déduction du chiffre d'affaires (voir note 1.9 du rapport financier). Il existe un nombre important de contrats de vente intégrant des remises ainsi que des promotions commerciales basées sur les quantités vendues ou d'autres conditions contractuelles. En raison du nombre important de contrats et des conditions contractuelles spécifiques, l'évaluation de certaines provisions enregistrées à la fin de l'exercice requiert une part importante d'estimation de la direction et consiste, en conséquence, un point clé de l'audit.

Nos procédures d'audit relatives au point clé de l'audit

- Nous avons acquis une compréhension de l'environnement de contrôle interne relatif aux processus liés à la reconnaissance des revenus et l'estimation des provisions pour les remises et provisions commerciales ainsi qu'évalué la conception et l'efficacité opérationnelle des dispositifs importants du contrôle interne.
- Afin d'évaluer la qualité du processus d'estimation des provisions pour les remises et provisions commerciales développé par la direction, nous avons investigué et discuté de la justification des corrections comptabilisées sur l'exercice précédent.
- Nous avons rapproché la base des données reprenant notamment les volumes vendus (exprimés en litre et en valeur) par client, servant au calcul des remises et provisions commerciales avec le chiffre d'affaires reconnu en comptabilité au 31 décembre 2023.
- Pour les contrats les plus importants ainsi qu'un échantillon de contrats statistiques, nous avons contrôlé que les dispositions contractuelles relatives aux remises et promotions commerciales étaient correctement appliquées durant l'exercice et reprises en considération pour le calcul des provisions enregistrées.
- Nous avons effectué une revue analytique en comparant le montant des remises et promotions commerciales octroyées durant l'année par rapport à l'évolution du chiffre d'affaires. Nous avons également analysé l'évolution des provisions significatives enregistrées à la fin de l'exercice par rapport à l'année précédente.
- Nous avons testé les écritures manuelles de clôture significatives impactant les comptes liés au chiffre d'affaires et aux provisions pour les remises et promotions commerciales.



- Nous avons vérifié la bonne application de la norme IFRS15 sur lesdits contrats ainsi que le caractère complet des informations reprises dans le rapport financier.

Nous n'avons relevé aucune différence significative entre nos attentes et les provisions et nous avons conclu que les hypothèses et estimations de la direction étaient raisonnables. De plus, les politiques appliquées sont cohérentes à tous égards importants avec les IFRS telles qu'adoptées par l'Union européenne.

Responsabilités du conseil d'administration relatives à l'établissement des comptes consolidés

Le conseil d'administration est responsable de l'établissement des comptes consolidés donnant une image fidèle conformément aux normes internationales d'information financière (IFRS) telles qu'adoptées par l'Union Européenne et aux dispositions légales et réglementaires applicables en Belgique, ainsi que du contrôle interne qu'il estime nécessaire à l'établissement de comptes consolidés ne comportant pas d'anomalies significatives, que celles-ci proviennent de fraudes ou résultent d'erreurs.

Lors de l'établissement des comptes consolidés, il incombe au conseil d'administration d'évaluer la capacité du Groupe à poursuivre son exploitation, de fournir, le cas échéant, des informations relatives à la continuité d'exploitation et d'appliquer le principe comptable de continuité d'exploitation, sauf si le conseil d'administration a l'intention de mettre le Groupe en liquidation ou de cesser ses activités, ou s'il ne peut envisager une autre solution alternative réaliste.

Responsabilités du commissaire relatives à l'audit des comptes consolidés

Nos objectifs sont d'obtenir l'assurance raisonnable que les comptes consolidés pris dans leur ensemble ne comportent pas d'anomalies significatives, que celles-ci proviennent de fraudes ou résultent d'erreurs, et d'émettre un rapport du commissaire comprenant notre opinion. Une assurance raisonnable correspond à un niveau élevé d'assurance, qui ne garantit toutefois pas qu'un audit réalisé conformément aux normes ISA permette de toujours détecter toute anomalie significative existante. Les anomalies peuvent provenir de fraudes ou résulter d'erreurs et sont considérées comme significatives lorsque l'on peut raisonnablement s'attendre à ce qu'elles puissent, prises individuellement ou en cumulé, influencer les décisions économiques que les utilisateurs des comptes consolidés prennent en se fondant sur ceux-ci.

Lors de l'exécution de notre contrôle, nous respectons le cadre légal, réglementaire et normatif qui s'applique à l'audit des comptes consolidés en Belgique. L'étendue du contrôle légal des comptes ne comprend pas d'assurance quant à la viabilité future du Groupe ni quant à l'efficacité ou l'efficacité avec laquelle le conseil d'administration a mené ou mènera les affaires du Groupe. Nos responsabilités relatives à l'application par le conseil d'administration du principe comptable de continuité d'exploitation sont décrites ci-après.



Dans le cadre d'un audit réalisé conformément aux normes ISA et tout au long de celui-ci, nous exerçons notre jugement professionnel et faisons preuve d'esprit critique. En outre :

- nous identifions et évaluons les risques que les comptes consolidés comportent des anomalies significatives, que celles-ci proviennent de fraudes ou résultent d'erreurs, définissons et mettons en œuvre des procédures d'audit en réponse à ces risques, et recueillons des éléments probants suffisants et appropriés pour fonder notre opinion. Le risque de non-détection d'une anomalie significative provenant d'une fraude est plus élevé que celui d'une anomalie significative résultant d'une erreur, car la fraude peut impliquer la collusion, la falsification, les omissions volontaires, les fausses déclarations ou le contournement du contrôle interne ;
- nous prenons connaissance du contrôle interne pertinent pour l'audit afin de définir des procédures d'audit appropriées en la circonstance, mais non dans le but d'exprimer une opinion sur l'efficacité du contrôle interne du Groupe ;
- nous apprécions le caractère approprié des méthodes comptables retenues et le caractère raisonnable des estimations comptables faites par le conseil d'administration, de même que des informations les concernant fournies par ce dernier ;
- nous concluons quant au caractère approprié de l'application par le conseil d'administration du principe comptable de continuité d'exploitation et, selon les éléments probants recueillis, quant à l'existence ou non d'une incertitude significative liée à des événements ou situations susceptibles de jeter un doute important sur la capacité du Groupe à poursuivre son exploitation. Si nous concluons à l'existence d'une incertitude significative, nous sommes tenus d'attirer l'attention des lecteurs de notre rapport sur les informations fournies dans les comptes consolidés au sujet de cette incertitude ou, si ces informations ne sont pas adéquates, d'exprimer une opinion modifiée. Nos conclusions s'appuient sur les éléments probants recueillis jusqu'à la date de notre rapport. Cependant, des situations ou événements futurs pourraient conduire le Groupe à cesser son exploitation ;
- nous apprécions la présentation d'ensemble, la structure et le contenu des comptes consolidés et évaluons si ces derniers reflètent les opérations et événements sous-jacents d'une manière telle qu'ils en donnent une image fidèle ;
- nous recueillons des éléments probants suffisants et appropriés concernant les informations financières des entités ou activités du Groupe pour exprimer une opinion sur les comptes consolidés. Nous sommes responsables de la direction, de la supervision et de la réalisation de l'audit au niveau du Groupe. Nous assumons l'entière responsabilité de l'opinion d'audit.

Nous communiquons au comité d'audit notamment l'étendue des travaux d'audit et le calendrier de réalisation prévus, ainsi que les constatations importantes découlant de notre audit, y compris toute faiblesse significative dans le contrôle interne.

Nous fournissons également au comité d'audit une déclaration précisant que nous nous sommes conformés aux règles déontologiques pertinentes concernant l'indépendance, et leur communiquons, le cas échéant, toutes les relations et les autres facteurs qui peuvent raisonnablement être considérés comme susceptibles d'avoir une incidence sur notre indépendance ainsi que les éventuelles mesures de sauvegarde y relatives.



Parmi les points communiqués au comité d'audit, nous déterminons les points qui ont été les plus importants lors de l'audit des comptes consolidés de la période en cours, qui sont de ce fait les points clés de l'audit. Nous décrivons ces points dans notre rapport du commissaire, sauf si la loi ou la réglementation n'en interdit la publication.

Autres obligations légales et réglementaires

Responsabilités du conseil d'administration

Le conseil d'administration est responsable de la préparation et du contenu du rapport de gestion sur les comptes consolidés, du rapport distinct sur l'information non-financière et des autres informations contenues dans le rapport annuel sur les comptes consolidés.

Responsabilités du commissaire

Dans le cadre de notre mission et conformément à la norme belge complémentaire aux normes internationales d'audit (ISA) applicables en Belgique, notre responsabilité est de vérifier, dans leurs aspects significatifs, le rapport de gestion sur les comptes consolidés, le rapport distinct sur l'information non-financière et les autres informations contenues dans le rapport annuel sur les comptes consolidés, ainsi que de faire rapport sur ces éléments.

Aspects relatifs au rapport de gestion sur les comptes consolidés et aux autres informations contenues dans le rapport annuel sur les comptes consolidés

A l'issue des vérifications spécifiques sur le rapport de gestion sur les comptes consolidés, nous sommes d'avis que celui-ci concorde avec les comptes consolidés pour le même exercice, et a été établi conformément à l'article 3:32 du Code des sociétés et des associations.

Dans le cadre de notre audit des comptes consolidés, nous devons également apprécier, en particulier sur la base de notre connaissance acquise lors de l'audit, si le rapport de gestion sur les comptes consolidés et les autres informations contenues dans le rapport annuel sur les comptes consolidés, à savoir : Notre profil, Message du CEO et du Président, Spadel en 2023, Chiffres clés, Nos marques & marchés, La responsabilité sociétale de notre entreprise, comportent une anomalie significative, à savoir une information incorrectement formulée ou autrement trompeuse. Sur la base de ces travaux, nous n'avons pas d'anomalie significative à vous communiquer.

L'information non-financière requise par l'article 3:32, §2 du Code des sociétés et des associations a été reprise dans un rapport distinct du rapport de gestion qui fait partie de la section « La responsabilité sociétale de notre entreprise » du rapport annuel sur les comptes consolidés. Ce rapport sur les informations non-financières contient les informations requises par l'article 3:32, §2 du Code des sociétés et des associations et concorde avec les comptes consolidés pour le même exercice. Pour l'établissement de cette information non-financière, la Société s'est basée sur le référentiel Global Reporting Initiatives (ci-après « GRI »). Conformément à l'article 3:80, §1, 5° du Code des sociétés et des associations, nous ne nous prononçons toutefois pas sur la question de savoir si cette information non-financière est établie conformément au référentiel GRI précité mentionné dans le rapport distinct du rapport de gestion sur les comptes consolidés.



Mentions relatives à l'indépendance

- Notre cabinet de révision et notre réseau n'ont pas effectué de missions incompatibles avec le contrôle légal des comptes consolidés et notre cabinet de révision est resté indépendant vis-à-vis du Groupe au cours de notre mandat.
- Les honoraires relatifs aux missions complémentaires compatibles avec le contrôle légal des comptes consolidés visées à l'article 3:65 du Code des sociétés et des associations ont correctement été valorisés et ventilés dans l'annexe des comptes consolidés.

Format électronique unique européen (ESEF)

Nous avons également procédé, conformément au projet de norme relative au contrôle de la conformité des états financiers avec le format électronique unique européen (ci-après « ESEF »), au contrôle du respect du format ESEF avec les normes techniques de réglementation définies par le Règlement européen délégué n° 2019/815 du 17 décembre 2018 (ci-après « Règlement délégué »).

Le conseil d'administration est responsable de l'établissement, conformément aux exigences ESEF, des états financiers consolidés sous forme de fichier électronique au format ESEF (ci-après états financiers consolidés numériques) inclus dans le rapport financier annuel.

Notre responsabilité est d'obtenir des éléments suffisants et appropriés afin de conclure sur le fait que le format et le balisage XBRL des états financiers consolidés numériques respectent, dans tous leurs aspects significatifs, les exigences ESEF en vertu du Règlement délégué.

Sur la base de nos travaux, nous sommes d'avis que le format et le balisage d'informations dans les états financiers consolidés numériques repris dans le rapport financier annuel de Spadel SA au 31 décembre 2023 sont, dans tous leurs aspects significatifs, établis en conformité avec les exigences ESEF en vertu du Règlement délégué.

Autres mentions

- Le présent rapport est conforme au contenu de notre rapport complémentaire destiné au comité d'audit visé à l'article 11 du règlement (UE) n° 537/2014.

Diegem, le 18 avril 2024

Le commissaire

PwC Réviseurs d'Entreprises SRL
Représenté par

Romain Seffer
Réviseur d'Entreprises

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GRI table

CSR Platform	GRI Disclosure	Subject	Unit	Data 2022	Data 2023	More information
<i>GENERAL DISCLOSURES</i>						
	102-1	Organization profile				See p3-5
	102-2	Activities, brands, products, and services				See p15-27
	102-3	Location of headquarters				Avenue des Communautés 110 B-1200 Woluwé-Saint-Lambert
	102-4	Location of operations				See p15
	102-5	Ownership and legal form				See p51; p.54
	102-6	Markets served				See p13-25
	102-7	Scale of the organization				See p13
	102-8	Information on employees and other workers				See p13; p. 15
	102-9	Supply chain				See p41
	102-10	Significant changes to the organization and its supply chain				No significant changes in 2023
	102-11	Precautionary Principle or approach				See p49 of the annual report on risk management; See p34 of the financial report



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<i>GENERAL DISCLOSURES</i>						
						<p>All commitments are voluntary. Please see 'Our CSR approach' on sourceofchange.spadel.com for the frameworks that inspire and which we apply</p> <p>Global:</p> <ul style="list-style-type: none"> Spadel has a partnership with The SeaCleaners, that operates globally to clean oceans and raise awareness on marine litter Spadel signed up the the Global Commitment of the Ellen MacArthur Foundation. This includes a yearly reporting obligation. Spadel has approved Science Based Targets. this includes a reporting obligation <p>Belgium:</p> <ul style="list-style-type: none"> Spadel is a member of The Shift, Belgian sustainability network Spadel is a member of the Belgian Pledge, a commitment of food companies for responsible ad practices <p>Bulgaria:</p> <ul style="list-style-type: none"> Devin and NGO Blue Flag organize the Enter the Green Circle educational program. Created in 2022, its primary objective is to nurture future generations into active citizens with a clear understanding of environmental protection <p>France:</p> <ul style="list-style-type: none"> Carola is an active member of the Initiatives Durables (Idée Alsace), a network of local companies favoring sustainable development Carola and Wattwiller were recertified according to the PME+ label
	102-12	External initiatives				
	102-13	Membership of associations				See indicator 102-12
	102-14	Statement from senior decision maker				Message from Chairman and CEO: p6-10
	102-16	Values, principles, standards, and norms of behavior				Spadel values: Create positive impact, Be agile and decisive, Go beyond expectations and Move as a team. More information on purpose, vision and values on www.spadel.com
	102-18	Governance structure				For CSR: see p35 and 'Our CSR approach' on sourceofchange.spadel.com ; For Spadel: see p53
	102-40	List of stakeholder groups				See p34-36
	102-41	Collective bargaining agreements				Belgian employees fall under collective labour agreement
	102-42	Identifying and selecting stakeholders				See indicator 102-40
	102-43	Approach to stakeholder engagement				See indicator 102-40
	102-44	Key topics and concerns raised by stakeholders				See indicator 102-40
	102-45	Entities included in the consolidated financial statements				See p15; p 87
	102-46	Defining report content and topic boundaries				See p33
	102-47	List of material topics				In 2021 Spadel launched Source of Change, its new CSR Strategy 2025. See p34-35



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<i>GENERAL DISCLOSURES</i>						
	102-48	Restatements of information				-
	102-49	Changes in reporting				Following the launch of Source of Change, our CSR Strategy 2025, the reporting in the 'topic specific disclosures' follows the 4 pillars of this new strategy
	102-50	Reporting period				1 January 2023-31 December 2023
	102-51	Date of most recent report				April 2023 on data 2022. This report, and previous ones, are available on sourceofchange.spadel.com
	102-52	Reporting cycle				Annual update of basic data; ongoing update of actions and progress during the year via sourceofchange.spadel.com
	102-53	Contact point for questions regarding the report				"Ann Vandenhende CSR Manager a.vandenhende@spadel.com "
	102-54	Claims of reporting in accordance with the GRI standards				This report has been prepared in accordance with the GRI standards
	102-55	GRI content index				See p108
	102-56	External assurance				-
	"103-1 G4 DMA,a"	Explanation of the material topic and its boundary				See the section on Materiality and the discussion of each topic in the report
	103-2	The management approach and its components				This annual CSR report summarises the main information regarding the material topics, targets and progress. More information can be found on sourceofchange.spadel.com
	103-3	Evaluation of the management approach				This annual CSR report summarises the main information regarding the material topics, targets and progress. More information can be found on sourceofchange.spadel.com



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TOPIC SPECIFIC DISCLOSURES LINKED TO CSR STRATEGY						
Climate	305-1	Direct (Scope 1) GHG emissions	ton CO2-eq	4,833	6,595	
	305-2	Energy indirect (Scope 2) GHG emissions	ton CO2-eq	313.7	304	
	305-3	Other indirect (Scope 3) GHG emissions	ton CO2-eq	117,595	115,654	
	305-4	GHG emissions intensity	g CO2-eq/liter	125,6	125,4	
	305-5	Carbon footprint reduction	%	-33	-33	vs 2010 baseline 187.1
	302-1	Energy consumption	MWh	84,246	78,635	SPA : 120.17 kWh/kL for 468,594.916 kL produced => 56,351 MWh consumed Bru : 118.6 kWh/kL for 32,995.180 kL produced => 3,913 MWh consumed Carola : 64.40 kWh/kL for 54,258.919 kL produced => 3,494 MWh consumed Wattwiller : 43.40 kWh/kL for 76,618.388 kL produced => 3,325 MWh consumed Devin : 34 kWh/kL for 34,017.873 kL produced => 11,552 MWh consumed
	302-1	Renewable energy consumption	%	67	67	Spadel uses 67 % renewable energy (mainly green electricity in all production sites and green gas in SPA as well some wood pellets in Devin)
	302-4	Energy reduction per bottled liter	% / liter	-52	-56	Since 2010, the perimeter of Spadel has been changed several times (factory purchase and sale). So for this KPI we decided to keep the original perimeter and to compare with the current one. In 2010, the total energy consumption per liter was 0.182. In 2021 it was 0.094; in 2022, it was 0.086; in 2023 it was 0.080
Packaging	301-1	Total material use	ton	26,899	26,276	This figure includes all primary, secondary and tertiary single use packaging materials
	301-2	Total recycled material use	%	20,3	12.	This KPI can be looked at from a lot of different angles. Here we state the total recycled content in single-use packaging
Biodiversity	-	All sites biodiversity positive	#	-	2	In 2022 we refined our KPI, taking static & dynamic impacts into account, and including the entire value chain. See p[XX]. For 2025, we aim for 1 biodiversity program per country
Protection	304-3	Protection of water resources	ha	22,748	22,748	Spadel protects with several protection status a total of 22,748 ha : •SPA : 13,177 ha (Mineral Water protection area) •Bru : 4,258 ha (Mineral Water protection area) •Wattwiller : 798 ha (Natural Area in the 'Plan local d'urbanisme') •Carola : no protected area (ongoing process) •Devin : 1,322 ha (mineral, spring and table water protection area) Moreover •SPA and Bru watersheds are included in the Parc Naturel des Sources •Wattwiller and Carola watershed are included in the Parc Naturel 'Les Ballons des Vosges' •Devin watershed is included in the Rodopi - Zapadni Natura 2000 Area



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<i>TOPIC SPECIFIC DISCLOSURES LINKED TO CSR STRATEGY</i>						
~	-	Number of sites AWS 'Platinum' rated	#	2	2	SPA : AWS Platinum certified Bru : AWS Platinum certified Wattwiller : AWS Core certified Carola : AWS Core certified Devin : AWS Core certified
	303-1	Water consumption	million liters	1,452	1,412	SPA : 743,725 m ³ Bru : 52,462 m ³ Wattwiller : 85,301 m ³ Carola : 85,317 m ³ Devin : 445,632 m ³ Spadel : 1,412,437 m ³
	303-2	Water Exploitation Index	%	<10 (all sites)	<10 (all sites)	SPA : 2 % Bru : 2.2 % Wattwiller : 2.5 % Carola : 3.5 % Devin : 1.3 %
	307-1	Penalties or objections to formal procedures - environment	#	None		Spadel complies with all national, European and global legislations. No monetary nor non-monetary sanctions were imposed at an ecological, economic or social level
	303-3	Water use ratio	liter/liter	1.49	1.45	SPA : 1.61 Bru : 1.77 Wattwiller : 1.14 Carola : 1.56 Devin : 1.38 Spadel : 1.49
	416-1	Average calorie content of flavored waters and lemonades	kcal/100 ml	6.6 6.2 (Devin included)	5.7 6.2 (Devin included)	Further calories reduction thanks to Limov project full year (2023)
	416-1	Products according to Spadel naturality framework	%	100	100	Spadel and its stakeholders jointly developed a framework for natural products. All non-functional recipes are aligned with the Naturality concept
Local Selling	-	Minimum distribution in local and regional markets	%	98.1	98.2	We deliberately choose not to export our products further than 500km from the factories. Only Wattwiller is not sold 100% within the 500km range as it is sold in most of France and its factory is located in the Alsace region
Local Buying	204-1	Purchases within 500 km radius	%	97.7	98.9	Total Spend Spadel BENEFRA direct and indirect is 170,613,321 EUR of which 168,797,458 EUR is spend locally



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TOPIC SPECIFIC DISCLOSURES LINKED TO CSR STRATEGY						
	308-1 414-1	Percentage of new strategic suppliers screened by Ecovadis	%	100	100	
	308-2	Evaluation of strategic suppliers (Ecovadis)	%	89	92	71 strategic suppliers are screened and followed by Ecovadis or Sedex on a total of 77 suppliers
	308-2	Evaluation of strategic suppliers (SSPP)	%	90	94	Suppliers have signed the SSPP OR replied with their own full report OR are referring to the principles of Ecovadis/UN 1 supplier have no formal and/or written SSPP
	407-1 408-1 409-1 412-1	Identified risks in the supply chain	#	0	0	During the screening by Ecovadis, not one single strategic supplier was rated in the last 'high risk' category.
Local Employing	-	Local employment (<500 km)	%	98	98	
Engagement	404-2	Number of trainings on sustainability for the Spadel group employees	#	7	6	Trainings in 2023 mainly focused on B Corp and carbon net zero
	413-1	Number of participants from the Spadel group to Citizen Days	#	-	264	
	-	Trust Index score for the Spade group according to the Great Place to Work™ survey	%	-	-	
	401-1	Personnel turnover	%	18.06	16.72	
	"403-2 (2016)"	Absenteeism	%	4.38	3.89	This figure is an average over the 7 sites of the group
	404-1	Employee trainings	hours	14.4	32.4	This figure is an average over the group
	405-1	Distribution men/women	%	Men : 71.56 Women : 28.44	Men : 71.07 Women : 28.93	
	406-1	Complaints concerning discrimination	#	None	None	
Safety	-	Zero accident	#LTI	-	-	Internal KPI
Partnering	-	5% of net profit to society	%	10.04	5.15	See p42



CSR Platform	GRI Disclosure	Subject	Unit	Data 2021	Data 2022	More information
<i>TOPIC SPECIFIC DISCLOSURES NOT LINKED TO CSR STRATEGY</i>						
	201-1	Turnover (before tax)	mio EUR	-	-	See p70
	206-1	Legal anti-competition actions	#	0	0	In 2023 no legal actions were undertaken against Spadel regarding anti-competitive behavior
	415-1	Political contributions	#	0	0	Spadel does not provide any political support
	416-2	Number of recalls	#	0	0	No takebacks in 2023
	417-1	Information on the label				Spadel follows the applicable european and national legislation on mandatory and voluntary labelling (amongst others, Directive (EU) 1169/2011 of the European Parliament and European Council of 25 October 2011 relating to labelling, presentation and advertising of foodstuffs, Directive (EC) 2009/54/EC of the European Parliament and European Council on the exploitation and marketing of natural mineral waters, and the Regulation (EC) No 1924/2006 of the European Parliament and of the Council on nutrition and health claims made on foods). For all waters and soft drinks (non-alcoholic beverages) the ingredients are stated on the label. Information concerning disposal of the container is optional or mandatory, depending on the container and country. Our one way packaging has to be recycled, so appropriate information appears on the one way packaging. Furthermore, in the Netherlands, the plastic packaging is submitted to deposit and requires the specific 'Statiegeld(fles/blik)'-logo on the labels of our plastic one way packaging. With regard to France, we refer to the TRIMAN logo on our packaging or our websites as required by the current regulations
	417-2	Violations of label information	#	0	0	There have been no violations in 2023
	417-3	Violations of voluntary marketing codes	#	2	0	There have been no violations in 2023
	418-1	Violations of confidentiality of information	#	0	0	There have been no violations in 2023
	419-1	Fines and non-monetary sanctions	#	0	0	2023: change in GRI, 419 no longer applicable

Taxonomy – Details of key performance indicators

Proportion of turnover derived from products or services associated with Taxonomy-aligned economic activities

Economic activities (1)	Code(s) (2)	Absolute turnover (3) Currency***	Proportion of turnover (4) %	Substantial contribution criteria						DNSH (Does Not Significantly Harm) criteria						Minimum guarantees (17) Y/N	Proportion of Taxonomy-aligned turnover, year N (18) %	Proportion of Taxonomy-aligned turnover, year N-1 (19) %	Category (enabling activity) (20) H	Category (transitional activity) (21)** T
				Climate change mitigation (5) %	Climate change adaptation (6) %	Water and marine resources (7) %	Circular economy (8) %	Pollution (9) %	Biodiversity and ecosystems (10) %	Climate change mitigation (11) Y/N	Climate change adaptation (12) Y/N	Water and marine resources (13) Y/N	Circular economy (14) Y/N	Pollution (15) Y/N	Biodiversity and ecosystems (16) Y/N					
A. TAXONOMY-ELIGIBLE ACTIVITIES																				
A.1. Environmentally sustainable activities (Taxonomy-aligned)																				
There are no taxonomy-eligible activities.																				
Turnover from environmentally sustainable activities (taxonomy-aligned) (A.1)			0%																	
A.2. Taxonomy-eligible but non-environmentally sustainable activities (Taxonomy-non-aligned)																				
There are no taxonomy-eligible activities.																				
Turnover from taxonomy-eligible but non-environmentally sustainable activities (Taxonomy-aligned) (A.2)			0%																	
Total (A.1 + A.2)			0%																	
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																				
Turnover from taxonomy-non-eligible activities (B)		345.9	100%																	
Total (A+B)		345.9	100%																	

* Activity 1 is Taxonomy-eligible in its entirety. However, only a proportion of it is Taxonomy-aligned. Therefore, Activity 1 may be reported under both A1 and A2. However, only the proportion reported under A1 may be counted as Taxonomy-aligned in the turnover KPI of the non-financial undertaking.

** Column 21 should be filled in for transitional activities contributing to the climate change mitigation.

*** MEUR

For activities listed under A2, columns 5 to 17 may be filled in on a voluntary basis by non-financial undertakings



Proportion of CapEx derived from products or services associated with Taxonomy-aligned economic activities

Economic activities (1)	Code(s) (2)	Absolute turnover (3)	Proportion of turnover (4)	Substantial contribution criteria					DNSH (Does Not Significantly Harm) criteria						Minimum guarantees (17)	Proportion of Taxonomy-aligned turnover, year N (18)	Proportion of Taxonomy-aligned turnover, year N-1 (19)	Category (enabling activity) (20)	Category (transitional activity) (21)**	
				Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and ecosystems (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)						Biodiversity and ecosystems (16)
		Currency***	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	H	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																				
A.1. Environmentally sustainable activities (Taxonomy-aligned)																				
There are no taxonomy-eligible activities.																				
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)				0%																
A.2. Taxonomy-eligible but non-environmentally sustainable activities (Taxonomy-non-aligned)																				
There are no taxonomy-eligible activities.																				
CapEx of taxonomy-eligible but non-environmentally sustainable activities (Taxonomy-non-aligned) (A.2)				0%																
Total (A.1 + A.2)				0%																
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																				
CapEx of taxonomy-non-eligible activities (B)			17.1	100%																
Total (A+B)			17.1	100%																

* Activity 1 is fully taxonomy-eligible but only partly Taxonomy-aligned. It can therefore be declared under both A1 and A2. However, only the proportion declared under A1 can be recognised as Taxonomy-aligned in the ICP of the turnover of the non-financial undertaking.

** Column 21 must contain transitional activities that contribute to climate change mitigation.

*** MEUR

For the activities under A2, the non-financial undertaking can choose whether or not to fill in columns 5 to 17.

Proportion of OpEx derived from products or services associated with Taxonomy-aligned economic activities

Economic activities (1)	Code(s) (2)	Absolute turnover (3)	Proportion of turnover (4)	Substantial contribution criteria						DNSH (Does Not Significantly Harm) criteria					Minimum guarantees (17)	Proportion of Taxonomy-aligned turnover, year N (18)	Proportion of Taxonomy-aligned turnover, year N-1 (19)	Category (enabling activity) (20)	Category (transitional activity) (21)**	
				Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and ecosystems (10)	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)						Biodiversity and ecosystems (16)
		Currency***	%	%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	H	T
A. TAXONOMY-ELIGIBLE ACTIVITIES																				
A.1. Environmentally sustainable activities (Taxonomy-aligned)																				
There are no taxonomy-eligible activities.																				
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)				0%																
A.2. Taxonomy-eligible but non-environmentally sustainable activities (Taxonomy-non-aligned)																				
There are no taxonomy-eligible activities.																				
OpEx of taxonomy-eligible but non-environmentally sustainable activities (Taxonomy-non-aligned) (A.2)				0%																
Total (A.1 + A.2)				0%																
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																				
OpEx of taxonomy-non-eligible activities (B)			311.7	100%																
Total (A+B)			311.7	100%																

* Activity 1 is fully taxonomy-eligible but only partly Taxonomy-aligned. It can therefore be declared under both A1 and A2. However, only the proportion declared under A1 can be recognised as Taxonomy-aligned in the ICP of the turnover of the non-financial undertaking.

** Column 21 must contain transitional activities that contribute to climate change mitigation.

*** MEUR

For the activities under A2, the non-financial undertaking can choose whether or not to fill in columns 5 to 17.



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