Cabka

23

Annual Report

About this report

This document contains the Annual Report 2023 of **Cabka N.V.,** a listed public company under Dutch law (‵*naamloze vennootschap met beperkte aansprakelijkheid*') which is registered in the Chamber of Commerce Amsterdam under number 80504493. As of 1 March 2024, the company has moved its registered office to John M. Keynesplein 10, 1066 EP, Amsterdam, the Netherlands (previously at Johan Cruijff Boulevard 65-71, 1101 DL Amsterdam, The Netherlands).

Cabka N.V. is based in the Netherlands with subsidiaries in the US, Spain, Germany and Belgium. Cabka is listed and traded on Euronext Amsterdam under the "CABKA' ticker. Throughout this report, the name "Cabka", "Cabka Group", "the Company" or "the Group" will be used interchangeably to refer to Cabka N.V. and its subsidiaries. These consolidated financial statements comprise the Company and its subsidiaries.

The report will generally refer to the organization as Cabka throughout the reporting period, unless specified differently. This report covers all operations of Cabka N.V. for the period of 1 January 2023 until 31 December 2023, unless stated otherwise.

The consolidated financial statements of Cabka N.V. have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU-IFRS) and also comply with financial reporting requirements included in Part 9 of Book 2 of the Dutch Civil Code, as far as applicable.

This report also includes both financial and sustainability reporting for Cabka. The TCFD index (Task Force on Climate-related Financial Disclosures) and the GRI index (Global Reporting Initiative) are included in this report.

Disclaimer
This copy of the annual report of Cabka N.V. for the year 2023 is not in the ESEF format as specified by the European Commission Regulatory Technical Standard on ESEF (Regulation (EU) 2019/815). The ESEF reporting package is available on our website at www.investors.cabka.com/reporting-and-investor-library/reports-and-presentation.

Statement on forward looking statements
The management report may include statements that are, or may be deemed to be, "forward-looking statements". Forward-looking statements may and often do differ materially from actual results. Any forward-looking statements reflect the Company's current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Company's business, results of operations, financial position, liquidity, prospects, growth, or strategies.

Readers are cautioned that any forward-looking statements are not guarantees of future performance. Given these uncertainties, the reader is advised not to place any undue reliance on such forward-looking statements.

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Key Figures 2023

Financial

Revenue
(in € million)

↓ 6%

196.9

2022: 208.9

2023 2022

EBITDA Margin
%

↑ 1.5pp

12.3%

2022: 10.8%

2023 2022

Gross Margin
%

↑ 6.4pp

50.7%

2022: 44.3%

2023 2022

Net working capital
(in € million)

↓ 43%

21.7

2022: 38.3

2023 2022

Net Income
(in € million)

↑ 40%

2.3

2022: 1.6

2023 2022

EU Taxonomy
% of revenue aligned with environmental objectives

48%

2022: 0

2023

Growth CAPEX
(in € million)

↑ 45%

14.6

2022: 10.1

2023 2022

Opex in R&D
% of Opex related to R&D

↓ 1.7pp

4.3%

2022: 6.0%

2023 2022

Environment

Scope 1 & 2 Emissions
(in tonnes CO_2eq)

↓ 6%

46,885

2022: 49,972

2023 2022

Scope 3 Emissions
(in tonnes CO_2eq)

↑ 6%

179,366

2022: 168,845

2023 2022

Plastic Waste Intake
kt

↑ 16%

139.9

2022: 121.0

2023 2022

Raw Material Suppliers assessed on ESG
% of suppliers

↑ 8pp

43%

2022: 35%

2023 2022

Social & Governance

Employees
of FTEs

↑ 1%

603

2022: 595

2023 2022

Female Employees
% of total workforce

↓ 1pp

16%

2022: 17%

2023 2022

Signature of Code of Ethics
% of all Cabka employees

66%

2022: n/a

01

About us

Purpose and Mission

At Cabka, we want to transform things for the better. We want to change the way goods move around the world. For the industry, the environment, our people, and everyone in-between. We take plastic waste and transform it into reusable transport packaging. This is how we turn the used into the useful. Transformation is our power because we know that while resources are limited, possibilities are endless. We combine innovation and sustainability to transform the world's supply chains together with our customers. Our three strategic pillars, underpinned by our competitive advantage, drive our execution: benchmark products, material excellence and customer intimacy.

Innovation has been an integral part of our work since we pioneered technology for processing recycled plastic almost 30 years ago. It goes beyond simply creating new products. We seek to transform entire systems and overcome thinking that stops at "good enough." Innovation at Cabka is based on a consistent focus on research and development. And it is cultivated by the courage and curiosity to seek and follow new paths.

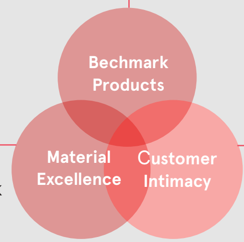
We specialize in pallets and large containers made from recycled plastic, striving to be the circularity leader in our industry. Our mission is to enable breakthroughs all over the supply chain and beyond with smart, reusable solutions for transport packaging. Because we believe in a world where supply chains don't just move things, but enable change, making a positive impact.

To us, the most innovative solution should also be the most sustainable. And success means creating solutions that are optimal for both our customers and for the environment.

Vision	A circular economy built on closed-loop logistic solutions utilizing sustainable material streams.
Mission	Cabka is changing the way goods move around the world. We take plastic waste and transform it into reusable transport packaging (RTP) by integrating material, design, and process technology. Cabka is the answer for any company seeking to ship goods at peak efficiency and with the smallest possible environmental impact.
Strategy	We aim to become the market leader in RTP solutions manufactured out of recycled plastic waste. Solutions designed for circular logistic systems, leveraging an innovative and focused organisation that builds strong partnerships with suppliers and customers in products and markets that we know and understand.

Based on 3 strategic pillars built around Cabka's competitive advantage

- In-house recycling of hand-to-recycle waste streams
- Extensive material formulation databank
- Deep integration into global recycling network



- Superior product design expertise
- Industry leading utilization of recycled content
- Offering full life-cycle services

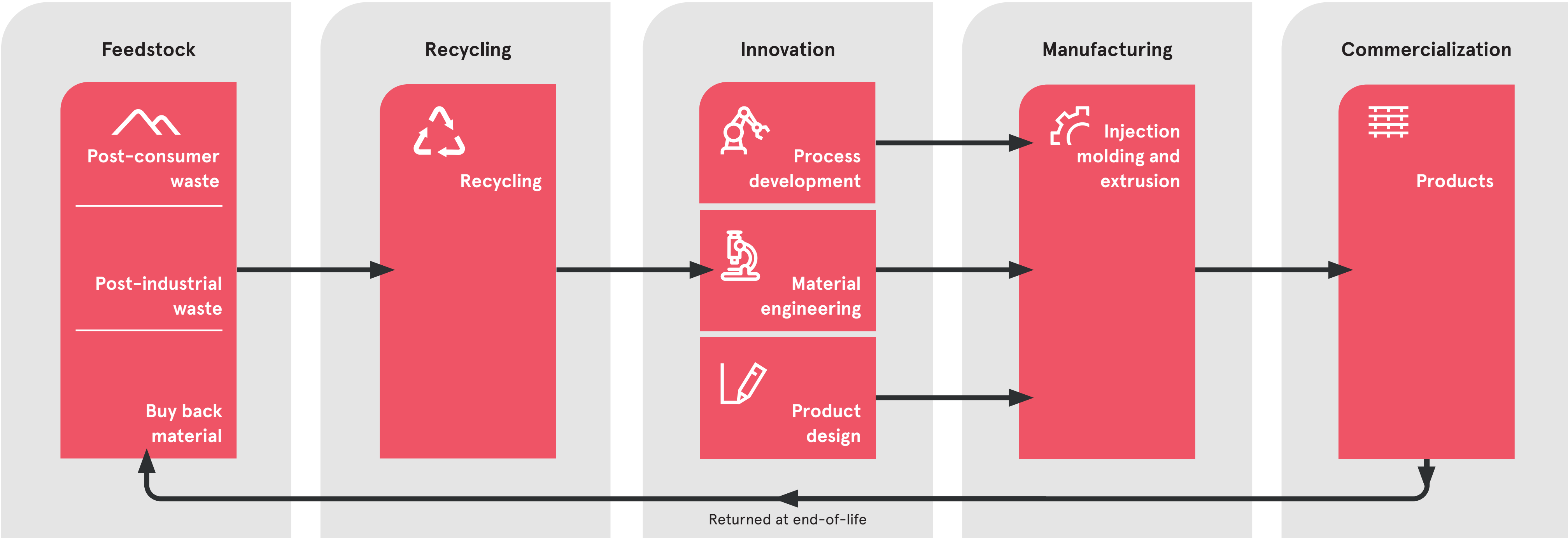
- In-depth knowledge of customer supply chains
- Covering large vaiety of industries
- Collaborative design approach

Respect	*We value our people, partners and the environment and we always play fair.*
Passion	*We are proud of what we do, energized by our purpose.*
Creativity	*We lead through innovation in design, materials and technology.*
Accountability	*We take ownership, manage expectations, and deliver on our promises.*

Core Activities and Products

Cabka is creating clever and transformative packaging solutions for moving goods around the world in a more sustainable way. We take post-consumer and post-industrial plastic waste and transform it into reusable transport packaging (RTP), namely pallets and large containers.

In addition to transport packaging, we develop and produce ECO Products. These are also made from recycled plastic and are used in road construction, traffic safety systems and gardening. We are leading the industry with our integrated approach closing the loop from waste to recycling, to manufacturing. Thanks to many years of experience and the work of our engineers at our state-of-the-art Innovation Center, we bring recycled plastics back into the production cycle at attractive price points. This greatly reduces our customers' costs and carbon footprint.



The company and its environment

Cabka Group operates internationally and is a manufacturer of reusable transport packaging (RTP) made from recycled plastics, which are extracted from both post-consumer and post-industrial waste streams. Our innovative pallet and large container solutions are set to enhance the efficiency and sustainability of international logistic supply chains. To maximize circularity, the products are designed to be durable enough to ensure above average lifecycles, to be returned, recycled, and turned into new products once again until their eventual end-of-life. To facilitate this approach, the company has built expertise along the value chain starting from waste sorting, and recycling, to unique material processing as well as high-end production capabilities. Cabka employs a total of 603 FTE (2023 YE) and operates production facilities in Europe and the United States.

Market

Reusable transport packaging products are used for the storage and transport of goods along the entire value chain. Therefore, these products are intrinsically designed for multiple trip applications in closed-loop environments, such as warehouses, closed distribution networks, and open-loop systems including return logistics. Transport packaging is comprised of pallets, boxes, and containers in different sizes and weights, as well as auxiliary products such as divider sheets or protective dunnage for a broad set of target sectors and use cases. Cabka focuses solely on the two high-value product categories in this market environment, i.e., pallets and large containers.
The global pallet (excl container) market is expected to reach US$122.3 billion in 2030, which results in an expected average growth rate of 5.1% per year. This stable growth is largely driven by rapid and frequent changes in international supply chain landscapes and the constant rise of e-commerce.

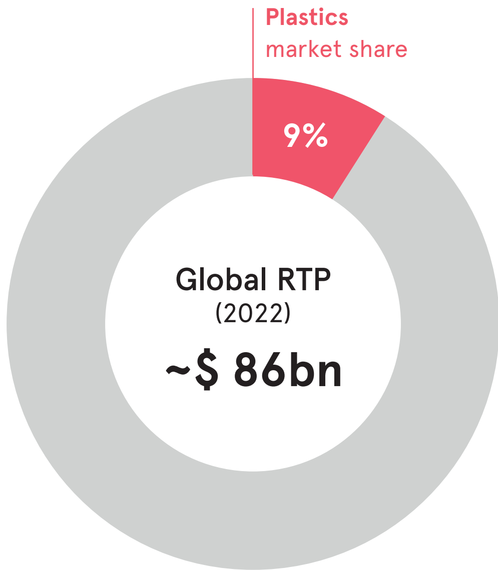
Roughly 90% of all pallets are made from wood, with other materials like plastic, corrugated paper, or metal making up the rest of the market landscape. Thanks to a wide array of key differentiators, plastic applications have gained substantial traction in the past decade, gradually replacing wooden pallets.

With logistic excellence becoming an increasingly important strategic differentiator in a connected globalized economy, companies are looking to reconsider and future-proof their supply chains. This transformation mainly materializes in the desire to maximize both the efficiency and the sustainability of their logistic operation.

Total cost of ownership

When it comes to efficiency, enterprises are focused on optimizing transportation, return logistics, and storage cost and simultaneously aim at reducing handling and cleaning times. The value proposition of plastic pallets in many ways

Market share in 2022 of Global RTP:



plays into these requirements thanks to their superior properties compared to wooden solutions, such as higher precision in terms of measurements and weight, low volatility in overall quality, and low breakage rates. A trend which serves a good example of how expectations towards load carrier systems have changed is the gradual adoption of automated warehouse systems, which inherently operate at zero tolerance for system failure, and hence require accurate, precise, and reliable carrier products, tailored to the specific needs of clients' internal logistic process.

Next to this shift in supply chain requirements, increasing awareness on sustainability is driving the development of sustainable products and processes. With the binding commitment of the Paris Agreement to limit global warming, climate change action has become a core component of corporate and regulatory agendas. Industry players must take charge to monitor their emissions and enforce measures supporting at least the 1.5°C target. This is especially true and challenging for the logistic and transport sector, which historically has been one of the major emitters of greenhouse gases.

As a result of the sustainability developments, companies are increasingly interested in introducing circular business models and more sustainable products, with a strong focus on reusability, recyclability, and the general use of recycled materials. In the context of sustainability, logistic applications made from plastic can offer a substantial upside compared to the generally used materials (i.e., wood and carton).

An important measure when it comes to lowering the environmental footprint of transport packaging is the number of trips a pallet is able to complete during its lifecycle. Plastic pallets have been proven to live through an average of 200 or even more logistic trips whereas the lifespan of wooden pallets is much shorter, at an average of 5 trips before they break or deteriorate from external influences such as humidity, mold, or vermin infestation. As opposed to using virgin plastics, the use of recycled plastics additionally lowers the overall environmental impact of the pallets. First, no primary raw materials are needed, and second, it prevents that plastic waste streams are incinerated or end up in landfill. Optimization and customization of plastic pallets for specific customer needs has the potential to further decrease the product's environmental footprint.

At the end of their life, all of our transport packaging products are 100% recyclable and can be re-used for the manufacturing of new products, making our products a truly circular solution.

100%

Our products are 100% recyclable and can be re-used for the manufacturing of new products, making our products truly circular.

90%

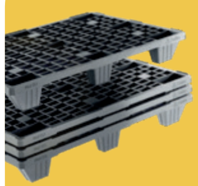
Up to 90% CO_2 reduction

Total Cost of Ownership

Durability driving superior TCO

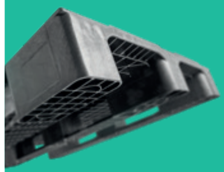
Wooden pallets

Price: **EPAL € 8-12 /pallet**
Trips: **5 trips** (average)
TCO: **€ 1.5-2.5 /trip** (standard pallet)
TCO: **€ 4.5-7.5 /trip** (standard pallet + one-way corrugated paper)



Nest

Price: **€ 5-10**
Trips: **10-30**
Savings: **up to 80%**



Eco

Price: **€ 15-30**
Trips: **20-50**
Savings: **up to 80%**

Endur

Price: **€ 40-60**
Trips: **60-200**
Savings: **up to 85%**

CabCube

Price: **€ 100-150**
Trips: **50-150**
Savings: **up to 75%**

"Average lifespan of Endur pallets is 60-200 trips compared to the average 5 trips of a wooden pallet"

Innovation across the entire value chain

Material innovation
With the company's origins in processing hard-to-recycle materials, Cabka has established key knowledge advantages in this field. From a strategic procurement side, Cabka has identified and successfully processed progressively more and more different waste sources that could be converted into finished goods. Where others are dependent on expensive external expertise and material engineering, Cabka can leverage inhouse recycling competence, which leads to significantly lower input costs. Overall, circa 90% of the annually processed material by Cabka is recycled.

Processing technology innovation
While the use of recycled materials comes with clear upsides, it is also accompanied by challenges. Since it is waste, one cannot avoid contaminations and foreign substances in the material. Furthermore, the overall quality (e.g., particle sizes, color, etc.) can be volatile. Cabka has established unique processing methods, using inhouse developed and produced molds and tailor-made machinery, enabling the efficient recycling and consequent processing of these materials. Cabka continues to invest in the automation of its production processes (e.g., waste separation, material transport, and internal logistics) to ensure stable and reliable production.

Product innovation
Another key differentiator for Cabka is our product innovation, enabled by our internal product development capabilities. Though pallets are often considered standardized commodity goods, the transformation of supply chains and sophisticated logistic systems require the adjustment of existing products, or even the design of dedicated, tailor-made solutions. With our own Innovation Center in Valencia, Cabka can design and produce products that meet a broad range of specific customer requirements tailored to their specific sector needs.

Product portfolio

Cabka's product portfolio consists of over 150 different pallets and large containers, together with its ECO product portfolio

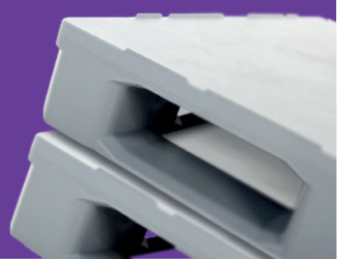
Nest
Lightweight and nestable

Eco pallets
Small price big loads

Endur
Robust premium products

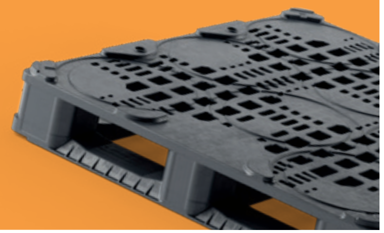
Eco products

Hygienic
Clean and food-safe



Large containers
More mass more class

Custom products
Specially designed for your needs



Cabka's product-market-combination overview
Cabka caters solutions for a variety of sectors, often tailored to their unique set of use cases. This comprehensive coverage is constantly being improved through product modifications and a strong development pipeline. The following chart provides an overview of Cabka's current sector coverage:

Pallets
The basic pallet portfolio starts with lightweight and easy to handle nestable *Nest pallets* built to interlock, making them ideal for saving space during storage and transportation (up to 4x less space required). For more intense use Cabka offers its *Eco Pallets*, designed for multi-trip or export uses, the ideal solution for automated conveyors and high stacking. When even higher performance and durability is expected Cabka offers *Endur Pallets*, high-performance pallets designed to withstand hard usage and significant impacts in high traffic environments. They are ideal in high circulation situations. For more specific use in demanding hygienic circumstances Cabka offers *Hygienic Pallets*, from food-safe HDPE; easy to clean and dry, with smooth, closed surfaces.

Large containers
Cabka offers a portfolio of large containers ideal for almost any shipping, storage, or even retail environment. Cabka offers two large container solutions: the CabCube (foldable large container) – a three-piece sleeve pack container for transportation of bulk and large volume parts, and the Pallet Box (rigid large container) – a rigid high-volume box for safe storage and transportation of loose products or bulk goods.

Cabka's product-market-combination overview

Market	Food & Beverage	Retail	Chemical	Pharma	Automotive	Pooling
Nest	●	●	●			
Eco	●		●	●	●	
Endur	●	●	●	●	●	●
Hygienic	●			●		
FLC	●	●			●	
RLC	●					●

Customized solutions
Logistics solutions designed for a customer's specific supply chain, reducing costs and carbon footprint can be in both pallets and large containers. Many of the products Cabka developed jointly with customers have ended up becoming industry standards. Among them are: many beverage and pooling pallets or the Light Foldable Containers introduced in the Automotive and Retail Industry.

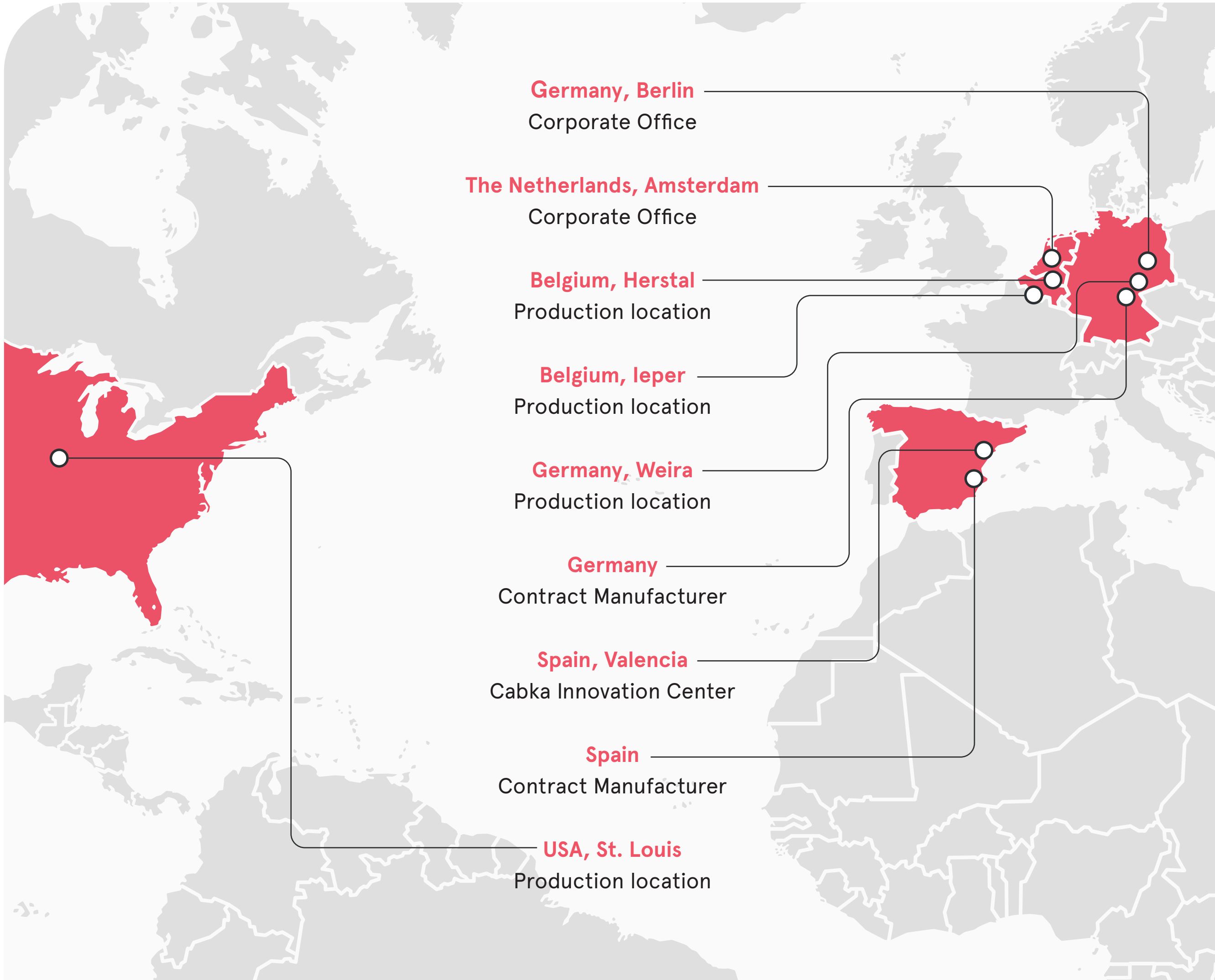
Eco products
Cabka's Eco products are innovative, sustainable products, made from unsorted mixed plastics which are generated out of 100% post-consumer plastic waste. Products are used for gardening and landscaping as well as for construction and transport.

Services
In addition to our products, Cabka offers a selection of advanced additional services to complete our product offering, focused on further improving sustainability and assisting customers in their journey towards fully circular logistical chains. Examples include inhouse tool manufacturing and recycling services, providing a secure end-of-life solution for outranged pallets and containers.

Organizational structure & department

Cabka N.V. is based in the Netherlands with an international footprint. Cabka's corporate support functions are based in Berlin, Germany. Innovation, marketing and sales is concentrated in Valencia, Spain. Most of its operations and value creation is realized through several production sites and subsidiaries in Europe and the US, mainly in three plants: Weira, located in the German state of Thuringia; Ieper in Belgium and, St. Louis in Missouri, US. On top of the three main production facilities, Cabka runs additional smaller sites in Belgium and Spain, and has tolling agreements with two contract manufacturers to broaden its production capacities.

Cabka's subsidiaries are run by local management. While local issues are tackled locally, the greater responsibilities, decisions, and guidelines are coordinated at corporate level. This setup ensures that the company collectively moves according to our corporate agenda and strategy.



Cabka

Company History

Cabka's history reflects 30 years of constant growth, putting recycling and sustainability first by turning waste into value, closing the loop from waste, to recycling, to manufacturing. These are our milestones.

1994
Incorporation of Cabka

1998
Start selling first recycled plastic pallet

2005
Start operations in the US

2008
Opening of sales office and production facility in Valencia (Spain)

2012
Opening of the headquarters in Berlin (Germany)

2013
Acquisition of IPS in Ieper (Belgium), expanding geographical footprint to Belgium, product portfolio and market diversification

2015
Acquisition of plastic pallet producer Eryplast (Belgium)

2018
Opening of innovation center in Valencia (Spain)

2022
Listing at Euronext Amsterdam after business combination with Dutch Star Companies TWO

2024


Cabka

02

Management Report

2023: Well-positioned for future challenges

In 2023, Cabka focused on strengthening its customized solutions via new product launches, recovering its US sales after the flooding of the St. Louis (MO, USA) plant, and improving its operating margins. The company remained committed to its strategic objectives. CEO Tim Litjens reflects on these central themes and discusses the challenges faced in 2023 amidst economic turbulent circumstances.

How do you look back on 2023, operating in a volatile and struggling economy?
Our sales came to € 197 million, about 6% less than in 2022. Our sales across our strategic segments remained stable, whereas the decline was driven by the divestment of the PVC business, and lower sales in our non-strategic contract manufacturing segment. At the same time, we demonstrated a strong recovery in our profitability. Given the market developments, restoring our profitability is a good sign of our ability to cope with headwind. The whole manufacturing industry is struggling, both in Europe and America. In particular, increasing interest rates caused a destocking effect, among other things. It varies by sector, but if you look at the Purchasing Managers Index (PMI), you can see that manufacturing is clearly in contraction. The performance of the Petrochemicals sector is also a good indicator of where manufacturing is heading. And we saw the sales of major players in 2023 were well below 2022.

Cabka largely maintained its sales in though circumstances. What makes Cabka so resilient?
It helps that our sales are well spread across different market segments. Our products can be found in almost every supply chain in our economy. If one sector is struggling, another may actually do better. Thanks to our spread, we are able to dampen a large part of the impact of weaker markets.
Our Portfolio business provides stability and performance. To that end, we have a large number of customers who buy

relatively modest but steady volumes, ensuring a constant flow of sales. The customer base fluctuates over time, but overall remains stable. Customised Solutions comes on top of that base. Our ambition is to further increase the sales from Customised Solutions compared to the Portfolio sales to drive towards a balanced sales offering.
Gradually we are able to drive synergies between Portfolio and Customised Solutions. When we negotiate and agree certain agreements for a specific customer solution, we retain the rights of marketing and selling these solutions in non-competing markets in our portfolio business. This ensures a competitive advantage for our customers, but also allows us more efficient production while serving as broader market – a true and valuable form of cross-pollination.

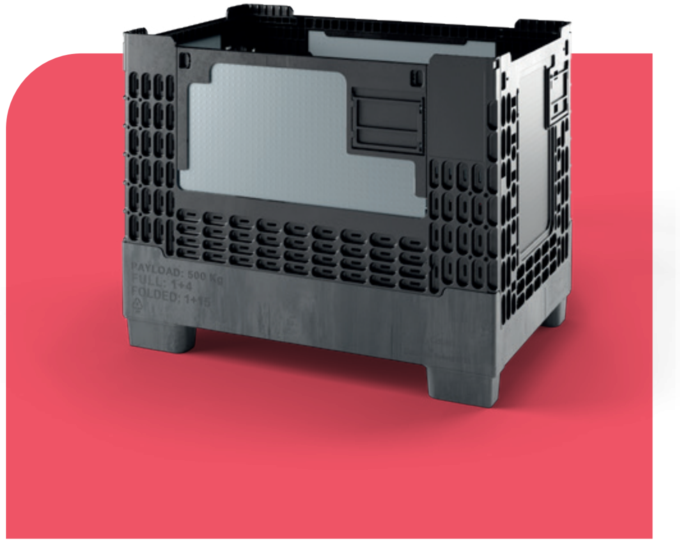
How did your margin develop in 2023?
During the year our sales prices were lowered substantially, following the declining energy costs and raw material prices. This was a reversal of the price increases that we implemented in 2022. Due to lagging effect, we had an unfavourable impact on our margins in 2022, but favourable in 2023. The fact that we were largely able to pass on rising prices in 2022 was due to our focus on continuity and the resulting long-standing relationship with our customers. Conversely, when our raw material and energy prices decline, we adjust our prices accordingly as well.
The normalisation of purchase prices has allowed us to bring our margins back to the levels before the Ukraine war. The gross margin has improved quarter-on-quarter, which has translated into a steady improvement of our bottom line. Operational EBITDA came in at € 24.2 million versus € 22.5 million in 2022. A margin improvement of 1.5pp to 12.3% in 2023, compared to 10.8% in 2022. An agreed delay in one of our new customer project launches, negatively impacted our sales with circa €3 million and consequently our EBITDA margin with circa 0.8% for the full year. Despite pricing pressure, volatile market conditions and inflationary adjustments, we were pleased to see our overall profitability improve.

In the face of economic headwinds, customers tend to focus even more on costs thus try to buy more cheaply.
Balancing short-term costs and long-term benefits puts pressure on some sustainability targets. In 2022, wooden pallets were very expensive and switching to recycled plastic became more attractive for customers. That obviously benefited us. Then, in 2023, wood prices dropped dramatically, and we saw that some customers switched back to wooden pallets. Yet, the long-term benefits of recycled plastics in terms of total cost of ownership and sustainability remain superior over wood. The prices of virgin plastics also fell sharply in 2023, which put pressure on the prices of recycled plastics. Market players do not have any incentive to use higher priced materials, even if it is more sustainable. As a result companies that use recycled plastic waste as main source of material, faced substantial price volatility.
But we believe strongly that this does not change the foundation and the general trend towards sustainability and circularity.
For us it has and will remain essential to sell our products primarily on the basis of the economic added value, whether this lies simply in a more attractive sales price and / or a product that delivers enhanced value in the customer supply chain. Commodity markets where customers are only driven by price, where quality is not a consideration, and where suppliers are forced towards a race to the bottom, is not where we want to operate. We believe in the power of innovation and transformation.

What do you mean with the "power of innovation" and what contribution has innovation made?
We focus on new products and collaborations that generate incremental turnover and reduce the impact of the general business cycle. This requires long-term commitments, from both sides. It allows us to systematically build on our sales funnel and, above all, the quality of the sales funnel, including its very important recurring nature. It makes our business more robust and predictable, even if the economy is struggling. If we had limited ourselves to only standard products, that would have made us more vulnerable in the current economic climate.
We can see that in 2023, we have been very successful in developing new products inhouse, often together with customers, which we then launched. Our strategic choice of our state-of-the-art Innovation Centre in Valencia, Spain, has irrefutably once again proven its value. It allows us to drive technological developments in new material formulations, innovative processing technologies, and recycle-based product design.
The development flywheel we started two years ago is developing more and more traction. This strategic direction not only produces new products, but also contributes significantly to our business.

What are Cabka's main achievements in innovation?
We are proud of the multi-year contract for reusable foldable containers out of recycled materials with CHEP, a key player in the European pooling industry with operations in 45 countries and a pool of approximately 300 million pallets and containers. CHEP was looking for a very high-quality container made entirely from recycled plastic. Production and delivery started in the second half of 2023 and is expected to contribute approximately € 9 million in sales on an annual basis.
Other examples are a new pallet for IFCO, the world's leading supplier of Reusable Packaging Containers (RPCs), a heavy-duty pallet for Continental and a new customized solution for Red Bull.
Cabka is further strengthening its position in the automotive industry. A new two-year framework agreement with Tesla was signed in 2023, coming into effect in 2024. Another great example is the new foldable box we developed together with BMW. When empty, these containers can be folded and moved more easily, reducing transportation costs and CO_2 emissions.
In 2023 we continued to invest in our broader recycling technology, so that we can convert hard to recycle plastic waste into ever higher-value products.

Do customized solutions also ensure continuity?
Absolutely. Our engineers and designers really go deep into the customer's supply chain and work closely with the customer's specialists on solutions that address and resolve their needs beyond moving their product from A to B. This is an intensive development process, easily involving two years. And it means that our customer truly partners with us in designing and developing innovative new solutions to transform their supply chain. It is important for the customer and for us to earn back the investment. We both commit and invest a lot of time and financial resources. Some of our projects take years from start to launch.
By investing in our customers, by bringing transformative solutions that create real value, we build partnerships with our customers that last for years.

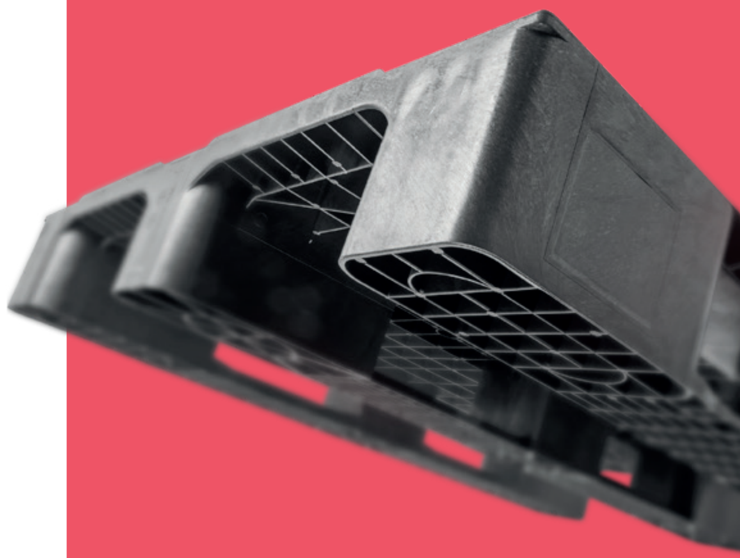


Sustainability is in Cabka's DNA. Are sustainable products made of recycled plastic as interesting as ever in less favourable market conditions?
I am convinced of that. The awareness around and importance of sustainability is only increasing. We see

"Investments in product innovation have led to the launch of various new Reusable Transport Packaging (RTP) products based on recycled plastics, particularly in the strategic segments" every day that it is more prominent on the radar of our customers. Until recently, looking through the lens of sustainability was something one a few companies did. But with the focus on CO_2, and the associated laws and regulations, we see a clear shift happening. The carbon footprint is an increasingly important secondary selling point. But again, you can't rely too heavily on that in your business model, you need to demonstrate an economic attractive proposition. Especially in the current economic circumstances where the trade-off between short- and longer-term often shifts.

What role does the EU's Packaging and Packaging Waste Regulation (PPWR) play in this?
We believe this will lead to a major shift towards recycled plastic pallets and containers, which of course is a strong support for us. Roughly 90% of all pallets are currently made from wood. And wooden pallets, especially if they are single use, are a major source of waste. The PPWR proposes tough targets for the mandatory amount of recycled material to be used in packaging: 30% by 2030 and 90% by 2040! This has far-reaching implications for our market. For example, we believe this will provide a big boost to encourage pooling solutions for transportation packaging. Moreover, driven by regulations, new markets are developing. An example is the transport of white goods, which uses a lot of single-use cardboard, plastic and polystyrene. The challenge is to replace the current mix of transportation packaging and develop a solution that protects the products, that fits with the supply chain, and that meets the PPWR standards in respect of recycled materials. We are studying how and to what extent we can anticipate this.
We also want to further bolster our leading technology and expertise in processing hard-to-recycle plastics streams. Others may find this too expensive, technically too complicated or they have concerns about aesthetics and image. But where others see obstacles, we have proven we can handle this.

Is Cabka still leading the way in the use of recycled plastics?
In 2023 we consolidated our position as frontrunner in the use of recycled plastics in our products. Recycled raw material inflow increased by 3% to 89%, compared to a European recycling average of 14%[1]. To further increase circularity as well as improve the overall sustainability of our products, we have now assessed 54% of our continuous raw material suppliers on ESG criteria. And together with our suppliers we will continue to improve the sustainability of our supply chain, thereby reducing costs and risks, and creating new opportunities for Cabka.
We will continue to implement energy efficiency and climate impact reduction measures to work towards our climate target of carbon neutrality in own operations by 2030. Options to further increase Cabka's renewable energy supply have been implemented and we are on track to reach our



[1] Systemiq, April 2022. ReShaping Plastics, Pathway to a circular climate neutral plastics system in Europe.

intermediate target of increasing the share of renewable energy to 50% by 2025.

What operational changes did you implement in 2023?
Firstly, we made good progress in structurally strengthening our asset footprint. The restructuring of our ECO business was completed at the end of the first quarter, following the closure of our site in Genthin (Germany) and the subsequent consolidation of our production capacity in Weira (Germany). The restructuring delivered higher economies of scale and increased our capacity with 25%. We were able to streamline our operations, improve the efficiency, and bring substantial higher margins.
Secondly, we completed the divestiture of our PVC business, a decision we announced in 2022, as we concluded that the process was no longer a good fit with our core business in terms of growth perspective and margin contribution.
Thirdly, and most notably, we succeeded in bringing our US production fully back on stream. Following the flooding in July 2022, the clean-up and restoration process was concluded early 2023. During the first half of 2023, production lines were gradually reinstated or upgraded, bringing the site to full operational capacity by the end of the second quarter. Simultaneously we invested in flood prevention. In June we celebrated together with our customers the re-opening of the US facilities.
Our competitive position has been significantly enhanced. We took advantage of the situation and modernised our entire operation. Building Back Better. The average age of our machine park has been reduced from circa 13 to 3 years, our capacity has been expanded to enable further growth in North America. Now that we stopped using external tolling companies and bringing our inhouse recycling back online, our margins have improved significantly.

What did that mean for the business in the US?
Now that we have our own operations on stream again, and no longer dependent on external production, we are able to lift our operational quality. Unfortunately, the recovery of sales takes more time because we were returning to a stagnant market. During the period, when production was outsourced, we were less competitive. Since mid-2023, our focus has been on regaining our market share, with a highly competitive product portfolio and by substantially expanding our sales force. Our recycling competence allows us to compete as price leader again in markets where competition was fierce. And we made a deliberate choice to shorten our delivery lead times by a more sophisticated stock policy. That is essential in a market that wants to be supplied sooner rather than later. I am pleased to see that we are regaining traction in the US. We are doing the right things, and I am confident that we can regain our pre-flood position, and even strengthen it further.

Do you also see Cabka's market position reflected in confidence from the financial community?
On 20 December 2023 we announced that we had successfully secured full debt refinancing, underwritten by a consortium of banks led by Commerzbank. The facility reflects the trust and support of our financial partners in Cabka's vision, strategic

direction, and growth prospects. This significant milestone reinforced our financial stability and positions us for further growth and innovation. The refinancing not only fortifies our financial footing but also empowers us to accelerate our commitment to innovation and sustainability. It further optimises our capital structure, allowing the company to leverage new opportunities and expand its presence in the logistics and material handling sectors.

And lastly, what is your outlook for 2024 and beyond?
2023 has had a notable impact on our customers. Sales in 2023 are to be considered in the context of challenging general market circumstances, with increasing interest rates leading to significant destocking and restricted capital investments from customers in most of Cabka's end

markets. This resulted in overall lower market demand and pricing pressure across the industry.
For 2024 we don't see an immediate improvement in the general markets. However, the current recovery of order intake and pipeline of new product launches underpins our expectations of delivering mid-single digit sales growth for the full year, and an EBITDA margin within the 13-15% range.

In light of the inflationary pressure impacting industries across the board, we reviewed our medium-term guidance for the period 2021-2026. We reiterate our guidance on high single digit sales growth, maintenance and replacement CAPEX (~4%), Net Working Capital at approximately 20% of sales and pay-out ratio of net profit (~30-35%). Given the continued and increasing impact of inflation on margins we now expect to grow EBITDA margin towards 17% by 2026.

Proving Cabka's sound fundamentals

Sales growth	Percentage of recycled material	Operational EBITDA	Net Working Capital	Operational Net income
-6%	89%	12.3%	13.7%	€2.3M
€ 197 million	157 kt	€ 24.2 million	€ 27.1 million	

Financial highlights

- Total sales for the full year of 2023 amounted to €197 million, 6% lower compared to the record sales achieved in 2022 of €209 million. Sales in strategic segments remained stable at € 186 million. Decline driven by a € 11 million lower sales in the divested PVC business and non-strategic Contract Manufacturing.
- Consolidation of Cabka's strong European position in RTP Portfolio, sales up 2%.
- Customized Solutions growth of 20%, driven by new product launches in Europe and sales to Target in the US.
- ECO (including recycling fees) sales growth of 9.6%, following the completion of its capacity expansion in Q1 2023
- Operational gross profit at € 99.8 million (2022: € 92.6 million), bringing the gross margin to 51% (2022: 44%).
- Operational EBITDA increased to € 24.2 million (2022: € 22.5 million), reflecting a margin improvement of 1.5pp to 12.3% (2022: 10.8%).
- Net Income from operations improved 40% to € 2.3 million (2022: € 1.6 million).
- Net IFRS Income improved to € -1.5 million (2022: € -29.8 million, mainly as a result of non-cash listing expenses).
- Net Working Capital at € 27.1 million or 13.7% of sales (2022: € 38.3 million, respectively 18.3%), leading to a strong improvement in cash flow from operations to € 27.1 million (€ 5.3 million).
- Net debt € 56.8 million including lease obligations (2022: € 44.6 million),
- Total CAPEX of € 30.9 million (2022: €24.6 million), including maintenance & replacement investments of € 7.4 million, 3.8% of sales.
- An agreement was reached with a consortium of banks on a new initial debt facility of € 80 million for four years at improved terms.
- Dividend for 2023: the company proposes a cash distribution of € 0.15 per Ordinary Share, subject to AGM approval.

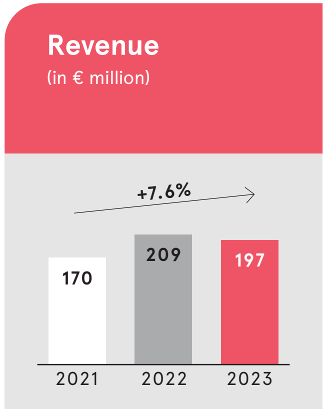
Strategic & market highlights

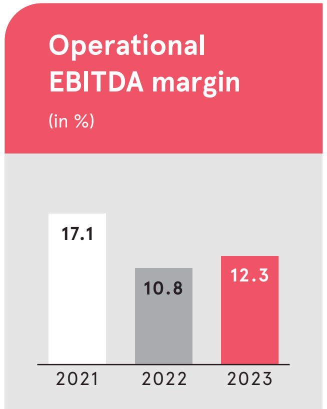
- New co-development products launched with our customers include:
- the CabFold hybrid for BMW,
  - the CabFold Prime for CHEP,
  - the Red Bull BigBag pallet,
  - the IFCO Hybrid pallet,
  - the Xella Nestable pallet and
  - the Continental tire pallet.
  - A two-year framework agreement with Tesla was signed, coming into effect in 2024
- Recycled raw material inflow at 89% (2022: 86%) of total compared to a European recycling average[2] of 14%
- Cabka North America's plant in St. Louis (MO) fully up and running since July 2023 after 2022 flooding.
- Consolidation and expansion of our ECO business completed in Q1 2023.

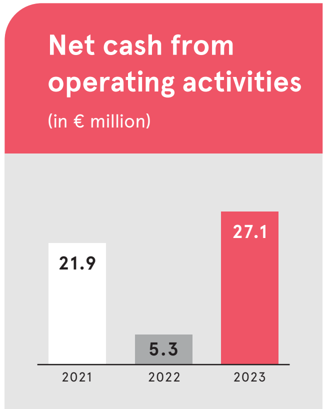
[2] Systemiq, April 2022. ReShaping Plastics, Pathway to a circular climate neutral plastics system in Europe.

Improving operational profitability

Key financials 2023







Condensed income statement bridge operational to IFRS
The condensed income statement below provides operational and non-operational result items for insight on underlying operational performance. The Financial Report section of this report provided integral IFRS statements without this distinction.

Condensed income statement bridge operational to IFRS

IN EUR MILLION	2023	2022	CHANGE
Sales	**196.9**	**208.9**	**-6%**
Other operating income items	2.0	11.9	-83%
Total Operating Income	**198.9**	**220.8**	**-10%**
Expenses for materials, energy and purchased services	-99.1	-128.2	-23%
Gross Profit	**99.8**	**92.6**	**8%**
Operating expenses	-75.6	-70.0	8%
Operational EBITDA	**24.2**	**22.5**	**7%**
Depreciation	-17.1	-18.0	-5%
EBIT /Operating Income	**7.1**	**4.5**	**55%**
Net Financial Result	-4.0	-2.4	69%
Earnings before taxes	**3.1**	**2.2**	**40%**
Taxes	-0.8	-0.5	41%
Net income from operations	**2.3**	**1.6**	**40%**
Non-operational items			
IPO listing expenses	-	-26.8	
Other IPO relates expenses	-1.0	-4.7	
Eco Restructuring	-	-0.6	
St. Louis Flooding	-3.2	-6.9	
Changes in fair value of Special Share liability	-	1.6	
Tax on non-operational items	0.4	5.0	
Non-controlling interest	-	0.1	
Net result reported IFRS	**-1.5**	**-29.7**	

Business overview

Sales performance
Sales in 2023 are to be considered in the context of challenging general market circumstances, with increasing interest rates leading to significant destocking and restricted capital investments from customers in most of Cabka's end markets. This resulted in overall lower market demand and pricing pressure across the industry.

In 2023, Cabka realized € 196.9 million in sales, 6% lower compared to the record sales of € 208.9 million in 2022. Lower total sales were driven by the divestment of the PVC business, and declining sales in the non-strategic contract manufacturing segment. The continued focus on product innovations enabled Cabka to mitigate market headwinds, resulting in stable sales across strategic segments.

Aligned with our strategy, Cabka continued its focus on product innovations throughout 2023. Sales from Customized Solutions demonstrated strong growth in 2023 increasing with 20.3% to € 53.0 million (2022: € 44.0 million). The increase was predominately driven by new products launched in close partnership with CHEP, Continental, and BMW and sales to Target in the US.

Given challenging market circumstances, with rising interest rates and the destocking effect noted in the end markets of Cabka, our RTP portfolio business was robust, increasing with 2.0% to € 68.0 million in 2023 (2022: € 66.8 million).

The consolidation and expansion of our ECO business was concluded by the end of the first quarter in 2023. This strategic decision already proved positive results, delivering 11.0% sales growth in 2023 to realize a total revenue of € 25.3 million (2022: € 22.8 million).

Cost developments
Raw material costs prices and the energy prices reduced significantly in 2023, after the steep increases in 2022. We noted stabilizing prices in the second half of 2023, also resulting from our stringent energy price fixing policy. Together with an active diversification of our energy sources, it significantly helped to control our variable costs.

The reopening of the US plant in the second half of 2023 allowed us to avoid further expensive tolling costs. With our own in-house production and recycling lines back on track we expect our margins to further strengthen. Consequently, our operational gross margin improved to 50.7% (2022: 44.3%)

Operating expenses increased 8%, predominantly driven by the impact of inflation on personnel costs, but also on all other operating expenses, such as insourced services, insurances, audit fees and repairs & maintenance costs. Also, certain key vacancies in sales were successfully filled.

Depreciation and amortization decreased by 5.0% to € 17.1 million, due to lower depreciation of fixed assets in the US whilst production was not yet operational.

EBITDA
In 2023, Cabka achieved an operational EBITDA of € 24.2 million, which is a 7.3% increase compared to 2022 of € 22.5 million, representing 1.5 pp improvement in operational EBITDA over Sales from 10.8% to 12.3%. Operational EBITDA improved as a result of lower variable costs leading to continued recovery in gross margin, a gradual shift towards higher value-add products and strict cost control limiting the impact of high inflation on fixed costs.

Debt Facility Renewal
In December 2023, Cabka reached an agreement with a consortium of banks on a new initial debt facility of € 80 million for four years, which includes extension options for up to two years. The new initial facility is agreed at

improved terms and conditions for Cabka. It consists of two parts: namely a € 30 million term facility and € 50 million revolving credit facility, replacing the € 27 million outstanding debt facility and the € 30 million initial revolving credit facility. The facility will be used to enhance Cabka's growth and innovation capabilities and organizational flexibility.

Net Working Capital

Net Working Capital position was € 27.1 million or 13.7% of sales as per 31 December 2023 which is well within our medium-term guidance. Compared to the 31 December 2022 position of € 38.3 million, the net working capital position decreased by 29.3%.

The movement in Net Working Capital for the year was € 11.2[3] million. The positive movement in Net Working Capital is the result of a € 9.7 million decrease in inventory, followed by a decrease in trade receivables and other current assets of € 4.2 million. This was partially offset by a decrease in trade payables and other current liabilities of € 2.7 million.

The decline in inventory value was the result of active inventory management, stabilizing raw material and energy costs, and delivery of moulds to our customers in 2023 versus 2022. Active reduction of our raw materials inventory led to a decrease in trade payables. Diligent management of trade receivables resulted in a healthy position by year end.

Cash flows and cash position

Cash flows from operating activities amounted to € 27.1 million (2022: € 5.3 million). This comprised of an inflow of € 20.7 million from operating activities (2022: € 15.9 million) and € 6.4 million positive movement in our working capital (2022: € -10.7 million), resulting from active working capital management.

Cash flows used in investing activities amounted to € 30.0 million (2022: € 23.1 million) of which € 30.9 million was related to capital investments in property, plant and equipment and intangible assets (2022: € 24.6 million). Cabka disposed of certain assets contributing € 0.7 million of cash, in addition, interest earned on short term deposits amounted to € 0.2 million.
Cash flows used in financing activities amounted to € -11.1 million (2022: € 29.7 million). Main cash out flow resulted from the repayment of debt facilities and interest totaling € -7.2 million (2022: € -6.8 million), followed by the settlement of lease facilities in 2023 amounting to € -2.7 million (2022: € -5.1 million).
The total cash balance at 31 December 2023 was € 7.3 million (31 December 2022: € 21.0 million).

CAPEX

Total CAPEX for 2023 came at € 30.9 million (2022: € 24.6 million). Total investments in maintenance & replacement were € 16.2 million, of which € 7.4 million was excluding the investments made in the US, or 3.8% of total sales. Total investment in 2023 for our St. Louis plant to reopen and expand, amounted to € 12.1 million. In our ECO business we invested € 2.3 million (2022: € 3.7 million).

ESG

Cabka is committed to making a positive impact with its operations and ultimately with the product it supplies to the market. We are the circularity leader in the RTP industry, with approximately 89% recycled raw material inflow during 2023, 100% was reusable with take-back clauses for recycling and supporting the collection of additional plastics for recycling. The average for Europe in 2023 is still at 14% recycled plastics targeting to get to 33% by 2030.[4]

In 2023, Cabka achieved "gold" status in the EcoVadis assessment. The Gold rating from EcoVadis is a testament to Cabka's commitment and excellence across the various sustainability categories and demonstrates the significant progress that has been made in one year, moving Cabka from the top 25% to the top 6% rated companies, placing us amongst the best in the industry.

[3] Net working capital movement excludes other working capital movements of € -4.7 million.

[4] Systemiq, April 2022. ReShaping Plastics, Pathway to a circular climate neutral plastics system in Europe.

Cabka participated for the first time in the assessment with the Carbon Disclosure Program (CDP), a non-profit organization that runs a global disclosure system for companies on climate impacts. In its first assessment (2023/2024), Cabka scored B on a scale from A to D-, with A being best practice. The B score reflects the importance Cabka gives to climate issues and proves that we are well on track with other European businesses on the topic. From an industry perspective, Cabka scores better than the plastic manufacturing sector on average.

In 2023, Cabka continued to work on the governance structure for ESG and publishes its second ESG report integrated in the 2023 Annual Report. In addition, the company is currently focusing on its CSRD readiness to ensure compliance for its annual report to be published over the 2024 financial year.

Share price
On 31 December 2023 the Cabka shares closed at € 6.04.

CABKA SHARE CAPITAL PER 31 DECEMBER 2023	SHARES	ISIN
Ordinary Shares issued	**24,710,600**	CABKA / NL00150000S7
Ordinary Shares in treasury	15,994,378	DSC2S / NL00150002R5
Total Ordinary Shares	**40,704,978**	
Special Shares	97,778	
Total shares	**40,802,756**	

Tax positions
Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Management's assessment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits. The company does not use contrived or abnormal tax structures that are intended for tax avoidance. Details of the income tax expenses reported in the statement of profit and loss can be found in note [15] of the financial report.

Earnings per share
Based on 24,710,600 Ordinary Shares issued, the basic and diluted profit for the year attributable to ordinary equity holders of the parent amounts to € -0.06 per ordinary share (2022: € -1.28 per Ordinary Share).

Analyst Coverage
Cabka is covered by 3 analysts:
- ABN AMRO ODDO BHF, Usama Tariq; usama.tariq@aa-ob.com
- BNP Paribas Exane (sponsored), Thomas Martin; Thomas.Martin@exanebnpparibas.com
- Degroof Petercam, (sponsored) Luuk van Beek; l.vanbeek@degroofpetercam.com

As of 2024, Kepler Cheuvreux will initiate its coverage (sponsored). Patrick Roquas (proquas@keplercheuvreux.com) will be the designated analyst.

Relevant events after 31 December 2023
- As of 1 January 2024, the Executive Committee has been streamlined, consisting of Tim Litjens CEO, Frank Roerink CFO, Naiara Loroño CCO, Geert de Wilde COO, Javier Fernandez CTIO and Irina Mengert CPO.
- As of 19 February 2024, Niek Hoek has been appointed as Chairman of the Supervisory Board. The appointment was supported by the full Board, as part of a rotation following the mid-term internal review. Mr. Manuel Beja will continue as vice chairperson of the Supervisory Board.
- On 19 March 2024, Tim Litjens announced his decision to step down as Chief Executive Officer (CEO) of Cabka N.V. and to leave Cabka by the end of the third quarter 2024.

[4] Systemiq April 2022 report Reshaping plastics. Pathway to a circular climate neutral plastics system in Europe

Risk Management

As an organization, Cabka operates in a rapidly changing environment. The risk management process within Cabka involves the systematic identification, assessment, and management of risks throughout the business activities of the company. Hereby, the main objective is the reduction of uncertainty from organizational and environmental factors that may hinder the mid- to long-term success of Cabka. While it cannot cater to a full guarantee, the process is designed to provide for an acceptable degree of assurance against material implications for business and financial losses.

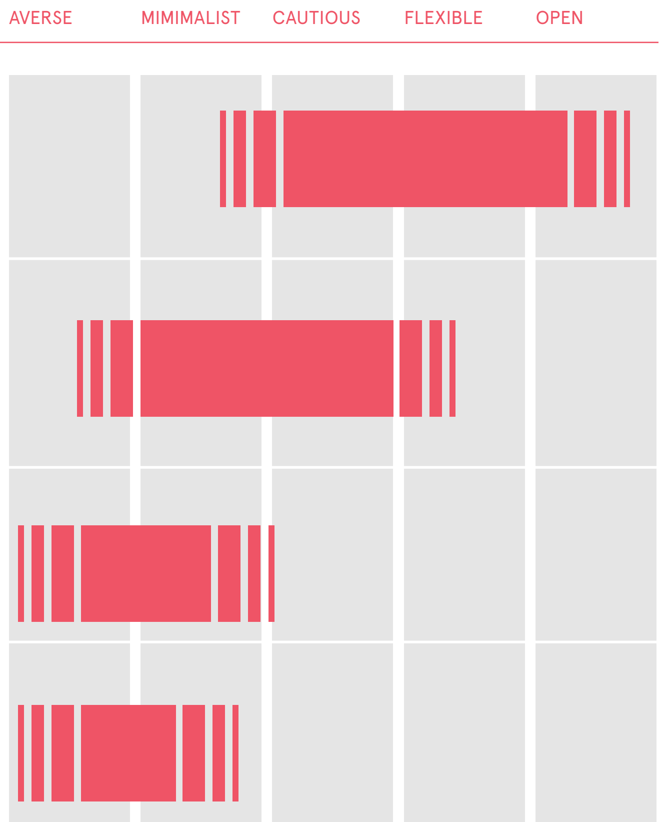
At Cabka, a systematic evaluation process is followed to conscientiously address the principal risks that may arise as a result of the company's operations. Throughout the past year, two comprehensive risk assessments were conducted throughout the Group in which all relevant departments were consulted about the development of Cabka's high priority risks and potential additional high priority risk factors. As part of this process, risks were evaluated in detail both from an impact and likelihood of occurrence perspective, resulting in the set of Cabka's principal risks of 2023.

In accordance with our bylaws, risk reporting is submitted to and reviewed by the management and supervisory board on a regular basis. The responsibility for the overall monitoring, assessment, and reporting process lies with the strategy department of Cabka.

Several changes occurred in Cabka's risk profile in 2023 compared to the risk reporting in the Annual Report 2022. These changes are attributable to macro-developments in the plastics industry and the economy in general, as well as to Cabka's mitigation tactics that have successfully alleviated certain high-priority risks and led to a shift in priorities of several principal risks. Some of the most significant changes to 2022 include two new risks that were added to Cabka's principal risks of 2023: the risk of Economic downturns, combining the previous two risks of Adequate returns and Capacity limits to growth, and the risk of Corruption & fraud. Furthermore, due to stabilizing energy prices and the implementation of an energy price fixing policy, the risk of Increase in energy prices shifted from the highest priority risk in 2022 to the 2. priority cluster of principal risks. Low availability of materials takes the place of the highest priority risk in 2023 due to persisting fluctuation in the recycled plastic market, further exacerbated through developments in chemical recycling. Moreover, the risk of Regulatory compliance shifted from the 2. to the 1. priority risk group because of an expanding landscape of regulatory requirements for Cabka in the EU especially in regard to sustainability.

Risk Appetite

The risk appetite defines the level of risk that we are prepared to accept for actions in different categories, such as strategic, financial, operational, people, and legal. It is defined by the management and supervisory board and is embedded in the decision making throughout the organization. Generally, Cabka's decision making orientation is risk-averse, but there are certain distinctions that we are making, pertinent to the context the decision is made in. The individual acceptable risk range per category is indicated in the illustration below.



Strategic

Risk related to the overall strategic orientation and decision making of the company e.g. product strategy and innovation, people and culture, mergers & acquisition, communication.

Operational

Risk related to the production and distribution of goods, e.g., manufacturing, raw material sourcing, supply chain and process management, energy supply, health and safety, sustainability.

Financial

Risk related to the allocation of financial resources and cost management, e.g., accounting, liquidity, credit, interest and tax, pricing.

Legal and Compliance

Risk related to legal frameworks and overall compliance, e.g., policies, regulations

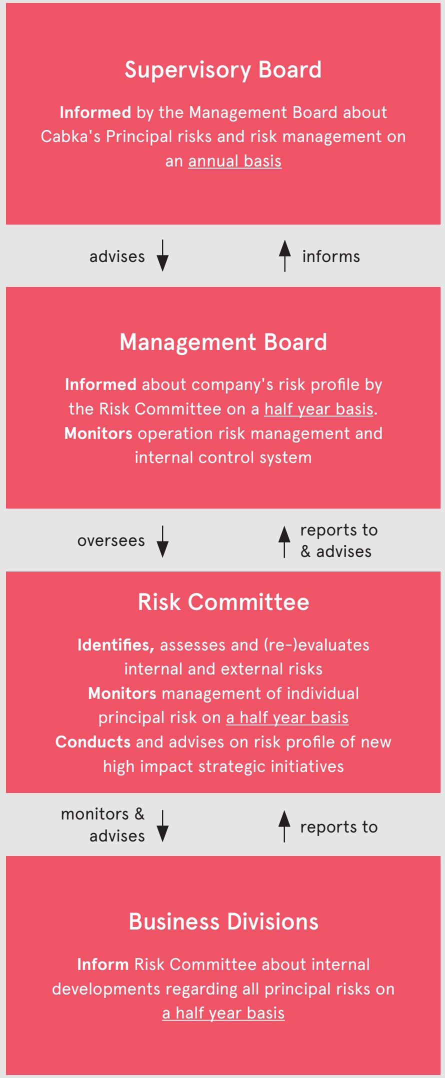
Risk Framework

As an organization operating in the plastics industry, we face specific strategic, financial, operational, and compliance risks with varying degrees of controllability. Our risk framework is based on a structured process for identifying and evaluating the potential impact and likelihood of occurrence of such risks. Risk management is an inherent part of our strategic decision-making, and its processes are therefore firmly integrated into business activities.

The primary component of our risk framework is our risk committee, which is responsible for identifying, assessing, and evaluating internal and external risks with potentially material impacts on Cabka's business. ESG-related risks, especially regarding climate change, are fully integrated in this process. The committee reports principal risks and mitigation strategies to the management board to facilitate the directors' oversight of these risks. The management of individual principal risks is monitored by the committee. Moreover, the committee executes risk analyses on new high impact strategic business initiatives and advises the management board on the risk profile of such new initiatives.

The highest responsibility of risk management lies with the CFO, who acts as the head of the risk committee. The remaining members are representatives from the risk management team. On a half-year basis, the committee conducts research on potential and existing risks arising through external developments. Additionally, the risk management team within the committee discusses internal developments regarding all individual risks with the function leaders responsible for managing the risks in fixed half yearly meetings. The committee then reports directly to the management. The management board monitors the operation of risk management and internal control systems. Furthermore, the managing directors are responsible for informing the Supervisory Board about Cabka's principal risks and risk management on an annual basis. The mechanisms underlying our risk framework are illustrated in the flow chart on the right.

"Risk management is an inherent part of our strategic decision-making"

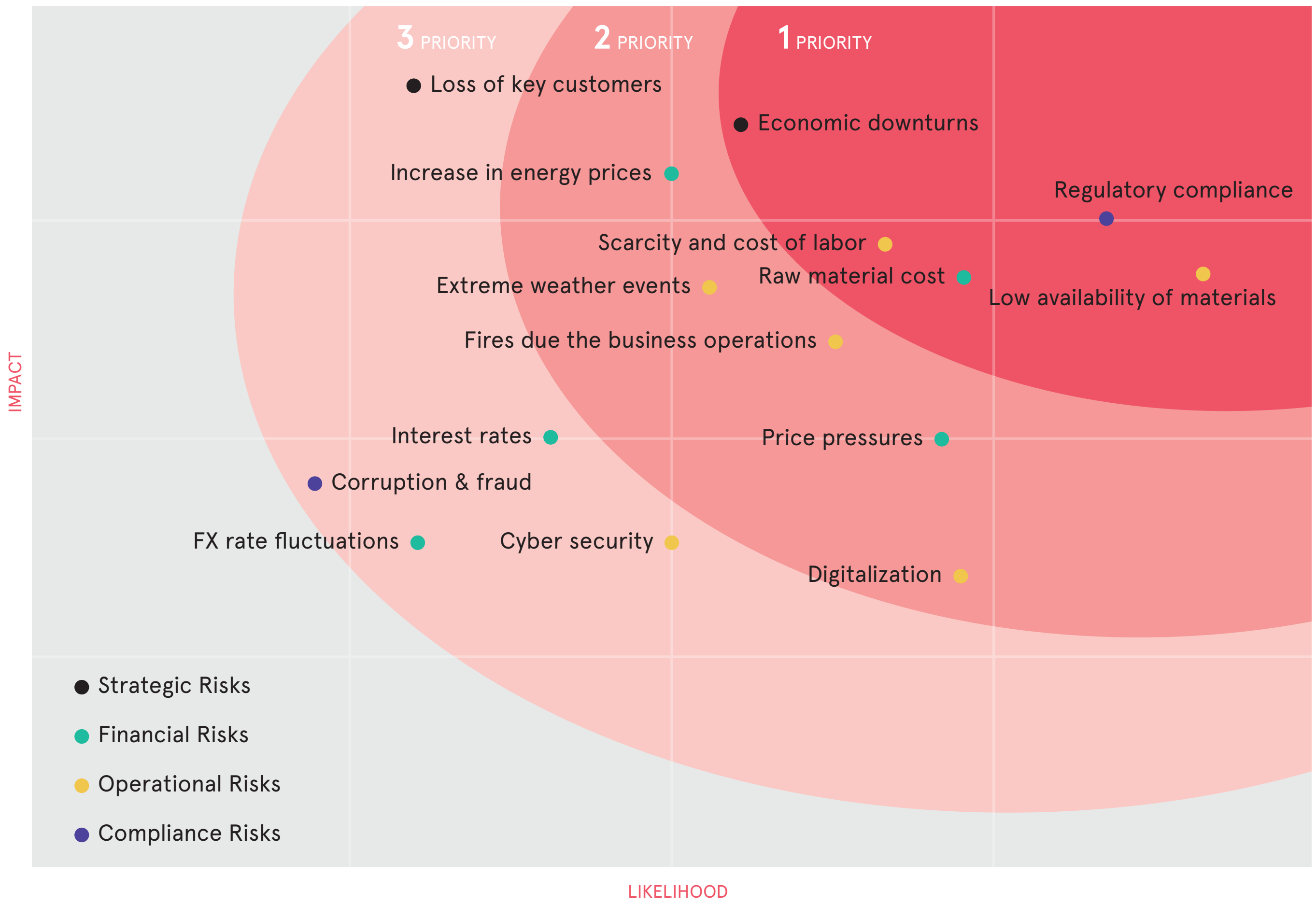


Risk Matrix

In the last risk identification process, Cabka's principal risks determined in the previous year were reassessed together with the respective business divisions. Additionally, potential new high-priority risks that were identified through research of both internal and external developments were analyzed and included in the prioritization process with the leaders of Cabka's strategic, financial, operational, and legal & compliance functions.

The prioritization followed a three-tier system for both the potential impact and the likelihood of occurrence. Risks with a low potential impact and likelihood are not considered material for the business. The result of this prioritization is a list of 15 principal risks influencing the business in various ways.

The risk matrix generated following the conclusion of the assessment process gives an overview of the assessed likelihood of occurrence and potential impact of each principal risk. Internal risk management and risk mitigation follow a three-step priority hierarchy based on the impact severity and likelihood of occurrence of each principal risk. Risks with both a potentially high impact on Cabka' business and a high likelihood of occurrence have highest priority.



Principal Risk Overview

SHORT NAME	DESCRIPTION	2023 DEVELOPMENTS	TREND	MITIGATION TACTICS	ESG
Low availability of materials	Insufficient availability of main raw material streams, both pelletized polymers, recycled or virgin, and post-industrial or -consumer waste	While virgin polymers remained readily available, availability of recycled materials has fluctuated, mainly driven by regulatory changes and increased limitation of virgin-based packaging. On top of that, the growing developments in chemical recycling are increasingly pressurizing the market.	↑	· Inhouse material knowledge and backward integration maximizing the utilization of difficult to recycle, at times lower quality, and less sought-after material streams · Focus on locking-in sufficient volumes through supply contracts for the mid-term (up to 3 years) to reduce exposure to sport market · Further extend inhouse recycling capacities to reduce overall dependency on market · Monitoring material market developments in regard to chemical recycling technology advancements	Yes
Regulatory compliance	New or existing legislation limiting the company's ability to conduct its business	Regulatory compliance challenges further evolved in 2023 with developments such as the proposed changes to the EU Packaging and Packaging Waste Directive (PPWD), further implementation of the EU Taxonomy, and finalization of the EU Corporate Sustainability Reporting Directive (CSRD) increasing compliance obligations for Cabka. The impact of taxes limiting the use of virgin plastic in packaging furthermore continued to influence strategic adaptations in our production and material sourcing.	↑	· Legislation watch task force on group level for constant monitoring of potentially relevant developments facilitating immediate action if required · Regular review cycles of necessary operational permits at all production sites to ensure continued compliance	Yes
Raw material cost	Insufficient availability of main raw material streams, both pelletized polymers, recycled or virgin, and post-industrial or -consumer waste	Improved supply chain efficiency and reduced pandemic-related disruptions have led to a stabilization of polymer costs, returning them to pre-COVID levels. Nonetheless, increased competition for high-grade recycled plastic materials resulted in new volatility and uncertainty around pricing of these materials.	→	· Backward integration strategy assures that large share of raw material input is recycled inhouse, driving down input cost · Several initiatives ongoing to further grow inhouse recycling capacity and improve efficiency · Constant efforts to fix volumes with suppliers as early as possible to limit exposure to spot market	No

SHORT NAME	DESCRIPTION	2023 DEVELOPMENTS	TREND	MITIGATION TACTICS	ESG
Economic downturns	Possibility of a recessionary economic climate leading to decreased demand and/or increasing costs, impacting the overall profitability	Geopolitical tensions and uneven post-pandemic recovery continue to weave uncertainty in 2023, heightening the risk of economic downturns in key markets. In the Northern European market, this resulted in a weakened demand among Cabka's customers.	↑	· Sufficient external production capacity and consistent share of temporary workers to maintain operational flexibility · Contingency secured through multiple sites in the EU with similar capacity and asset park · Strong growth pipeline with steady inflow of product innovations to counteract stagnating demand · Development of product specific make-or-buy policy	No
Scarcity and cost of labor	Low availability or difficulties to attract skilled labor force throughout the organization and increases in labor rates, also as a result of inflationary developments	While several key vacant positions were successfully filled in 2023, Cabka continued to face difficulties to attract new workforce at some operating locations. Regarding labor cost, high inflation and interest rates have led to necessary adjustments in wage levels. Though Cabka was not affected at all locations equally, labor cost is taking an increased share of the overall cost base.	→	· Reform talent acquisition approach in both communications, e.g., through new alternative channels such as social media · Addressing company representation and brand to initiate community · Launching people charter defining company's values and expectations towards its employees · Hiring policy to further improve great existing diversity profile · Regarding cost, Cabka's large geographical footprint, including some low-cost regions (i.e., Eastern Germany and Spain), reduces impact of changes in individual countries · Automation of processes as central strategic objective, being gradually implemented into existing operations to reduce mid-term exposure	No
Increase in energy prices	Energy prices experiencing strong volatility and/or rising into unforeseeable levels constraining profitability	In 2023, energy prices stabilized again to a certain extent following the previous year's volatility. Prices have remained above pre-conflict levels but with less fluctuation, easing the cost pressures for energy intensive businesses. To mitigate the risk further, we have implemented a stringent energy price fixing policy. which provides further security.	↓	· Successful implementation of energy price fixing policy, including constant monitoring of forward market to maintain potential of locking in rates for part or overall consumption · Reduction of consumption through replacement of existing assets with new, more energy efficient alternatives · Active diversification of energy sources to limit impact from steep price increases for particular sources · Driving initiatives for inhouse production of green energy (i.e., solar, wind, biomass) to reduce external supply of energy and thus the exposure to market price dynamics	Yes
Loss of key customers	Inability to retain customers that make up high revenue share in a specific product category or overall sales	Although market conditions remained difficult, Cabka has successfully entered into additional long-term development partnerships and commercial agreements. This allows for continued customer retention and a gradual reduction of our dependence on large accounts.	→	· Maintaining large dependency of customers on Cabka through own intellectual property, patents, and product knowledge · Legal precautions in place, mitigating severity of immediate financial impact · Continuous efforts to diversify customer base and to reduce impact of individual large accounts · Development of sales policy outlining standardized bargaining approach	No

SHORT NAME	DESCRIPTION	2023 DEVELOPMENTS	TREND	MITIGATION TACTICS	ESG
Price pressure	Low price commodity goods from low-cost markets affecting price position and negatively influencing customer expectations	Inflationary pressure led to higher labor and material costs. Moreover, competition and consumer demand shifts further intensified price pressure in 2023. In turn, this impacted Cabka's short-term profitability.	↑	· Strategic focus on tailored products addressing customer-specific needs, thus increasing customer retention, and strengthening pricing power · Large commercial agreements, often aimed at establishing long-term partnerships · Backward integration facilitates input prices below market average, which secures competitive pricing for more commoditized product categories · Increased propensity for cost-reducing CAPEX · Flexible pricing approach to account for potential reductions in input costs to remain competitiveness	No
Fires due to business operations	Fires resulting from the storage and processing of waste streams into finished goods with major implications for the productivity and potential of leading to significant cost	Owing to strict fire management measures we have recorded no major fire events in 2023. Nonetheless, further operational optimizations on manufacturing processes and storage concepts were made to reduce the inherent risk of fires.	↓	· Fire risk for material handling limited thanks to comprehensive sprinkler system installed in all production halls · For Eco business, fire alarm systems in place, including heat and smoke detection and additional sprinkler systems · Optimization of storage concept as preventative measure to reduce fire impact · Fire management plan in place, including, e.g., inhouse fire department, safety concept, and employee training at all sites · In case of fires impacting production, contingencies, and alternative capacities in place to assure continued operations	No
Extreme weather events	Major natural events such as floodings, storms, droughts, or forest fires disrupting production and causing productivity and financial losses	Climate change advanced further in 2023, leading to unprecedented extreme weather events. Global record heatwaves severely impacted ecosystems and human health. The year also saw devastating floods and hurricanes globally, underscoring the escalating severity of climate-related risks. After the flood event in St. Louis in 2022, Cabka's operations remained unaffected in 2023.	→	· After flood at CABKA North America Hazelwood plant, flood protection measures have been finalized · Impact from possible forest fires in Weira plant mitigated through comprehensive fire management concept · Climate risk assessment conducted for all production sites, highlighting necessary adaptation measures	Yes

SHORT NAME	DESCRIPTION	2023 DEVELOPMENTS	TREND	MITIGATION TACTICS	ESG
Digitalization	Insufficient digitalization of internal processes or disruption of existing activities and processes by new technology leading to inefficiencies and/or lower output and revenues	In 2023, the push towards digitalization accelerated, highlighting risks for companies not keeping pace. Relevant developments include the integration of AI and IoT in various organizational processes, as well as an increased use of cloud computing for operational efficiency.	→	· Sufficient digital infrastructure in place, however, not fully utilized · Gap analysis outlining potential optimization and maximization of utilization of existing systems, resulting in concrete counter measures; implementation planned for short- to mid-term	No
Interest rates	High interest rates limiting the loan capacity and hence, finan-cial flexibility of the company	To combat rising inflation, central banks significantly increased interest rates, leading to higher borrowing costs and financial strain, thereby intensifying the challenges for businesses in managing debts and investments. Toward the end of the year, Cabka initiated a refinancing process to restructure and expand the current debt facilities.	→	· Successful refinancing completed with expanded facility and improved terms · Improved access to capital markets since listing due to global operations · Necessity of short-term loans limited as a result of liquidity from IPO cash injection · Active hedging of revolving short-term credit facilities · Long-term loans secured at fixed rates	No
Cyber security	Protection of vital cyber and IT infrastructure such as servers, intranet, communication channels, and enterprise resource planning systems	With a steadily increasing use of software and digital channels to manage business activities and internal and external communica-tion, the risk of cyber-attacks and data breaches has further am-plified. Following a detailed external assessment, Cabka's IT policy was updated with the goal of counteracting this risk further.	→	· Protective technological measures in place which are continuously improved in consultation with third party cyber security advisor · Revised IT-policy outlining companywide user guidelines on use of hardware, data protection, legal provision, and authorization rules rolled out	No
FX rate fluctuations	Volatility in currency exchange rates leading to disadvanta-geous financial impact	Exchange rates continued to experience notable fluctuations, dri-ven by divergent monetary policies, economic recovery paths, and continued geopolitical turmoil. Cabka's exposure to FX fluctuati-ons, however, remained limited and was further mitigated with the implementation of a comprehensive hedging policy.	↓	· FX hedging strategy successfully rolled out in past year · Rates to be fixed for date of payment and hedged at order date, which facilitates planning stability and limits extra cash expen-diture	No
Corruption & fraud	Potential for unethical practices within or against the organization such as bribery, which could result in financial losses, legal penalties, and harm to the company's trustworthiness	The business and financial environment of a stock listed company is characterized by a heightened risk of unethical practices, including insider trading. This poses threats to market integrity and corporate reputation. In the past 12 months, Cabka has implemented several new policies to assure diligent monitoring and strong internal controls for prevention, ensuring legal compliance and preserving trust.	→	· Implementation of revised code of conduct and new whistleblowing policy · Insider trading policy addressing stock trading guidelines and potential legal implications in cases of employee misconduct · Procurement and sales policies, including adjacent trainings, addressing corruption and bribery risks to be finalized and implemented before end of 2024	No

ESG Risk Management

At Cabka, the assessment and evaluation of ESG-related risks is fully integrated into the general process of risk identification and risk management. Out of all principal risks listed above, four ESG-related risks were identified during the assessment process. ESG-related risks are further categorized into risks regarding climate change, circular economy, and ESG governance. The risk of extreme weather events, along with the risk of increasing energy prices was determined to be related to climate change. The risk of low availability of materials is related to both climate change and circular economy aspects. Finally, the risk of regulatory compliance relates to ESG governance.

Climate Change Risks

Climate change risks are distinguished between physical and transition risks. Physical risks refer to risks related to the physical implications of climate change, concretely, the increased severity and frequency of extreme weather events. Cabka's principal risk Extreme weather events, which encompasses any potential financial impact through damages to our infrastructure, addresses this issue. This risk materialized at our US subsidiary in St. Louis in August of 2022, when an extraordinary flooding event heavily damaged our production facility. To mitigate such incidents in the future and to further integrate this risk in financial and strategic planning, a scenario analysis of physical climate risks was conducted in 2023 for each one of Cabka's operational locations as well as the Innovation Center.

Transition risks are related to the move from a fossil fuel reliant economy to a low-carbon economy. In this category, Cabka's risk assessment highlighted two principal risks: Increase in energy prices and Low availability of raw materials. With energy and material making up a large share of our input costs, both may restrict our competitive edge, predominantly in the price sensitive portfolio business. In 2023, raw materials availability in the recycled plastic market remained unstable, and while energy prices decreased and stabilized, the ongoing transition away from fossil fuels towards a low-carbon economy is expected to put further pressure on energy and raw material markets in the coming years. To mitigate the impact of these developments, we are working towards a diversification of our (renewable) energy sources, as well as an expansion of our raw material streams.

Circular Economy Risks

The previously addressed risk of Low availability of materials does not only affect Cabka from a climate change perspective but also regarding circular economy. The EU's plan to transition to a circular economy has recently begun to impact our industry through various restrictions on virgin plastic and virgin plastic packaging sales. While this development offers opportunities for Cabka as a manufacturer of predominantly recycled plastic products, the overall demand for plastic waste material will likely increase. This development is intensified through expected advancements in the chemical recycling sector. To limit this risk, Cabka is continuously optimizing the use of different low value materials, thus extending inhouse recycling capacity and diversifying material input streams.

ESG Governance Risks

The principal risk of Regulatory compliance applies to all three dimensions of ESG and is regularly evaluated in connection to ESG strategy development. Staying informed about new legislative developments that could affect Cabka's operations both negatively and positively is an inherent part of our risk and ESG management. Several new regulations are gradually being adopted under the umbrella of the European Green Deal to drive sustainability in the EU. As we expect legislation and standards to further evolve, we aim to evaluate their impact on our operations with increasing proactivity to maximize arising opportunities. In light of this objective, Cabka supports and participates in initiatives along our value chain which address such new regulatory requirements.

"The assessment and evaluation of ESG-related risks is fully integrated"

Fraud and non-compliance

The management of Cabka N.V. is aware of the inherent risk of fraud that it faces, both internally and externally, in carrying out its activities. With its footprint on 2 continents, Europe and North America, Cabka N.V. is exposed to a wide range of potentially fraudulent activities. Given Cabka's activities as an industrial production company, the most important fraud risks are identified in the supply chain (shop in shop, kickbacks, bribery, false invoices), inventory and asset management (theft, manipulation), administrative processes (fraudulent payments, falsified records) and cyberattacks.

Fraud in this context can result in a wide range of losses, ranging from negligible financial loss through petty theft of (office) materials to significant financial losses or damage to the organization's reputation. Fraud risks are explicitly included in the annual corporate Risk assessment, to ensure active monitoring of fraud risk developments, and continuously creating awareness for fraud risks amongst (senior) management.

External parties must be able to trust that Cabka N.V. and its employees do business in a reliable, honest and careful manner. Therefore, Cabka N.V. has drawn up a code of ethics that is shared with every employee at the start of their employment. The importance of the code of ethics and compliance is periodically emphasized and is the subject of discussion between managers and employees. In addition, a separate suppliers' code of conduct is available to ensure that external suppliers' actions are in line with those of Cabka.
A confidential advisor and tipline, including whistleblower policy have been implemented where any abuses can be reported confidentially. The code of ethics; suppliers code of conduct; and the whistleblower policies are available on our website and are (therefore) also shared with our external relations.

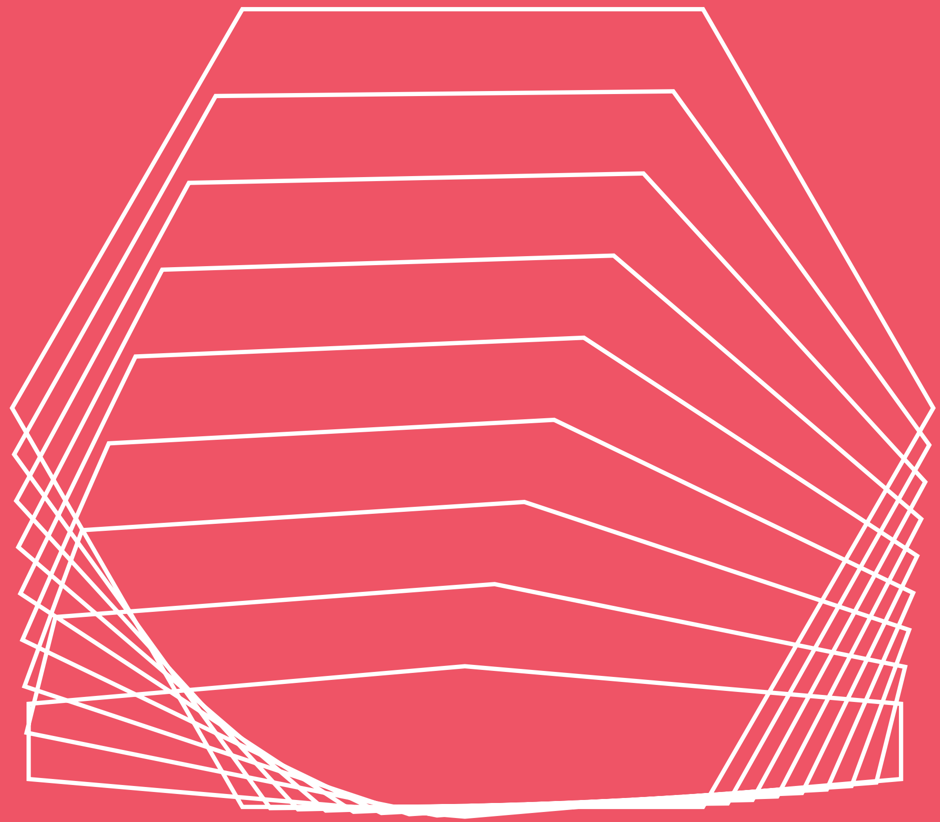
Cabka N.V. has measures in place to significantly reduce its exposure to fraud. An important measure is the restriction of access (both physical and digital) to only those areas that individuals require to perform their day-to-day activities, and segregation of duties (SoD) so that important checks and balances are not combined within the same person. Both the user access and SoD are reviewed and adjusted periodically, to align with the risk appetite of the company should situations change. A significant number of general IT controls around user access and SoD have been implemented.
Cabka continues to address and improve the design and effectiveness of the IT controls.
On top of the foundation of access management and SoD, Cabka also has an authorization matrix to clearly define the responsibilities and authorization limits for each function within the company. This ensures that the appropriate employees are involved when information is processed or decisions are made with a certain level of (fraud) risk.

Despite implementing various internal control measures, there still exists the potential for management or the board to override internal controls, as well as the risk of collusion among employees. Cabka prioritizes transparent decision-making, maintains a robust governance structure, fosters an open culture for mutual accountability, appoints a confidential advisor for reporting non-ethical behavior (anonymously), and conducts periodic internal and external audits to identify instances of overriding control measures.

Conclusion
Management is of the opinion that, with all procedures and control measures taken in account, the risk assessment provides a complete overview of the risks the company faces and that adequate procedures are in place to mitigate these risks.

03

Contributing to a better future



Contributing to a better future

With the focus of Cabka's business model and strategy on circular economy product applications and value chains, our vision is all about sustainability. Environmental, Social and Governance (ESG) reporting is an important tool for Cabka to communicate to our stakeholders the performance of our operations regarding ESG matters material to our business.

About this report
This report provides an overview of the progress in our ESG strategy implementation. Our sustainability reporting covers the six sites under financial control of Cabka, including our four production plants, the Innovation Center and our corporate office. We use the United Nation's Sustainability Development Goals (SDGs) as a basis for our sustainability strategy and report on sustainability with reference to the GRI 2021 standard. Our reporting on energy and climate change is aligned with the international standard Greenhouse Gas Protocol. For the reporting on climate related risks and opportunities, we additionally follow the recommendations by the reporting guideline of the Taskforce on Climate-related Financial Disclosure (TCFD). The GRI and TCFD content indexes can be found at the end of this report. This chapter on sustainability covers Cabka's material ESG topics. For each of those topics, relevant company policies are portrayed as well as our strategy approach and targets for the future. Our performance against these targets measured through carefully selected key performance indicators (KPIs) is presented in this report. Measures in place to ensure that we follow the strategy to reach our targets are outlined. Potential ESG-related risks and opportunities arising for Cabka and its stakeholders are described together with the respective risk management approach in the management report. All relevant ESG policies relevant are disclosed on Cabka's website.

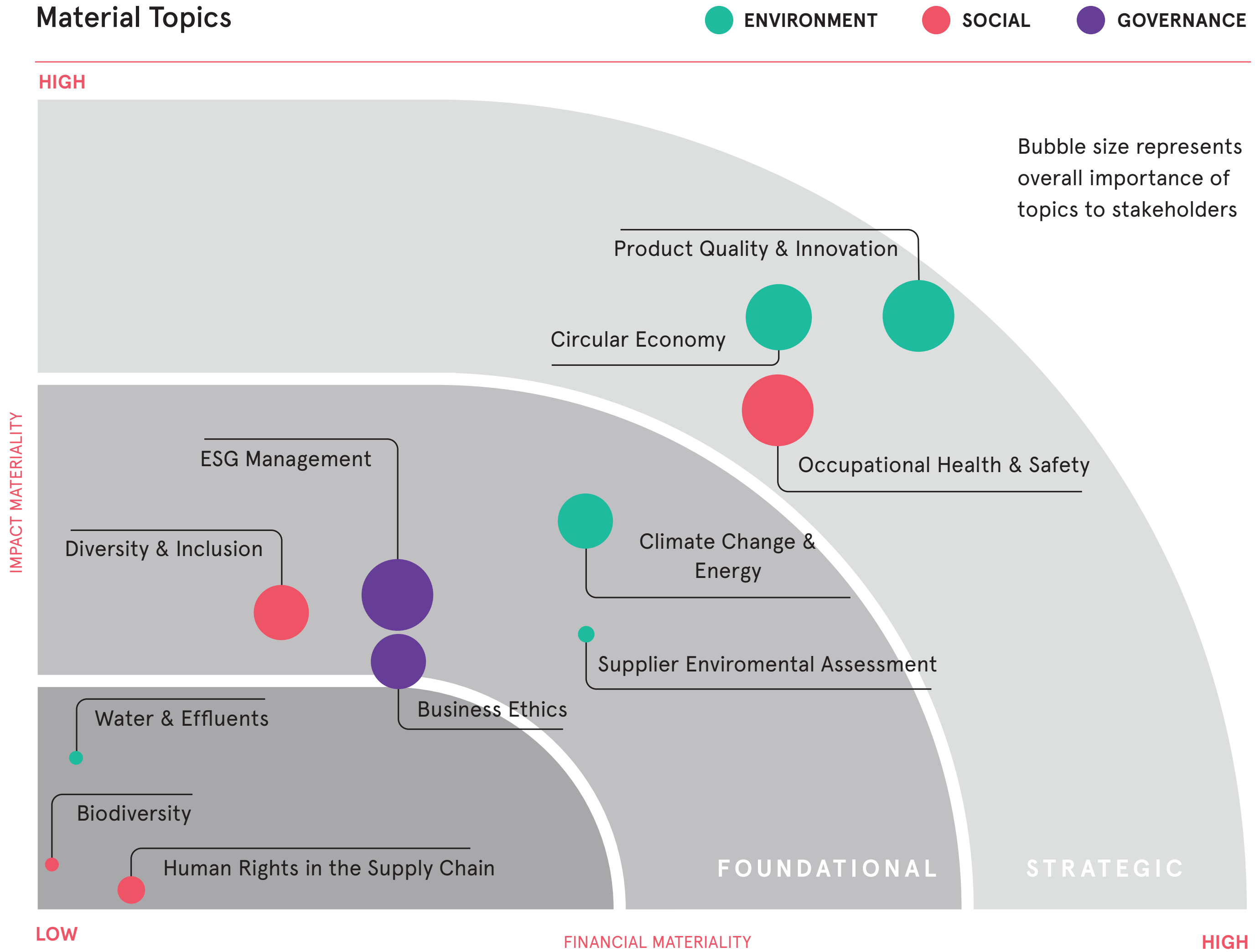
CSRD Implementation
During financial year 2023, the ESG reporting landscape was subject to significant regulatory development. The EU Corporate Sustainability Reporting Directive (CSRD) officially entered into force in January 2023. The first set of European Sustainability Reporting Standards (ESRS) under the CSRD was adopted as a Delegated Act by the European Commission in July. Cabka monitored and assessed the implications of these new reporting standards and has developed a roadmap for the first-time application in financial year 2024. The ESG reporting landscape is set to further develop. We will continue to monitor European and national regulation and implement necessary actions. More implementation guidance is expected from EFRAG during 2024, which will be integrated in our CSRD compliance roadmap. In preparation for CSRD reporting, we have selected some non-financial metrics in this report, which are also part of the ESRS reporting requirements, for external assurance. These metrics are marked with an asterisk (*) in the following disclosures.

Cabka's ESG governance

Defining our ESG policy

The basis of Cabka's ESG policy is a double materiality assessment conducted together with an external advisor in early 2022 to determine which sustainability issues are most relevant to our business from a financial (or outside-in) and impact (or inside-out) perspective. In this process, two perspectives were analyzed to ensure that our focus stays on those areas that have the greatest relevance: the significance of ESG topics on the enterprise value of Cabka and the significance of impacts Cabka has on people and the environment. Additionally, stakeholder relevance was included in the analysis as a complementary aspect. Following the GRI 2021 guidance to determine material topics, European sustainability reporting guidance on CSRD available early 2022, the GRI 2021 Standard, a stakeholder analysis, and an evaluation of relevant industries were used to identify eleven relevant topics. The stakeholder analysis included interviews with key customers, input from peers and relevant organizations, and expert knowledge from different business functions within Cabka such as finance, operations, investor relations, and compliance. Additional to the analysis, a stakeholder engagement process was conducted to validate the preliminary results and ensure that we understand the importance of the different ESG topics to our stakeholders. After review and validation by the Management Board, eight material topics were identified as high priority for Cabka. These are Circular Economy, Product Quality & Innovation, Occupational

Material Topics



Health & Safety, Climate Change & Energy, Business Ethics, Diversity & Inclusion, Supplier Environmental Assessment, and ESG Management. A new assessment of material topics based on sustainability related impacts, risks and opportunities will occur in 2024, in line with the agreed upon bi-annual materiality re-assessment, as well as to ensure full compliance with the CSRD ESRS reporting for the financial year 2024.

Continuing the stakeholder dialogue

Our key stakeholders and their opinions are critical to our business decisions. Hence, it is key to know the needs and expectations of customers, investors, local communities, suppliers, and our people. It is also a core component of building and managing a robust ESG strategy. Identifying our priority stakeholders stood at the very beginning of Cabka's sustainability strategy.

In 2022, we conducted a dedicated stakeholder engagement process to validate our material ESG topics assessment and ensure we prioritize relevant sustainability issues. This included interviews with key customers and representatives from the investor community as well as interviews and a joint workshop with Cabka's management team and site management for operational input and guidance for the development of our ESG strategy.

Starting financial year 2024, Cabka will report according to the Corporate Sustainability Reporting Directive's ESRS. During 2023, new guidance on conducting a double materiality assessment in accordance with the ESRS became available. We will thus prepare an updated double materiality assessment during the first half of 2024 to ensure alignment with the new standards. Including key stakeholders in this assessment will be crucial to achieve a holistic assessment outcome. Continuous stakeholder engagement informs our ESG strategy and has confirmed our key topics and nurtured our action plans in 2023.:

- The exchange with our customers is key in driving our innovation and circular economy strategies. We are in constant contact to understand their needs and integrate these into the strategic development of the business. Our sales team engages directly with our customers and indirectly at industry events and conferences. The re-opening event of our US production facility was a great opportunity to interconnect and discuss sustainability challenges and opportunities in the industry directly with customers and suppliers. Our membership and engagement in industry associations as well as supplier evaluation programs also guide our ESG strategy.
- The exchange with our investors on roadshows, discussions with analysts, and meetings with our investor relations team help us to identify trends and expectations on ESG in the finance community. Our 2023 Capital Markets Day provided participants with an in-depth view on Cabka's value chain and business model. Panel and direct discussions provided insights into information needs from investors.
- We meet and exchange with local communities during company visits and local events. This is also critical to understand which environmental and social topics we need to address.
- Strong cooperation with our suppliers is key to achieving our ESG ambitions. Our sustainable procurement roadmap has been further defined during 2023 and addresses the need for even more advanced interaction with the supply chain through our procurement team.
- Our people are our most valuable asset. Internal communication is supported among others through our Cabka intranet and Cabka App, on-site and online meetings, and management updates. Personal development discussions, team events and trainings together with surveys and exchange with employee representatives help to identify social issues to be addressed in our sustainability agenda.

Cabka's core commitments

As a business partner, we want to change established logistic processes and systems to make them more efficient and sustainable. Responsibility for this starts in our own operations - responsibility towards the environment, the people, and the markets we operate in. Cabka has set firm commitments as a foundation for its sustainability framework.

Core commitments to our people: respect for international human rights and equal treatment in a diverse and inclusive workplace committed to providing safe and healthy conditions.

Core commitments to the environment: we strive for continuous improvements in our environmental performance in the use of energy, water, and natural resources as well as in emissions and waste prevention.

The basis of our ESG policy is formed by Cabka's Code of Ethics, which defines our core values for working together and taking responsibility for the environment. The Code of Ethics also establishes the basic principles of how we work. ESG targets are strategically set in areas where Cabka has a distinct impact, or in areas that potentially impact the company in its future endeavors. These targets are described in detail in this report in the chapter on sustainability.

Cabka's Sustainability Governance Framework

In 2022, Cabka has established an ESG Task force. This working group was created to address the sustainability challenges faced by Cabka and to secure an optimal management of the Group's Environmental, Social and Governance aspects. Conformed by the company's senior management, the Task Force performs the task of macro-oversight of the overall ESG strategy and manages the aspects identified as material to Cabka. Among the concrete functions the Task Force performs are the assessment of progress of the Group's ESG strategy, the provision of a platform to share milestones, challenges, and establish synergies between topics.

The Task Force is structured to enable ESG decision-making on Group level with a holistic perspective. Therefore, members of the Task Force are Cabka's CEO, CFO, COO, CPO, our Sustainability Director, and the topic leaders of Cabka's material ESG topics. Other members who contribute are Cabka's Compliance Officer, the Head of Controlling, and the Responsible of Investor Relations and External Communications.

During 2023 we worked on further formalizing and implementing actions to prove our commitment and achieve our targets. The ESG Task Force and its members reported

Cabka's ESG Task Force

regularly into the monthly Executive Committee meeting about ongoing projects and progress. Since the Executive Board members are also part of the ESG Task Force, progress on the implementation of Cabka's ESG strategy is regularly reported to them.

This decentralized approach to ESG governance benefits from the individual expertise of topic leaders, which allows Cabka to holistically monitor ESG trends and analyze improvement areas.

Within Cabka's integrated ESG Management, the topic leaders from various business functions are responsible for the global supervision of their ESG topic and the monitoring of progress towards topic objectives, as well as the implementation of topic-related actions at Group level. Topic leaders are the people within Cabka with the optimum position and expertise to perform this role according to the specific material topic. Topic leaders are invited to join the Task Force. The Sustainability Director supports the topic leaders, providing the Group's holistic perspective and expertise in the technical aspects of ESG management. We recognize that the further integration of ESG considerations into our day-to-day business can only be achieved with a committed, flexible, and professional team. New positions which had been added to the organization in 2022 and the extension of the ESG team, have allowed in 2023 for further pervasion of ESG topics into all levels of the organization. With greater awareness, knowledge and understanding of relevant topics, targets, actions and performance metrics, we see our framework taking an increasing impact. This was certified by our achievement of the next level in our regular external ESG Management assessment the Ecovadis Gold medal.

Cabka started in 2020 to review ESG management performance through this external assessment. Since then, we participate in the annual evaluation by Ecovadis. The rating agency EcoVadis wants to motivate companies to engage in the areas of environment, ethics, labour and human rights as well as sustainable procurement annually evaluates their performance in these matters. It takes a close look at the ESG management of more than 90,000 companies from 160 countries and 200 different industries and rates them based on their measures, policies, and procedures.

The achievement of EcoVadis Gold in 2023 and our improved scoring now places Cabka among the top 6% of all evaluated companies. Among the manufacturers of plastic products, we rank among the top 8%. This accomplishment is something we are immensely proud of.

Cabka's main ESG targets

	2024	2025	2030
Circular Economy	Maintain above 80% recycled material input	Continuously work towards full circularity	
Climate Change & Energy		50% share of renewable energy	100% renewable energy and carbon neutral in own operations
Sustainable Procurement	100% of continuous raw material suppliers assessed on ESG criteria	100% of continuous raw material suppliers aligned with Cabka Supplier Code of Conduct	
Diversity & Inclusion	Continuously work on increasing diversity level at Cabka		
Business Ethics	100% of employees signed Code of Ethics		
Innovation	Continuous innovation of smart reusable solutions for transport packaging		
Health & Safety	Continuous communication and targeted training to foster a healthy and safe work environment		

Cabka's contribution to the SDGs

As part of Cabka's ESG policy development, the determined material topics were aligned with the United Nations Sustainable Development Goals (SDGs). We have selected the SDGs that are most relevant to our operations, our targets, and what we stand for as a global enterprise. Subsequently we have assessed how we aim to contribute to each one of the goals. Throughout this ESG report, the individual SDGs are also mapped against the different topics.

SDG		Our Ambitions
5 GENDER EQUALITY	**Gender equality**	· We offer equal opportunities to women and men · Diversity and inclusion are core topics at Cabka. Our diversity policy describes our commitment towards a diverse composition of our company boards. · We specifically focus on the development of gender diversity in management and decision-making positions within the Group and aim to reach in the coming years diversity levels already achieved on supervisory board level. · Our Code of Ethics sets our principles for equal treatment.
7 AFFORDABLE AND CLEAN ENERGY	**Affordable and Clean Energy**	· Cabka plans to increase its share of green energy to 100% by 2030. · Our production sites are evaluating on-site energy generation with renewable sources and will use this to increase the share of clean power.
8 DECENT WORK AND ECONOMIC GROWTH	**Decent Work and Economic Growth**	· At Cabka, the provision of a healthy and safe workplace is key. Therefore, we aim for continuous communication and targeted training on this matter to foster a healthy and safe work environment. · We strive for technological improvements to increase energy and resource efficiency in consumption and production, making a sustained and positive impact on logistic chains worldwide. · Furthermore, we want to ensure that our supply chain continues to become more sustainable, including the adherence to human rights and good working conditions.
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	**Industry, Innovation, and Infrastructure**	Research and innovation already play and will continue to play a vital role for Cabka in further driving the use of recycled content in sustainable product solutions and increase the use of hard to recycle materials. We are aiming for continuous innovation of smart reusable solutions for returnable transport packaging, achieving breakthroughs in supply chains and making a positive impact in our customers industries.
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	**Responsible Consumption and Production**	Cabka aims to maintain a secondary raw material share of at least 80% and to continuously thrive for full circularity. We will furthermore continue to focus our efforts on circularity in the use of our products and their recycling at the end of their life, and further improve the overall sustainability performance of our product portfolio.
13 CLIMATE ACTION	**Climate Action**	Through the diversion of waste from incineration, our business model based on recycling and using the new primary material to manufacture reusable products reduces the use of virgin material and helps us make a positive impact. Concerning our own operations, we aim to reach carbon neutrality by 2030.

Working towards a positive climate impact

Climate change affects all life on earth. As the impacts of climate change become increasingly apparent, taking action is becoming non-negotiable. To reach the Paris Agreement of limiting global warming to 1.5°C, governments are changing regulations and industry sectors are transforming their processes. As Cabka, we have joined this transformation and we are committed to continuously reducing our GHG emissions in line with the Paris Agreement.

Our action plan to reducing emissions

As a leader in circular production, we are also committed to climate change action and have set strong ambitions to reduce the carbon footprint of our operations. A first step was to develop a climate action plan with the planned measures to ensure the achievement of our target of net zero operations by 2030 (Scope 1 and Scope 2 emissions). The year 2022 serves as the baseline for this target. Since Cabka is a manufacturing company producing in several countries, the necessary actions to reduce GHG emissions are diverse and spread over the short-, medium-, and long-term. To further advance our understanding of Cabka's climate governance and impact, we participated in the Climate Disclosure Project's (CDP) climate assessment for the first time in 2023. Cabka's assessment result of a B score highlights our already advanced progress towards our climate change commitments.

After analyzing our Scope 3 emissions in more detail, we have identified the most prominent sources of GHG emissions within our value chain. The largest impact is made by the materials entering our organization, hence it is crucial to work together with suppliers to be able to minimize upstream GHG emissions. Already, the high usage of recycled material contributes to reducing carbon emissions. Working with our customers on solutions with a higher circularity score – increasing pallet lifetime, reuse, and recycling - adds another level of carbon avoidance. Scope 3 emissions are the most challenging to gather data for and calculate. As all industries are confronted with this, we see increased collaboration in our value chain to improve data quality and thus the meaningfulness of these metrics. Our work with the Ecochain platform to improve our cradle-to-gate life cycle analysis, cooperation with suppliers and customers as well as participation in industry initiatives help to continue to build our knowledge and with it our capability to develop an efficient reduction strategy.

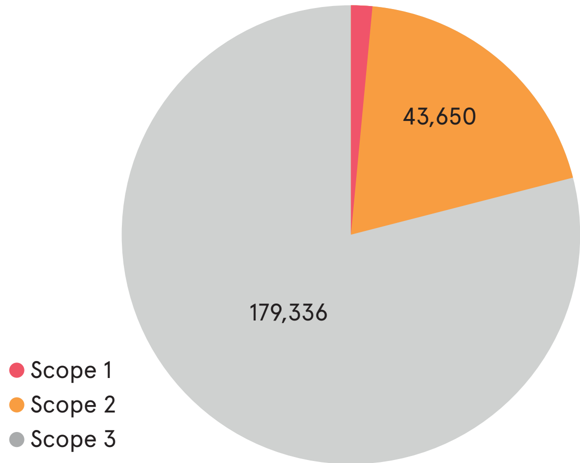
Our climate & energy targets

- Increase the share of renewable energy in total energy intake to 50% in 2025
- 100% renewable energy and carbon-neutral operations in 2030

Our 2023 Climate Performance

	2023	2022
Total energy consumption	101,126 MWh*	105,524 MWh
Share of renewable energy	5.2%	4.6%[5]
Total GHG emissions (market-based)	226,251 t CO_2e	218,817 t CO_2e
Scope 1 emissions	3,235 t CO_2e*	2,963 t CO_2e
Scope 2 market-based emissions	43,650 t CO_2e*	47,009 t CO_2e
Scope 2 location-based emissions	27,120 t CO_2e*	-
Scope 3 emissions	179,366 t CO_2e	168,845 t CO_2e

Total GHG Emissions (t CO_2e)



Carbon avoidance from working with recycled material
In 2023, Cabka took in 140 kt of plastic waste. According to EcoInvent emissions data on plastics and modelling of Cabka's processes, each Kg of recycled plastics used by Cabka instead of primary plastics saves approximately 1.59 Kg of CO_2. Furthermore, each Kg of plastic waste diverted from incineration saves 2.35 Kg of CO_2. Our inhouse waste processing and our predominantly recycled material input therefore led to 309,487 t CO_2 being avoided in 2023. Hence, with our business model we avoided more emissions than ones that were generated through our overall company carbon footprint (Scope 1, 2, and 3).

[5] The 2022 share of renewable energy was adjusted after the publishing of the Annual Report 2022, as it previously only showed the share of renewable electricity.

* This KPI has been externally assured

Key measures for climate protection
Our action plan to reduce GHG emissions in our own operations lays down a step-by-step roadmap for each of our production sites. The most pressing and decisive project for every site is to green the electricity supply through on-site electricity production and the provision of green energy from electricity providers. Depending on the location of our operational sites, this project can be challenging. At our site in Ypres, Belgium, a photovoltaic system was installed on the roofs of the production and warehouse halls in 2023 to provide sustainable electricity to our local facilities. More projects to produce our own sustainable electricity are planned for the coming years. Next to electricity, company vehicles such as cars, forklifts, and cranes pose another source of GHG emissions. For this reason, we have started replacing vehicles run on fossil fuels with battery powered alternatives. This exchange will continue over the short- to medium-term until all our own vehicles operate on electricity. Furthermore, as the Manufacturing Execution System (MES) at our main manufacturing sites further progresses, we obtain additional insights into the material and energy efficiency of our production processes, which supports our local Energy Management Systems and points out further improvement areas.

Climate impacts on Cabka
The effects of climate change can already be felt all over the world today. That is why it is crucial to prepare our business for the future of a changing climate and more extreme weather events. We conducted a climate scenario analysis in 2023 to examine the potential impact of physical climate risks on Cabka's business operations and developed an action plan to mitigate the most significant risks that were established during the analysis. Our manufacturing sites in Weira, Germany, Ypres and Herstal, Belgium, and Hazelwood, USA as well as our Innovation Center in Valencia, Spain, were included in the analysis. Since the geographies and climates of the locations of our sites differ greatly, the portfolio of physical climate risks is diverse, with water stress and drought in Spain being the most pressing risks. We will work on reducing the impact these risks could have on our business in the future.

"The effects of climate change can already be felt all over the world today"

Our climate & energy targets

50%
Renewable energy share from total energy consumption in 2025

2030
Climate neutral in own operations in 2030

Keeping plastics in the loop

In a perfectly circular economy, waste does not exist. The core principle is simple but transformative: raw materials and products are designed to be used again and again and when they cannot be used anymore, the resulting waste becomes the new raw material. The concept of a waste hierarchy guides the shift to such a circular economy. By favoring the reduction of waste overall, followed by reuse, and then recycling, we can pave the way for a sustainable future.

The increasing awareness for sustainability around the globe is driving the demand for sustainable products and regulations to raise environmental standards. A more circular economy promotes, amongst others, conservation of energy and scarce natural resources and natural materials, it contributes to lower greenhouse gas emissions and in the long-term helps to boost economies . Keeping plastics in the loop and minimizing the use of virgin plastics play an essential role in realizing these benefits and reaching circularity targets.

Taking our circular economy business model to the next level
Cabka uses a unique business model that integrates the entire process from waste to product, leveraging our inhouse material and product engineering expertise with our own recycling and production facilities. In 2023, Cabka processed 140 kilotons of waste and recycled plastic to create new products. Compared to 2022, this is 19 tons higher and is also driven by the reopening of our production site in St. Louis, USA in June 2023, fully restoring our inhouse recycling capacity to 100%, as well as increased capacities at our site in Weira (Germany). Throughout the year, our focus has been on fortifying this strong positioning and developing an action plan to further enhance Cabka's circular economy performance in alignment with the European Union's objective of transitioning to a fully circular economy by 2050.

During 2023, we made good progress in further advancing the development of new post-consumer material streams started in 2022, utilizing our inhouse knowledge on recycling technologies and material uses. This year was also particularly active in new regulatory initiatives being drafted and already implemented on a European and national level. These initiatives have a potential impact on Cabka's operations and our supply chains. 2023 saw the Packaging and Packaging Waste Directive as one of the most lobbied regulations demonstrating its potential impact on the European industry. Cabka closely follows all regulatory developments to anticipate market

Our circularity target
Maintain a share of recycled content above 80% in our products

Our 2023 circularity performance	2023 TOTAL WEIGHT (T)	2023 RECYCLED SHARE (T)	2023 RECYCLED SHARE (%)	2022 TOTAL WEIGHT (T)	2022 RECYCLED SHARE (T)	2022 RECYCLED SHARE (%)
Products & materials inflow	**174,859**	**148,315**	**85%**	-		-
Raw materials	156,971*	139,934*	89%*	140,849	121,130	86%
Products & packaging	17,661	8,381	47%	-		-
Water consumption	10,772 m^3			10,355 m^3		

developments and new business opportunities.
Cabka continued to work with its customers on closing the loop during 2023. Our buyback program can directly be integrated into supply contracts and is available also beyond this to bring back our products at the end of their life. This allows Cabka to close the loop through the recycling of old products and immediate reuse of these materials in the production of new products. We also work with customers to integrate other plastic waste streams to be used in our manufacturing processes.

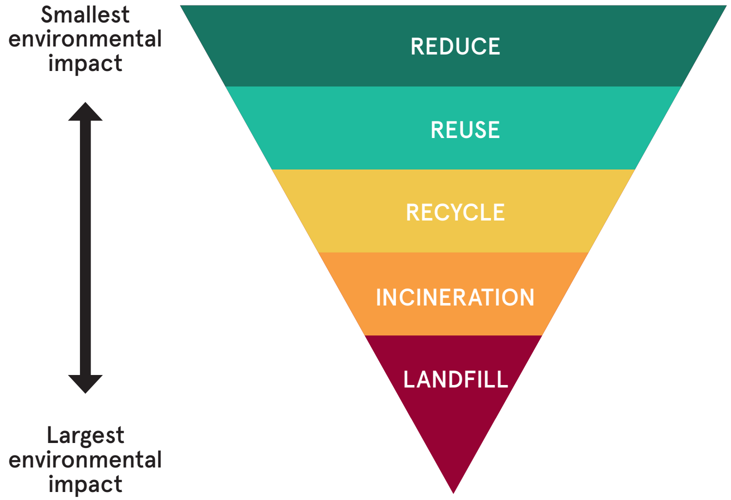
Circularity in our own operations: waste and water recycling and closed loops
Cabka's operational sites use waste management programs to track the types and volume of occurring waste and how these different waste streams are disposed of. The main types of waste that occur are production scrap and residual materials from our inhouse recycling processes.

- Scrap from production is re-routed back into production through our inhouse recycling facility, hence no material waste results from our manufacturing process.
  The introduction of our Manufacturing Execution System (MES) furthermore contributes to the reduction of production scrap.
- Residual materials from Cabka's recycling processes and other operational waste is transferred to dedicated waste management and recycling companies for further treatment.
- Low amounts of water are used in our operations since we process waste through dry mechanical recycling. The

* This KPI has been externally assured

main water usage is attributed to sanitary purposes. Where technically feasible, we already use, or are looking to implement closed circuit water systems. Due to the type of usage in our production, there is no specific sewage treatment required. Slurry that occurs during recycling is treated by certified waste treatment companies.

A dedicated concept for working with, and handling of hazardous waste, e.g., hydraulic oils, coloring agents, or cleaning detergents, is in place. Waste outputs at all Cabka production sites are internally reported and analyzed. This helps us to track reductions or increases in the amounts of certain waste types in the short-to mid-term, as well as evaluate the share of waste going into recycling, energy recovery, and landfill.



Our 2023 circularity performance

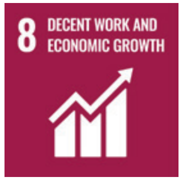
89%
Recycled material in raw material inflow

140 kt
Total amount of plastic waste intake

"Keeping plastics in the loop and minimizing the use of virgin plastics play an essential role in reaching circularity targets"

Innovation in our DNA

Innovation serves as the core of our operations with a dedication to innovative designs, recycled plastic materials, and cutting-edge processing and recycling techniques. Our pursuit to continuously enhance our products and processes, along with our commitment to develop innovative solutions that cater to our customers' requirements, underscores our conviction that innovation is the backbone to maintaining our position as an industry frontrunner. We make innovation a top priority in all aspects of our business, encompassing design, materials, technology, and sustainability.



Facilitating Sustainable Advancements
Cabka's mission is to offer smart and reusable solutions for transportation packaging with a strong emphasis on circularity and sustainability. Our objective is to enable transformation throughout the entire supply chain by continuously innovating and enhancing in both our products and processes. Cabka is dedicated to creating robust, high-quality products with a low environmental impact. We see ourselves as catalysts and advocates for global transformation towards a circular economy. This constitutes our business model and shapes our innovation strategy. To achieve this, we have established a structured stage-gate innovation process, enabling us to identify and develop the most promising solutions for transportation packaging. A sustainability evaluation of the projects in our development funnel has been developed and will be implemented during 2024.

Our innovation ecosystem
Cabka's approach to innovation comprises of three key components: culture, strategy, and the transformation into a pragmatical roadmap with clearly defined quantifiable, and attainable objectives aimed at fostering innovation. Within Cabka, these components are harmoniously integrated, creating an innovation ecosystem that empowers us to be agile and receptive to the dynamic shifts in the market, evolving customer demands, and advancements in technology. Our suppliers and customers play a crucial role in shaping our innovation process through collaborative interactions and strategic partnerships, enabling us to operate swiftly, with precision and efficiency.

New relationships through innovation
The investment into our innovation capacity and

the dedication of our team built the foundation for establishing long-lasting client relationships with large customers:

CHEP: We have signed a contract with CHEP and following a collaborative product development project, deliveries to CHEP have begun. Processes in our manufacturing plant have been redesigned to produce this revolutionary product as it is the first of its kind made in 100% recycled material.

Continental: We won the tender and launched a pallet of special dimensions (1600x1600) produced entirely out of recycled material, which adapts to Continental's 100% automated storage concept and where, apart from being more efficient, overall environmental impact of this new solution is reduced.

XELLA: As the construction industry is looking to become more circular, we were delighted to support the development and implementation of a pooling solution for building material.

Beyond our innovation capability, Cabka's drive to ensure a circular economy was another key factor contributing to the achievement of these agreements. Our high-end lab facility at our Innovation Center forms the main pillar of our material strategy. This is where all the incoming raw materials are analyzed, and where we advance new material streams and blends, which can be formulated on a global basis. The mechanical properties and behavior of those materials are studied and quantified and uploaded to our materials database that feeds our state-of-the-art FEA software of design simulation. This, in combination with a continuous improvement of our simulation knowledge and capabilities, make our FEA simulations increasingly accurate thus making our development projects more efficient.

Our 2023 innovation performance

Innovation KPIs and targets used inhouse at Cabka are specific and measurable, allowing us to track our progress and adjust as needed, to allocate resources, set priorities and make decisions. This approach enables us to monitor our progress, make necessary adjustments, allocate resources effectively, establish priorities, and make informed decisions. Consequently, we ensure that all our innovation endeavors are in harmony with the company's overarching strategy and objectives.

In the year 2023, further substantial investments were made in new products, expanded production capacity, and automation. Specifically, the capital expenditure (CAPEX) allocated to new molds and machines, demonstrating that innovation is one of our key strategic pillars. Furthermore, 4.3% of our operating expenses were dedicated to Research and Development (R&D). The impact of our investments into our innovation capacity becomes increasingly visible in our sales revenues. Innovation sales have contributed with 19% to our overall sales income.

	2023	2022
Capex invested into innovation	€14.6m	€10.1m
Share of operating expenses into R&D	4.3%	6%
Innovation sales	19%	11%

Innovation Center in Valencia

Cabka has a dedicated team of engineers at its Innovation Center in Valencia, conducting research and development on new ways to utilize recycled plastics through new processes, products, and technologies. Our Innovation Center is key in driving innovation and growth by developing new solutions that are not only cost-effective but also environmentally friendly. Working closely with other departments such as marketing, operations, and sales ensures a broader view of the market and our customer needs, to define the best solutions and guarantee a smooth implementation. We collaborate intensively with our customers to develop solutions that meet their specific needs.

Skills through learning and collaboration.

Innovation needs knowledge. Our colleagues are our best asset. That is why we provide dedicated training schemes for everyone working at Cabka. On top of that, Cabka continues to support several European projects, where we work with many other companies and organizations. This collaboration improves our skills, and subsequently our products, materials, and processes. A few examples:

- ACROBA, a project on automation where cutting the

- burr of the pallet will be done by a robot relevant for Cabka's future digitalization.
- INCREACE, a project aiming at developing recycled material with anti-static properties (ESD). This material does not exist nowadays. Hence, it will significantly increase the amount of recycled material valid for this product application.
- Cabka is involved in and partners with several innovation and development associations and institutions. We consider this as a critical success factor for our innovation activities. We also continuously connect and meet with other companies and startups for this purpose.

In the coming years, our commitment is to continue to develop new material sources and technology, maintain constant contact with universities, companies, associations, institutions, and startups, because innovation starts when we share ideas and collaborate with other people, internally and externally.

Quality management improvements

Customer satisfaction is the number one priority at Cabka, and therefore quality is the main driver within our organization. We have implemented a comprehensive Quality Control Management, from suppliers to end customers. Cabka is committed to its customers' success and strives to meet customer needs through continuous improvement of our products, services, and processes. Customer complaints and results are discussed and reported to senior management during board meetings and improvement actions are scheduled, implemented, and then evaluated. Our internal quality control ensures the delivery of our end products at the high-quality standards demanded by our customers.

In 2023, our efforts and focus were placed on further developing our own processes. A visual inspection system is used at production sites and regular reporting is being established. On a global level, the quality team has regular exchanges on quality performance and improvement projects.

New structure of our laboratory network

In 2024, the Innovation Center laboratory will be certified to ISO 17025, a specific norm for laboratory management. The ISO standard specifies general requirements for the competence of laboratories in carrying out tests and/or calibrations, including sampling. Cabka will use this standard as a basis for recognition, notification, accreditation and as confirmation of the competence of the Innovation Center laboratory. The Cabka production laboratories work according to the ISO 9001 certification and the ISO/DIN norms for our test methods. In 2024 the production labs will be upgraded to full autonomous testing under supervision of the Innovation Center lab supported by intra-laboratory cross-check.

We have analyzed our complaint management process and implemented actions to improve quality complaints handling. As a next step we are looking to integrate the process into our CRM system.

In operations, the introduction of our Manufacturing Execution System in Cabka was accompanied by the implementation of further quality control measures directly at the production line. Inspection data is directly recorded and analyzed, enabling prompt corrective action, and improving overall efficiency in the production process.

In analogy with the customer complaint and evaluation format and supply chain management, a supplier evaluation is under development.

> "Innovation needs knowledge. Our colleagues are our best asset"

Business ethics

At Cabka, our commitment goes beyond mere transactions and projects. We are committed to conducting our business in an ethical way, integrating our values into our actions, our decisions and our interactions with all our stakeholders on a daily basis. Our value creates a respectful, transparent and accountable workplace upholding the highest ethical standards.

Our framework of integrity

Specific policies regarding human rights and working conditions complement the basic principles of our daily work outlined in our Code of Ethics. Our commitment of zero tolerance for corruption and bribery form the core of our internal organization and the cooperation with external partners. The General Counsel Legal & Compliance drives initiatives on ethical issues. Risks related to business ethics were evaluated as part of Cabka's comprehensive risk assessment process, outlined in the risk management section of the management report.

Our commitment and results in 2023:

- We have conducted a comprehensive review of our policies, ensuring alignment with the dynamic demands and changes in the business realm. Consequential, we have established an annual policy review cycle to ensure the continued relevance of these policies
- To encourage a culture of openness and ensure adherence to laws and internal regulations, we updated our Whistleblowing Policy. A centralized Whistleblowing Tool was established during 2023, allowing employees and external parties to anonymously report any issues or seek consultation. We also launched communication initiatives throughout the organisation by distributing brochures and posters to our employees educating them on the process and encouraging them to use the Whistleblowing Channels, and to ensure they are aware of their rights and guarantees. An Ethics Committee has been established to oversee investigation procedures and decision-making processes. This internal Committee guarantees that ethical considerations are central to our decisions, nurturing a culture of transparency and accountability.
- We have initiated training sessions on our Code of Ethics and Whistleblowing Policy. The aim of these sessions is to enhance the comprehension of our values and principles amongst our workforce. These training sessions will be further refined in the upcoming period and will be recurring as part of a refresher training to all our employees continued.
- To date 66% of Cabka employees have acknowledged and signed our Code of Ethics, thereby strengthening our collective dedication to ethical behavior. We have identified the necessity to establish a structured

process for acknowledgment and signing by our new employees, to optimize the internal responsibility for this process and to provide our Code of Ethics in further languages spoken by our diverse workforce.

Our business ethics roadmap for 2024:

1 **Enhance training sessions to our employees, particularly on topics such as "corruption, bribery, gifts and benefits" as well as "human rights, respect and equal treatment".**
To uphold our dedication to conducting business in accordance with our ethical values and principles, we carried out training campaigns in 2023 on our Code of Ethics. In the upcoming year, we plan to provide more targeted training initiatives touching on crucial topics such as "corruption, bribery, gifts and benefits" as well as "human rights, respect and equal treatment", ensuring that all team members are conscious and compliant with these essential ethical principles. These sessions will be conducted based on an assessment of risks in our value chain and the position and responsibility of our team members. Through these initiatives, we not only reinforce our commitment to ethical business practices, but also endorse the significance of an educated and responsible workforce in maintaining the sustained success and reputation of our organization.

2 **Analyze and evaluate incoming reports via internal Whistleblowing Channels.**
Our centralized Whistleblowing Tool enables employees and external individuals to report issues anonymously. In 2024 we will conduct an evaluation of incoming reports, putting emphasis on two crucial aspects: the number of reports and the specific type of (presumed) misconduct or irregularity. Based on this information, the company can identify emerging patterns or identify potential areas of concern, enabling to direct our priorities in policy developments, additional trainings, and/or further corrective measures.

3 **100% of employees signed Code of Ethics in 2024.**
In 2023, we reached an 66% employee endorsement of our Code of Ethics, signifying their acknowledgement and active support of our ethical values and principles. This accomplishment is a testimony of our shared commitment towards fostering a workplace culture grounded in integrity, transparency, and respect. Our primary objective is to elevate this acknowledgment to 100% employee endorsement of our Code of Ethics. We will also establish a structured process for all new employees, whereby the acknowledgment and endorsement of the Code of Ethics will be seamlessly integrated into our onboarding procedures, highlighting the paramount importance of ethical considerations from the very beginning of an employee's journey with us. Furthermore, acknowledging the dynamics of business ethics, we pledge to hold frequent training sessions on the Code of Ethics for all employees. These sessions will not only serve as refresher trainings to our workforce, but also as comprehensive introductions for new members, ensuring a collective understanding and embodiment of our ethical values.

Our business ethics indicators

66%
of employees signed Code of Ethics in 2023

1
At least one communication campaign on Business Ethics at Group level each year

Occupational Health & Safety

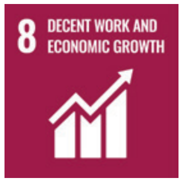
Health & Safety is crucial for safeguarding the well-being of our workforce and ultimately promoting operational efficiency and the long-term success of Cabka. We are committed to providing a safe and healthy work environment for all our people. Our health & safety policy is designed to minimize accidents and promote the health of our workforce.

Our Health & Safety Management System
The Cabka Health & Safety and Environmental Policies provide the overarching principles we strive for. We foster a safe and healthy working environment, through engagement with our employees and further integrating health and safety into our culture.

Safety, Health, Environment and Energy is embedded in Cabka's Management System (SHEE). The responsibilities and regulations defined within the framework of this system apply to all Cabka staff and external service providers who have an influence on the result of the SHEE management system. For the latter, this applies particularly to temporary workers contracted at Cabka production sites and third-party employees who provide on-site services. The SHEE management system is aligned with the requirements of the ISO standards 14001, 45001 and 50001.

Continuous improvement
As part of our continuous improvements, we have ensured to have first aid responders available at all sites and provide site visits from medical professionals to perform health checkups and interviews for people returning after long illnesses. We furthermore regularly report health & safety Group performances to Cabka's management team and are working with the local health & safety teams on developing specific targets for the coming years.

Creating awareness of possible health and safety risks and promoting of a safety-conscious behavior within our company is crucial. For this reason, regular trainings and continuous communication on the topic are provided to everyone at Cabka. All Cabka employees are introduced and trained on their tasks and are actively encouraged to participate in improving our SHEE management system. Training topics can include, for example, trainings on the use of different on-site vehicles or machinery, first aid trainings, or fire safety trainings. All employees are invited to address their inquiries as part of the internal suggestion system. Since 2023, the average amount of training hours per person is being tracked at each site and serves as an indicator for a successful SHEE



Management System. To be able to react appropriately to emergencies, possible dangers, accidents and emergency situations, and the associated environmental and occupational safety, effects are determined by the safety specialist and responsible persons. Besides specifically trained staff, Cabka also works with external consultants in those health & safety assessments.

At Cabka, we strive to limit accidents and incidents in our workplace, but we also acknowledge that the nature of our work and the materials we work with bring certain risks. On a monthly basis, the number and nature of health & safety incidents are reported to Cabka's Executive Committee, with serious accidents reported immediately. This reporting line ensures that appropriate measures are taken to prevent future accidents. During 2023, we have implemented additional safety measures, which includes extra safety barriers, improved lightning in areas with low visibility, high visibility clothing to all production staff, production lines were modified for increased safety, new access platforms were installed to machines and material support, and we reduced traffic near working zones in production areas by making adjustments to the use of forklifts. In addition, at our production site in Weira, Germany, an extra safety officer was hired, and a staff member followed a training course to become an occupational safety specialist.

Due to the raw materials we work with, fire safety has a high priority at Cabka's production sites. During 2023, an extensive fire hazard assessment was conducted at our largest production site in Weira, Germany, to identify any remaining fire risks which are not covered by existing prevention measures, whereby appropriate action can be taken to reduce these risks further. All Cabka employees receive regular trainings on the use of fire extinguishers and the correct behavior in the event of a fire. Information on fire safety measures, risk assessments, trainings, and maintenance activities are recorded to be able to respond effectively to the risk.

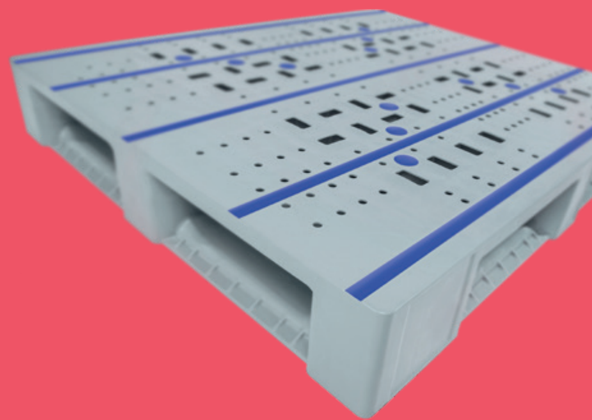
Site Certification and Effectiveness on Group Level
Following the integration of Cabka's site-specific SHEE management systems into a group system in 2022, global tracking of health & safety performance has been further optimized. Best-practice sharing and knowledge exchange between our sites are further increasing the effectiveness of the overall system. Our main European production sites and our Innovation Center hold the ISO 9001 certification, and our largest operational site in Weira, Germany additionally holds the ISO 50001, 45001, and 14001 certifications. Both the ISO 45001 and ISO 14001 certification contribute significantly to creating a safe, healthy, and sustainable working environment in which everyone involved benefits from the positive effects. We therefore are working on attaining the same certification in our other production sites in the coming years.

Site Certification on Group Level

ISO

Main operational sites are ISO 9001 certified

Our Weira site is also ISO 50001, ISO 45001, and ISO 14001 certified



Diversity and inclusion

Our society is characterized by diversity. We actively embrace diversity, by fostering a workforce which includes different genders, nationalities, cultures, social backgrounds, age, sexual orientations, as well as diverse physical and mental abilities. It allows us to navigate challenges with unique perspectives and make more resilient decisions. Innovation is driven by this diversity, and it serves as a catalyst for accelerated growth. By embracing a diverse environment, we do not only foster innovation but also attract and retain talents—an essential factor for ensuring future business success.

Aligning with Cabka's core vision and values, diversity and inclusion holds an integral place in our organizational ethos. Cabka recognizes that differences in skills, experience, background, nationality, age, race, gender, sexual orientation, religious beliefs, physical ability, and other characteristics of people are important and enable us to look at issues and to solve problems in different ways, to respond differently to challenges and to take more robust decisions. Cabka's commitment is rooted in providing equal opportunities for all employees, leveraging their unique differences to the fullest. Recognizing that diversity fuels creativity and innovation, we adopt a strategic and targeted approach to its promotion. For the coming years, we will continue to work towards our objective in ensuring that at least one-third of the Executive Committee and top management positions will be held by women.

Enhancing the Understanding of Cabka's Values and Diversity

By recognizing the importance of diversity and fostering an inspiring work environment, we also acknowledge the challenges associated with its practical implementation across different countries. In line with our decentralized People Management approach, each of our entities takes a tailored approach within its specific cultural context to address diversity and implementing Cabka's core values. This enables them to tackle challenges and design programs that resonate with the unique characteristics of the countries or regions where our employees operate.

To show what moves us as a company and that the people at Cabka make the difference, we ask employees to be ambassadors for Cabka. In 2023 we organized a global photo-shooting initiative featuring Cabka's people from all backgrounds and professions to reflect the diversity within Cabka. The result enables us to be more authentic in our presence as an employer.

Celebrating Cabka’s Diversity & Inclusion Milestones in 2023
One standout accomplishment in 2023 was the formation of a diverse Top Management, emphasizing our commitment to fostering a workforce that reflects a variety of perspectives and experiences.

In our pursuit of fairness and equity, we successfully established a global compensation structure. This achievement not only strengthens our commitment to fairness but also reinforces our dedication to providing an environment where every individual feels valued and appreciated.

While we had envisioned focusing people communication in 2023 on our people values and derived people charter, we shifted priority to communication activities around our Code of Ethics as the foundation of our ESG policy framework. As we have enlarged our whistleblower mechanisms with the implementation of a tool accompanied by trainings and inhouse communication, we focused on the promotion of the full set of principles and values to reach and address all levels of the organization. Another milestone is the successful rollout of a global recruiting system in 2023, accompanied by the standardization of Cabka’s recruiting process.

Recognizing the power of our team's network, we also implemented a global Employee Referral Program, encouraging our employees to actively participate in the growth and success of our organization by referring exceptional talent.

As we celebrate these achievements, we look forward to building on this momentum and continuing to evolve as an organization that values diversity, equity, and excellence in every aspect of our operations.

“Diversity drives innovation and accelerates growth, enabling us to attract and maintain the best talented people, which is key to future success”

Outlook 2024

We will be focusing on three key areas: attracting, developing, and retaining a diverse talent pool. These efforts are not only essential for ensuring equitable opportunities but also for driving innovation and long-term success.

1 **Attracting Diverse Talent.** Building upon the foundation laid by the implementation of the global recruiting system in 2023, we are determined to embed our Diversity & Inclusion ambition seamlessly throughout the recruitment process. This includes incorporating our message into all job advertisements, interviewing and onboarding processes, ensuring that prospective candidates are aware of our commitment to fostering an inclusive workplace environment from the outset.

2 **Developing Inclusive Practices.** In 2024, our focus will extend beyond recruitment to developing inclusive practices within Cabka. We plan to launch a comprehensive talent review process to identify and nurture diverse talent for critical roles within the organization. Additionally, we will conduct engagement surveys to understand the overall satisfaction and inclusivity of our workplace environment. These initiatives will ensure that we not only have a diverse talent pool but also understand the engagement levels within our organization.

3 **Retaining Diverse Talent.** Retention of diverse talent remains a top priority for Cabka. In the upcoming year, our communication activities will prioritize our company values, with one of them being respect. The concept of respect embedded in our values underscores our commitment to fostering an environment free from discrimination. Through these workshops, we aim to reinforce the importance of treating all individuals with dignity and respect, irrespective of their background or identity.

As we move forward into 2024, Cabka remains steadfast in its commitment to Diversity and Inclusion. By focusing on attracting, developing, and retaining a diverse talent pool, we not only enrich our organizational culture but also strengthen our competitive advantage in an increasingly diverse global marketplace.

Our Diversity performance in 2023

% OF FEMALES	2023	2022
Supervisory board	33%	33%
C-Suite, Top-Management & Management level	24%	(not recorded)
Overall Cabka employees	16%	17%

In Cabka's Whistleblowing Channel, non-compliance with our diversity and inclusion principles can be reported. No incidents were reported in 2023.

Our Diversity performance in 2023

33%
Percentage of female in supervisory board

16%
Percentage of female across the organization

24%
Percentage of female in C-Suite, Top-Management & Management level

Creating a sustainable supply chain

In an increasingly dynamic supply chain, guaranteeing stable quality and pricing of our products can only be achieved when materials, goods, and services are procured in a sustainable manner. Collaborating with our suppliers allows us to establish a more sustainable supply chain which plays a crucial role in managing costs and mitigating risks effectively in our operations, whilst exploring new economic opportunities, and enhancing the value of Cabka.

Core principles for our suppliers
Cabka established its supplier Code of Conduct in 2020. This code sets environmental and social principles, such as the rejection of forced labor and human trafficking, the prohibition of child labor, fair compensation for workers, adherence to standardized working hours, the promotion of freedom of association, prioritizing health, and fostering a safe working environment. Environmental responsibility is emphasized, including measures to prevent pollution, minimize waste, and abstain from using hazardous substances.

Our progress with our partners in 2023
In 2023, Cabka further defined its environmental and social procurement framework and launched our comprehensive sustainability assessment to all our continuous raw material suppliers. This endeavor aims to enhance our insight into their environmental, social, and governance practices and serves as foundation for improving sustainability in our own supply chain. We have requested suppliers to provide details on these crucial aspects by completing a questionnaire, which we first introduced in 2022. The questionnaire includes Cabka's Suppliers Code of Conduct, and we expect all our suppliers to endorse or formally acknowledge the Code. This joint effort will enable us to foster greater transparency and accountability within our raw material supply chain.
To further drive sustainability in Cabka's supply chain, a Global Evaluation Matrix was developed in 2023. The matrix combines considerations of quality, price, and sustainability and stands as a pivotal advancement in our supplier assessment strategy, as it enables us to evaluate suppliers based on their overall performance. The matrix will help Cabka's procurement departments to better include environmental and social criteria into procurement decisions. With all sites and numerous functions of Cabka involved, the matrix needs to be set onto a global platform and thus its implementation will continue in 2024.

Sustainable Sourcing
In August 2023, Cabka introduced its Sustainable Procurement Policy. This policy outlines our sustainable procurement priorities, describes the commitments

that will steer us toward achieving these objectives and defines the roles and responsibilities within Cabka to ensure progress towards a more sustainable supply chain. This strategic framework underscores our dedication to responsible and sustainable procurement practices. Upon the rollout of Cabka's Sustainable Procurement Policy, a comprehensive training session was organized for members of the procurement team across all Cabka locations. The training served as an introduction to the new Sustainable Procurement Policy and to educate the team on the principles of sustainable procurement, as well as providing insights into our ongoing progress in supplier evaluation. Through this initiative, we aim to equip our procurement team with the knowledge and tools necessary to drive sustainable procurement practices throughout the organization.

Our sustainable procurement targets:

- 100% of continuous resin suppliers assessed on ESG criteria in 2024
- 100% of continuous resin suppliers aligned with Cabka Supplier Code of Conduct in 2025

Our 2023 sustainable procurement performance:

	2023	2022
Purchased resin volume coming from continuous suppliers assessed on ESG criteria	54%	35%
Purchased resin volume coming from continuous suppliers which are aligned with Cabka's Suppliers Code of Conduct	38%	35%

Our Actions in 2024

In 2023, we have worked with numerous new suppliers and are including them in our ESG assessment alignment and project. We increased the number of raw material suppliers eligible for our ESG assessment and we will prioritize on aligning these suppliers with Cabka's Code of Conduct (CoC) in 2024.

In the second quarter of 2024, we will initiate on-site audits of our raw material suppliers. These audits will commence with suppliers who have received lower ratings, particularly in the sustainability category. Our primary objective is to collaborate closely with these suppliers to enhance their sustainability performance and align it with our standards.

We are also planning to further extend our evaluation efforts to suppliers of other materials besides raw materials. Drawing from the valuable experiences gained through the evaluation of our raw material suppliers, we are now well-equipped to expand our assessment to different supplier types. While raw material makes up most of the resource inflow at Cabka, this broader evaluation initiative is instrumental in our overarching goal to assess sustainability throughout our entire supply chain.

Cabka

54%

of purchased resin volume coming from continuous suppliers assessed on ESG criteria

38 %

of continuous raw material suppliers aligned with Cabka Supplier Code of Conduct in 2023

Connecting through memberships and partnerships

Cabka is an active member in European and US industry associations. We consider that collaboration in these organizations connects, allows exchange with other players, and contributes to the growth, success, and sustainability of our business and the industries we are active in.

Most of the associations Cabka is active in, are particularly focused on environmental topics. Collaboration is key when improving the sustainability performance of a sector. We have thus further intensified our work with industry networks.

As a member of the Polyolefin Circular Economy Platform (PCEP), Cabka supports and contributes to the platform's pledge to increase the reuse and recycling of polyolefin-based products and the use of recyclates as raw material.

In 2023, we also joined the Circular Plastic Alliance. The Circular Plastics Alliance is an initiative under the European Strategy for Plastics. The Alliance was launched to boost the EU market for recycled plastics. Aim is to achieve 10 million tons of recycled plastics by 2025.

Furthermore, Cabka joined the United Nation's Global Compact (UNGC) in 2023, a global corporate social responsibility and corporate sustainability initiative aiming to support business worldwide to adopt sustainability and social responsibility policies and report their implementation. Cabka supports the 10 principles of the UNGC and will start reporting annual communication on progress in regard to ESG policy implementation in 2024.

In the US, Cabka is a long-term member of the Reusable Packaging Association, an organization driving innovation in and performance of reusable packaging systems. We regularly participate in events to promote circular economy concepts and sustainable practices. In June 2023, on the occasion of the reopening of our St. Louis plant, we organized a panel discussion with RPA and companies in the plastic value chain to discuss the critical importance of ESG in today's business landscape.

Numerous other events with the participation of Cabka' s Innovation Team testify to our strong motivation for exchange and constant further development, among these:

- Our innovation center collaborates with several research institutes and platforms. Currently Cabka supports with its knowledge, test capacity, and engineering expertise European projects looking at increasing the share of recycled material in specific industrial packaging applications and validating performance of packaging solutions in advanced and novel production platform concepts.

- Cabka is a partner of INCREACE, a project funded by the European Health and Digital Executive Agency (HADEA) of the European Commission under the Horizon Europe Cluster 4 program. The project aims at increasing the uptake of recycled plastics in various products through innovative and interdisciplinary solutions along the plastics recycling value chain embedded in a systemic framework with a focus on Electronic and Electric Equipment. Increasing the share of recycled plastics in new products is a central aspect of the European Strategy for Plastics, adopted by the European Commission in 2018 as a part of the first Circular Economy Action Plan (2015).

In 2023, Cabka took part in several sustainability ratings in regard to climate action, circular economy, as well as ESG in general. Our performance assessment gives us valuable insight into where Cabka stands in the process to become more and more sustainable, how we compare to our peers and other industries, and presents potential improvement areas for the future.

CIRCULAR PLASTICS ALLIANCE

PCEP POLYOLEFIN Circular Economy Platform

REUSABLE PACKAGING ASSOCIATION

United Nations Global Compact

CDP DISCLOSURE INSIGHT ACTION

CIRCULYTICS

GOLD 2023 ecovadis Sustainability Rating

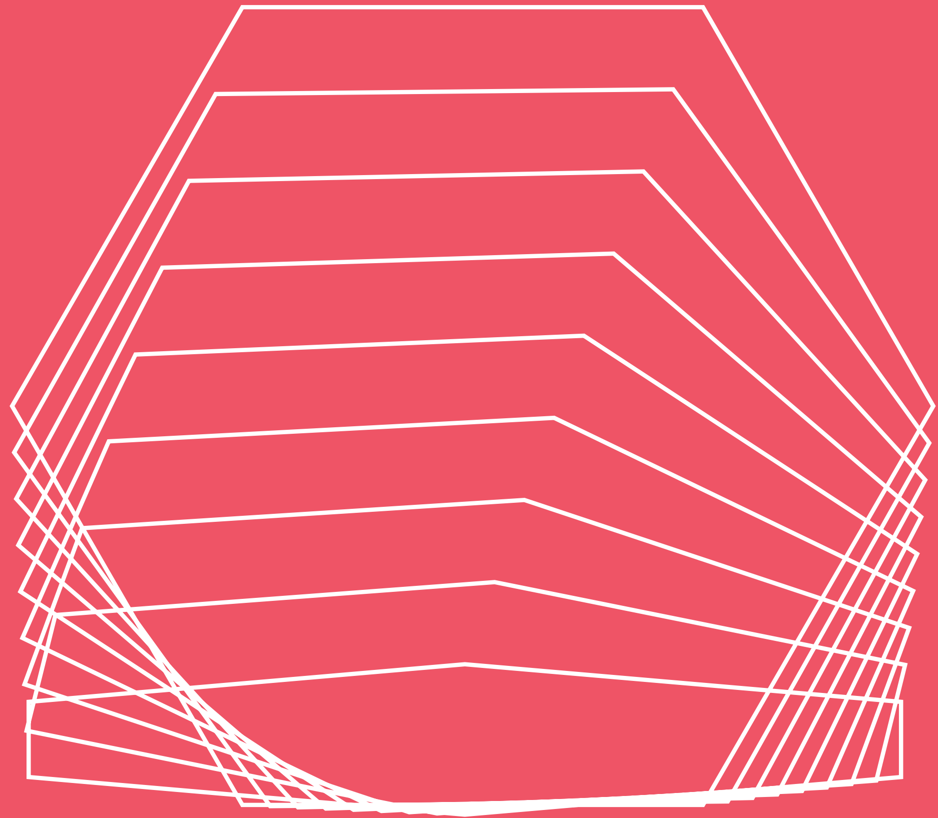
ESG KPI Definitions

Chapter	KPI	Unit	KPI Definition
Working towards a positive climate impact	Total energy consumption*	MWh	Total electricity and fuel consumption at all entities under financial control of Cabka
	Share of renewable energy	%	Share of energy from renewable sources of the total amount of energy consumed
	Scope 1 emissions*	t CO_2eq	All direct emissions from stationary and mobile combustion at financially controlled Cabka sites
	Market-based Scope 2 emissions*	t CO_2eq	Electricity contract-based emissions of all Cabka entities (financial control)
	Location-based Scope 2 emissions*	t CO_2eq	Emissions based on the electricity mix that is available at the location of each Cabka site
	Scope 3 emissions	t CO_2eq	Emissions of all 15 S3 categories
	Avoided emissions from products & services	t CO_2eq	Emissions avoided through diversion of plastic waste from incineration and use of secondary plastic material
Keeping plastics in the loop	Resource inflow - overall total weight of products and materials used	t	Total raw material, products, and packaging received in the reporting year for recycling and production activities
	Raw material inflow*	t	Total inflow of raw material purchased for the recycling and production activities of Cabka
	Products & packaging inflow	t	Total inflow of packaging, semi-finished parts, and products used for the production of Cabka's products
	Share of recycled resources	t & %	Share of recycled raw material, and products & packaging made from recycled materials
	Share of recycled raw material*	t & %	Share of recycled raw material from total raw material inflow
	Share of recycled products and packaging	t & %	Share of products and packaging from total inflow made from recycled materials
	Water consumption	m^3	Total water consumption of all manufacturing sites and the Innovation Center of Cabka

Chapter	KPI	Unit	KPI Definition
Innovation in our DNA	CapEx invested into innovation	€	Capital expenditure into new moulds and machines for production
	Share of operating expenses into R&D	%	R&D share of operating expenses
	Innovation Sales	%	Share of revenues derived from sales of innovative products
Business Ethics	Share of employees who signed Cabka's CoE	%	Number of employees who signed Code of Ethics divided by total headcount
	Number of whistleblower reports	#	Number of reports made to Cabka Whistleblower channel
Diversity and Inclusion	Share of females in SB	%	Number of female SB members divided by the total number of SB members
	Share of females in top management	%	Number of females reporting directly, or part of C-Suite divided by total number of members of top management
	Share of females in entire organisation	%	Number of female employees divided by total headcount
Creating a sustainable supply chain	Share of purchased resin volume from continuous suppliers assessed on ESG criteria	%	Share of raw material purchased from suppliers who have supplied to Cabka for at least two of the last three year and have been assessed on ESG criteria as part of Cabka's supplier ESG assessment
	Share of purchased resin volume from continuous suppliers aligned with our supplier CoC	%	Share of raw material purchased from suppliers who have supplied to Cabka for at least two of the last three year and have signed our Supplier CoC or have their own CoC that is in line with Cabka's

04

Corporate governance

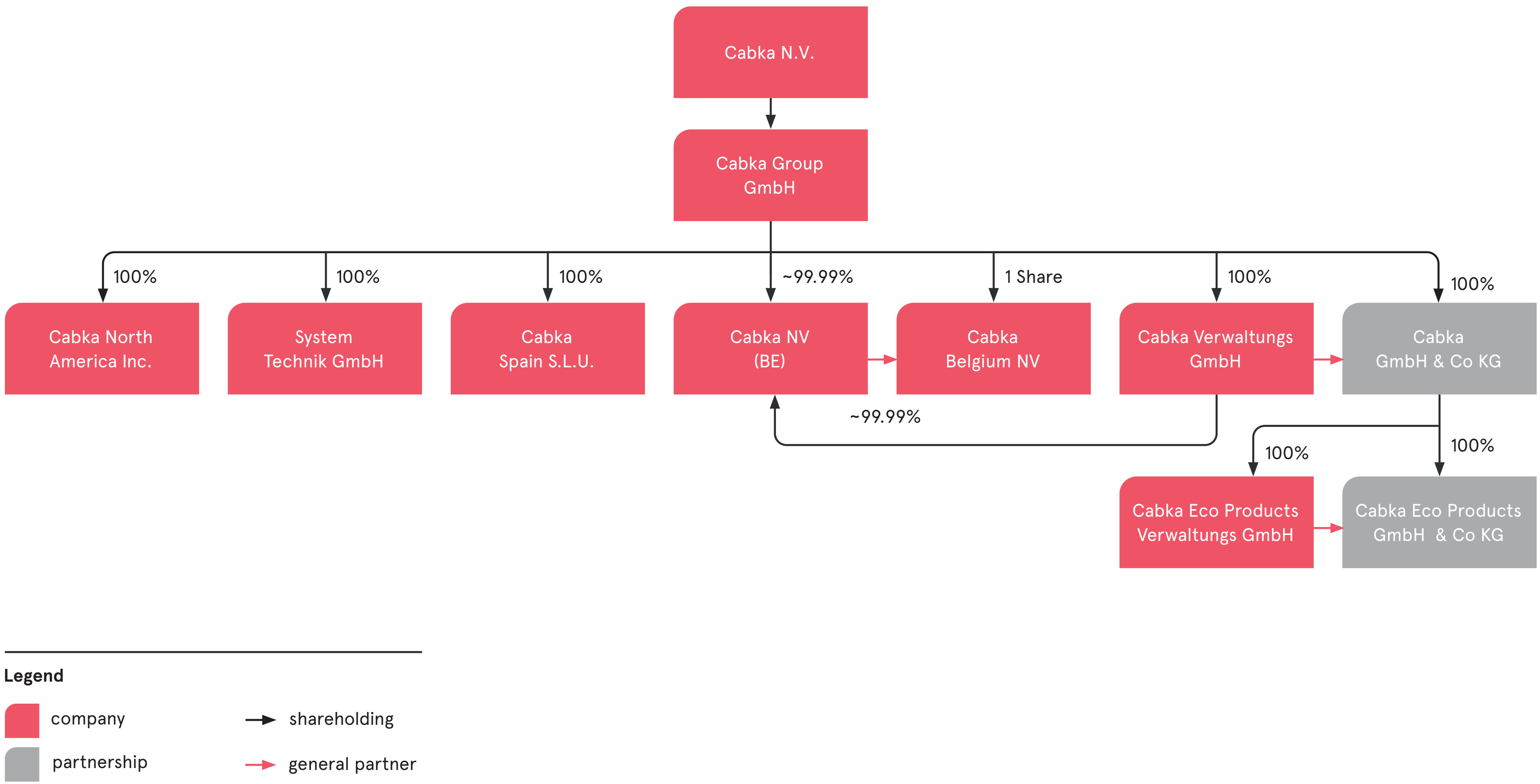


Strength to grow

Manuel Beja: 'In 2023 we continued to do what we are good at for the circular economy. Even, or especially, in this unstable world where we are facing a sluggish economy in our largest markets.
Niek Hoek: 'We answered to these challenges with innovation and excellence, both in bespoke projects for specific clients and in portfolio solutions. We rebuilt our internal production capabilities in the US, improving from the base before the 2022 flooding, and expanded our team, in particular commercial.'
Manuel Beja: 'In our first full fiscal year as a listed company we invested in finding equilibria. The Supervisory Board sought to reconcile the aspirations of all stakeholders: customers, employees, shareholders and partners. Cabka renovated and expanded its management team, with new appointments, both internal and external. Our Executive Committee is now renewed, leaner, stronger and more diverse. We worked together with the Management Board in growth opportunities, both organic and inorganic.
Niek Hoek: 'In this way the Supervisory Board continued to create the necessary conditions for the Executive Committee to focus on its purpose: to expand Cabka's role as an innovative and key player in the circular economy, cultivating the trust of our customers and the pride and sense of belonging of our teams.'
Manuel Beja: 'About 2,600 years ago the legendary Greek poet Sappho wrote these words: You may forget but let me tell you this: someone in some future time will think of us. Obviously, she did not do that with the circular economy in mind. But I am sure that future generations will look back at decisions that have been made in our days, and what these decisions have brought about for them, our children and grandchildren. I am well aware that someone in some future time will think of us.'
Niek Hoek: 'This awareness is key. It is up to us to use our expertise and determination to navigate Cabka through sometimes turbulant waves towards a future where circularity becomes the new, profitable normal.'

Manuel Beja
chairperson Cabka Supervisory Board

***Manuel Beja** was Chairperson of the Supervisory Board at CABKA N.V.. On February 19, 2024 he was succeeded by **Niek Hoek**. Together they look back on 2023 – and ahead.*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100%
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Cabka Spain S.L.U.
Cabka NV (BE)
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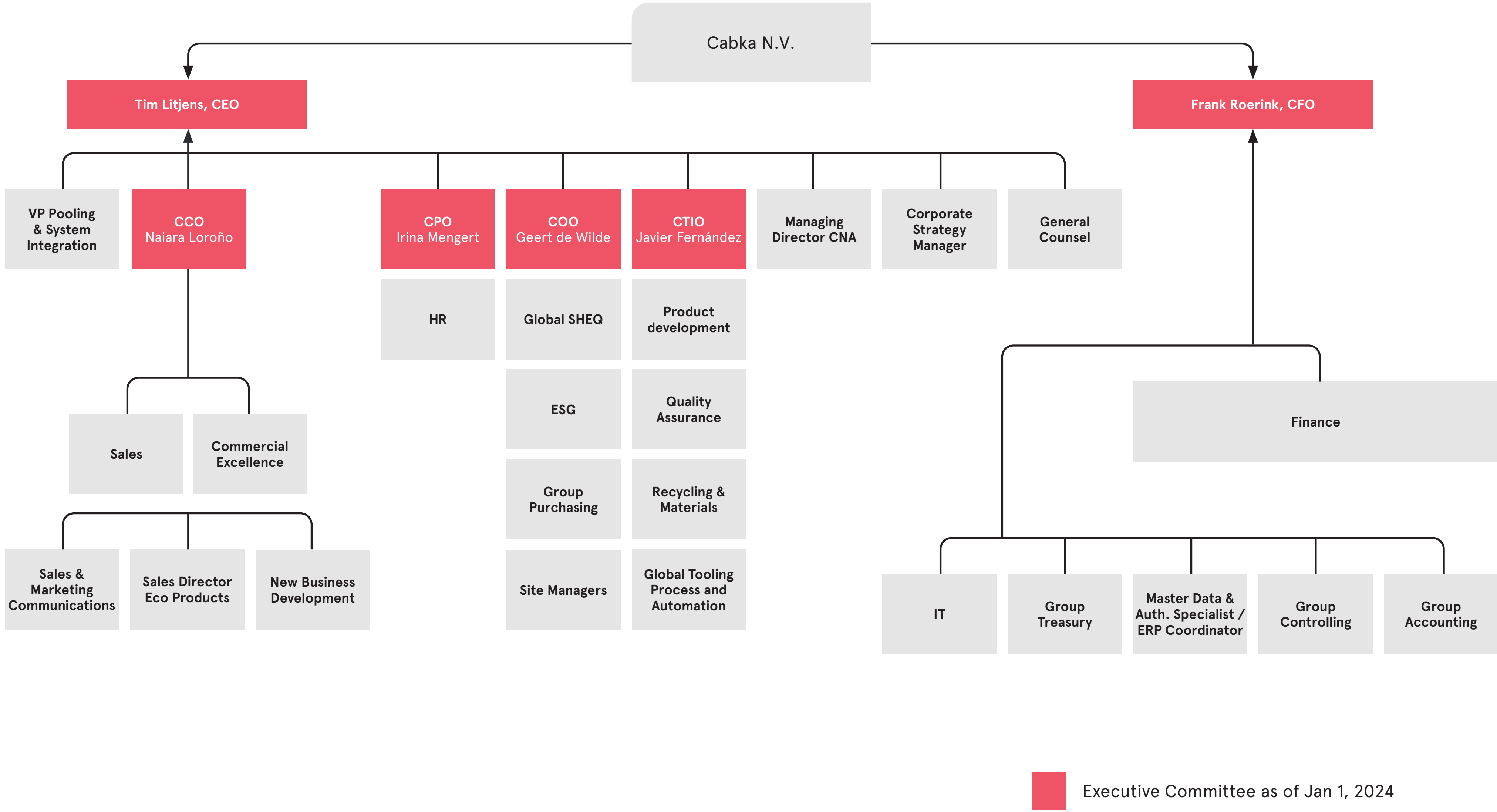

Cabka N.V.
Tim Litjens, CEO
Frank Roerink, CFO
VP Pooling & System Integration
CCO Naiara Loroño
CPO Irina Mengert
COO Geert de Wilde
CTIO Javier Fernández
Managing Director CNA
Corporate Strategy Manager
General Counsel
HR
Global SHEQ
Product development
ESG
Quality Assurance
Group Purchasing
Recycling & Materials
Site Managers
Global Tooling Process and Automation
Sales
Commercial Excellence
Sales & Marketing Communications
Sales Director Eco Products
New Business Development
Finance
IT
Group Treasury
Master Data & Auth. Specialist / ERP Coordinator
Group Controlling
Group Accounting
Executive Committee as of Jan 1, 2024

Supervisory Board Report

This report provides further information on the way the Supervisory Board performed its duties in 2023. These include supervising the policy pursued by the Management Board, the Management Board's performance of its managerial duties, and the general course of affairs within our company and the business connected with it, as well as assisting the Management Board with advice, either upon request or proactively. Finally, these duties also include assessing the Management Board's performance and ensuring that their remuneration is in line with that performance and that it provides the appropriate incentives. The Supervisory Board has also been responsible for ensuring that the checks and balances that are part of the Dutch two-tier governance system are considered.

The responsibility of supervising the policy pursued by the Management Board includes evaluating the way the Management Board implements Cabka's strategy for long-term value creation and promotes conduct and culture.

Composition of the Supervisory Board[7]

The composition of Cabka's Supervisory Board is diverse in gender, nationality, background, knowledge, experience and expertise. As detailed in Promoting Diversity, Equality and Inclusion section and in line with Cabka's Diversity Policy, Cabka strives to foster an inclusive and diverse environment characterised by an open and inspirational culture. This commitment extends to the composition of the Supervisory Board, which actively promotes diversity across various dimensions, including age, gender, nationality, industry experience, background, skills, knowledge and perspectives. In 2023, women accounted for 33% of Cabka's Supervisory Board, in accordance with both our internal target and the Dutch legislative requirement of at least 33% male or female Supervisory Board members to ensure gender balance.

Three members are Dutch, two Israeli, and one Portuguese. The Board's current members are Manuel Beja (Chair until February 18, 2024), Niek Hoek (Chair since February 19, 2024), Gat Ramon, Jeanine Holscher, Stephan Nanninga, and Tova Posner Henkin. For detailed information on their backgrounds, please refer to the company website.

Following best practice 2.1.10 of the Dutch Corporate Governance Code, the Supervisory Board establishes that its members are able to act critically and independently of one another, the Management Board, and any particular interests involved. To safeguard this, the Supervisory Board is composed in such a way that all its members are independent in the meaning of best practice 2.1.8 of the Dutch Corporate Governance Code. Cabka has made an exception to this best practice as its main shareholder Gat Ramon is represented on the Supervisory Board. Niek Hoek and Stephan Nanninga do not represent the shareholders of the former Dutch Star Companies TWO B.V. anymore. All the former Dutch Star Companies TWO B.V. shareholders hold their shares directly including full voting rights having no restrictions. As a result, five members of the Supervisory Board, Manual Beja, Jeanine Holscher, Tova Posner Henkin, Niek Hoek and Stephan Nanninga are fully independent and one, Gat Ramon, represents the major shareholder.

[7] All information on the Supervisory Board can be found in the investor section of the company website www.investors.cabka.com

The profile of the Supervisory Board is reflected in its regulations, which are published on the company website under `Corporate Governance'. The Supervisory Board has three committees to cover key areas in greater detail: Audit, Remuneration (of both the Supervisory Board and Management Board), and Nominations (to the Supervisory Board and Management Board), the latter operate combined. Information on these committees is given elsewhere in this section. The By-laws of the committees are published on the company website under `Corporate Governance'.

Cabka Supervisory Board key data and attendance records	MANUEL BEJA	NIEK HOEK	GAT RAMON	JEANINE HOLSCHER	STEPHAN NANNINGA	TOVA POSNER-HENKIN
Diversity						
Year of Birth	1972	1956	1953	1965	1957	1947
Gender	male	male	male	female	male	female
Nationality	Portuguese	Dutch	Israeli	Dutch	Dutch	Israeli
Current positions	Professional Women Network Lisbon, Mentoring Program: mentor and member of the advisory board; coordinator of the technical team, pro bono	Founder DSC2 & Brandaris Capital, Chairman Supervisory Boards of Van Oord and Anthony Veder N.V. (Netherlands Antilles); member Supervisory Board BESI N.V.; member of the foundation Pref. shares NEDAP	Major shareholder and advisor to Cabka	CEO of Blokker B.V. and COO of Mirage Retail Group B.V.; Supervisory Board member of Espria, and chairperson of the Supervisory Board of the Foundation Dutch Order of Professional Coaches	Founder DSC2; member of the Supervisory Board of CM.com, Bunzl Plc and IMCD N.V.	Chairperson of the Board of Directors of Plasson Ltd.; Non-executive board member OSG – Oran Safety Glass Ltd.; Biobee Ltd. and Nirotek; advisory board member Starplast Industries
Past positions	Several executive positions at Novabase (1997 - 2018), in Portugal and Brazil, chairperson of the board of directors of TAP Air Portugal (2021-2023)	CEO (2001-2014) and CFO (1997-2001) Delta Lloyd N.V.; Executive functions at Royal Dutch Shell	Founder of Cabka in 1994. Since its establishment and until listing, he served as Managing Director/ President of Cabka. Investor in start-ups with a focus on innovative technologies such as energy, mobility, and smart living	Senior management functions at various companies, such as Amsterdam RAI, HEMA and Macintosh Fashion NL (1998-2018)	Executive functions at various companies, including Intergamma, Technische Unie, CRH and Royal Dutch Shell in the Netherlands and abroad. Board member SHV Holdings N.V. (2007-2016) from 2014 as CEO	CEO of Plasson Industries Ltd. (2007 to 2013); several executive positions in India, Brazil, France and the U.S.

Number of SB positions in Dutch listed entities	1	3	1	1	3	1
Tenure						
Initial appointment	2022	2022	2022	2022	2022	2022
End of current term[8]	2026	2026	2026	2026	2026	2026
Reappointment possible	Yes	Yes	Yes	Yes	Yes	Yes
Roles						
Role - SB	Chair	Vice-Chair	Vice-Chair	Member	Member	Member
Role - Audit Ctee	Member	Member	Member	Member	n.a.	Chair
Role - Rem. and Nomination Ctee	Member	n.a.	Member	Chair	Member	n.a.
ATTENDANCE						
Attendance – SB	100%	100%	67%	92%	92%	100%
Attendance – AC	100%	100%	40%	60%	n.a.	100%
Attendance – RNC	100%	n.a.	50%	100%	100%	n.a.

[8] The retirement schedule for the Supervisory Board can be found in the Articles of Association for the Supervisory Board in the investor section of the company website www.investors.cabka.com

Supervisory Board meetings
In 2023, the Supervisory Board had five main meetings: two online meetings and three face-to-face meetings. The face-to-face meetings took place in Spain, The Netherlands, and Germany. The Supervisory Board meetings in Spain and Germany were combined with site visits.

Site visits
Site visits are essential for a Supervisory Board member in order to get familiar with the company and its operations. We continued our approach by investing time in two site visits in 2023. This fosters interaction with employees across different areas of the company and provides Supervisory Board members with opportunities for continuing education.

The first site visit of 2023 took place in Valencia (Spain) where the local management offered a tour in and around the innovation center and lab. The second site visit was in Berlin (Germany), Cabka's corporate office, where key departments on group level are located: legal, people and culture, purchase, controlling, IT and ESG. During the site visit in Valencia the members of the Supervisory Board were able to receive a full picture of Cabka's product development and material testing process. In Berlin, the Supervisory board members received an overview of the key departments on group and their interactions with the other Cabka entities.

Employees and Supervisory Board members were able to discuss and exchange information in a positive and transparent atmosphere. The Supervisory Board shared its impressions with one another and with the Management Board members who also participated in the two site visits.

Information gathering
Monthly updates with the Management Board were held online, where the Management Board informed the Supervisory Board members about the monthly financials and discussed the progress of the business. The Supervisory Board also held online meetings to discuss and approve the first half-year results of 2023. There were also online meetings in 2023 for which the decision-making had been mandated by the Supervisory Board to the Chair of the Supervisory Board and the Chair of the Audit Committee, who both attended these calls.

All Supervisory Board meetings were held in the presence of the Management Board. In addition, the Supervisory Board also convened in the absence of the Management Board, which usually happens either before or after a meeting. The chair of the Supervisory Board is in regular close contact with the CEO, as is the chair of the Audit Committee with the CFO.

Meetings attendance of the Supervisory Board and the Committees can be found in the table on the previous page.

Main items discussed by the Supervisory Board in 2023
The Supervisory Board performed its duties of supervising and advising the Management Board with respect to both recurring standard agenda items for Supervisory Board meetings and to specific topics relevant at any given point in time. Besides the recurring standard agenda items the following main items were on the agenda.

- *Strategy*
In 2023 the Management Board prepared an encompassing Top Priorities Plan, to structure and align all global and local projects with the vision, mission and strategy of the company. Three strategic pillars, built around Cabka's competitive advantages, form the foundation. For each strategic pillar clear actions were defined to drive the strategy execution agenda. The Supervisory Board was updated every meeting of the progress achieved.

- *People and organizational*
Based on advice and recommendations of the combined Nomination and Remuneration committee, the Supervisory Board provided active support to the Management Board in recruiting and building the crucial management positions below Management Board level, to form the executive committee.

The combined Nomination and Remuneration committee followed by the Supervisory Board discussed the pressure and function weight for the CFO in a listed environment, combined with the role in the Management Board. It was decided to nominate the interim CFO of Cabka N.V. Frank Roerink as a statutory director and CFO, which was fully supported by the AGM on June 8, 2023.

The second key decision was to the simplified set up a new Executive Committee as of January 1, 2024 consisting of six C-Suite roles. Apart from the CEO, CFO and COO, the committee approved the following appointments: Mr. Javier Fernandez as the new Chief Technology and Innovation Officer. Mrs. Naiara Lorono as the new Chief Commercial Officer and Mrs. Irina Mengert succeeding Mr. Wouter van der Woerd as the Chief People Officer.

With effect of February 19, 2024 the Supervisory Board appointed Mr. Niek Hoek as chairman of the Supervisory Board. The appointment was supported by the full board, as part of a rotation following the midterm internal review. Mr. Manuel Beja will continue as vice chairperson of the Supervisory Board.

- *ESG*
The Supervisory Board is fully committed to the ESG Strategy Project developed by the Management Board. The project was on the agenda of several meetings in 2023. ESG KPIs were established and reporting and governance structure discussed. The ESG policy and reporting for 2023 are incorporated in this annual report.

- *Governance*
Management Board and Supervisory Board had a chance to work together in this composition for a full year. This helped to know each member better and act within the dynamics of countervailing powers. At times challenging discussion were held, but the common purpose which is to create a successful and enjoyable work atmosphere, was never lost out of mind. The Supervisory Board invested significant time to develop solid processes and procedures to support and challenge the Management Board. The check and balances between the Supervisory

and Management Board were compliant to the structure of a two-tier board with Tim Litjens as CEO and Frank Roerink as CFO.

Governance framework

The following figure depicts Cabka's overall governance framework and the most important governance elements and regulations at each level.

Shareholders	Articles of Association Relationship Agreement
Supervisory Board	Supervisory Board Rules Terms of Reference Audit committee Terms of Reference Nomination and Remuneration committee
Management Board	Management Board Rules
Cabka Group overall	Code of Ethics Insider Trading Policy Diversity Policy Environmental Policy Human Rights Policy Health and Safety Policy Whistleblowing Policy Related Party Transaction Policy Disclosure committee

- *Relationship and stakeholder management*

In performing its duties, the Supervisory Board acts in accordance with the interests of the company and the business connected with it, taking into consideration the interests of all company's stakeholders. The Supervisory Board interacts not only with the management but also with Cabka's employees on various occasions and in various contexts, for example at site visits or as part of the ongoing professional education of Supervisory Board members. Direct, one-to-one contact between Supervisory Board members and Management Board and senior management generally follows naturally from topics discussed in the meetings of the Supervisory Board. These discussions draw on the expertise of individual Supervisory Board members, whose advice is sought on a wide range of specialist topics as required.

- *Evaluation*

A second evaluation of the Supervisory Board took place at the beginning of 2024. In general, an evaluation will be performed every three years by an external advisor. In 2023, the evaluation of the Supervisory Board was performed by a self-assessment consisting of a written survey. The outcome of the evaluation was presented to, and discussed within the Supervisory Board in February 2024. The Management Board's performance is (in-) directly assessed as part of the evaluation and throughout the year as part of the discussions on succession planning in the Nomination and Remuneration Committee. This applies particularly when the performance appraisals of Management Board members are discussed, as well as

their performance versus their individual targets. The Nomination and Remuneration Committee reports back on these discussions to the Supervisory Board.

Supervisory board committees
The Supervisory Board has preparatory committees to cover key areas in more detail: the Audit committee and the combined Nomination and Remuneration committee. These committees are described in more detail below.

Nominations and remuneration committee
The Nomination and Remuneration Committee is a combined standing committee of the Supervisory Board and comprises Supervisory Board members Jeanine Holscher (Chair), Manuel Beja, Gat Ramon and Stephan Nanninga. Other Supervisory Board members have a standing invitation to attend the committee meetings.

The Nomination and Remuneration committee met four times in 2023. The CFO and the Chief People Officer were invited to attend the Committee's discussions on a caseby-case basis. The recommendations and minutes of all Nomination and Remuneration Committee meetings were shared with the Supervisory Board. This feedback included advice and recommendations regarding topics to be approved by the Supervisory Board. The Supervisory Board also has access to all the meeting materials posted for the Nomination and Remuneration Committee meetings.

In 2023, discussions in the Nomination and Remuneration committee focused on establishing a new Executive Committee. Also on the committee agenda were remuneration policy, performance and the related remuneration of the members of the Management Board, in respect of both company and individual performance in 2023. The Nomination and Remuneration committee prepared the Supervisory Board to nominate the interim CFO of Cabka N.V. Frank Roerink as a statutory director and CFO which was approved by the AGM on June 8, 2023.

The full Terms of Reference of the Nomination and Remuneration committee can be found on the company website under Corporate Governance.

General meeting of shareholders
The General Meeting of Shareholders, which is held annually and normally at the end of May. Shareholders physically can attend the meeting, ask questions and vote in person. Voting results are made available on our website immediately after the meeting. Within three months of the meeting, the draft minutes of the meeting are made available on our website for comments for a period of three months, after which the report is adopted by the Chair of the Supervisory Board and the Company Secretary. The definitive minutes are published on our website.

Important matters that require the approval of the General Meeting of Shareholders are:
- Adoption of the annual accounts;
- Adoption of profit appropriation and dividend allocation;
- Significant changes to the company's corporate governance;
- Appointment, suspension, or dismissal of the members of the Management Board and the Supervisory Board;
- Remuneration policy of the Management Board and the Supervisory Board;
- Remuneration report of the Management Board and the Supervisory Board;
- Discharge from liability of the members of the Management Board for the exercise of their duties;
- Discharge from liability of the members of the Supervisory Board for the exercise of their duties;
- Appointment of the external auditor;
- Authorization to issue or purchase shares in Cabka's capital, and the cancellation of repurchased shares;
- Designation of the management board, subject to approval of the supervisory board, as the competent body to restrict or exclude pre-emptive rights upon issuance of ordinary shares;
- Adoption of amendments to the articles of association.

Further details about the proposals that the Management Board or the Supervisory Board can submit to the meeting and the procedure according to which shareholders themselves can submit matters for consideration by the meeting are specified in the company's articles of association which can be found on our website.

Share Capital and Voting Rights
At the end of 2023, the number of issued and outstanding ordinary shares amounted to 24,710,600. The ordinary shares issued and outstanding have equal voting rights (one share equals one vote).

Dutch Corporate Governance Code

The Dutch Corporate Governance Code, as amended, entered into force on, and applies to any financial year starting on or after, January 1, 2017, and finds its statutory basis in Book 2 of the Dutch Civil Code (the Dutch Corporate Governance Code). The Dutch Corporate Governance Code applies to Cabka as it has its registered office in the Netherlands and its Ordinary Shares are listed on Euronext Amsterdam.

The Dutch Corporate Governance Code is based on a "comply or explain" principle. Accordingly, companies are required to disclose in their management report whether they are complying with the various best practice principles of the Dutch Corporate Governance Code that are addressed to the Management Board (bestuur) or, if applicable, the Supervisory Board (raad van commissarissen) of the company. If a company deviates from a best practice principle in the Dutch Corporate Governance Code, the reason for such deviation must be properly explained in its management report.

Cabka does not comply with the following principle of the Dutch Corporate Governance Code:

Best Practice Provision 2.1.7:
Independency of the Supervisory Board
In deviation from provision 2.1.7(ii) of the Dutch Corporate Governance Code, which outlines that more than half of the Supervisory Directors shall be independent within the meaning of the Dutch Corporate Governance Code, only three of the six Supervisory Directors are considered independent.

Best Practice Provision 4.3.3: Cancelling the Binding Nature of a Nomination
In deviation from provision 4.3.3 of the Dutch Corporate Governance Code, the General Meeting may only pass a resolution to cancel the binding nature of the nomination by the Supervisory Board for the appointment of Managing Directors and Supervisory Directors by majority representing at least two-thirds of the votes cast, representing more than one half of the issued capital of the Company.

Remuneration Report of Cabka N.V.

This report explains how the remuneration policy has been put into practice over the financial year 2023 by Cabka N.V. ("**Company**"), and it details the remuneration which has been paid to or accrued by the individual members of the Management Board and Supervisory Board. Members of the Management Board and Supervisory Board are considered key group staff members. The full remuneration policy can be found in the remuneration page of the Cabka investor website (www.investors.cabka.com).

This Remuneration Report is prepared in accordance with the relevant parts of Section 135, Book 2 of the Dutch Civil Code, in line with the EU guidelines based on the EU Shareholders' Rights Directive. The remuneration is furthermore determined in accordance with the remuneration policy adopted at the Annual General Meeting and effective as per 8 June 2023.

Introduction and Composition of the remuneration policy
Cabka's remuneration policy aligns with the company's long-term development and strategy, taking into account the company's vision, mission and values. The Remuneration Policy aims to motivate and retain highly qualified individuals, with a reward structure that is set on the basis of achieving a balance between short-term and long-term objectives, whilst promoting behavior geared towards long-term value creation for all stakeholders. As such, we have defined guiding principles that ensure that our remuneration policy and approach to remuneration sufficiently reflect these objectives.

Cabka places sustainability at the core of its strategy. The company's sustainability objectives are increasingly being integrated into its remuneration structure both in short-term and long-term.

The last update of the remuneration policy was adopted by the General Meeting and became effective as per 8 June 2023. The following table details the key changes applied to the Remuneration policy compared the previously adopted policy:

Management Board remuneration

KEY CHANGES	2022 POLICY	2023 POLICY	RATIONALE
Introduction of a Short-Term Incentive Plan	This policy did not include a short-term incentive for the Managing Directors.	A short-term plan for the CFO and CEO was introduced: - one monthly salary, subject to the company achieving an EBITDA of €32m in the previous year; and - subject to the company achieving a higher EBITDA (than €32m), an additional monthly salary for every €1.5m EBITDA exceeding an EBITDA of €32m in the financial year 2023 (calculated proportionally)	Motivating the Managing Directors to achieve outstanding results and to reward the Managing Directors with a competitive remuneration package which is linked to the growth and share value of the Company.
Annual base fee of the CFO	Policy stipulated an annual maximum base fee for the CFO of EUR 225,000.	Annual maximum base fee for the CFO was increased to EUR 320,000.	A competitive remuneration package for the CFO, which is linked to the growth and share value of the Company.
Supervisory Board remuneration	Following yearly compensation was stipulated: - SB Chair: €40,000 - SB member: €30,000 - committee membership: €3,000 - daily/travel expenses: €2,500	The yearly compensation for the Supervisory Board members was raised as follows: -SB Chair: €42,600 -SB member: €31,950 -committee membership: €3,195 -daily/travel expenses: €2,662.50	An inflation correction of 6,5% was applied

Management Board remuneration 2023

The remuneration package for the Management Board comprises the following:
· fixed annual base salary;
· a short-term incentive scheme plan
· participation in a share option scheme;
· for the CEO: participation in a performance share scheme
· other benefits
Cabka does not grant any loans, guarantees or advance payments to members of the Management Board.
As of February 1, 2023 the former CFO, Mr. Necip Küpcü, stepped down and Mr. Frank Roerink was appointed as interim CFO. In the AGM held on June 8, 2023, Mr. Frank Roerink was appointed as CFO and as a member of the Management Board for a term of four years, which will be reassessed at the AGM to be held in 2027.

Upon appointment, the key terms of his employment agreement were:
- Annual base salary of €320,000.
- All other remuneration components are in line with the company's remuneration policy for the Management Board.

Fixed annual salary
The annual maximum base fee of the members of the Management Board has been set by the Supervisory Board on a level reflecting the responsibilities and is currently maximized to € 425,000 for the CEO and € 320,000 for the CFO.
Annually, the Supervisory Board may re-evaluate the base fee of the Management Board by the, taking into account developments in the labor market and other factors, including potential changes in job sizes and the level of responsibility of both Managing Directors and fees paid by other companies of a similar size and complexity.

During 2023, the Supervisory Board re-evaluated the base fee and as a result, it was decided to raise the annual maximum base fee for the CEO to € 462,543 effective as of April 1, 2023, with a service contract solely to Cabka N.V. going forward. With this, the former German service contract between the CEO and Cabka Group GmbH was terminated.

Other benefits
Members of the Management Board are entitled to a company car and reimbursement for other travel costs. Apart from their remuneration, Managing Directors shall be reimbursed for all reasonable costs incurred.

Short-term incentive plan
The objective of the short-term incentive plan is to motivate the Managing Directors to achieve outstanding results for the benefit of the long-term value creation of the Company, and to reward the Managing Directors with a competitive remuneration package which is linked to the growth and share value of the Company. This is in line with the strategic vision of the Company, which also focuses on long term value creation. Scenario analyses are conducted to assess the possible outcomes of the variable remuneration components and their effect on the remuneration of the Management Board.

The Managing Directors were entitled to a short-term incentive of:
- one (1) monthly salary, subject to the Company achieving an EBITDA of EUR 32,000,000 in the previous financial year; and
- subject to the Company achieving a higher EBITDA (than EUR 32,000,000), an additional monthly salary for every EUR 1,500,000 EBITDA exceeding an EBITDA of EUR 32,000,000 in the financial year 2023 (calculated proportionally).

There was no payout of the short-term incentive plan for 2023, as the EBITDA target of EUR 32,000,000 was not met.

Total overview of remuneration per Management Board member for 2023:

Remuneration Management board 2023

	FIXED	VARIABLE						
IN EURO X 1,000	FIXED REMUNERATION	VSOP EXPENSES	PSU EXPENSES	PS EXPENSES	OTHER COMPENSATION	TOTAL REMUNERATION	% FIXED	% VARIABLE
T. Litjens								
2023	451	–	131	164	11	757	60%	40%
2022	375	1,036	115	137	11	1,674	22%	78%
F. Roerink								
2023	285	–	5	–	11	301	95%	5%
2022	–	–	–	–	–	–	–	–
N. Küpcü (Former CFO)								
2023	19	–	2	–	–	21	90%	10%
2022	225	114	25	–	10	374	60%	40%
Total - 2023	**755**	**–**	**138**	**167**	**22**	**1,079**	**70%**	**30%**
Total - 2022	**600**	**1,150**	**140**	**137**	**21**	**2,048**	**29%**	**71%**

Internal Pay Ratio
In setting the remuneration policy for the members of the Management Board, the Supervisory Board also takes into account the internal pay ratio. The internal pay ratio between the average pay of Cabka employees vis-à-vis the average pay of the CEO is calculated based on the average 2023 remuneration of all Cabka employees vis-à-vis the 2023 remuneration of the CEO.

The 2023 pay ratio is 10:1 (2022: 25:1) for the CEO. The pay ratio 2023 and 2022 is based on the specific guidance provided by the Monitoring Commissie Corporate Governance Code in December 2020 on the calculation methodology of the pay ratio.

The following table provides an overview of the remuneration of the members of the Management Board over the period since listing of the company's shares and the percentage change year on year:

Management Board member

IN EURO X 1,000	2023	% CHANGE	2022
T. Litjens	757	55%	1,674
F. Roerink	301	n/a	-
N. Küpcü (Former CFO)	21	-93%	374
Average employee salary	71	5%	68

Options and shares
The Company operates a share option scheme that applies to the Management Board, among others, linked to the growth and share value of the Company and accordingly to longer term value creation and sustainability of the Company. For the Management Board and key staff of Cabka a PSU plan were granted on March 1, 2022. Additional rights were granted to the CFO per his appointment date on June 8, 2023.

If the price hurdles have not been reached within five years after the date of grant, the PSU's will automatically lapse. Additionally, the CEO has a performance share plan. For both plans the Management Board has a holding period of five (5) years as of the grant date. By using a holding period of five (5) years, the remuneration structure is also geared towards forging a long-term mindset and long-term value creation. With this approach, a significant part of the remuneration is geared towards the longer term; this is in line with the Company's strategic vision, which also focuses on long-term value creation.

Overview Performance shares Management Board

GRANTED PER MARCH 1, 2022	STRIKE PRICE	TIM LITJENS
Performance Shares 16	€ 16	150,000
Performance Shares 18	€ 18	150,000
Performance Shares 20	€ 20	150,000
Total		**450,000**

Subject to the terms and conditions of the PSU Plan, vesting of the awarded PSU's will occur on different vesting dates subject to the performance conditions being met in the following manner:

- one/third over a period of three years (in three equal parts per year) after the shares have reached the conditions at the strike price of €11.00
- one/third over a period of three years (in three equal parts per year) after the shares have reached the conditions at the strike price of €12.00
- one/third over a period of three years (in three equal parts per year) after the shares have reached the conditions at the strike price of €13.00

Overview PSU-rights Management Board

CEO: GRANTED PER 1 MARCH 2022, EXPIRE DATE 1 MARCH 2027
CFO: GRANTED PER 8 JUNE 2023, EXPIRE 8 JUNE 2028

	STRIKE PRICE	TIM LITJENS	FRANK ROERINK	TOTAL
PSU 11	€ 11	47,618	10,476	58,094
PSU 12	€ 12	47,618	10,476	58,094
PSU 13	€ 13	47,618	10,476	58,094
Total		**142,853**	**31,428**	**174,281**

Prior to listing Cabka had a Virtual Share Plan (VSOP) for key staff in place that terminated at listing.

As disclosed in Note 32 of the consolidated financial statements, 2/3rd, (respectively T. Litjens 250,013 and N. Küpcü 27,502 shares) of the former VSOP program was rolled over into real shares with a lock up period of 1 year ending March 1, 2023. The roll-over shares were physically transferred to the members of the Management board on March 15, 2023.

Supervisory Board remuneration 2023

The remuneration of the members of the Supervisory Board comprises the following:

- Fixed annual fee;
- travel expenses and other expenses;

Fixed annual Fee

The remuneration policy determines the annual fees for each position of the Supervisory Board, separated into membership and chairpersonship of the Supervisory Board and membership and chairpersonship of a committee.

The AGM on June 8, 2023 approved an inflation increase of 6.5% for the compensation of the supervisory board directors and raised the compensation effective as of April 1, 2023 as follows: The fixed compensation for the chair of the Supervisory Board has been set at €42,600 per year. The other Supervisory Directors will receive a fixed compensation of €31,950 per year. The Supervisory Directors will receive an additional €3,195 per membership, if any, of the following committees: Audit Committee, Remuneration Committee and nomination committee.

Travel Expenses and Other Expenses
Members of the Supervisory Board are entitled to a reimbursement for daily and travel expenses of an amount of up to €2,662.50 per year.

Supervisory Board members are not awarded shares and/or share options, with the exception of Gat Ramon under the conditions as described in the Shareholder Circular dated 10 January 2022 and as stated in the overview below.

Overview Performance shares Founder

GRANTED PER MARCH 1 2022	STRIKE PRICE	GAT RAMON
Performance Shares 16	€ 16	600,000
Performance Shares 18	€ 18	600,000
Performance Shares 20	€ 20	600,000
Total		**1,800,000**

Total overview of remuneration per Supervisory Board member for 2023:

Remuneration Supervisory board

	FIXED REMUNERATION		VARIABLE REMUNERATION			
IN EURO X 1,000	MEMBERSHIP	COMMITTEES	TRAVEL AND OTHER EXPENSES	TOTAL REMUNERATION	% OF FIXED REMUNERATION	% OF VARIABLE REMUNERATION
M. Beja	42	6	3	51	95%	5%
G. Ramon	32	6	3	41	94%	6%
N. Hoek	32	3	3	38	93%	7%
T.P. Henkin	32	3	3	38	93%	7%
J. Holscher	32	6	3	41	94%	**6%**
S. Nanninga	32	3	3	38	93%	7%
Total - 2023	202	29	16	246	94%	6%

The following table provides detail on the total remuneration received by each Supervisory Board member in accordance with the period the company's shares are traded on Euronext:

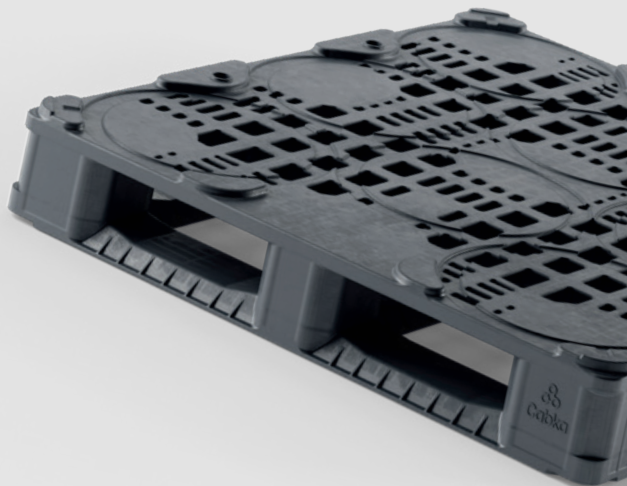
IN EURO X 1.000	2023	2022
M. Beja	51	39
G. Ramon	41	32
N. Hoek	38	30
T.P. Henkin	38	30
J. Holscher	41	31
S. Nanninga	38	29
Total remuneration	**246**	**191**

In addition, the majority shareholder RAM.ON GmbH (formerly known as RAM.ON finance GmbH, managed by the founder of Cabka Gat Ramon and Heike Ramon) has a consultancy agreement with Cabka for services as disclosed in the Shareholder Circular for a total of € 500,000, which was increased as of January 1, 2023 due to a inflation correction as stipulated in the consultancy agreement to an amount of € 520,168.

Furthermore, Gat Ramon is an indirect shareholder of the Company via the legal entity RAM.ON GmbH, which is controlled by Gat Ramon. Niek Hoek and Stephan Nanninga are also shareholders of the Company. The other Supervisory Board members hold no shares in the Company. The table below shows the shareholdings of the Supervisory Board members:

SB shareholdings 2023

IN SHARES	NIEK HOEK	GAT RAMON	STEPHAN NANNINGA	TOTAL
Total number of shares	**495,589**	**12,118,106**	**462,389**	**13,076,084**



05

Financial report 2023

I. Consolidated Statement of Comprehensive Income

for the year ending on December 31, 2023 and 2022

Consolidated Statement of Profit and Loss
IN EURO X 1,000

	NOTES	2023	2022
Revenue	6	**196,888**	**208,893**
Change in inventories of finished goods and work in progress	22	-7,359	4,199
Other operating income	8	9,322	13,696
Total Operating income		**198,851**	**226,788**
Material expenses / expenses for purchased services	9	-102,226	-131,494
Personnel expenses	10	-42,566	-40,425
Amortization/depreciation and impairment of intangible and tangible fixed assets	17, 18	-17,124	-18,023
Other operating expenses	12	-34,266	-43,582
Share listing expenses	37	-	-26,764
Total Operating expenses		**-196,182**	**-260,288**
Finance income	13	308	1,588
Finance expenses	14	-4,186	-2,390
Net Financial Result		**-3,878**	**-802**
Result before taxes		**-1,209**	**-34,302**
Income tax (expense)/income	15	-332	4,480
Result for the year		**-1,541**	**-29,822**
Attributable to:			
Non-controlling interest		-	-77
Equity holders of CABKA N.V.		***-1,541***	***-29,745***

Other comprehensive income
IN EURO X 1,000

	NOTES	2023	2022
Result for the year		**-1,541**	**-29,822**
Items that may subsequently be reclassified to profit or loss			
Exchange differences on translation of foreign operations		166	-1,153
Total comprehensive (loss) / income		**-1,375**	**-30,975**
Attributable to:			
Non-controlling interest		-	-77
Equity holders of CABKA N.V.		**-1,375**	**-30,898**

	NOTES	2023	2022
Earnings per share			
Basic = Diluted, profit for the year attributable to ordinary equity holders of the parent	16	**-0.06 €**	**-1.28 €**

The accompanying notes are an integral part of these consolidated financial statements.

II. Consolidated Statement of Financial Position

as at December 31, 2023 and 2022

Consolidated Statement of Financial Position
IN EURO X 1.000

	NOTES	2023	2022
ASSETS			
Non-current assets			
Intangible assets	17	2,813	687
Property, plant and equipment	18	80,794	68,885
Right of Use assets	19	10,170	8,730
Long-term financial assets	20	90	91
Other long-term assets	21	17	85
Deferred tax assets	26	7,967	7,302
		101,851	**85,780**
Current assets			
Inventories	22	32,058	41,738
Trade receivables	23	27,574	31,769
Short-term financial assets	20	42	25
Other short-term assets	24	12,609	8,767
Cash and cash equivalents	25	7,252	21,035
		79,535	**103,334**
		181,386	**189,114**

The accompanying notes are an integral part of these consolidated financial statements.

Consolidated Statement of Financial Position
IN EURO X 1,000

	NOTES	2023	2022
LIABILITIES			
Equity			
Share capital	27	408	405
Treasury shares	27	-160	-164
Share premium	27	77,687	75,125
Other reserves	29	7,762	11,035
Retained earnings		-13,588	-12,139
Foreign currency translation reserve	30	-1,372	-1,533
		70,737	**72,729**
Non-current liabilities			
Long-term financial liabilities	31	43,259	38,458
Other long-term liabilities	32	-	16
Deferred tax liabilities	26	88	490
		43,347	**38,964**
Current liabilities			
Short-term financial liabilities	31	20,764	27,281
Provisions	33	838	732
Contract liabilities	32	4,373	6,776
Trade payables	32	32,578	35,241
Other short-term liabilities	32	8,749	7,391
		67,302	**77,421**
		181,386	**189,114**

III. Consolidated Statement of Changes in Equity

as at December 31, 2023 and 2022

IN EURO X 1,000	SHARE CAPITAL	SHARE PREMIUM	TREASURY SHARES	OTHER RESERVES	FOREIGN CURRENCY EXCHANGE RESERVE	RETAINED EARNINGS	NON-CONTROLLING INTEREST	TOTAL EQUITY
At January 1, 2022	**3,363**	**12,982**	**-**	**-**	**-380**	**17,606**	**58**	**33,629**
Loss for the year	-	-	-	-	-	-29,745	-77	-29,822
Other comprehensive (loss)/income for the year	-	-	-	-	-1,153	-	-	-1,153
Other comprehensive (loss)/income for the year	**-**	**-**	**-**	**-**	**-1,153**	**-29,745**	**-77**	**-30,975**
Recapitalization of share capital Cabka Group GmbH ("CABKA") into share capital Dutch Star Companies Two B.V. ("DSC2")	-3,024	3,188	-164	-	-	-	-	-
Capital increase due to acquisition of DSC2	129	129,124	-	3,282	-	-	-	132,535
Capital decrease due to buy-out of minority shareholders	-63	-63,217	-	-	-	-	-	-63,280
Share issuance costs	-	-1,661	-	-	-	-	-	-1,661
Issue of performance shares	-	-3,449	-	3,449	-	-	-	-
Acquisition of non-controlling interests	-	-1,842	-	-	-	-	19	-1,823
Share-based payments	-	-	-	4,304	-	-	-	4,304
Total transactions with owners of the Company	**-2,958**	**62,143**	**-164**	**11,035**	**-**	**-**	**19**	**70,075**
At December 31, 2022	**405**	**75,125**	**-164**	**11,035**	**-1,533**	**-12,139**	**-**	**72,729**
Loss for the year	-	-	-	-	-	-1,541	-	-1,541
Other comprehensive income/(loss)- exchange difference	-	-	-	-	166	-	-	166
Total comprehensive income/(loss)-for the year	**-**	**-**	**-**	**-**	**166**	**-1,541**	**-**	**-1,375**
Transactions with owners of the Company								
Other movements of the year	-	15	-	-	-5	92	-	102
Reclass from VSOP roll-over	-	3,681	-	-	-	-	-	3,681
Increase of PSU and PS	3	-	-	544	-	-	-	547
Decrease from VSOP roll-over	-	-	-	-3,817	-	-	-	-3,817
Decrease of treasury shares at nominal value 0.01 Euro	-	-	4	-	-	-	-	4
Dividends to equity holders	-	-1,219	-	-	-	-	-	-1,219
Sale of treasury shares	-	85	-	-	-	-	-	85
Total transactions with owners of the Company	**3**	**2,562**	**4**	**-3,273**	**-5**	**92**	**-**	**-617**
At December 31, 2023	**408**	**77,687**	**-160**	**7,762**	**-1,372**	**-13,588**	**-**	**70,737**

IV. Consolidated Statement of Cash Flows

for the year ending on December 31, 2023 and 2022

Consolidated Statement of Cash Flows IN EURO X 1,000	NOTE	2023	2022
Cash flows from operating activities			
Net result after tax		-1,541	-29,822
Adjustments for:			
Amortization/depreciation of intangible and tangible fixed assets	17, 18	17,124	18,023
(Loss) on disposal/profit on sale of property, plant & equipment	18	1,356	6,420
Share-based payment expense	28	545	487
Share listing expenses (non-cash transaction)	37	-	26,764
Other non-cash transactions		45	71
Finance income	13	-308	-1,588
Finance expenses	14	4,186	2,390
Income tax expenses	15, 26	332	-4,480
Net foreign exchange differences	8, 12	255	-134
Changes in:			
Inventories	22	9,680	-10,935
Trade receivables and other current assets	23, 24	335	-6,619
Trade payables and other current liabilities	32, 33	-3,600	6,863
Cash generated/(utilized) from operations		**28,409**	**7,440**
Income taxes paid	15	-1,222	-2,185
Net cash from/(used in) operating activities		**27,187**	**5,255**

Consolidated Statement of Cash Flows IN EURO X 1,000	NOTE	2023	2022
Cash flow from investing activities			
Cash inflow from sale of property, plant and equipment	18	721	1,443
Cash outflow for investment in property, plant and equipment	18	-30,895	-24,182
Cash outflow for investment in intangible assets	17	-	-416
Interest received on cash and equivalents	13	203	27
Net cash from/(used in) investing activities		**-29,971**	**-23,128**
Cashflow from financing activities			
Cash inflow from issue of new shares	37	-	108,452
Cash outflow for buyout of Cabka minority shareholders	37	-	-63,280
Cash outflow for acquisition of non-controlling interests	37	-	-1,822
Cash outflow share issuance costs	37	-	-1,661
Cash inflow from sale of treasury shares	27	85	-
Cash outflow for dividend payments	27	-1,219	-
Cash outflow for other financial liabilities	31	-	-53
Cash outflow for the repayment of liabilities to banks	31	-3,310	-9,696
Cash inflow from receipt of liabilities to banks	31	-	5,275
Cash outflow for the repayment of lease liabilities	19, 31	-2,470	-2,191
Cash inflow from rental purchase liabilities	31	2,500	-
Cash outflow for the repayment of rental purchase liabilities	31	-2,727	-2,900
Interest paid	14	-3,913	-2,390
Net cash from/(used in) financing activities		**-11,054**	**29,734**
Changes in cash and cash equivalents		**-13,838**	**11,861**
Cash and cash equivalents at the beginning of the year	25	21,035	9,982
Net foreign exchange difference		55	-808
Cash and cash equivalents at the end of the year	**25**	**7,252**	**21,035**

The accompanying notes are an integral part of these consolidated financial statements.

Section B. Notes to the Consolidated Financial Statements

1. Corporate information

Cabka N.V. is a company, registered in the Chamber of Commerce Amsterdam under number 80504493. As of 1 March 2024, the Company has moved its registered office to John M. Keynesplein 10, 1066 EP, Amsterdam, the Netherlands (previously at Johan Cruijff Boulevard 65-71, 1101 DL Amsterdam, The Netherlands).

Cabka N.V is listed on Euronext Amsterdam. It has subsidiaries in the USA, Spain, Germany and Belgium. Throughout this report, the name "Cabka", "Cabka Group", "the Group" or "the Company'' will be used interchangeably to refer to Cabka N.V. including its consolidated subsidiaries.

Cabka is in the business of recycling plastics from post-consumer and post-industrial waste into innovative reusable pallets- and large container solutions enhancing logistics chain sustainability (the so-called "RTP-Business") and the "Eco-Products-Business". The latter are sustainable products made from 100% recycled post-consumer plastic waste. They are used, among other things, in construction, road and traffic safety, as well as in gardening and landscaping. With products made approximately 85-90% of recycled plastics Cabka is leading the industry in its integrated approach closing the loop from waste to recycling, to manufacturing.

The consolidated financial statements of Cabka N.V. and its subsidiaries for the year ending December 31, 2023 are presented in thousands of Euro, unless indicated otherwise.

Statement of compliance

The consolidated financial statements as of December 31, 2023 have been prepared in accordance with International Financial Reporting Standards (IFRS) and IFRS IC interpretations (IFRIC), published by the International Accounting Standards Board (IASB) as adopted by the European Union (hereinafter referred to as EU-IFRS) and in accordance with the legal requirements of Part 9, Book 2 of the Dutch Civil Code. The Company financial statements are an integrated part of the 2023 financial statements of Cabka N.V. The financial statements were authorized for issue by the Management Board and Supervisory Board on April 17, 2024.

2. Basis of preparation

These consolidated financial statements of the Group have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRS) and also comply with financial reporting requirements included in Part 9 of Book 2 of the Dutch Civil Code, as far as applicable.

2.1 Basis of preparation: Going concern

The accompanying consolidated financial statements of the Group have been prepared assuming Cabka N.V. will continue as a going concern. The going concern basis of presentation assumes that we will continue in operation for at least a period of one year after the date these financial statements are issued and contemplates the realization of assets and the satisfaction of liabilities in the normal course of business.

The Management Board has assessed the going concern assumption, as part of the preparation of the consolidated financial statements. In assessing going concern, the Group's operations and liquidity were considered in preparing forecasts. The Company is compliant with agreed bank covenants.

Management's assessment was based on the assumptions used in the 2024 budget and mid-term strategic plan 2023-2026. This supports the guidance leading to structurally positive EBITDA and cash flows. The main key financial ratios, such as equity-ratio and net debt are at comfortable levels. Based on forecasts, sufficient equity and available cash resources as well as complying with the agreed financial covenant obligations, Management is of the opinion that the going concern of Cabka N.V. is assured.

The Group has prepared the financial statements on the basis that it will continue to operate as a going concern.

Measurement basis

The consolidated financial statements have been prepared on a historical cost basis, except for financial instruments such as derivatives, Special Shares liabilities, share-based payments and warrants, which are measured at fair value. Refer to Note 3.4 and 7 for fair value measurement.

2.3 Accounting judgements and sources of estimation uncertainty

The preparation of the financial statements necessitates the use of estimates, assumptions and judgements by management. These estimates and assumptions affect the reported amounts of assets, liabilities and contingent assets and liabilities at the statement of financial position date as well as the reported income and expenses for the year. Although estimates are based on management's best knowledge and judgement of current facts as at the statement of financial position date, the actual outcome may differ from these estimates. As a result, there is a significant risk that the aforementioned causes a potential material adjustment to the carrying amounts of assets and liabilities within the next financial year, see notes:

- Note 15 – utilization of tax losses
- Note 18 – impairments of property, plant and equipment
- Note 19 – lease liabilities
- Note 28 – accounting for share-based payments
- Note 33 – provisions
- Note 34 – financial instruments risk management

Where relevant, the group has provided sensitivity analyses demonstrating the impact of changes in key estimates and assumptions on reported results.

2.4 Presentation of cash flow statement

The consolidated statement of cash flows is prepared using the indirect method. The cash flow statement distinguishes between operating, investing and financing activities. Cash flows in foreign currencies are converted at the exchange rate at the dates of the transactions. Currency exchange differences on cash held are separately shown. Payments and receipts of corporate taxes are included as cash flow from operating activities and interest paid is shown as cash flow from financing activities. Cash flows as a result from acquisition/divestment of financial interest in subsidiaries and associates are included as cash flow from investing activities, taking into account the available cash in these interests. Dividends paid are part of the cash flow from financing activities.

3. Summary of significant accounting policies

Cabka N.V. has consistently applied the following accounting policies to all years presented in these consolidated financial statements.

3.1 Basis of consolidation

3.1.1 Subsidiaries

The consolidated financial statements comprise the financial figures of the Company and its subsidiaries as of December 31, 2023. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Subsidiaries are fully consolidated, from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

Profit or loss and each component of Other Comprehensive Income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

3.1.2 Transactions eliminated on consolidation
All intra-group assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

3.1.3 Business combinations
Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, which is measured at acquisition date fair value, and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses.

3.1.4 Changes in ownership structure
A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

3.2 Foreign currencies
The Group's consolidated financial statements are presented in Euros, which is also the parent company's functional currency. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency. The Group uses the direct method of consolidation and on disposal of a foreign operation, the gain or loss that is reclassified to profit or loss reflects the amount that arises from using this method.

Transactions in foreign currencies are initially recorded by the Group's entities at their respective functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Differences arising on settlement or translation of monetary items are recognized in profit or loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which the Group initially recognizes the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of advance consideration.

On consolidation, the assets and liabilities of foreign operations are translated into Euro at the rate of exchange prevailing at the reporting date and their statements of profit or loss are translated at exchange rates prevailing at the dates of the transactions. The exchange differences arising on translation for consolidation are recognized in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is reclassified to profit or loss.

3.3 Current and Non-Current Classification
The Group presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:
- Expected to be realized or intended to be sold or consumed in the normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current

A liability is current when:

- It is expected to be settled in the normal operating cycle,
- It is held primarily for the purpose of trading,
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

3.4 Fair Value Measurement

The Group measures financial instruments such as derivatives at fair value through profit and loss.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.
The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

Fair value related disclosures for financial instruments and non-financial assets that are measured at fair value or where fair values are disclosed, are summarized in the following notes below.

For a summary of the categories specific to Cabka, refer to fair value measurement (Note 7).

3.5 Property Plant and Equipment

3.5.1 Owned assets
Plant and equipment are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The costs include the purchase price and any directly attributable transaction costs. Supplier discounts have been deducted.

Self-developed assets are stated at cost, net of depreciation and accumulated impairment losses, if any. The costs include directly attributable transaction costs, such as for material and personnel.

Prepayments at the stage of assets under construction are stated at cash value.
Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets, as follows:
· Buildings 25 to 50 years
· Technical equipment and machines 3 to 15 years
· Other equipment, factory and office equipment, vehicles 3 to 15 years.

The Group reviews the estimated residual values and expected useful lives of assets at least annually. In particular, the Group considers the impact of health, safety, and environmental legislation in its assessment of expected useful lives and estimated residual values.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

3.5.2 Leases
At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified assets for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group uses the definition of a lease in IFRS 16.

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets
The Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:
· Land and buildings, plant, and machinery 3 to 15 years
· Motor vehicles and other equipment 3 to 5 years

Lease Liabilities
At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate.
In calculating the present value of lease payments, the Group applies the interest rate of the contract if applicable. In case of contracts, where the interest rate implicit in the lease cannot readily be determined, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. After the commencement

date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made.
In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The group presents right-of-use assets in "Right-of-Use assets" and lease liabilities in "Financial liabilities" in the statement of financial position. Interest on lease liabilities is included in "Interest expense" in the income statement and included in the cash flows from financing activities in the statement of cash flows. The group's leasing arrangements relate primarily to office buildings, warehouse space, equipment and motor vehicles.

Lease expenses – short-term leases and leases of low-value assets
The Group has elected not to recognize right-of-use assets and lease liabilities for short-term leases of machinery that have a lease term of 12 months or less and lease of low-value assets. Individual lease assets with a new value of € 5,000 or less (or any other foreign exchange equivalent) are considered to be low value assets. The Group recognizes the lease payments associated with these leases as an expense on straight-line basis over the lease term.

3.6 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost.

Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

There are only intangible assets with finite useful lives at the Group. Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the statement of profit or loss.

Intangible assets at the Group are split into customer relationships, internally developed intangible assets, purchased intangible assets and advance payments charged.

Self-developed intangible assets are stated at cost, net of amortization and accumulated impairment losses, if any. The costs include directly attributable transaction costs, such as for material and personnel.
The Group capitalizes and recognizes, as internally generated assets, the automation and development costs arising from the design and development of new assets in order to ensure maximum customization of final products.
All categories of intangible assets are considered long term intangible assets and are amortized on a straight line basis over their useful economic life, between 3 and 5 years.

3.7 Financial Instruments and other investments

Financial instruments are contracts which result in a financial asset with one company and a financial liability or an equity instrument with another. Financial instruments comprise primary financing instruments such as receivables and trade payables or also financial receivables and financial liabilities.

Financial Instruments of the Group include derivative financial instruments such as forward exchange contracts as well as interest rate swaps and currency swaps.

Financial assets and liabilities are categorized as follows:
1. Assets and liabilities measured at amortized cost
2. Asset and liabilities measured at fair value through profit or loss
3. Asset measured at fair value through other comprehensive income

A financial asset or a financial liability is initially measured at fair value plus, in the case of the first and third category, transaction costs.
The subsequent measurement of financial assets and liabilities of the first category is made at amortized cost or by using the effective interest method.

Financial assets and liabilities of the second category are measured at fair value on the balance sheet date. Market fluctuations are recognized in the income statement.

3.7.1 Cash and cash equivalents
Cash and cash equivalents in the statement of financial position comprise cash at banks and on hand and are carried out at amortized cost.

For the purpose of the consolidated statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

3.7.2 Trade and other receivables
Trade and other receivables represent the Group's right to an amount of consideration that is unconditional. Initial recognition of trade and other receivables at transaction price and then at amortized cost, subsequently carried less impairment losses or expected credit losses (see Note 23).

3.7.3 Trade and other payables
Trade and other payables are initially recorded at fair value and then carried at amortized cost.

3.8 Inventories
Raw materials and supplies, spare parts and trading goods are valued at acquisition costs on an average price basis.

Finished and work in progress goods are valued at the lower of cost or net realizable value. The production costs include material costs, manufacturing costs, and special costs of production as well as adequate parts of the necessary material costs, manufacturing costs, and the value consumption of the fixed assets.

Reasonable costs of the administration costs are also included in those costs.

3.9 Impairments
3.9.1 Financial assets
The Group recognizes impairments for financial assets based on the 'expected credit loss' model. The Group measures loss allowances at an amount equal to the lifetime expected credit losses.

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls, being the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive.
The Group makes use of the simplified method for trade receivables and contracts assets as set out in IFRS 9. The expected credit losses for significant financial assets are determined on an individual basis. The remaining financial assets are assessed collectively in groups of assets that have similar credit risk characteristics.

All impairment losses are recognized in the consolidated statement of profit and loss.
An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognized.
For financial assets measured at amortized cost, the reversal is recognized in profit or loss.

3.9.2 Non-financial assets
The carrying amounts of the Group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.
For intangible assets that have indefinite lives or that are not yet available for use, the recoverable amount is estimated at each reporting date.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the 'cash generating unit').

An impairment loss is recognized if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. Impairment losses are recognized in profit or loss.

3.9.3 Reversal of impairment losses

Impairment losses in respect of goodwill are not reversed. Impairment losses in respect of other assets are reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized. Reversals of impairment losses are recognized in profit or loss. In the reported year no reversals of impairment losses for other assets occurred.

3.10 Provisions

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

3.11 Other assets

Other receivables and other assets are initially recognized at amortized costs. Subsequently carried at the lower of amortized cost or fair market value. Account is taken of all identifiable individual risks and general default risks by means of appropriate value reductions. Specific cases of default lead to the receivable in question being written off.

3.12 Revenue from contracts with customers

Cabka's business can be split between reusable pallets and large container solutions enhancing logistics chain sustainability (the so-called "RTP-Business"), as well as "Eco-Products" which find application mainly in the road safety and construction sector. Cabka receives a recycling fee from suppliers for handling and recycling of specific post-consumer waste, so called mixed plastics.

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. The Group has generally concluded that it is the principal in its revenue arrangements because it typically controls the goods or services before transferring them to the customer.

Sale of pallets and containers, Eco products, non-strategic products and customized solutions

Revenue from sale of pallets, containers, Eco products, non-strategic products and customized solutions is recognized at the point in time when control of the asset is transferred to the customer, generally on collection of goods by customers ex works.

The Group considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated (e.g., warranties, customer loyalty points). In determining the transaction price for the sale of pallets, containers, Eco products and non-strategic products, the Group considers the effects of variable consideration, existence of a significant financing component, noncash consideration, and consideration payable to the customer (if any).

Recycling Fees
Recycling fees are compensation for assuming the liability to recycle the mixed plastics. When mixed plastics are received, the recycling fee is recognized as a liability. This liability is extinguished when the mixed plastics are recycled in the production process. At that moment, the liability is released to profit and loss as revenue.

Sale of materials and freights
Revenue from sale of material is recognized at the point in time when control of the asset is transferred to the customer. Revenue for transportation is recognized over time after measuring its progress toward complete satisfaction of the performance obligation.

Revenue for customized solutions
In relation to customized solutions, the Group recognizes two performance obligations. One is related to the development of the tool, with the purpose of providing customized products to customers, and revenues are recognized over-time using the percentage of completion method; the second performance obligation relates to delivering customized final products with specific characteristics to customers and revenues are recognized at a point in time when products will be delivered. Delivery is defined based on the terms of the sale contract.

A receivable is recognized if an amount of consideration that is unconditional is due from the customer (i.e., only the passage of time is required before payment of the consideration is due).

A contract liability is recognized if a payment is received, or a payment is due (whichever applies first) from a customer before the Group transfers the related goods or services. Contract liabilities are recognized as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

3.12.1 Other operating income
Other operating income includes income from all other operating activities which are not related to the principal activities of the Company. Other income is recognized when it is probable that future economic benefits will flow to the Company and when the amount can be measured reliably. Other operating income at Cabka include, but is not limited to, proceeds from insurance, governmental subsidies and gains on sale of fixed assets.

3.13 Share capital

3.13.1 Ordinary shares
Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity.
3.13.2 Repurchase, disposal and reissue of share capital (treasury shares)
When own shares recognized as equity are repurchased, the amount of the consideration paid, including directly attributable costs and net of any tax effects, is recognized as a deduction from equity. Repurchased shares are classified as treasury shares and are presented as a deduction from total equity. If treasury shares are sold or reissued subsequently, the amount received is recognized as an increase in equity, and the resulting surplus or deficit on the transaction is transferred respectively to or from other reserves.

3.13.3 Dividends
The holders of ordinary shares are entitled to receive dividends as determined from time to time by the General Meeting of Shareholders. The Management Board has the authority to decide, with the approval of the Supervisory Board, what portion of the profit will be allocated to the reserves. If applicable, the declared but unpaid dividends are recognized as a liability.

3.14 Taxes

3.14.1 Current income tax
Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities.

Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation reflects the effect of uncertainty in determining the related taxable profit if it is not probable that the taxation authority will accept an uncertain tax treatment. .

3.14.2 Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognized for taxable temporary differences.
Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Cabka Group offsets deferred tax assets and deferred tax liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

3.14.3 Sales tax

Expenses and assets are recognized net of the amount of sales tax, except:

- When the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the sales tax is recognized as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- When receivables and payables are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

3.15 Share-based payments

Employees of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled share-based payments transactions) or for cash-payments based on the value of equity instruments (cash-settled share-based payments).

Equity-settled share-based payments

The cost of equity-settled share-based payments transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model, further details of which are given in Note 28.

That cost is recognized in personnel expenses, together with a corresponding increase in equity (other reserves, as presented in the consolidated statement of changes in equity), over the period in which the service and, where applicable, the performance conditions are fulfilled (the vesting period). The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest.

The expense or credit in the statement of profit or loss for a period represents the movement in cumulative expense recognized as at the beginning and end of that period.

Service and non-market performance conditions are not taken into account when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Group's best estimate of the number of equity instruments that will ultimately vest. Market performance conditions and any other conditions attached to an award, but without an associated service requirement (non-vesting conditions) are reflected within the grant date fair value. Any other conditions attached to an award, but without an associated service requirement, are considered to be non-vesting conditions. Non-vesting conditions are reflected in the fair value of an award and lead to an immediate expensing of an award unless there are also service and/or performance conditions.
No expense is recognized for awards that do not ultimately vest because non-market performance and/or service conditions have not been met. Where awards include a market or non-vesting condition, the transactions are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

When the terms of an equity-settled award are modified, the minimum expense recognized is the grant date fair value of the unmodified award, provided the original vesting terms of the award are met. An additional expense, measured as at the date of modification, is recognized for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through profit or loss.

Cash-settled transactions
A liability is recognized for the fair value of cash-settled transactions. The fair value is measured initially and at each reporting date up to and including the settlement date, with changes in fair value recognized in employee benefits expense (see Note 10). The fair value is expensed over the period until the vesting date with recognition of a corresponding liability. The fair value is determined using an appropriate valuation model, further details of which are given in Note 28. The approach used to account for vesting conditions when measuring equity-settled share-based payments also applies to cash-settled share-based payments.

3.16 Expenses
Expenses are recognized based on the accrual basis of accounting. This means that expenses are recognized when the product is received, or the service is provided regardless of when cash outflow takes place. In relation to the expenses recognized in relation to depreciation and impairments, reference is made to the specific accounting policy as is included in Notes 3.5 and 3.9. In relation to the costs as expensed in relation to inventory, reference is made to the specific accounting policy as is included in Note 3.8.

3.17 Employee benefits
The Group has a defined contribution plan for its employees. A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognized as an employee benefit expense in profit or loss when incurred. Prepaid contributions are recognized as an asset to the extent that a cash refund or reduction in future payments will occur.

3.18 Government Grants
The Group receives government grants, such as subsidies for the employment of permanent employees.
Grants that compensate the Group for expenses incurred, are recognized in profit or loss as other operating income, unless the conditions for receiving the grant are not met yet. In this situation, the grant is recognized when it becomes receivable. Governmental grants for energy expenses are recognized in the same expense position offsetting the occurred costs.

3.19 New and amended IFRS

The Group applied for the first-time the following standards and amendments, which are effective for annual periods beginning on or after January 1, 2023 (unless otherwise stated). The Group has not early adopted any other standards, interpretation or amendment that has been issued but is not yet effective.

NEW OR AMENDED STANDARDS	AMENDED	CONTENT	FIRST TIME ADOPTION	EU-ENDORSED	MAJOR IMPACT ON THE GROUP
IFRS 17	New/ amended	Insurance contracts Initial application of IFRS 17 and IFRS 9 – comparative information	2023	Yes	No
IAS 1, IFRS Practice Statement 2	Amended	Disclosure of accounting policies	2023	Yes	No
IAS 8	Amended	Definition of accounting policies	2023	Yes	No
IAS 12	Amended	Deferred taxes related to assets and liabilities rising from a single transaction	2023	Yes	No

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

NEW OR AMENDED STANDARDS (ISSUED BUT NOT YET EFFECTIVE)	AMENDED	CONTENT	FIRST TIME ADOPTION	EU-ENDORSED	MAJOR IMPACT ON THE GROUP
IAS 1	Amended	Presentation of financial statements – classification of debt as short and long term; disclosure of accounting policies	2024	Yes	No
IFRS 16	Amended	Leasing liabilities at sale-and-leaseback transactions	2024	Yes	No
IAS 7 and IFRS 7	Amended	The amendments aim to improve the transparency of supply chain finance arrangements that enables investors to assess their effects on a company's liabilities, cash flows and exposure to liquidity risk.	2024	Yes	No
IAS 21	Amended	The amendments specify when a currency is exchangeable into another currency and when it is not, and how an entity determines the exchange rate to apply when a currency is not exchangeable.	2025	Yes	No

There are no other IFRSs that have been issued but are not yet effective that are expected to have a material effect on the future consolidated financial statements.

3.20 Correction and adjustment of amounts

The Group made specific corrections in 2023 with relates to adjustment of prior year figures. All these changes were immaterial and as such comparative figures remained unadjusted. The changes are the following:

a.) Property, plant and equipment:

In the current financial year 2023 an adjustment within the movement schedule of PP&E has been made. The adjustment considers all assets, owned by the Group, even if most of them fully depreciated. This resulted in an increase of the NBV for the two asset categories "Other equipment, factory and office equipment" and "Prepayments and asset under construction" of € 431.000.

b) Leases:

In the current financial year 2023 an adjustment within the movement schedule of Right of use asset has been made, due to the new IFRS 16 tool implemented by the Group. This resulted in an increase of the NBV for a total amount of € 329.000.

c) Deferred tax liability:

In the current financial year 2023 an adjustment for deferred tax liability has been made for a total amount of € 59.000. This resulted in an increase of net result of the current financial year.

4. Significant events and transactions

The most impactful geopolitical event is the ongoing Russian invasion of Ukraine and political instability due to the conflict between Israel and Palestina. Although effects on energy and material prices are decreased in 2023 compared to the previous year, the ongoing instabilities lead to increased volatility in prices for energy and materials.
Until publication of this report, the situation remain uncertain as is the outlook on further consequences for the global economy and financial markets.

More specific to the company, the following significant events and transactions occurred during the year:

- At the AGM of June 8, 2023, Frank Roerink was appointed as Chief Financial Officer of Cabka.
- Cabka North America's plant in St. Louis (MO) fully up and running since July 2023 after 2022 flooding.
- On December 15, 2023, Cabka reached an agreement with a consortium, led by Commerzbank AG, on a total initial debt facility of € 80,000,000 for four years, including extension options for up to two years as well as an option to increase the facility by an extra € 20,000,000 for further financial flexibility.
- Consolidation and expansion of our ECO business completed in Q1 2023.
- Divestment of non-strategic PVC business completed in Q4 2023.

The (financial) impact of above events are also described in more detail in the company statement preceding the financial section.

5. Group information

The consolidated financial statements of the Group includes:

NAME	PRINCIPAL ACTIVITIES	COUNTRY OF INCORPORATION	% EQUITY INTEREST 2023	% EQUITY INTEREST 2022
Cabka N.V., Amsterdam	Ultimate parent	Netherlands	100	100
Cabka Group GmbH, Berlin	Holding	Germany	100	100
Innova Packaging Systems, Ieper	Subsidiary	Belgium	100	100
Cabka Belgium N.V., Ieper	Subsidiary	Belgium	100	100
Cabka Spain S.L.U., Valencia	Subsidiary	Spain	100	100
System Technik GmbH, Weira	Subsidiary	Germany	100	100
Cabka North America Inc., Missouri	Subsidiary	USA	100	100
Cabka GmbH & Co. KG, Weira	Subsidiary	Germany	100	100
Cabka Eco Products GmbH & Co. KG, Weira	Subsidiary	Germany	100	100

Cabka N.V. is the ultimate parent of the Group, for an overview of share ownership in Cabka N.V. we refer to note 16 of the Company financial statements. There are no changes in the ownership structure of the Group during 2023.

The holding company

The immediate and ultimate holding company of Cabka Group GmbH, located in Germany, is Cabka N.V. and is based and listed in the Netherlands. From the holding company in Germany services are provided in various functions, such as IT, HR, Marketing, Finance and Purchasing to the subsidiaries.

The subsidiaries in Belgium, Germany, Spain and the US are primarily manufacturing the products for the RTP business as well as for Eco products and providing services to the customers. Recycling activities are spread all over the places.

In the subsidiary in Spain, additionally, the Innovation Center is established, primarily focusing on new product developments, automation projects and material developments for the entire group.

Exemptions publication
The following subsidiaries make use of the exemption provisions pursuant to Section 264 (3) and 264b of the German Commercial Code (HGB) -which is similar to section 403, subsection 1 of Book 2 of the Dutch Civil Code- and waive the disclosure of the 2023 annual financial statements and, in some cases, the preparation of the notes or management report and the audit of the annual financial statements:

- Cabka Group GmbH, Berlin
- Cabka Eco Products GmbH & Co. KG, Weira
- Cabka GmbH & Co. KG, Weira
- System Technik GmbH, Weira

Each of these subsidiaries has filed Cabka ´s 264 declaration with the German trade register.

6. Revenue from contracts with customers and segment reporting

Sales of goods and services are recognized in line with the requirements of IFRS 15, Revenue from contracts with customers. Revenue is measured based on the consideration CABKA expects to receive in exchange for the goods or services.

Revenue from sales of goods is recognized in the income statement when all rights have been transferred to the buyer. This is usually upon delivery at a fixed point in time, at a fixed or determinable price, and when collectability is reasonably assured. Delivery is defined based on the terms of the sale contract.

Revenue from sales of goods includes sales related to development of tooling for delivering customized products. This is recognized over time for the amount of € 5,781,000, using the percentage of completion method. In 2023, the revenue is 100% recognized as the related projects are completed within the reporting year.

The transaction price allocated to the performance obligations has been defined by the stand-alone selling price stated in each contract with customers and may include discounts and variable consideration as upon agreed.
Revenue from services is recognized when the respective services have been rendered and is related primarily to freight- and transportation services. Revenue is reported net of sales taxes, returns, discounts and rebates. Rebates to customers are provided for in the same period that the related sales are recorded based on the contract terms. CABKA periodically enters into prepayment contracts with customers whereby it enters into contract liabilities for products to be delivered in a future period. These contract liabilities are recorded as liabilities and presented as part of contract liabilities for € 511,000 (2022: € 2,249,000).

6.1 Disaggregated revenue information

Set out below is the disaggregation of the Group's revenue from contracts with customers in primary business segments and geographical markets:

Revenues by Product Segment
IN EURO X 1,000

	2023	2022	CHANGE
RTP Europe	**125,169**	**121,355**	**3%**
Portfolio	67,972	66,758	2%
Customized Solutions	38,388	33,077	16%
Contract Manufacturing	18,809	21,520	-13%
RTP US	**32,749**	**34,923**	**-6%**
Eco Products	**11,139**	**12,802**	**-13%**
Recycling Fees	**14,140**	**10,045**	**41%**
Others	**13,691**	**29,768**	**-54%**
Non-Strategic Products	10,848	21,406	-49%
Material Sales & Freight	2,843	8,362	-66%
Total	**196,888**	**208,893**	**-6%**

Revenues by Geography
IN EURO X 1,000

	2023	2022	CHANGE
Europe	**160,162**	**170,409**	**-6%**
DACH	60,771	64,924	-6%
West & Nordics	63,064	76,932	-18%
CEE	10,795	5,960	81%
South	25,532	22,593	-7%
North America	**32,601**	**35,184**	**25%**
RoW	**4,125**	**3,300**	
Total	**196,888**	**208,893**	**-6%**

Since CABKA is selling primarily products from recycled plastic materials to customers, either in the Reusable Transport Packaging (RTP) segment or in the Eco Products business, the entity recognizes revenue when it satisfies an identified performance obligation by transferring a promised good or service to a customer. A good or service is transferred when the customer obtains control of that good or service, what mainly is at a certain point in time. Invoices are payable within agreed payment conditions, usually between 30 – 90 days.

Recycling Fees are recognized as revenue when the performance obligation, processing of the incoming mixed plastic materials, is fulfilled.

Revenue for services is presented under Material Sales & Freight and it is primarily related to transportation services.

All of the Group's segments generate their revenue to the largest extent from the sale of products. These come in such a great variety that a meaningful grouping below the segment information is not monitored at this stage.

6.2 Segment information

For Management purposes, the Group is such organized, that steering the business results does not occur in product segments, but more on a legal entity level approach. Therefore, the segregation into the two main regions is the most appropriate way of presenting the segments. The segment information is clustered into the geographical regions Europe and North America summarized as following:

- Europe obtains the RTP business and the Eco Product business in the full value chain from inhouse recycling of plastic waste materials, manufacturing of products till sale of products and services.
- North America is focused on the RTP business, obtaining the full value chain from recycling of post-industrial waste, manufacturing and sale of products and services.

Segment Performance 2023 IN EURO X 1,000	EUROPE	NORTH AMERICA	TOTAL
Revenue	**164,208**	**32,680**	**196,888**
Change in inventories of finished goods and work in progress	-3,396	-3,963	-7,359
Other operating income	7,936	1,386	9,322
Total Operating income	**168,748**	**30,103**	**198,851**
Material expenses / expenses for purchased services	-84,304	-17,922	-102,226
Gross profit	**84,444**	**12,181**	**96,625**
Personnel expenses			-42,566
Amortization/depreciation and impairment of intangible and tangible fixed assets			-17,124
Other operating expenses			-34,266
EBIT			**2,669**
Finance income			308
Finance costs			-4,186
Financial Result			**-3,878**
Result before taxes			**-1,209**
Income tax expense			332
Net result for the year			**-1,541**
Attributable to:			
Non-controlling interest			-
Equity holders of CABKA N.V.			***-1,541***

The revenue information above is based on the realization of sale assigned to the legal entity either in the US or in Europe. In none of the regions there is specific customer with a revenue share of 10% or above from the total revenue.

In the financial year 2023 the US business was still impacted from the flooding occurred mid of 2022, primarily in the first half of the year by the continuation of using external manufacturing capacities to satisfy customer demands. This resulted in higher purchased services leading to a lower gross profit. In the second half of the year the margins improved significantly in the US by establishing as planned the inhouse product manufacturing capacities, but also the inhouse material processing lines to obtain own recycled plastic raw materials to produce finished goods.

In Europe the margins were favorably affected by two key developments. First, the RTP business grew, especially in the customized solutions segment, while the energy and raw material markets stabilized at lower levels compared to prior year. Secondly, after the successful relocation of the Eco Products business from the Genthin site to Weira in end of 2022, economies of scales were realized with increased processing capacities for further growth.

In the segment performance of 2023 are non-recurring income and expenses, such as accounting and advisory costs in relation to the listing in 2022 and US flooding-related effects included.

Segment Performance 2022 IN EURO X 1,000	EUROPE	NORTH AMERICA	TOTAL
Revenue	**173,260**	**35,633**	**208,893**
Change in inventories of finished goods and work in progress	4,874	-675	4,199
Other operating income	6,165	7,531	13,696
Total Operating income	**184,299**	**42,489**	**226,788**
Material expenses / expenses for purchased services	-108,995	-22,498	-131,493
Gross profit	**75,304**	**19,991**	**95,295**
Personnel expenses			-40,425
Amortization/depreciation and impairment of intangible and tangible fixed assets			-18,023
Other operating expenses			-43,581
Share listing expenses			-26,764
EBIT			**-33,500**
Finance income			1,589
Finance costs			-2,390
Financial Result			**-802**
Result before taxes			**-34,302**
Income tax expense			4,480
Net result for the year			**-29,822**
Attributable to:			
Non-controlling interest			-77
Equity holders of CABKA N.V.			***-29,745***

In the above segment performance of 2022 are non-recurring income and expenses, such as accounting and advisory costs in relation to the transaction, share listing expenses and US flooding-related effects included.

The average FTE of permanent employed personnel per segment can be specified as follows:

Full time equivalents PER DEPARTMENT	2023			2022		
	EUROPE	US	TOTAL	EUROPE	US	TOTAL
Production	364	40	404	355	47	402
Sales & Marketing	32	6	38	40	5	45
Innovation Center	40	-	40	43	-	43
General & Administration	110	11	121	85	20	105
Total	**546**	**57**	**603**	**523**	**72**	**595**

Assets and liabilities are not monitored by segment and therefore not presented per segment.

The Executive Management Committee monitors the Gross profit of its business units separately for the purpose of making decisions about resource allocation and performance assessment, Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the consolidated financial statements, The Group's financing (including finance costs, finance income and other income) is managed on Group basis in close alignment with local Management, Income taxes are managed on legal entity level in close coordination with Group Management,

Transfer prices between operating segments are on an arm's-length basis in a manner similar to transactions with third parties.

Finance costs, finance income, other income, and fair value gains and losses on financial assets are not allocated to individual segments as the underlying instruments are managed on a group basis.

Current taxes, deferred taxes and certain financial assets and liabilities are not allocated to those segments as they are also managed on a group basis. There were no significant inter-relationships between unobservable inputs that materially affect fair values.

7. Fair value measurement

The Group's best estimate is that the book value of the following financial assets and liabilities is considered a reasonable approximation of their fair value:
· trade and other receivables.
· cash and cash equivalents.
· bank loans; lease liabilities and liabilities to other financial institutions.
· trade and other payables.

The fair value of the financial instruments for 2023 is as follows:

IN EURO X 1,000	AT AMORTIZED COSTS	MANDATORY AT FVTPL	TOTAL CARRYING VALUE
At December 31, 2023			
Trade and other receivables	28,514	-	28,514
Cash and cash equivalents	7,252	-	7,252
Financial assets at amortized costs	**35,766**	**-**	**35,766**
Other long-term assets (Note 21)	-	9	9
Financial assets measured at fair value	**-**	**9**	**9**
Liabilities to banks	48,738	-	48,738
Lease liabilities	9,353	-	9,353
Rental purchase agreements	4,860	-	4,860
Trade and other payables	32,578	-	32,578
Financial liabilities at amortized costs	**95,529**	**-**	**95,529**
Special shares liabilities	-	1,071	1,071
Other liabilities	-	159	159
Financial liabilities measured at fair value	**-**	**1,230**	**1,230**

Below overview summarizes the fair value movements for 2022:

IN EURO X 1,000	AT AMORTIZED COSTS	MANDATORY AT FVTPL	TOTAL CARRYING VALUE
At December 31, 2022			
Trade and other receivables	32,228	-	**32,228**
Cash and cash equivalents	21,035	-	**21,035**
Financial assets at amortized costs	**53,263**	-	**53,263**
Other long-term assets	-	85	**85**
Financial assets measured at fair value	**-**	**85**	**85**
Liabilities to banks	52,049	-	**52,049**
Lease liabilities	7,340	-	**7,340**
Rental purchase agreements	5,087	-	**5,087**
Trade and other payables	35,241	-	**35,241**
Financial liabilities at amortized costs	**99,717**	**-**	**99,717**
Special shares liabilities	-	1,176	**1,176**
Other liabilities	-	23	**23**
Financial liabilities measured at fair value	**-**	**1,199**	**1,199**

Derivative financial instruments are measured at fair value and are recorded as financial asset or financial liability depending on their fair value (positive or negative). Such fair value measurements are classified as level 2 of the fair value hierarchy of IFRS 13.

Special Shares liabilities are measured at fair value based on estimations at each reporting date using a modified Black-Scholes-Merton option pricing model, taking into account the market conditions. Further details on the terms are disclosed in Note 31. Such fair value

measurements are classified as level 3 of the fair value hierarchy of IFRS 13.
There have been no transfers between levels of the fair value hierarchy used in measuring the fair value of financial instruments. Such transfers may occur where directly observable prices may become available or where market data from independent sources may no longer be available.

8. Other operating income

The other operating income is summarized in the overview below:

Other operating income IN EURO X 1,000	2023	2022
Income from insurance	1,328	5,919
Other own work capitalized	4,208	4,947
Personnel related operating income	913	990
Foreign exchange results	279	481
Other operating income	2,595	1,359
Total other operating income	**9,322**	**13,696**

Income from proceeds from insurance relates to the St. Louis flooding for an amount of € 1,174,000 (2022 € 5,919,000), the remaining € 154,000 relates to insurance proceeds in Germany. Other own work capitalized in both financial years relates to operational costs, such as personnel expenses, capitalized for inhouse manufactured property and equipment, like molds and assets related to recycle lines. The personnel related operating income amounting to € 913,000 (2022 € 990,000) is primarily related to governmental subsidies for the employment of permanent employees, especially for social securities.
The category other operating income of € 2,595,000 (2022 € 1,359,000) relates mainly to gain on sale of fixed assets, see Note 18, and further to the release of accruals for an amount of € 207,000 (2022 € 505,000).

9. Material expenses / expenses for purchased services

The material expenses and expenses for purchased services are summarized in the overview below:

Material expenses / expenses for purchased services IN EURO X 1,000	2023	2022	CHANGE
Cost of raw materials, consumables and supplements	74,172	90,342	-18%
Cost of purchased services	14,774	18,212	-19%
Gas, Power, Water	13,280	22,939	-42%
Total material expenses / expenses for purchased services	**102,226**	**131,493**	**-22%**

Material costs / expenses for purchased services include direct attributable costs, such as costs for raw materials and production-related materials, energy costs and purchased services. The latter are costs related to the external manufacturing of products and temporary employees, supporting the inhouse production of finished goods.

Despite the fact, that Cabka had no direct exposure to the Ukraine / Russia war, the indirect impact – especially on the energy prices- was significant in 2022. During 2023, the prices for both energy and materials have normalized, decreasing by 42% to € 13,280,000 (2022 € 22,939,000) and materials decreasing by 18% to € 74,172,000 (2022 € 90,342,000).

Purchased services, primarily external manufacturing costs in Europe, were reduced whilst in the US the external production costs remained at similar levels compared to prior year as both years were impacted from the flooding. The utilization of temporary employees, to ensure certain flexibility with excessive capacities, has been reduced as well.

10. Personnel expenses

The personnel expenses are summarized in the overview below:

Personnel expenses IN EURO X 1,000	2023	2022	CHANGE
Salaries and wages	31,622	27,968	13%
Social securities and other benefits	7,093	7,002	1%
Other staff costs	3,306	3,363	-2%
Share-based payment expense	545	2,092	-74%
Total personnel expenses	**42,566**	**40,425**	**5%**

The stock option programs are further elaborated in the section share-based payments program (see Note 28)

Personnel expenses increased by 5% due to growth, inflationary adjustments of labor costs and further strengthening our organization on key vacancies.

The average FTE in 2023 is 603 and represents a growth of 1.4 % in the financial year compared to previous year (2022: 595 FTE). Reference is made to Note 6 for further disclosure on FTE's per segment and per department.

11. Accounting for St, Louis flooding

As a result of the floods in 2022 in the greater St. Louis area on July 27, Cabka's North America plant in Hazelwood (MO) had to be shut down. As of July 2023, the US plant is back at full capacity and no further costs are expected. During the first months of 2023, Cabka had flood related expenses incurred totaling € 1,006,000 (2022: € 3,747,000). The above noted expenses are recognized in the other operating expenses (Note 12).

Insurance payments received in 2023 led to proceeds of € 1,174,000 compared to € 5,919,000 in 2022 (Note 8).

12. Other operating expenses

The other operating expense is summarized in the overview below:

Other operating expenses IN EURO X 1,000	2023	2022
Flood related expenses	1,006	9,525
Legal, audit and consulting fees	5,609	6,134
Repairs and maintenance	5,267	4,785
Transport expenses	4,400	4,331
Insurance and fees	2,605	2,302
IT services	1,900	2,195
Sales and promotion expenses	1,800	2,013
Car, travel and representation costs	1,561	1,822
Waste and disposal	2,021	1,817
Rental costs	1,279	1,518
Foreign exchange results	534	347
Other costs	6,284	6,793
Other operating expenses	**34,266**	**43,582**

The flood related expenses in 2023 relate to expenses for repairs of € 1,006,000, refer to Note 11.

The category other costs in other operating expenses in 2023 include expenses related to other taxes € 971,000, IPO related real estate transfer taxes € 1,085,000, medical & safety € 920,000, recruiting training € 475,000, board compensation fees € 224,000 and operations totaling € 2,609,000.

Legal, audit and consulting fees relate primarily to freelancer fees of € 1,586,000, closing and audit fees of € 1,076,000 business consulting € 529,000, Remainder of € 2,418,000 includes, among others, consulting costs for legal, tax, ESG, investor relations and patents,

During 2023, the other operating expenses when compared to the prior period decreased by € 9,317,000. The decrease is primarily driven by the decrease in the flood related expenses of € 8,519,000.

13. Finance income

The Finance income is summarized in the overview below:

Finance income IN EURO X 1,000	2023	2022
Changes in fair value of Special Shares liabilities	105	1,561
Interest income	203	27
Total finance income	**308**	**1,588**

The change in fair value of the Special Shares conversion option relates to the revaluation of this financial liability at reporting date and is based on changes in the ordinary share price of Cabka N.V. Further details on the Special Shares and its conversion option are disclosed in Note 31.

14. Finance expenses

The Finance costs are summarized in the overview below:

Finance costs IN EURO X 1,000	2023	2022
Interest on debts and borrowings	3,353	1,622
Interest arising from revenue contracts	3	274
Interest on lease liabilities (IFRS 16)	218	100
Interest on rental purchase liabilities	33	67
Other interest and similar expenses	579	327
Total finance costs	**4,186**	**2,390**

Other interest and similar expenses contain the residual arrangement fee of the repaid financing as per end of December 2023 as well as commitment fees and proportional arrangement fees for the syndicated loan which was renewed on December 15, 2023 spread over the contractual period of the financing. Further details and terms on the new syndicated loan are included in note 31.

15. Income tax

The Income Tax expenses are summarized in the overview below:

Income tax expenses reported in the statement of profit and loss
IN EURO X 1,000

	2023	2022
Current income tax	1,573	2,456
Adjustments in respect of current income tax of previous year	-75	-223
Deferred tax adjustments	-1,166	-6,713
Income tax expenses reported in the statement of profit and loss	**332**	**-4,480**

Total income tax paid in 2023 is € 1,222,000 (2022: € 2,185,000).
The nominal tax rates and amounts in the Netherlands in 2023 are 19% up to € 200,000 and 25.8% over € 200,000 (2022 are 15% up to € 395,000 and 25.8% over € 395,000).

Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate for 2023 and 2022:

Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate:
IN EURO X 1,000

	2023	2022
Result before taxes	**-1,209**	**-34,302**
Income tax expense at statutory tax rate (25.8%)	312	-8,850
Effect tax free income	94	-
Non-deductible expenses for tax purposes	-267	8,176
Adjustments in respect of current income tax of previous years	75	-223
Impact from the revaluation and previously unrecognized deferred taxes on tax loss carry forwards	1,128	-4,963
Realization of carry forward losses in the Netherlands	369	-
Current year losses for which no deferred tax asset is recognized	-1,877	-
Effect on temporary differences without recognized deferred taxes	-451	-37
Tax rate changes for deferred taxes	-	357
Differences to local tax rates	-617	1,060
Income tax expense reported in the statement of profit or loss	**-332**	**-4,480**
At the effective income rate of	-27.47%	13.06%

Critical judgements on Taxes
Deferred tax assets are recognized for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilized. Management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and the level of future taxable profits, together with future tax planning strategies. Deferred taxes are disclosed in Note 26.

For 2023, the average nominal tax rate of an entity operating in the Netherlands is 25.8%. The group is in the process of assessing its exposure to the Pillar Two legislation for when it comes into effect.

16. Earnings per share

Generally, basic EPS is calculated by dividing the profit for the year attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is calculated by dividing the profit attributable to ordinary equity holders of the parent by the weighted average number of ordinary shares outstanding during the year plus the weighted average number of ordinary shares that would be issued on conversion of all the dilutive potential ordinary shares into ordinary shares, such as the Roll-over shares (see 28). Currently, there is no distinction at Cabka between basic and diluted EPS as there are no items that have a dilutive effect.

The following table reflects the income and share data used in the basic and diluted EPS calculations:

Earnings per share (IN EURO X 1,000)	2023	2022
Profit attributable to ordinary equity holders of the parent for basic and diluted earnings	**-1,541**	**-29,745**
Weighted average number of ordinary shares for basic and diluted EPS	**24,656,117**	**23,306,241**

The weighted average number of shares were mainly impacted in the presented period by the issuance of new shares, especially for the dividend payment. The basic and diluted earnings per share in the financial year 2023 amounts to € -0.06 (in 2022: € -1.28).

The following instruments were not included in the basic or diluted EPS (Note 32, 33). As the Group has incurred a loss for the financial year ended December 31, 2022, the effect of the instruments below are not included in determining diluted earnings per share as these would decrease the loss per share and hence create an anti-dilutional effect. Therefore, diluted earnings per share equal basic earnings per share.

INSTRUMENT	HURDLE	NUMBER OF POTENTIAL ORDINARY SHARES
PSU	EUR 11.00	146,545
PSU	EUR 12.00	146,545
SPECIAL SHARES CONVERSION	EUR 12.00	586,668
DSC2 WARRANTS	EUR 12.00	880,000
PSU	EUR 13.00	146,545
DSC3 WARRANTS	EUR 13.00	1,320,000
PERFORMANCE SHARES	EUR 16.00	750,000
PERFORMANCE SHARES	EUR 18.00	750,000
PERFORMANCE SHARES	EUR 20.00	750,000

PSU and 450,000 of the Performance shares are additionally conditional upon service conditions for the eligible employees.

17. Intangible assets

The carrying value of intangible assets including among others software licenses in the position purchased intangible assets is summarized below:

Intangible Assets at December 31 IN EURO X 1,000	2023	2022
Customer relationships	-	30
Internally developed intangible assets	2,108	-
Purchased intangible assets	505	657
Assets under construction	200	-
Total intangible assets	**2,813**	**687**

The movement during the year for the intangible assets is as follows:

Intangible assets IN EURO X 1,000	CUSTOMER RELATION-SHIP	INTERNALLY DEVELOPED INTANGIBLE ASSETS	PURCHASED INTANGIBLE ASSETS	ASSETS UNDER CONSTRUC-TION	TOTAL
Historical Cost					
At January 1, 2023	**150**	**244**	**5,366**	**-**	**5,760**
Additions	-	2,366	145	200	2,711
Disposals	-	-	-24	-	-24
Currency translation	-	-9	-	-	-9
At December 31, 2023	**150**	**2,601**	**5,487**	**200**	**8,438**
Accumulated amortization and impairment					
At January 1, 2023	**-120**	**-244**	**-4,709**	**-**	**-5,072**
Additions	-30	-250	-297	-	-577
Disposals	-	-	24	-	24
Currency translation	-	1	-	-	1
At December 31, 2023	**-150**	**-493**	**-4,982**	**-**	**-5,625**
Net book value					
At December 31, 2023	**-**	**2,108**	**505**	**200**	**2,813**

The movement during 2022 for the intangible assets is as follows:

Intangible assets IN EURO X 1,000	CUSTOMER RELATION-SHIP	INTERNALLY DEVELOPED INTANGIBLE ASSETS	PURCHASED INTANGIBLE ASSETS	ASSETS UNDER CONSTRUC-TION	TOTAL
Historical Cost					
At January 1, 2022	**150**	**244**	**4,948**	-	**5,342**
Additions	-	-	418	-	418
Disposals	-	-	-	-	-
Currency translation	-	-	-	-	-
At December 31, 2022	**150**	**244**	**5,366**	**-**	**5,760**
Accumulated amortization and impairment					
At January 1, 2022	**-90**	**-199**	**-4,447**	**-**	**-4,736**
Additions	-30	-45	-262	-	-337
Disposals	-	-	-	-	-
Currency translation	-	-	-	-	-
At December 31, 2022	**-120**	**-244**	**-4,709**	**-**	**-5,073**
Net book value					
At December 31, 2022	**30**	**-**	**657**	**-**	**687**

Additions to internally developed assets refer to primarily product development costs.

18. Property, plant and equipment

The carrying value of property, plant and equipment is summarized below:

Property, plant and equipment at December 31 IN EURO X 1,000	2023	2022
Land, land rights and buildings	19,276	15,035
Technical equipment and machines	37,515	23,943
Other equipment, factory and office equipment	14,183	11,011
Prepayments on tangible assets and construction in process	9,820	18,896
Property, plant and equipment	**80,794**	**68,885**

The movement during the year for the property, plant and equipment is as follows:

Property, plant and equipment IN EURO X 1,000	LAND, LAND RIGHTS AND BUILDINGS ON THIRD PARTY LAND	TECHNICAL EQUIPMENT AND MACHINES	OTHER EQUIPMENT, FACTORY AND OFFICE EQUIPMENT	ASSETS UNDER CONSTRUC-TION	TOTAL
Historical Cost					
At January 1, 2023	**30,465**	**114,964**	**62,235**	**18,961**	**226,625**
Additions	4,317	8,046	5,333	11,484	29,180
Disposals	-493	-7,765	-1,308	-	-9,566
Transfers	1,942	15,544	2,261	-20,743	-996
Adjustment	953	7,287	-8,534	270	-24
Currency translation	-177	-973	-392	-152	-1,694
At December 31, 2023	**37,007**	**137,103**	**59,595**	**9,820**	**243,525**
Accumulated depreciation and impairment					
At January 1, 2023	**-15,431**	**-91,021**	**-51,223**	**-65**	**-157,740**
Additions	-1,424	-9,083	-4,230	-	-14,737
Disposals	38	7,168	1,131	-	8,338
Transfers	-	-	-15	-	-15
Adjustment	-952	-7,287	8,630	65	456
Currency translation	38	635	294	-	968
At December 31, 2023	**-17,731**	**-99,587**	**-45,413**	**-**	**-162,731**
Net book value					
At December 31, 2023	**19,276**	**37,515**	**14,183**	**9,820**	**80,794**

As of December 31, 2023, individual machines were assigned as collateral for liabilities to banks. Further information is provided in note financial liabilities (Note 31).

In the reporting year an accounting profit for the sale of land and equipment is realized at an amount of € 1,356,000, primarily for the land sold in Genthin / Germany and the divestment of the non-strategic PVC assets.

Management performed a reassessment of useful lives of assets in the Group and implemented these as per January 1, 2024. The impact for the 2024 financial year is assessed to be not material.

The movement during 2022 for the property, plant and equipment is as follows:

Property, plant and equipment IN EURO X 1,000	LAND, LAND RIGHTS AND BUILDINGS ON THIRD PARTY LAND	TECHNICAL EQUIPMENT AND MACHINES	OTHER EQUIPMENT, FACTORY AND OFFICE EQUIPMENT	ASSETS UNDER CONSTRUC-TION	TOTAL
Historical Cost					
At January 1, 2022	**27,956**	**111,877**	**57,075**	**12,843**	**209,751**
Additions	2,878	3,815	4,239	13,250	24,182
Disposals	-1,425	-3,567	-479	-4,066	-9,537
Transfers	886	1,488	879	-3,253	-
Currency translation	170	1,351	521	187	2,229
At December 31, 2022	**30,465**	**114,964**	**62,235**	**18,961**	**226,625**
Accumulated depreciation and impairment					
At January 1, 2022	**-15,364**	**-81,614**	**-47,148**	**-65**	**-144,191**
Additions	-957	-10,189	-3,982	-	-15,128
Disposals	944	1,741	314	-	2,999
Transfers	-	-	-	-	-
Currency translation	-54	-959	-407	-	-1,420
At December 31, 2022	**-15,431**	**-91,021**	**-51,223**	**-65**	**-157,740**
Net book value					
At December 31, 2022	**15,034**	**23,943**	**11,012**	**18,896**	**68,885**

19. Leases

The Group has lease contracts for various items of land and buildings, plant, machinery, motor vehicles and other equipment used in its operations. Leases of land and buildings, plant and machinery generally have lease terms between 3 and 15 years. Motor vehicles and other equipment generally have lease terms between 3 and 5 years.

There are some lease contracts that include extension and purchase options and variable lease payments. These are taken into account accordingly in the calculations.

The Group also has certain leases with lease terms of 12 months or less and also with low value. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

The carrying amounts of the right-of-use assets are summarized below:

Right-of-use assets at December 31 IN EURO X 1,000	2023	2022
Land, land rights and buildings	5,015	4,034
Technical equipment and machines	4,355	4,070
Other equipment, factory and office equipment	800	626
Property, plant and equipment	**10,170**	**8,730**

The movement during the year for the right-of-use is as follows:

Movement schedule of right-of-use assets IN EURO X 1,000	LAND AND BUILDINGS	TECHNICAL EQUIPMENT / MACHINES	OTHER EQUIPMENT	TOTAL
Historical Cost				
At January 1, 2023	**5,193**	**7,279**	**1,025**	**13,497**
Additions	2,088	943	448	3,479
Disposals	-	-1,179	-17	-1,196
Adjustment	-349	14	-20	-355
Currency translation	-	-73	-15	-88
At December 31, 2023	**6,932**	**6,984**	**1,421**	**15,337**
Accumulated depreciation And impairment				
At January 1, 2023	**-1,159**	**-3,209**	**-399**	**-4,768**
Additions	-898	-1,077	-255	-2,230
Disposals	-	1,080	18	1,098
Adjustment	140	534	9	683
Currency translation	-	43	7	50
At December 31, 2023	**-1,917**	**-2,629**	**-621**	**-5,167**
Net book value				
At December 31, 2023	**5,015**	**4,355**	**800**	**10,170**

Movement schedule of right-of-use assets IN EURO X 1,000	LAND AND BUILDINGS	TECHNICAL EQUIPMENT / MACHINES	OTHER EQUIPMENT	TOTAL
Historical Cost				
At January 1, 2022	**2,770**	**7,732**	**791**	**11,293**
Additions	2,423	1,540	203	4,166
Disposals	-	-2,074	-	-2,074
Currency translation	-	81	31	112
At December 31, 2022	**5,193**	**7,279**	**1,025**	**13,497**
Accumulated depreciation And impairment				
At January 1, 2022	**-565**	**-2,220**	**-172**	**-2,957**
Additions	-594	-1,738	-227	-2,559
Disposals	-	749	-	749
At December 31, 2022	**-1,159**	**-3,209**	**-399**	**-4,767**
Net book value				
At December 31, 2022	**4,034**	**4,070**	**626**	**8,730**

The disposals of € 1,196,000 are primarily related to machines.

Set out below are the carrying amounts of lease liabilities and the movements during the period:

Carrying amounts of lease liabilities and movements during the period IN EURO X 1,000	2023	2022
As at January 1	**7,340**	**8,386**
Additions	4,265	1,144
Payments	-2,470	-2,291
Interest	218	100
As at December 31	**9,353**	**7,340**
Current	2,349	1,998
Non-Current	7,004	5,342

The maturity analysis of lease liabilities is disclosed in the financial liabilities, Note 31. New lease liabilities in the financial year 2023 are totaling to € 4,265,000 (2022: € 1,144,000).

The following are the amounts recognized in profit or loss:

Lease liabilities recognized in profit or loss IN EURO X 1,000	2023	2022
Depreciation expense of right-of-use assets	2,230	2,559
Interest expense on lease liabilities	218	100
Expense relating to short-term leases / leases of low-value assets	1,166	1,398
Total amount recognized in profit or loss	**3,614**	**4,057**

The Group had total cash outflows for leases of € 2,470,000 in 2023 (€ 2,291,000 in 2022), excluding short-term leases.

The future lease payments for recognized lease contracts are € 2,349,000 within one year and € 7,004,000 thereafter. The Group has no lease contracts that have not yet commenced as at December 31, 2023.

Extension and termination options are included in a number of property and equipment leases across the group. These are used to maximize operational flexibility in terms of managing the assets used in the group's operations. The majority of extension and termination options held are exercisable only by the group and not by the respective lessor.

Incremental Borrowing Rate on Leases
The Group applies the interest rate of the contract if applicable. In case of contracts, where the interest rate implicit in the lease cannot readily be determined, it uses its incremental borrowing rate (IBR) to measure lease liabilities. The IBR is the rate of interest that the Group would have to pay to borrow over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the right-of-use asset in a similar economic environment. The average IBR of all contracts in place as at December 31st 2023 is 1.94%.

20. Financial assets

The Financial assets are summarized by maturity in the overview below:

Financial assets by maturity at December 31 IN EURO X 1,000	2023 < 1 YEAR	2023 1-5 YEARS	2023 > 5 YEARS	2023 TOTAL	2022 TOTAL
Shares in affiliated companies	-	-	87	87	87
Shares in companies in which participations are held	-	-	3	3	4
Receivables to affiliated companies	21	-	-	21	4
Receivables to shareholders	21	-	-	21	21
Financial assets	**41**	**-**	**90**	**132**	**116**

The shares in affiliated companies relate to shares in Cabka Verwaltungs GmbH, Weira, and Cabka Eco Products Verwaltungs GmbH (Weira), which are not included in the consolidation as they are individually and on aggregate not considered to be material for the Group. In accordance with the exemption provided in article 407 sub 1a of Part 9 of Book 2 of the Dutch Civil Code, these group companies are therefore excluded from consolidation.

21. Other long-term assets

Other long-term assets relate to purchased interest rate option with a nominal amount of € 5,000,000 and an initial term of 5 years. The paid premium was recognized in other assets at purchased date and will be adjusted according to its fair value at the reporting dates. At December 31st 2023, the fair value of this instrument was € 17,000 (2022: € 85,000).

22. Inventories

The inventories are summarized in the overview below:

Inventories at December 31 IN EURO X 1,000	2023	2022
Raw material, consumables, and supplies	10,990	12,991
Work in process	5,736	9,247
Finished goods and merchandise	15,332	19,500
Inventories	**32,058**	**41,738**

Inventories include obsolete stock with a total impact of € 263.000 on the overall value in the reporting year.

23. Trade receivables

The trade receivables are summarized in the overview below:

Trade receivables at December 31
IN EURO X 1,000

	2023	2022
Receivables from third-party customers	27,669	31,870
Allowance for expected credit losses (ECL)	-95	-101
Trade receivables	**27,574**	**31,769**

Further information on the ECL calculation is provided in Note 34.

24. Other short-term assets

The other short-term assets are summarized in the overview below:

Other short-term assets at December 31
IN EURO X 1,000

	2023	2022
VAT	4,277	1,719
Receivables from employees	231	195
Energy taxes	1,744	1,771
Prepayments	557	146
Security deposit	151	148
Income tax	2,049	1,423
Accrued charges and other assets	3,600	3,365
Other short-term assets	**12,609**	**8,767**

Increase on other short-term assets is primarily driven by the increased VAT position in the short-term assets. Accrued charges and other assets include, amongst others, the arrangement fees at an amount of € 465,000 for the debt refinancing.

25. Cash and cash equivalents

The cash and cash equivalents are summarized in the overview below:

Cash and short-term deposits at December 31
IN EURO X 1,000

	2023	2022
Cash at bank and on hand	7,252	21,035
Cash and cash equivalents	**7,252**	**21,035**

Within the cash at banks an amount of € 32,000 (2022 € 33,000) is held as security deposit.

26. Deferred tax

Deferred tax relates to the following financial positions:

Deferred taxes as at December 31 IN EURO X 1,000	2023	2022
Deferred tax assets on		
Intangible assets	52	53
Inventories	–	11
Trade Receivables	–	5
Provisions	761	560
Contract liabilities	765	234
Financial liabilities	1,503	1,670
Losses available for offsetting against future taxable income	11,227	8,855
Deferred tax assets, gross	**14,308**	**11,387**
Offsetting with deferred tax liabilities	-6,341	-4,085
Deferred tax assets reflected in statement of financial position, net	**7,967**	**7,302**
Deferred tax liabilities on		
Property, plant and equipment	5,340	4,137
Financial liabilities	1,089	439
Deferred tax liabilities, gross	**6,429**	**4,575**
Offsetting with deferred tax assets	-6,341	-4,085
Deferred tax liabilities reflected in statement of financial position, net	**88**	**490**

The Group has in total € 61,913,000 tax losses carried forward, thereof recognized € 54,405,000 (2022: € 46,810,000) of tax losses carried forward and unrecognized € 7,508,000. Deferred tax assets for any unused tax losses are recognized to the extent that it is probable that taxable profit will be available against which the unused tax losses can be utilized. For this purpose, the Group has recognized deferred tax assets for the amount of € 11,227,000 (2022: € 8,855,000). Deferred tax assets have been recognized for tax losses resulting from the US €29,864,000, Germany € 23,429,000, Belgium € 1,039,000 and the Netherlands € 73,000. There are tax losses carried forward amounting € 670,000 which expires within the following five years. € 5,194,000 will expire after five years (for which a deferred tax asset of € 1,299,000 is recognized in full) and € 56,049,000 can be carried forward indefinitely (for which a deferred tax asset of € 9,761,000 is recognized, representing € 48,541,000 of tax losses), However, the amount of tax loss carryforwards that can be utilized in one financial year can be restricted to a certain amount.

There are tax losses in the amount of € 7,508,000 for which no deferred tax assets are recognized in the US due to non-profitable fiscal income yet, mainly driven by the flooding event impacting the results in the years 2022 and 2023.

27. Share capital and share premium

Share Capital:
In 2023, in total 334,787 new shares were issued (2022: 40,467,969).

Subject to the AGM's approval on June 8, 2023, Cabka issued 334,787 new Ordinary Shares to cover its obligations from the dividend payment, resulting in total shares issued in total 40,802,756 per December 31, 2023.

Ordinary shares in treasury decreased in the reporting period by 393,622 shares, predominantly by the issuance of 385,022 VSOP Rollover shares to key employees after the one-year lock-up period in March 2023. Another 8,600 treasury shares netted were issued in course of the business year. The roll-over shares, classified in other reserves in equity, were settled with share premium.

The issued share capital of Cabka N.V. as at December 31, 2023 can be specified as follows:

Cabka Share Capital	SHARES (UNITS)	NOMINAL VALUE IN EURO	SHARE CAPITAL IN EURO	ISIN
Ordinary shares in treasury	15,994,378	0.01	159,944	DSC2S / NL00150002R5
Ordinary shares outstanding	24,710,600	0.01	247,106	CABKA / NL00150000S7
Total ordinary shares issued	**40,704,978**		**407,050**	
Special Shares	97,778	0.01	978	
Total shares issued	**40,802,756**		**408,028**	

The 97,778 Special Shares are held by the Founders of DSC2 and are not publicly listed. These Special Shares have equal dividend and voting rights as ordinary shares. In accordance with the underlying terms, the Special Shares will either (i) convert into 7 ordinary shares if the share price of Cabka N.V. equals or exceeds € 12.00 for any 15 trading days out of a 30 consecutive trading day period (whereby such 15 days trading days do not have to be consecutive) or (ii) convert into 1 ordinary share if this price hurdle is not being achieved before March 1, 2027. This conversion option has been classified as a financial liability measured at fair value through profit or loss (FVTPL). The fair value of the financial liability as at December 31, 2023 amounts to € 1,071,000 (Note 31).
For an overview of the ownership of the ordinary shares issued we refer to Note 16 of the Company financial statements.

Share premium:
The share premium reserve of € 77,687,000 (2022: € 75,125,000) relates to contribution on issued shares in excess of the nominal value of the shares. The share premium is freely distributable, provided that equity is not lower than the sum of share capital and legal reserves as a result of such distribution.

Limitations in the distribution of shareholder's equity
A free distribution is restricted for the amount of capitalized internal development costs as carried on the consolidated statement of financial position. As at 31 December 2023 the amount of capitalized development costs as carried on the consolidated statement of financial position amounts to € 2,108,000 (2022: nil) as further detailed in Note 12 of the Company Financial Statements of Cabka N.V., in which a legal reserve has been formed as required under Dutch Law.

28. Share-based payments

VSOP and Roll-over shares (RoS)
Cabka Group GmbH issued in prior years a "Virtual stock-option plan" (hereinafter referred to as "VSOP") to offer virtual shares in Cabka Group GmbH to employees and members of the management as variable compensation. The VSOP entitled the participating employees to a cash payment in the amount of the excess of the equity value per share over a specified exercise price, provided that the employees remain employed over a specified period of time from grant date.

The fair value of the VSOP was estimated, initially and at the end of each reporting period until settled, using a Black-Scholes-Merton option pricing model. Since the VSOP entitles for cash compensation only, it was accounted for as cash-settled share-based payment. The carrying amount of the liability relating to the VSOP at December 31, 2021 was € 4,168,000. Following the listing of Cabka on March 1,2022, the VSOP agreement was converted in a Rollover Agreement including accelerated vesting. At time of conversion, the liability relating to the VSOP was increased to € 5,774,000, following the recognition of a share-based payment expense of € 1,606,000. In accordance with the Rollover Agreement, 1/3rd of the VSOP amount, representing a value of € 1,957,000 is to be settled in cash of which

€ 1,712,000 was paid out in 2022 and the remaining amount in 2023. The other 2/3rd of the VSOP amount, representing a value of € 3,817,000 has been settled in stock options to acquire ordinary shares of Cabka N.V. (roll-over shares, RoS). These stock options had a lock-up period of one year and were exercisable without any further (service) conditions and an exercise price of zero as of March 1, 2023.

The roll-over shares have been accounted for as a modification of an existing cash-settled share-based payment plan into an equity-settled share-based payment, with the existing liability of € 3,837,000 being reclassified to other reserves in equity as at March 1, 2022. The fair value of the roll-over shares was estimated at the grant date using a Black-Scholes-Merton option pricing model. Since the options are directly exercisable after a one-year period and have no strike price, the fair value of the option was close to the listed stock price of the ordinary shares of Cabka N.V. as at March 1, 2022. During 2023, the roll-over-shares were exercised, resulting in an issuance of 385,022 ordinary shares from treasury.

PSU Plan

Effective as of March 1, 2022, a performance share unit plan has been adopted (the PSU Plan). The PSU Plan allows key employees a one-off award of performance share units (PSU) where each PSU covers (the value) of one ordinary share of Cabka N.V. Subject to the terms and conditions of the PSU Plan, vesting of the awarded PSUs will occur on different vesting dates subject to the performance condition being met. Performance conditions are market conditions of the quoted share price of Cabka reaching € 11.00, € 12.00 and € 13.00 (hurdles) within five years' time from grant date. Once a hurdle is met, the PSU vest in three equal installments over a period of three years. The employee is then entitled to receive one ordinary share per PSU without any payment, provided that the employee is still employed at that time. When the hurdles are not achieved within 5 years, the option forfeites. The market conditions are achieved if the share price equals or exceeds the stated hurdles for any 15 trading days out of a 30 consecutive trading day period (whereby such 15 trading days do not have to be consecutive).

There are no cash settlement alternatives. The Group accounts for the PSU as an equity-settled share-based payment.

The fair value of the PSU is estimated at the grant date using a modified Black-Scholes-Merton option pricing model, considering the market conditions. The total fair value of the grant is recorded as share-based payment expense over the estimated vesting period based on graded vesting. Vesting period was estimated based on the date of highest probability that hurdles are met according to option pricing model applied.

PS

Finally, the CEO is entitled to Performance Shares (PS) subject to the performance conditions being met. Performance conditions are market conditions of the quoted share price of Cabka reaching € 16.00, € 18.00 and € 20.00 (hurdles). Once a hurdle is met, the CEO is then entitled to receive one ordinary share per PS without any payment, provided that he is still employed at that time.

There are no cash settlement alternatives. The Group accounts for the PS as an equity-settled share-based payment.

The fair value of the PS was estimated at the grant date in 2022 using a modified Black-Scholes-Merton option pricing model, considering the market conditions. The total fair value of the grant is recorded as share-based payment expense over the estimated vesting period based on graded vesting.

As at December 31, 2023 (December 31, 2022), the Group recognized the following share-based payment expenses for the above-mentioned plans in the statement of profit or loss:

Share- based payment expense
IN EURO X 1,000

	2023	2022
VSOP	-	1,606
PSU	380	350
PS	164	137
Share-based payment expenses	**545**	**2,093**

Movements of equity-settled options during the year:

Number of options	ROS	PS	PSU
Outstanding at January 1, 2023	**387,520**	**450,000**	**438,558**
Granted during the year	-	-	31,428
Forfeited during the year	-2,498	-	-30,349
Exercised during year	-385,022	-	-
Outstanding at December 31, 2023	**-**	**450,000**	**439,637**

VSOP options had an exercise price of € 29.70. All other options have an exercise price of zero. The weighted average quoted share price of the ordinary shares at the date of exercise of the roll-over shares was € 7.40. None of the options are exercisable as of December 31, 2023. The weighted average remaining contractual life of the option is summarized as follows:

Weighted average remaining contractual life of options in years	2023	2022
VSOP	-	-
RoS	-	0.17
PSU	6.26	7.17
PS	3.25	4.25

Remaining contractual life of PSU options reflects the maximum possible contractual lifespan of 5 years for achieving the hurdles plus a consecutive 3 years vesting period. The PS options granted to the CEO have in principle no contractual lifetime but are linked to a continuous employment clause. Vesting of the PS options is therefore, amongst others, depending of the annual reappointment of the CEO by the General Meeting. As at December 31, 2023, the contractual lifetime is estimated at 3.25 years assuming annual reappointment of the CEO by the General Meeting.

The weighted average fair values of options granted in 2023 and 2022 at the respective measurement dates are summarized as follows:

Weighted average fair value of options at measurement date (in EUR)	2023	2022
VSOP	-	-
RoS	-	9.90
PSU	2.02	4.41
PS	-	1.55

The model inputs are summarized in the overview as follows:

Model inputs	2023 PSU	2022 PS	2022 PSU	2022 ROS
Model used	Modified BS	Modified BS	Modified BS	Modified BS
Measurement date	June 8, 2023	March 1, 2022	March 1, 2022	March 1, 2022
Dividend yield (%)	2.35	1.49	1.49	1.49
Expected volatility (%)	32.00	30.00	30.00	25.99
Risk-free rate (%)	2.29 - 2.30	-0.43	-0.50 - -0.30	-0.70
Expected life of options (years)	6.00 – 8.00	4.25	2.42 – 7.03	1.00
Underlying share price (€)	6.37	10.05	10.05	10.05

The expected life of the options is based on expectations at measurement date, considering early exercise behavior generally observed for employees, and is not necessarily indicative of exercise patterns that may occur. Expected life of the PSU (2022) and PS options is less than the maximum contractual lifespan. Expected life of the PSU (2023) is equal to the maximum contractual lifespan. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

Critical judgements on Share-based payments

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which depends on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option or appreciation right, volatility and dividend yield and making assumptions about them.

29. Other reserves

The other reserves comprises the warrant reserve, Performance Shares reserve and share-based payment (IFRS 2) reserve. These reserves are freely distributable provided that equity is not lower than the sum of share capital and legal reserves as a result of such distribution.

The movement and breakdown of the other reserves can be stated as follows:

IN EURO X 1,000	WARRANTS	PERFOR-MANCE SHARES	SHARE-BASED PAYMENTS	TOTAL OTHER RESERVES
At January 1, 2022	-	-	-	-
Acquisition of DSC2	3,282	-	-	3,282
Issue of performance shares	-	3,449	-	3,449
Roll-over of VSOP	-	-	3,817	3,817
Share-based payment expense PSU/PS	-	-	487	487
At January 1, 2023	**3,282**	**3,449**	**4,304**	**11,035**
Issue of performance shares (Note 28)	-	-	164	164
Roll-over of VSOP (Note 28)	-	-	-3,817	-3,817
Share-based payment expense PSU (Note 28)	-	-	380	380
At December 31, 2023	**3,282**	**3,449**	**1,031**	**7,762**

Warrants:

The Warrants automatically and mandatorily convert when the closing price of the Ordinary Shares of Cabka N.V. on Euronext Amsterdam reaches the respective minimum share price threshold (€ 12.00 / € 13.00) for such Warrant on 15 trading days out of a 30 consecutive trading day period (whereby such 15 trading days do not have to be consecutive), after which each corresponding Warrant converts into a number of Ordinary Shares based on the pre-determined conversion ratio as further detailed below. As a consequence, a single Warrant cannot convert into an Ordinary Share, other than together with and at the same time as such a number of Warrants that, pursuant to the Warrant Conversion Ratio, entitles such Warrant Holder to a minimum of one Ordinary Share. Upon conversion of Warrants, the Warrant Holders will be charged €0.10 per Ordinary Share transferred to it in return for his or her conversion of Warrants, of which €0.01 is required for payment of the nominal value of the Ordinary Share allotted following the conversion, and €0.09 will be added to the share premium reserve.

Number of warrants	WARRANTS (UNITS)	CON-VERSION RATIO	ORDINARY SHARES (UNITS)
Warrants for ordinary shares – hurdle € 12,00	1,833,334	0.24	880,000
Warrants for ordinary shares – hurdle € 13,00	1,833,334	0.36	1,320,000
Outstanding at December 31, 2023	**3,666,668**		**2,200,000**

Performance Shares:
At initial listing, as agreed between all parties in the Business Combination Agreement, Cabka N.V. issued 1,800,000 "Performance Shares" to the former majority shareholder of Cabka Group GmbH.

These Performance Shares have no dividend rights nor voting rights until they are converted into ordinary shares. For this reason, these performance shares are considered non-substantive rights. Conversion to ordinary shares of Cabka N.V. will only take place if the share price of Cabka N.V. equals or exceeds the following price hurdles for any 15 trading days out of a 30 consecutive trading day period (whereby such 15 days trading days do not have to be consecutive):

- At € 16.00 – 600,000 performance shares will automatically convert into an equal number of ordinary shares.
- At € 18.00 – 600,000 performance shares will automatically convert into an equal number of ordinary shares.
- At € 20.00 – 600,000 performance shares will automatically convert into an equal number of ordinary shares.

The Performance Shares issued to the former majority shareholder of CABKA are classified as an equity instrument in accordance with IAS 32 as the Performance Shares issued do not contain a contractual obligation to (i) deliver cash or another financial asset, or (ii) to exchange financial assets or financial liabilities that are potentially unfavorable to the combined entity. The Performance Shares do also not contain an obligation for the entity to deliver a variable number of its own equity instruments, but relate to the exchange of a fixed amount of cash (zero) for a fixed number of the entity's ordinary shares. The fair value of the Performance Shares at grant date March 1, 2022 amounted to € 3,449,200 and has been recorded in other reserves against share premium.

The fair value of the Performance Shares is estimated at grant date using a modified Black-Scholes-Merton option pricing model, taking into account the market conditions. The fair value is not remeasured at each reporting date in accordance with IAS 32 requirements.

30. Foreign currency translation reserve

The foreign currency translation reserve of € -1,538,000 (2022: € -1,533,000) comprises all foreign currency differences arising from the translation of the financial statements of foreign operations. This legal reserve is not freely distributable in accordance with Dutch law.

31. Financial liabilities

The contractual maturities of the Group's financial liabilities are as follows:

Financial liabilities split by remaining term on December, 31 2023 IN EURO X 1,000	CURRENT < 1 YEAR	NON-CURRENT 1 - 5 YEARS	TOTAL
Special Shares liabilities	1,071	-	1,071
Liabilities to banks	16,446	32,292	48,738
Lease liabilities (IFRS 16)	2,349	7,005	9,353
Rental purchase liabilities	898	3,962	4,860
Financial liabilities	**20,764**	**43,259**	**64,022**

The financial liabilities of the previous financial year is summarized as follows:

Financial liabilities split by remaining term on December, 31 2022 IN EURO X 1,000	CURRENT < 1 YEAR	NON-CURRENT 1 - 5 YEARS	TOTAL
Special Shares liabilities	1,176	-	1,176
Liabilities to banks	21,215	30,833	52,048
Lease liabilities (IFRS 16)	1,998	5,342	7,340
Rental purchase liabilities	2,804	2,283	5,087
Others	89	-	89
Financial liabilities	**27,282**	**38,458**	**65,740**

To cover its financing needs, Cabka uses leasing, long term loans and a syndicated loan which was renewed on December 15, 2023. The new syndicated loan, with a consortium led by Commerzbank AG, has a total initial debt facility of € 80,000,000 for four years. The facility includes extension options for up to two years as well as an option to increase the facility by an extra € 20,000,000 for further financial flexibility. Borrowing costs are recognized under finance expenses in the consolidated statement of profit and loss disclosed in Note 14.

As of December 31, 2023 € 35,845,000 of the facilities were unused. The syndicated loan is unsecured and had an initial term of 4 years with a maturity in December 2027. Besides the syndicated loan there are secured long term loans of € 4,583,00 (thereof € 3,333,000 subordinated) with a maturity in December 2025. The weighted average interest rate at December 31, 2023 was 5.4 % for liabilities to banks in EUR and 8.2 % for liabilities to banks in USD. The syndicated loan contains several financial covenants which have to be met at specific dates. All financial covenants are met at the reporting date. To reduce the interest rate risk, Cabka uses interest rate derivatives as disclosed in Note 34.

Financial liabilities movements are summarized as follows:

IN EURO X 1,000	LIABILITIES TO BANKS	LEASE LIABILITIES	RENTAL PURCHASE LIABILITIES	SPECIAL SHARES LIABILITIES	OTHERS	TOTAL
At January 1, 2022	**56,469**	**8,386**	**7,556**	**-**	**142**	**72,553**
Cash outflows / repayments	-9,696	-2,191	-2,900	-	-53	-14,840
Addition of leases	5,275	1,145	431	-	-	6,851
Initial recognition upon acquisition of DSC2	-	-	-	2,737	-	2,737
Fair value changes	-	-	-	-1,561	-	-1,561
At December 31, 2022	**52,048**	**7,340**	**5,087**	**1,176**	**89**	**65,740**
Cash outflows / repayments	-3,310	-2,470	-2,727	-	-89	-8,596
Additions	-	4,483	2,500	-	-	6,983
Fair value changes	-	-	-	-105	-	-105
At December 31, 2023	**48,738**	**9,353**	**4,860**	**1,071**	**-**	**64,022**

Rental purchase liabilities and lease liabilities:
The rental purchase liabilities result from agreements entered into for the acquisition of property, plant and equipment based on deferred payments, for which the agreement includes the option to purchase the underlying asset. Because of this purchase option, the underlying assets are considered to classify as owned assets under property, plant and equipment rather than right-of use assets. Similarly, the rental purchase liabilities are presented separately from regular lease liabilities. Additions in rental purchase liabilities totaling € 2,500,000 are cash inflows from sale of an asset.

Lease liability additions in total € 4,483,000 in the reporting year have a non-cash character.

Special Shares liabilities:
As detailed in Note 27, the Special Shares held by the Founders of DSC2 will either (i) convert into 7 ordinary shares if the share price of Cabka N.V. equals or exceeds € 12.00 for any 15 trading days out of a 30 consecutive trading day period (whereby such 15 days trading days do not have to be consecutive) or (ii) convert into 1 ordinary share if this price hurdle is not being achieved before March 1, 2027. This conversion option has been classified as a financial liability measured at fair value through profit or loss (FVTPL). The fair value of the financial liability as at December 31, 2023 amounts to € 1,071,000 (2022: € 1,176,000).

The fair value of the Special Shares liabilities are estimated at each reporting date using a modified Black-Scholes-Merton option pricing model, taking into account the market conditions. During 2023, a fair value gain of € 105,000 (2022: € 1,516,000) has been recorded in financial income (Note 13), which is the result of a lower ordinary share price of Cabka N.V. as at December 31, 2023.

32. Trade payables, other liabilities and contract liabilities

The trade payables and other liabilities are summarised in the overview below:

Trade payables and other liabilities at December 31 IN EURO X 1,000	2023 TOTAL	2022 TOTAL
Trade payables	**32,578**	**35,241**
Personnel related liabilities	3,861	4,985
Others	4,888	2,406
Other liabilities	**8,749**	**7,391**
Trade payables and other liabilities	**41,327**	**42,632**

The category others relate to numerous other liabilities such as VAT, wage taxes and valuation of interest rate derivatives with a nominal amount of € 5,000,000 and market value of € 159,000.

The contract liabilities are summarized in the overview below:

Contract liabilities IN EURO X 1,000	2023	2022
Received prepayments on contracts	511	2,249
Other contract liabilities	3,862	4,527
Total contract liabilities	**4,373**	**6,776**

Other contract liabilities relate to received materials at the Eco-Products-Business which are not processed for recycling yet. Therefore, according to IFRS 15, the received Eco materials which are included in stock as at balance sheet date, are included as other contract liabilities.

33. Provisions

The provisions are summarized in the overview below:

IN EURO X 1,000	2023	2022
Remaining other provisions	544	519
Provisions for sales and marketing	294	213
Total provisions	**838**	**732**

Remaining other provisions include various smaller items, of which a part of the liability position is with uncertain timing towards a specific customer, where returned pallets were received in exchange for new ones. Cabka sold pallets in the past to the customer with a buyback clause, where a certain amount of those were receipt as per end of December 31, 2023. This will result in a future outflow of assets, where the timing is uncertain.

34. Financial instruments risk management objectives and policies

The Group's principal financial liabilities comprise liabilities to banks and trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include trade receivables, and cash and cash equivalents that derive directly from its operations. The Group also enters into derivative transactions.

The Group is exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks. The Group's senior management is supported by specialists who advise on financial risks and the appropriate financial risk governance framework for the Group. This includes appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. All derivative activities for risk management purposes are carried out by specialists who have the appropriate skills, experience and supervision. It is the Group's policy that no trading in derivatives for speculative purposes may be undertaken. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarized below.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a foreign currency).

Cabka uses derivative financial instruments as forwards and swaps to safe guard the foreign currency risk exposure. Derivatives are measured at fair value and are generally recognized in profit or loss. On December 31, 2023, Cabka had foreign exchange derivatives outstanding with a nominal amount of € 14,034,000 (2022: € 2,393,000). At December 31, 2023, the fair value of these instruments was € 325,000 (2022: € -23,000).

Foreign currency sensitivity

The impact on the Group's profit after tax is due to changes in the fair value of monetary assets and liabilities including non-designated foreign currency derivatives and embedded derivatives.

The main foreign exchange risk results from the relation of USD and GBP against the EUR. If the foreign currencies would have increased against the EUR by 10%, the post-tax loss for the year would have been € 199,000 higher (2022: € 45,000 higher). The opposite applies in the case of a weakening of currencies against the year of 10%.

Interest rate risk

The Group is exposed to interest rate risk. To economically hedge the interest rate risk Cabka uses interest rate swaps and options. On December 31, 2023, Cabka had outstanding interest rate derivatives with a nominal amount of € 10,000,000. If the interest rates at December 31, 2023 would have been 100bps higher, the interest expenses would have been € 202,000 higher (2022: € 176,000 higher). The opposite applies in the case of a 100 bps decrease in the interest rates, refer to Note 21 and 32.

Market risk

The market risk is the risk of the deterioration of the Group's income due to movements in market prices, such as those relating to exchange rates and interest rates. The management of market risk exposure is intended to keep the market risk position within acceptable limits. Derivatives are used to manage specific market risks. These transactions are carried out within the treasury framework of the Group.

Liquidity risk

The Group has implemented a group wide daily cash reporting and monitors its liquidity with a rolling liquidity forecast. Funding contains long term loans and lease contracts as well es short term loans within the syndicated loan to maintain the necessary financial flexibility. The syndicated loan facility matures in December 2027 and contains certain financial covenants. If the financial covenants are not met at the reporting dates, the banks have the right to request repayment of the outstanding loans. For further details on the credit facilities are provided in Note 31.

The following tables show the undiscounted future contractual cash flows from financial liabilities at December 31, 2023 and 2022 including contractual interest payments:

Contractual cashflow of financial liabilities 2023 IN EURO X 1,000	NET BOOK VALUE	CURRENT < 1 YEAR	NON-CURRENT 1 - 5 YEARS	TOTAL
Liabilities to banks	48,738	18,400	37,423	55,823
Lease liabilities (IFRS 16)	9,353	2,588	7,825	10,413
Rental purchase agreement	4,860	898	3,962	4,860
Trade payables	32,578	32,578	-	32,578
Total	**95,529**	**54,464**	**49,210**	**103,674**

Contractual cashflow of financial liabilities 2022 IN EURO X 1,000	NET BOOK VALUE	CURRENT < 1 YEAR	NON-CURRENT 1 - 5 YEARS	TOTAL
Liabilities to banks	52,048	22,749	31,467	54,216
Lease liabilities (IFRS 16)	7,340	2,110	5,551	7,661
Rental purchase agreement	5,087	2,804	2,283	5,087
Trade payables	35,241	35,241	-	35,241
Other financial liabilities	89	89	-	89
Total	**99,805**	**62,993**	**39,301**	**102,294**

Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables).

Capital management

The Management Board's policy is designed to maintain a strong capital gearing to retain the confidence of investors, creditors and the markets, and to safeguard the future development of the business activities. The Management Board monitors the return on equity and the level of dividend distributed to ordinary shareholders.

Trade receivables

Customer credit risk is managed by each business unit subject to the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables and contract assets are regularly monitored and any shipments to major customers are generally covered by letters of credit obtained from reputable banks and other financial institutions.

An impairment analysis is performed at each reporting date using a provision matrix to measure expected credit losses. The provision rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., by geographical region, product type, customer type and rating, and coverage by letters of credit or other forms of credit insurance). The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. Generally, trade receivables are written-off if past due for more than one year and are not subject to enforcement activity. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in Note 7. The Group does not hold collateral as security. The letters of credit and other forms of credit insurance are considered integral part of trade receivables and considered in the calculation of impairment.

Set out below is the information about the credit risk exposure on the Group's trade receivables using a provision matrix:

Trade receivables overview at December 31, 2023 (Days past due) IN EURO X 1,000	CURRENT	< 30 DAYS	30 – 60 DAYS	60+ DAYS	TOTAL
Receivables outstanding	22,583	4,139	549	398	27,670
Expected credit loss rate	0.09%	0.48%	3.64%	8.78%	0.34%
Expected credit loss allowance	20	20	20	35	95

For the previous year this is summarized as follows:

Trade receivables overview at December 31, 2022 (Days past in due) IN EURO X 1,000	CURRENT	< 30 DAYS	30 – 60 DAYS	60+ DAYS	TOTAL
Receivables outstanding	25,768	4,287	716	1,099	31,870
Expected credit loss rate	0.08%	0.47%	2.82%	3.68%	0.32%
Expected credit loss allowance	20	20	20	41	101

The probability of default for trade receivables was determined on the basis of actual historical bad debt losses. Actual historical bad debt losses are considered on basis of individual companies. The expected probability of default is less than 1%. An expected loss in the amount of € 95,000 (2022 € 101,000) was recognized. Additionally individual impairments in the amount of € 116,000 (2022 € 55,000) were recognized for trade receivables where actual circumstances lead to high probability of default.

For the other financial assets such as other receivables and deposits the assumption is applied that no expected credit loss is needed, due to low credit risk, the expected credit losses are deemed as not significant.

Commodity price risk
The Group is exposed to energy price changes which are managed using forward contracts. The Group manages other exposures to prices of raw materials and other materials associated with off-take through commercial contracting. If wholesale energy prices would have increased with 10%, the post-tax loss for the year would have been € 1,328,000 higher (2022: €2,293,900). The opposite applies in the case of a reduction of the wholesale energy prices of 10% in the year.

Climate risk and impact of extreme weather
Climate change and extreme weather events that accompany it, could have a potential financial impact through damages to our infrastructure. This risk materialized at our US subsidiary in St. Louis in August of 2022, when an extraordinary flooding event heavily damaged our production facility. To mitigate such incidents in the future and to further integrate this risk in financial and strategic planning, a scenario analysis of physical climate risks was conducted in 2023 for each one of Cabka's operational locations as well as the Innovation Center.

Fraud and non-compliance
Management of Cabka N.V. is aware of the inherent risk of fraud that it faces, both internally and externally, in carrying out its activities. External parties must be able to trust that Cabka N.V. and its employees do business in a reliable, honest and careful manner. Therefore, Cabka N.V. has drawn up a code of ethics that is shared with every employee at the start of their employment. The importance of the code of ethics and compliance is periodically emphasized and is subject of discussion between manager and employee. In addition, a separate suppliers code of conduct is available so that external supplier's actions are in line with those of Cabka.

A confidential advisor and tipline, including a whistleblower policy where any abuses can be reported confidentially, have been implemented. The code of ethics, suppliers code of conduct and the whistleblower are available on our website and are therefore also shared ith our external relations.

Cabka N.V. has measures in place to significantly reduce its exposure to fraud. An important measure is the restriction of access (both physical and digital) for individuals to only those areas where they perform their day-to-day activities, and segregation of duties (SoD) so that important checks and balances are not combined within the same person. Both the user access and SoD are reviewed and adjusted to be in line with the risk appetite if situations change. A significant number of general IT controls around user access and SoD have been designed. Cabka continues to address and improve the implementation and effectiveness of the IT controls.

On top of the foundation of access management and SoD, Cabka also has an authorization matrix to clearly define the responsibilities and authorization limits for each function within the company. This ensures that only the right employees are involved when information is processed or decisions are made with a certain level of (fraud) risk.
Despite all internal control measures, there remains the risk of management or the board overriding internal controls and the risk of collusion between employees. Transparent decision-making, the governance structure, an open culture in which we dare to call each other to account, the presence of a confidential advisor to report non-ethical actions (anonymously), and periodic internal and external audits on compliance, are measures that must contribute to detecting instances of override of controls.

Conclusion
Management is of the opinion that, with all procedures and control measures taken in account, the risk assessment provides a complete overview of the risks the company faces and that adequate procedures are in place to mitigate these risks.

35. Commitments and Contingencies

Commitments
The Group has no lease contracts that have not yet commenced as at December, 31 2023.

Since Cabka is offering a buyback clause for pallets sold to specific customers, where the raw material cost price is determined at fair market prices, there is a potential obligation for Cabka to buy these returned pallets. If this occurs, it will be treated as material expense in the consolidated statement of comprehensive income.

Legal claim contingency
There are no legal claims and contingencies outstanding that could have a material impact on the Group.

Guarantees
The only guarantees provided are to wholly owned subsidiaries within the Group, there are no guarantees provided for unrelated parties or their liabilities.

36. Related party balances and transactions/disclosures

The following table provides the total amount of non- eliminated transactions with related parties for 2023 and 2022. Transactions between consolidated Group companies are eliminated in the consolidation and therefore not disclosed.

Related parties 2023 IN EURO X 1,000	SALES TO RELATED PARTIES	PURCHASES FROM RELATED PARTIES	AMOUNTS OWED BY RELATED PARTIES	AMOUNTS OWED TO RELATED PARTIES
Entity with significant influence over the Group				
RAM.ON Finance GmbH	-	580	-	-
DSC Executive Directors Holding B.V.	-	-	-	-
Brandaris Capital	-	6	-	-
Entities under Common Directorship				
RAM.ON Real Estate GmbH	-	442	-	-
Oceansix GmbH	3	63	1	1
Gat & Heike Ramon	2	-	2	-

Related parties 2022 IN EURO X 1,000	SALES TO RELATED PARTIES	PURCHASES FROM RELATED PARTIES	AMOUNTS OWED BY RELATED PARTIES	AMOUNTS OWED TO RELATED PARTIES
Entity with significant influence over the Group				
RAM.ON Finance GmbH	-	395	-	-
DSC Executive Directors Holding B.V.	-	31	-	-
Brandaris Capital	-	6	-	4
Entities under Common Directorship				
RAM.ON Real Estate GmbH	-	371	-	7
Oceansix GmbH	67	105	47	6
Gat & Heike Ramon	4	-	1	7

Transactions with related parties that are outside the Group are classified as trade receivables and trade payables, respectively (see Notes 23 and 32)

The sales to and purchases from related parties are made on terms aiming to be equivalent to transactions at arm's length. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

On November 1, 2017, Cabka Group GmbH entered into a rental agreement for the office in Berlin with Ram.on real estate GmbH for a period of 10 years, where total fees are amounting to € 296,000 in 2023. In addition to that Cabka Spain S.L.U. has a rental agreement with Ram.on real estate GmbH for the office building in Valencia commencing June 5, 2022 for 10 years, with total fees in the fiscal year of € 146,000. Both agreements are reflected in the Balance Sheet under Right of Use assets (Note 19).

In addition to the above-mentioned agreements there is a consultancy agreement between Cabka N.V. (NL) and Ram.ON finance GmbH with effective starting date March 1, 2022 for four years, covering services for high level strategic consulting with regard to the future corporate strategy and positioning of Cabka in the market using the special know-how of the consultant. The fees amount to € 529,000 in the reporting year.

New leasing agreement with Oceansix GmbH on extruders is entered into with a total expense of € 63,000 recorded in 2023.

In addition to the related party transactions as disclosed above, the Group has issued several equity instruments to shareholders and key management employees during the year ended December 31, 2023. Further details on these transactions are provided in Note 27 (Share Capital and Share Premium), Note 28 (Share-based Payments), Note 29 (Other Reserves) and Note 31 (Financial Liabilities).

Compensation and share ownership of key management personnel and Supervisory Board of the Group

For further disclosure of the compensation of key management personnel and Supervisory Board of the Group we refer to Note 15 of the Company financial statements. For further disclosure of share ownership we refer to Note 16 of the Company financial statements.

37. Accounting for the de-SPAC Transaction between Dutch Star Companies Two B.V. and Cabka Group GmbH

On February 28, 2022 the General Meeting of Dutch Star Companies Two B.V. (DSC2) resolved in favor of a business combination with Cabka Group GmbH (CABKA). The (de-SPAC) Transaction was effectuated on March 1, 2022 when DSC2 acquired all shares of CABKA in return for cash and ordinary shares in DSC2 issued to the shareholders of CABKA.

On transaction date March 1, 2022, the fair value of the deemed consideration paid by CABKA in return of the identifiable net assets of DSC2 was determined by multiplying the total number of shares in the combined entity held by existing shareholders of DSC2 multiplied by the listed share price of DSC2 per that date, representing a value of € 129,208,795.

On transaction date March 1, 2022, the fair value of the identifiable net assets of DSC2 amounted to € 102,445,198, consisting of cash and cash equivalents in the amount of € 108,452,211 and financial liabilities assumed by CABKA for warrants and special shares issued by DSC2 in the amount of € 6,007,013. The difference between the fair value of the deemed consideration paid by CABKA and the net assets acquired amounts to € 26,763,597 and was recorded as a share listing expense in profit or loss in accordance with IFRS 2. This share listing expense represents a non-cash IFRS accounting item that is recorded directly into equity, without impacting the total equity balance of the combined group.

Following the Transaction, DSC2 was renamed into Cabka N.V. on March 1, 2022.

Transaction costs:

Management has analyzed the total costs incurred in the Transaction to determine which were incremental and directly attributable to the issuance of new shares, and therefore qualify to be deducted from equity directly rather than being expensed through profit or loss in accordance with IAS 32. The total incremental and directly attributable costs incurred related to a combination of the issuance of new shares in exchange for cash and the issuance of new shares in exchange for obtaining the stock-listing status. Only the part that could be attributed to the issuance of new shares in exchange for cash was deducted from equity. The percentage for this allocation was determined as the ratio of the total fair value of net assets acquired to the total fair value of the shares issued. Consequently, a total amount of € 1,661,000 of incremental and directly attributable costs for the issuance of new shares has been deducted from share premium directly. Costs which are not incremental and directly attributable to the issuance of shares in exchange for cash are expensed in profit or loss.

Issue of Performance Shares:
At closing of the Transaction on March 1, 2022, as agreed between all parties in the Business Combination Agreement dated December 22, 2021, the combined entity issued 1,800,000 "Performance Shares" to the former majority shareholder of CABKA. Additionally, the combined entity issued 450,000 similar "Performance Shares" to the CEO of the combined entity (Mr. Tim Litjens).
These Performance Shares have no dividend rights nor voting rights until they are converted into ordinary shares. For this reason, these performance shares are considered non substantive rights. Conversion to ordinary shares of Cabka N.V. will only take place if the share price of Cabka N.V. equals or exceeds the following price hurdles for any 15 trading days out of a 30 consecutive trading day period (whereby such 15 days trading days do not have to be consecutive):

1. At € 16.00 – 1/3 of the performance shares issued to each party will convert into an equal number of ordinary shares.
2. At € 18.00 – 1/3 of the performance shares issued to each party will convert into an equal number of ordinary shares.
3. At € 20.00 – 1/3 of the performance shares issued to each party will convert into an equal number of ordinary shares.

The Performance Shares issued to the former majority shareholder of CABKA are classified as an equity instrument in accordance with IAS 32 as the Performance Shares issued do not contain a contractual obligation to (i) deliver cash or another financial asset, or (ii) to exchange financial assets or financial liabilities that are potentially unfavorable to the combined entity. The Performance Shares do also not contain an obligation for the entity to deliver a variable number of its own equity instruments, but relate to the exchange of a fixed amount of cash (zero) for a fixed number of the entity's ordinary shares. As no service conditions are applicable for the Special Shares issued to the former majority shareholders, the performance shares issued are not in scope of IFRS 2 Share-based Payments. The fair value of the Performance Shares at grant date March 1, 2022 amounted to € 3,449,200 and has been recorded in other reserves against share premium.

The Performance Shares issued to the CEO, however, will only convert into ordinary shares when Mr. Litjens is still engaged with CABKA in the role of CEO of the Group when the above price hurdles are achieved. Due to this service (vesting) condition, the Performance Shares issued to the CEO qualify as compensation for post-Transaction employment services and hence are in scope of IFRS 2 Share-based Payments. The fair value of the Performance Shares at grant date March 1, 2022 amounted to € 698,186 and are recorded as a share-based payment expense in profit or loss over the estimated vesting period based on graded vesting. For the financial year ending December 31, 2022 a total amount of € 136,000 has been recorded in profit or loss in connection with this grant.

(Re)classification of warrant liabilities assumed by CABKA in the Transaction:
At closing of the Transaction on March 1, 2022, all warrants as issued by DSC2 prior to the Transaction are reclassified from financial liabilities into equity instruments. Prior to the closing of the Transaction, all warrants were still redeemable for cash if no business combination was entered into by DSC2 within two years from its IPO in accordance with the underlying terms of the warrants. Because of this redemption clause, the warrants did not meet the fixed-forfixed criterion of IAS 32, and hence did not meet the classification of an equity instrument. Instead, these warrants were classified as financial liabilities measured at fair value through profit or loss (FVTPL), and CABKA is considered to have assumed these liabilities in the Transaction as part of the net assets acquired from DSC2. With the closing of the Transaction on March 1, 2022, however, the redemption clause forfeited automatically in accordance with the underlying terms. Management therefore concludes that the fixed-for-fixed criteria is no longer breached as of that date and reclassified the fair value of the financial liabilities assumed by CABKA in the amount of € 3,281,668 to other reserves. Further details on the terms and conditions of the warrants can be found in Note 29.

(Re)classification of Special Shares issued to Founders of DSC2 (SPAC):
Prior to the closing of the Transaction, DSC2 already had issued 293,333 Special Shares to the Founders of the SPAC. In accordance with the underlying terms, a total number of 195,555 Special Shares automatically converted into 1,368,887 ordinary shares on Transaction

Date as the underlying conditions were met, being (i) a share price of DSC2 that equaled or exceeded € 11.00 for a period of 15 trading days out of a 30 consecutive trading day period and (ii) the closing of a Business Combination to be resolved by the General Meeting of DSC2. The remaining 97,778 Special Shares have equal dividend and voting rights as ordinary shares and are therefore considered substantive rights. The 1,368,887 ordinary shares and 97,778 remaining Special Shares were therefore both included in determining the fair value of the deemed consideration paid by CABKA in exchange for the identifiable net assets of DSC2. The remaining 97,778 Special Shares each will either (i) convert into 7 ordinary shares if the share price of Cabka N.V. equals or exceeds € 12.00 for any 15 trading days out of a 30 consecutive trading day period (whereby such 15 days trading days do not have to be consecutive) or (ii) convert into 1 ordinary share if this price hurdle is not being achieved before March 1, 2027. Management believes that the fair value of this conversion option does not meet the fixed-for-fixed criterion of IAS 32 and therefore classified this conversion option as a financial liability measured at fair value through profit or loss (FVTPL). The fair value of the financial liability as at March 1, 2022 amounted to € 2,725,345 and is considered to be assumed by CABKA in the Transaction as part of the net assets acquired from DSC2.

38. Events after the reporting date

- As of 1 January 2024, the Executive Committee has been streamlined, consisting of Tim Litjens CEO, Frank Roerink CFO, Naiara Loroño CCO, Geert de Wilde COO, Javier Fernandez CTIO and Irina Mengert CPO.
- As of 19 February 2024, Niek Hoek has been appointed as Chairman of the Supervisory Board. The appointment was supported by the full Board, as part of a rotation following the mid-term internal review. Mr. Manuel Beja will continue as vice chairperson of the Supervisory Board.
- Resignation of CEO Tim Litjens per 30 September 2024 announced

Company Financial Statements

Company Statement of Profit and Loss

for the year ending on December 31, 2023 and 2022

Company Statement of Profit and Loss IN EURO X 1,000	NOTES	2023	2022
Intercompany head office and other recharges	3	6,062	–
Total operating income		**6,062**	–
Personnel expenses	3	-1,501	-4,773
Depreciation and amortization		-11	–
Other operating expenses	4	-2,992	-3,335
Share listing expenses		–	-26,764
Total operating expenses		**-4,504**	**-34,872**
Finance income	5	1,047	1,927
Finance expenses	6	-72	-263
Net financial result		**975**	**1,664**
Result before taxes		**2,533**	**-33,208**
Income taxes	18	-501	520
Share of result in subsidiaries after income taxes		-3,573	2,794
Net result after income taxes		**-1,541**	**-29,894**

The accompanying notes are an integral part of these parent company financial statements.

Company Statement of Financial Position

as at December 31, 2023 and 2022
(after appropriation of results)

Company Statement of Financial Position IN EURO X 1,000	NOTES	2023	2022
ASSETS			
Non-current assets			
Investments in subsidiaries	7	30,069	33,370
Deferred tax assets	18	19	520
Right-of-use assets		293	-
Total non-current assets		**30,381**	**33,891**
Current Assets			
Short-term financial assets	8	79,365	26,878
Other Short-term assets	8	2,341	917
Cash and cash equivalents	9	2,752	15,305
Total current assets		**84,458**	**43,100**
Total assets		**114,839**	**76,991**

Company Statement of Financial Position IN EURO X 1,000	NOTES	2023	2022
LIABILITIES			
Equity			
Share capital	10	408	405
Treasury shares	10	-160	-164
Share premium	11	77,687	75,125
Other reserves	12	7,762	11,035
Legal reserve	12	2,108	-
Retained earnings	14	-15,696	-12,139
Foreign currency translation reserve	13	-1,372	-1,533
Total equity		**70,737**	**72,729**
Non-current liabilities			
Long-term financial liabilities	17	30,218	-
Total non-current liabilities		**30,218**	**-**
Current liabilities			
Short-term financial liabilities	17	8,757	1,176
Trade payables	17	767	-
Other short-term liabilities	17	4,360	3,086
Total current liabilities		**13,884**	**4,262**
Total liabilities		**44,102**	**4,262**
Total equity plus liabilities		**114,839**	**76,991**

Notes to the Company Financial Statements

1. Corporate information

Cabka N.V. is a listed public company which is registered in the Chamber of Commerce Amsterdam under number 80504493. As of 1 March 2024, the Company has moved its registered office to John M. Keynesplein 10, 1066 EP, Amsterdam, the Netherlands (previously at Johan Cruijff Boulevard 65-71, 1101 DL Amsterdam, The Netherlands).

The company financial statements, together with the consolidated financial statements, are part of the statutory financial statements of Cabka N.V. (the Company). The financial information of the Company is included in the consolidated financial statements.

2. Basis of preparation

In selecting the principles employed in the company financial statements for the valuation of assets and liabilities and determination of results, Cabka N.V. has made use of the option provided by Section 362, subsection 8, of Book 2 of the Dutch Civil Code. Consequently, the principles employed in the Company financial statements of Cabka N.V. for the valuation of assets and liabilities and determination of results (the 'accounting policies') are identical to those employed in the consolidated EU-IFRS financial statements. These policies are discussed in Note 3 of the consolidated financial statements.

In addition, to the accounting policies described in the consolidated financial statements, the Company applies the accounting policies below.

Investments in subsidiaries

Group companies are all entities in which the Company has directly or indirectly control. The Company controls an entity when it is exposed, or has rights, to variable returns from its involvement with the group companies and has the ability to affect those returns through its power over the group companies. Group companies are recognized from the date on which control is obtained by the Company and derecognized from the date that control by the Company over the group company ceases. Investments in subsidiaries are measured according to the net asset value method. If the net asset value method is used, newly acquired subsidiaries are initially measured based on the fair value of their identifiable assets and liabilities at the acquisition date. For subsequent valuations, the principles that apply for these financial statements are used, with the values upon their initial recognition as the basis. If the valuation of a subsidiary based on the net asset value is negative, it will be stated at nil. Any long-term, subordinated receivables which qualify as net investment in the subsidiary are impaired up to an amount equal to the negative net asset value. If the recoverable amount of the receivables is lower than their book value, the receivables are further impaired. If the company fully or partly guarantees the liabilities of such underlying entity, a provision is set up, comprising primarily the receivables from the subsidiary, plus the company's share of the losses incurred by the subsidiary or the amount the company might be obliged to pay on behalf of the subsidiary, all to the extent greater than the receivables.

3. Personnel expenses and head office recharges

The personnel expenses during the year relate to the following:

Personnel expenses IN EURO X 1,000	2023	2022
Wages and salaries	895	402
Social security charges	46	215
Share-based payment expense	545	4,115
Other costs of personnel	15	41
Personnel expenses	**1,501**	**4,773**

In the financial year 2023 the average FTE was 4 and in the previous year 3. The details of directors' compensation are presented in Note 15. Part of the Management Board members are incorporated in the overview above.

Intercompany head office and other recharges totaling € 6,062,000 include management services provided from the parental company to the affiliates for the period March 1, 2022 to Dec 31, 2022 in total € 2,423,000 and from January 1, 2023 to Dec 31, 2023 € 3,639,000.

Share-based payments expense of the Company financial statements includes the expenses for PS and PSU of the reporting year. Further details on the share-based payment expenses are disclosed in Note 28 of the consolidated financial statements.

4. Other operating expenses

The other operating expenses during the year relate to the following:

Other operating expenses IN EURO X 1,000	2023	2022
Legal, audit and consulting fees	2,309	2,888
Supervisory Board fees	246	191
Other operating expenses	437	256
Other operating expenses	**2,992**	**3,335**

The other operating expenses include primarily legal, audit and consulting fees, such as for investor relations, ESG and the statutory audit.

With reference to Section 2:382a of the Dutch Civil Code, the following fees have been charged to the Company, its subsidiaries and other consolidated entities by BDO Audit & Assurance B.V. and its member firms and affiliates in 2023, and in 2022:

IN EURO X 1,000	2023 BDO NL	2023 OTHER BDO NETWORK FIRMS	2023 TOTAL	2022 BDO NL	2022 OTHER BDO NETWORK FIRMS	2022 TOTAL
Auditor of financial statements	550	289	839	662	221	883
Tax advisory services	-	-	-	-	7	7
Other non-audit services	23	-	23	-	-	-
Fees to the auditor	**573**	**289**	**862**	**662**	**228**	**890**

The fees listed above relate to the services provided to the Company by accounting firms and external independent auditors as referred to in Section 1 (a) of the Dutch Accounting Firms Oversight Act (wta).

5. Finance income

The finance income of € 1,047,000 (2022 € 1,927,000) relates to the fair value change of the Special Shares conversion option for the amount of € 105,000 (2022 € 1,176,000) as further detailed in Note 10 (Share Capital) and Note 17 (Financial Liabilities) of the Company financial statements. Of the remaining amount, € 814,000 relates to interest received on intercompany loans receivable and € 128,000 relates to interest received from banks.

6. Finance expense

The interest expense of € 72,000 (2022 € 263,000) relates to interest on bank liabilities.

7. Investments in subsidiaries

This relates to the Company's wholly-owned interest in Cabka Group GmbH, Berlin, Germany.

A complete overview of subsidiaries that are indirectly held by Cabka N.V. through its wholly-owned interest in Cabka Group GmbH is presented in Note 5 of the consolidated financial statements.

The movement of the investments in subsidiaries balance can be specified as follows:

Investment in subsidiaries
IN EURO X 1,000

At January 1, 2022	**-**
Acquisition of subsidiaries	33,571
Acquisition of non-controlling interests by subsidiaries	-1,842
Share in result of subsidiaries	2,794
Foreign currency translation differences	-1,153
At December 31, 2022	**33,370**
Share in result of subsidiaries	-3,573
Foreign currency translation differences	166
Other movements	106
At December 31, 2023	**30,069**

There were no changes in the ownership of subsidiaries during 2023.

8. Short-term financial and other assets

The short-term financial assets relate to receivables on Group Companies and can be specified as follows:

Short-term financial assets IN EURO X 1,000	2023	2022
Receivable on Cabka Group GmbH	78,301	25,865
Receivable on Cabka Spain S.L.U.	1,064	1,013
Short-term financial assets	**79,365**	**26,878**

The receivables on Group companies have a maturity of 12 months and bear an interest of 5.7%. No securities were obtained.

Other short-term assets include VAT receivables totaling € 1,534,000, thereof € 440,000 from IPO related costs, on which the final conclusion from the authorities is outstanding.

9. Cash and cash equivalents

Cash and cash equivalents of € 2,752,000 (2022: € 15,305,000) consist of cash at bank balances. The cash and cash equivalents are freely disposable to Cabka N.V.

10. Share capital

As at December 31, 2023, the authorized capital of Cabka N.V. consists of 150,000,000 ordinary shares and 300,000 Special Shares, of which 24,710,600 ordinary shares and 97,778 Special Shares are issued. A total number of 15,994,378 ordinary shares are held in treasury, the remaining shares our outstanding. The ordinary shares are listed on the Euronext Stock Exchange. The Special Shares issued to the Founders of the Company are not publicly listed.

The issued share capital as at December 31, 2023 can be specified as follows:

Share Capital	SHARES (UNITS)	NOMINAL VALUE IN EURO	SHARE CAPITAL IN EURO	ISIN
Ordinary shares in treasury	15,994,378	0.01	159,944	DSC2S / NL00150002R5
Ordinary shares outstanding	24,710,600	0.01	247,106	CABKA / NL00150000S7
Total ordinary shares issued	**40,704,978**		**407,050**	
Special Shares	97,778	0.01	978	
Total shares issued	**40,802,756**		**408,028**	

The Special Shares have equal dividend and voting rights as ordinary shares. In accordance with the underlying terms, the Special Shares will either (i) convert into 7 ordinary shares if the share price of Cabka N.V. equals or exceeds € 12.00 for any 15 trading days out of a 30 consecutive trading day period (whereby such 15 days trading days do not have to be consecutive) or (ii) convert into 1 ordinary share if this price hurdle is not being achieved before March 1, 2027. This conversion option has been classified as a financial liability measured at fair value through profit or loss (FVTPL). The fair value of the financial liability as at December 31, 2023 amounts to € 1,071,000 (2022: € 1,176,000) (Note 17).

The issued share capital as at December 31, 2022 can be specified as follows:

Share Capital	SHARES (UNITS)	NOMINAL VALUE IN EURO	SHARE CAPITAL IN EURO	ISIN
Ordinary shares in treasury	16,388,000	0.01	163,880	DSC2S / NL00150002R5
Ordinary shares outstanding	23,982,191	0.01	239,822	CABKA / NL00150000S7
Total ordinary shares issued	**40,370,191**		**403,702**	
Special Shares	97,778	0.01	978	
Total shares issued	**40,467,969**		**404,680**	

Further details on outstanding Warrants as at December 31, 2023 are disclosed in Note 29 of the consolidated financial statements.

11. Share premium

The share premium reserve of € 77,687,000 (2022: € 75,125,000) relates to contribution on issued shares in excess of the nominal value of the shares. The share premium is freely distributable, provided that equity is not lower than the sum of share capital and legal reserves as a result of such distribution.

12. Other and legal reserves

The other reserves of € 7,762,000 (2022: € 11,035,000) comprises the Warrant reserve, Performance Shares reserve and Share-based Payment reserve. These reserves are freely distributable provided that equity is not lower than the sum of share capital and legal reserves as a result of such distribution. Further details on the composition and movement of the other reserves is disclosed in Note 29 of the consolidated financial statements.
In conformity with the Dutch Civil Code, a legal reserve is recognized for the carrying

amount of internally developed capitalized cost for the design of tools, moulds and dies involving new technology. The total legal reserve for research & developments as per 31 December 2023 amounts to € 2,108,000 (2022: nil).

13. Foreign currency translation reserve

The foreign currency translation reserve of € -1,372,000 comprises all foreign currency differences arising from the translation of the financial statements of foreign operations (2022: € -1,533,000). This legal reserve is not freely distributable in accordance with Dutch law.

14. Equity overview

As at December 31, 2023, the shareholders' equity in the Company financial statements equals the equity attributable to common shareholders as presented in the consolidated financial statements for a total of € 70,737,000 (2022: € 72,729,000).

In the Company's comparative figures, the loss for 2022 is € 149,000, which was higher than the consolidated loss. The difference is explained by expenses incurred by the Company during the period January 1, 2022 to March 1, 2022. The Company is only included in the consolidation as of March 1, 2022, being the date that the Transaction with Cabka Group GmbH was effectuated last year.

Pursuant to Dutch law, limitations exist relating to the distribution of equity attributable to equity holders. Such limitations relate to the share capital and legal reserves (foreign translation reserve) required by Dutch law as presented below.

The movement in the Company's equity during the financial year is as follows:

IN EURO X 1,000	SHARE CAPITAL	SHARE PREMIUM	TREASURY SHARES	OTHER AND LEGAL RESERVES	FOREIGN CURRENCY TRANS-LATION RESERVE	RETAINED EARNINGS	NON-CON-TROLLING INTERESTS	TOTAL EQUITY
At January 1, 2022	**34**	**-**	**-**	**-**	**-**	**-3,216**	**-**	**-3,182**
Reclassification of ordinary shares issued in prior period from financial liabilities	515	108,200	-405	-	-	-	-	108,310
Capital decrease at cancellation of 17,455,937 ordinary treasury shares	-175	-	175	-	-	-	-	-
Change of nominal value of Special Shares from € 0,07 per share to € 0,01 per share	-6	6	-	-	-	-	-	-
Conversion of 1,302 HNV shares into 1,302 ordinary shares	-13	13	-	-	-	-	-	-
March 1, 2022								
Capital increase at acquisition of Cabka Group GmbH	50	-26,370	62	-	-380	20,971	-	-5,667
Capital increase at conversion of € 11.00 warrants	-	1,869	4	-	-	-	-	1,873
Share issuance costs	-	-1,661	-	-	-	-	-	-1,661
Reclassification of € 12.00 and € 13.00 warrants issued in prior period from financial liabilities	-	-	-	1,641	-	-	-	1,641
Issue of new € 12.00 and € 13.00 warrants	-	-1,641	-	1,641	-	-	-	-
Issue of Performance Shares	-	-3,449	-	3,449	-	-	-	-
Net result for the financial year	-	-	-	-	-	-29,894	-	-29,894
Foreign currency result on translation of foreign operations	-	-	-	-	-1,153	-	-	-1,153
Acquisition of non-controlling interests	-	-1,842	-	-	-	-	-	-1,842
Share-based payments	-	-	-	4,304	-	4,304	-	4,304
At December 31, 2022	**405**	**75,125**	**-164**	**11,035**	**-1,533**	**-12,139**	**-**	**72,729**
Loss for the year	-	-	-	-	-	-1,541	-	-1,541
Other comprehensive income/(loss)- exchange difference	-	-	-	-	166	-	-	166
Total comprehensive income/(loss)-for the year	**-**	**-**	**-**	**-**	**166**	**-1,541**	**-**	**-1,375**
Transactions with owners of the Company								
Other movements of the year	-	15	-	-	-5	92	-	102
Reclass from VSOP roll-over	-	3,681	-	-	-	-	-	3,681
Increase of PSU and PS	3	-	-	544	-	-	-	547
Decrease from VSOP roll-over	-	-	-	-3,817	-	-	-	-3,817
Decrease of treasury shares at nominal value 0.01 Euro	-	-	4	-	-	-	-	4
Dividends to equity holders	-	-1,219	-	-	-	-	-	-1,219
Sale of treasury shares	-	85	-	-	-	-	-	85
Forming of legal reserve	-	-	-	2,108	-	-2,108	-	-
Total transactions with owners of the Company	**3**	**2,562**	**4**	**-1,165**	**-5**	**-2,016**	**-**	**-617**
At December 31, 2023	**408**	**77,687**	**-160**	**9,870**	**-1,372**	**-15,696**	**-**	**70,737**

15. Remuneration

The remuneration of current Management Board members charged to the Company and Group companies, including pension expenses as referred to in Section 383, subsection 1, of Book 2 of the Netherlands Civil Code, amounted to € 1,079,000 (2022: € 2,048,000).

Management board

The remuneration is as follows:

Remuneration Management board 2023 IN EURO X 1,000	FIXED REMU-NERA-TION	VSOP EXPENSES	PSU EXPENSES	PS EXPENSES	OTHER COMPEN-SATION	TOTAL
T. Litjens	451	-	131	164	11	757
F. Roerink	285	-	5	-	11	301
N. Küpcü (until Feb 1)	19	-	2	-	-	21
Total	**755**	**-**	**138**	**164**	**22**	**1,079**

Remuneration Management board 2022 IN EURO X 1,000	FIXED REMU-NERA-TION	VSOP EX-PENSES	PSU EXPENSES	PS EXPENSES	OTHER COMPEN-SATION	TOTAL
T. Litjens	375	1,036	115	137	11	1,674
N. Küpcü	225	114	25	-	10	374
Total	**600**	**1,150**	**140**	**137**	**21**	**2,048**

The Management Board has no pension plan and therefore no separate column for post-employment benefits is included in above tables.

As disclosed in Note 32 of the consolidated financial statements, 2/3rd, (respectively T. Litjens 250,013 and N. Küpcü 27.502 shares) of the former VSOP program was rolled over into real shares with a lock up period of 1 year ending March 1, 2023. The roll-over shares were physically transferred to the members of the Management board on March 15, 2023.

In 2023, a total of 142,853 PSU's have been granted to T. Litjens and a total of 31,428 PSU's to F. Roerink.

Supervisory board

The total remuneration of current and former Supervisory Board members in 2023 amounts to € 246,000 (2022: € 191,000).

Total overview of remuneration per Supervisory Board member for 2023 and 2022:

	FIXED REMUNERATION		VARIABLE REMUNE-RATION	2023			2022
Remuneration Supervisory board IN EURO X 1,000	MEMBER-SHIP	COMMIT-TEES	TRAVEL AND OTHER EXPENSES	TOTAL REMUNER-ATION	FIXED	VARIA-BLE	TOTAL REMU-NERA-TION
M. Beja	42	6	3	51	33	6	39
G. Ramon	32	6	3	41	25	7	32
N. Hoek	32	3	3	38	25	5	30
T.P. Henkin	32	3	3	38	25	5	30
J. Holscher	32	6	3	41	25	6	31
S. Nanninga	32	3	3	38	25	4	29
Total - 2023	**202**	**29**	**16**	**246**	**158**	**33**	**191**

The current Supervisory Board of Cabka N.V. was appointed by the General Meeting on March 1, 2022.
The majority shareholder RAM.ON GmbH (managed by the founder of Cabka Gat Ramon and Heike Ramon) has a consultancy agreement with Cabka for services as disclosed in the Shareholder Circular for a total of € 500,000, which was increased as of January 1, 2023 due to a inflation correction as stipulated in the consultancy agreement to an amount of € 529,000.

The fixed compensation for the chair of the Supervisory Board has been increased per April 1, 2023 and is set at € 42,600 per year. The other Supervisory Directors will receive a fixed compensation of € 31,950 per year. The Supervisory Directors will receive an additional € 3,195 in case of membership of the Audit committee and € 3,195 in case of membership of the Remuneration and nomination committee, if any. In addition, each Supervisory Director will receive an additional 2,662 per year for compensation of daily travel expenses.

16. Share ownership

The issued ordinary shares are divided as follows:

Share ownership	SHARES	% SHARES
RAM.ON Finance GmbH	12,119,106	46.58%
DSC Executive Directors Holding BV	1,389,004	5.99%
Eikenbosch Holding BV	1,054,285	4.25%
Miscellaneous C.V.	405,495	1.63%
De Vaart der Volkeren C.V.	405,495	1.63%
Free Float	9,160,214	36.92%
VSOP shares	177,001	0.71%
Total shares outstanding	**24,710,600**	**100%**

Potential dilution of the total number of issued ordinary shares can be triggered at the following thresholds (Note 28, 29 of the consolidated financial statements)

- VSOP, former performance share program management: maximum of 385,022 shares on March 15, 2023
- € 11 share price: maximum of 190,471 shares resulting from PSU current performance share program management
- € 12 share price: maximum of 190,471 shares resulting from PSU; DSCW2 warrants conversion into maximum of 880,000 shares; and conversion of remaining 1/3rd of Special Shares converting into 684,446 shares:
- € 13 share price: maximum of 190,471 shares resulting from PSU; and DSCW3-warrants conversion into maximum of 1,320,000 shares
- € 16 share price: 750,000 shares from Performance Shares.
- € 18 share price: 750,000 shares from Performance Shares.
- € 20 share price: 750,000 shares from Performance Shares.

As disclosed in Note 28 of the consolidated financial statements, 2/3rd, (respectively T. Litjens 250,013 and N. Küpcü 27,502 shares) of the former VSOP program was rolled over into real shares with a lock up period of 1 year ending March 1, 2023. The roll-over shares were physically transferred to the members of the Management board on March 15, 2023.

The share ownership of the Supervisory Board as of December 31, 2023 and 2022 is as in the table below:

Share ownership Supervisory Board IN ORDINARY SHARES	2023	2022
M. Beja	–	–
G. Ramon	12,119,106	11,172,000
N. Hoek	462,996	489,317
T.P. Henkin	-	-
J. Holscher	-	-
S. Nanninga	431,980	426,128
Total	**13,014,082**	**12,087,445**

17. Financial liabilities, trade payables and other short-term liabilities

The financial liabilities during the year relate to the following:

Financial liabilities at December 31 IN EURO X 1,000	2023 < 1 YEAR	2023 > 1 YEAR	2023 TOTAL	2022 TOTAL
Special Shares liabilities	1,071	-	1,071	1,176
Liabilities to banks	7,612	30,000	37,612	-
Liabilities for leasing	74	218	292	-
Liabilities to Group companies	3,547	-	3,547	2,095
Liabilities to tax authorities	609	-	609	607
Accruals	99	-	99	220
Trade payables	766	-	766	-
Others	105	-	105	164
Financial liabilities	**13,883**	**30,218**	**44,101**	**4,262**

Special Shares liabilities:
As detailed in Note 27 of the consolidated financial statements, the Special Shares held by the Founders of DSC2 will either (i) convert into 7 ordinary shares if the share price of Cabka N.V. equals or exceeds €12.00 for any 15 trading days out of a 30 consecutive trading day period (whereby such 15 days trading days do not have to be consecutive) or (ii) convert into 1 ordinary share if this price hurdle is not being achieved before March 1, 2027. This conversion option has been classified as a financial liability measured at fair value through profit or loss (FVTPL). The fair value of the financial liability as at December 31, 2023 amounts to € 1,071,000 (2022: € 1,176,000).

Liabilities to Group Companies:
Liabilities to affiliated companies are IPO related expenses recharged from Cabka Group GmbH to the parent company.

18. Deferred taxes

Deferred tax assets in an amount of € 19,000 (2022: € 520,000) have been recognized in respect of the utilization of all tax losses for the prior years with a remaining amount of € 73,000 (2022: € 2,081,000). This resulted in € 501,000 lower deferred taxes versus prior year, recorded in the company statement of profit and loss.

19. Commitments

In 2023 Cabka N.V. has entered into a joint liability for long term loans of Cabka Group GmbH for an amount of € 4,583,000 (2022: € 0).

20. Post-balance sheet events

- As of 1 January 2024, the Executive Committee has been streamlined, consisting of Tim Litjens CEO, Frank Roerink CFO, Naiara Loroño CCO, Geert de Wilde COO, Javier Fernandez CTIO and Irina Mengert CPO.
- As of 19 February 2024, Niek Hoek has been appointed as Chairman of the Supervisory Board. The appointment was supported by the full Board, as part of a rotation following the mid-term internal review. Mr. Manuel Beja will continue as vice chairperson of the Supervisory Board.
- Resignation of CEO Tim Litjens per 30 September 2024 announced

21. Appropriation of result

The Management Board of the Company proposes, with the approval from the Supervisory Board, that the result for the financial year 2023 should be transferred to reserves.
In addition, the Board proposes to distribute a payment to the shareholders totaling € 0.15 per ordinary share in cash insofar as the shareholders’ equity exceeds the paid-up and called-up part of the capital plus the statutory reserves and exceeds the amounts resulting from the distribution test, performed by the Management Board at the date of each payment.

Management and Supervisory Board statement

The members of the Supervisory Board signed the financial statements in order to comply with their statutory obligation pursuant to Article 2:101, paragraph 2, of the Dutch Civil Code.

The members of the Management Board signed the financial statements in order to comply with their statutory obligation pursuant to Article 2:101, paragraph 2, of the Dutch Civil Code and Article 5:25c, paragraph 2 sub c, of the Financial Markets Supervision Act.

Amsterdam, 17 April 2024

Management Board	Supervisory Board
T. Litjens	M. Beja
F. Roerink	G. Ramon
	N. Hoek
	T.P. Henkin
	J. Holscher
	S. Nanninga

OTHER INFORMATION

Provisions in the Articles of Association governing the appropriation of profit

Under article 32.1 and 32.2 of the Articles of Association of the Company, the Management Board shall, with the approval of the Supervisory Board, determine which part of the profits is added to the reserves. The profit remaining after transfer to the reserves is available to the General Meeting of Shareholders. The Management Board, with the approval of the Supervisory Board, shall make a proposal for that purpose. A proposal to pay dividend shall be dealt with as a separate agenda item at the General Meeting.
The Company can only make payments to the shareholders and other parties entitled to the distributable profit insofar as the shareholders' equity exceeds the paid-up and called-up part of the capital plus the statutory reserves and exceeds the amounts resulting from the distribution test, performed by the Management Board at the date of each dividend payment.

Independent auditor's report

To: the shareholders and Supervisory Board of Cabka N.V.

A. REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS 2023 INCLUDED IN THE ANNUAL REPORT

Our opinion

We have audited the financial statements 2023 of Cabka N.V. based in Amsterdam (Netherlands). The financial statements comprise the consolidated financial statements and the company financial statements.

WE HAVE AUDITED	OUR OPINION
The consolidated financial statements comprise: 1. the consolidated statement of financial position as at 31 December 2023; 2. the following statements for 2023: the consolidated income statement, the consolidated statements of comprehensive income, changes in equity and cash flows; and 3. the notes comprising material accounting policies and other explanatory information.	In our opinion, the accompanying consolidated financial statements give a true and fair view of the financial position of Cabka N.V. as at 31 December 2023 and of its result and its cash flows for 2023 in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRS) and with Part 9 of Book 2 of the Dutch Civil Code.
The company financial statements comprise: 1. the company balance sheet as at 31 December 2023; 2. the company profit and loss account for 2023; and 3. the notes comprising material accounting policies and other explanatory information.	In our opinion, the accompanying company financial statements give a true and fair view of the financial position of Cabka N.V. as at 31 December 2023 and of its result for 2023 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

Cabka

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of Cabka N.V. in accordance with the EU Regulation on specific requirements regarding statutory audit of public-interest entities, the Wet toezicht accountantsorganisaties (Wta, Audit firms supervision act), the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

B. INFORMATION IN SUPPORT OF OUR OPINION

We designed our audit procedures in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The following information in support of our opinion was addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

Materiality

Based on our professional judgement we determined the materiality for the financial statements as a whole at € 2.9 million. The materiality is based on a benchmark of revenues (representing 1.5% of reported revenues) which we consider to be one of the principal considerations for members of the company in assessing the financial performance of the group. We have also taken into account misstatements and/or possible misstatements that in our opinion are material for the users of the financial statements for qualitative reasons.

We agreed with the Supervisory Board, in particular with the Audit Committee, that misstatements in excess of € 145,000, which are identified during the audit, would be reported to them, as well as smaller misstatements that in our view must be reported on qualitative grounds.

Scope of the group audit

Cabka N.V. is at the head of a group of entities. The financial information of this group is included in the consolidated financial statements of Cabka N.V.

Our group audit mainly focused on significant group entities. We consider an entity significant when;

- it is of individual financial significance to the group; or
- the component, due to its specific nature or circumstances, is likely to include significant risks of material misstatement, whether due to fraud or error of the group financial statements.

We have:

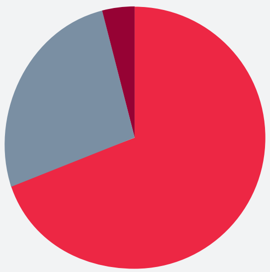
- performed full scope audit procedures for Cabka N.V. ourselves;
- performed specific scope audit procedures for Cabka Group GmbH and Cabka North America Inc. ourselves; and
- used the work of other auditors when auditing the entities Cabka GmbH & Co. KG, Cabka Eco Products GmbH & Co. KG, Cabka N.V. (Belgium) and Cabka Spain S.L.U.

We developed a plan for overseeing each component audit team based on its relative significance and specific risk characteristics. For Cabka GmbH & Co. KG, Cabka N.V. (Belgium) and Cabka Spain S.L.U., full scope audits were performed by the component auditors. For Cabka Eco Products GmbH & Co. KG specific procedures were performed by the component auditor.

Our oversight procedures included issuing tailor-made group audit instructions, virtual meetings throughout the audit process with the component auditors, remote working paper reviews as well as site visit for Cabka Spain S.L.U, virtual meetings with the component management and reviewing component audit team deliverables to gain sufficient understanding of the work performed.

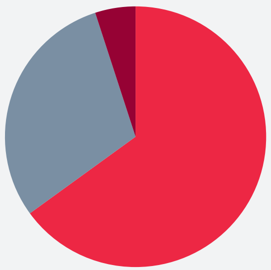
For clarification purposes we hereby show our scope:

Group Audit divided into revenue



- Audit
- Specific proc.
- Not in scope

Group Audit divided into asset



- Audit
- Specific proc.
- Not in scope

By performing the procedures mentioned above at group entities, together with additional procedures at group level, we have been able to obtain sufficient and appropriate audit evidence about the group's financial information to provide an opinion on the consolidated financial statements.

Audit approach going concern

As explained in the section Basis of preparation: Going concern in Note 2.1 of the financial statements, the Management Board has carried out a going concern assessment and identified no going concern risks. Our procedures to evaluate the going concern assessment of the board included the following:

- We considered whether the Management Board's going concern assessment contains all relevant information that we have knowledge of, as a result of our audit and inquired the board on key assumptions and estimates;
- We evaluated the budgeted operating results and related cash flows for the period of twelve months from the date of preparation of the financial statements taking into account developments in the industry, other external factors and our knowledge from the audit;
- We analyzed whether the current and necessary financing to be able to continue all the business activities is secured, including compliance with relevant covenants;
- We obtained information from the board about its knowledge of going concern risks beyond the period of the going concern assessment carried out by the board.

Our audit procedures did not reveal any information that conflicts with the board`s assumptions and the going concern assumption used. Therefore we agree with management's conclusion that Cabka is able to continue as going concern for at least the period of twelve months after signing this independent auditor's report.

Audit approach fraud risks and non-compliance with laws and regulations

We identified and assessed the risks of material misstatements of the financial statements due to fraud and non-compliance with laws and regulations. During our audit we obtained an understanding of the entity and its environment and the components of the system of internal control, including the risk assessment process and management's process for responding to the risks of fraud and monitoring the system of internal control and how the Supervisory Board exercises oversight, as well as the outcomes. We refer to section Financial instruments risk management objectives and policies in Note 34 for management's fraud risk assessment for further details.

We evaluated the design and relevant aspects of the system of internal control and in particular the fraud risk assessment, as well as among others the code of conduct,

whistle blower procedures and incident registration. We evaluated the design and the implementation of internal controls designed to mitigate fraud risks.
As part of our process of identifying fraud risks, we evaluated fraud risk factors with respect to financial reporting fraud, misappropriation of assets and bribery and corruption. We evaluated whether these factors indicate that a risk of material misstatement due to fraud is present.
We identified the following fraud risks and performed the following specific procedures:

RISK OF MANAGEMENT OVERRIDE OF CONTROLS	AUDIT PROCEDURES AND OBSERVATIONS
Management is in a unique position to perpetrate fraud because management is able to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. Therefore, in all our audits, we pay attention to the risk of management override of controls at: · Journal entries and other adjustments made throughout the year and during the course of preparing the financial statements; · Consolidation adjustment entries; · Estimates and estimation processes; · Significant transactions outside the ordinary course of business. More specific, for Cabka we have identified a fraud risk in the revenue recognition, for which we refer to the next fraud risk in this paragraph.	In response to the assessed fraud risk, our audit procedures included, amongst others, the following: · Where relevant for the audit, we evaluated the design and implementation of internal control measures in the processes for preparation of the financial statements, generating and processing journal entries/elimination entries and making estimates, assuming a risk of management override of controls of that process. · We have selected manual journal entries based on risk criteria, such as, journal entries in revenue recognition. We performed substantive audit procedures on these. · We have tested the material adjustment entries done in the consolidation by obtaining underlying documentation. · We have performed audit procedures on management estimates, including the processes related to these estimates. · We evaluated the notes to the financial statements. Our audit procedures did not reveal any specific indications of fraud or suspicions of fraud in respect of management override of controls, potentially resulting in material misstatements.

RISK OF FRAUDULENT FINANCIAL REPORTING DUE TO OVERSTATEMENT OF REVENUES	AUDIT PROCEDURES AND OBSERVATIONS
We addressed the risk of fraud in revenue recognition. This relates to the presumed management incentive that exists to overstate revenue. The majority of the Group’s revenue relates to the sale of goods, which is recorded at the time that control over the goods transfers to the customer. For the majority of sales transactions this is when the products are leaving the Group’s warehouse. Revenues from the rendering of services are recorded in the period in which the services are performed. Since such services generally take a short period of time, this is usually at completion of the service. Considering the above, there is limited risk of management manipulation. Rather, the risk of fraud in revenue recognition is focused on the cut-off of revenue and accounting of revenue in the appropriate accounting period as well as the risk of inappropriate manual journal entries.	For the audit work performed in response to the assessed fraud risk, we refer to the key audit matter ‘revenue recognition’, as set out in the section ‘Our key audit matters’ of this report. Our audit procedures did not reveal any specific indications of fraud or suspicions of fraud in respect of fraudulent financial reporting due to overstatement of revenues, potentially resulting in material misstatements.

We incorporated elements of unpredictability in our audit. We also considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud or non-compliance.
We considered available information and made enquiries of relevant executives, directors and the Audit Committee.
Our audit procedures did not lead to indications or suspicions for fraud potentially resulting in material misstatements.

Our key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements. We have communicated the key audit matters to the Audit Committee. The key audit matters are not a comprehensive reflection of all matters discussed.

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

The table below describes the key audit matters, a summary of our procedures carried out and our key observations.

REVENUE RECOGNITION	OUR AUDIT APPROACH
During the year ended 31 December 2023, the group recognised revenue from contracts with customers amounting to € 196.9 million relating to sales of goods and services as disclosed in Note 6. The Group's management focuses on revenue as a key driver by which the performance of the Group is measured. This area is a key audit matter due to revenue being the most significant item in the financial statements. Also Cabka has several large customers and therefore a few extensive contracts are related to a large number of transactions. We have identified the existence of revenues as a significant risk and identified a risk that revenues may be overstated through pre-mature revenue recognition or fictitious revenues as a result of management override in order to meet market and shareholders' expectation. As set out in section 'Audit approach fraud risks' of this report, the risk of fraud in revenue recognition is focused on the cut-off of revenue and accounting of revenue in the appropriate accounting period as well as the risk of inappropriate manual journal entries.	Our audit procedures included, amongst others: · Evaluating the revenue recognition policies for all material streams of revenue, as well as significant customer contracts, to ensure these were in accordance with IFRS 15 Revenue from Contracts with Customers. · Evaluating the design and implementation of the Group's internal control measures relating to the recognition of revenue. · Performing detailed substantive testing of revenue by vouching a sample of sales invoices to supporting records of goods dispatched or services rendered and authorized sales contracts. · Verifying the existence of outstanding accounts receivable positions as at year-end with customer confirmations and by subsequent cash collection tests. · Obtaining and evaluating credit notes issued during the year, and subsequent to year-end, and performing cut-off testing to ensure revenue transactions have been recorded in the correct reporting period. · Performing specific manual journal entry testing procedures, such as assessing write-offs of trade debtors other than cash receipts. · Assessing the adequacy of the disclosures in the financial statements relating to revenues (Note 6). Based on the audit procedures performed, we have not identified any material findings.

DEVELOPING CONTROL ENVIRONMENT

With the listing of Cabka as of the 1st of March 2022, Cabka started a process of developing their internal control environment as well as their IT general controls in order to mature and reach a higher level of control that fits with being a listed company.

Last year BDO has noted that the control environment of Cabka had not yet fully matured, which resulted in the identification of a risk related to the design, implementation, and operational effectiveness of the (IT general) controls.

OUR AUDIT APPROACH

Our audit approach included an assessment of the controls that management relies on for financial reporting through an interim audit. The purpose of our interim audit was to assess the level of the internal control environment of Cabka.

IT specialists were involved in testing IT general controls for Cabka. Procedures included assessing the complexity of the IT environment, evaluating the design and implementation of general controls over program development and changes, access to programs and data, and IT operations.

We noted that Cabka has improved its control environment compared to prior year, however we believe that there is still room for further improvement mainly in the internal control structure. We have seen continuous progress in the development of the internal control structure of Cabka mainly in Germany and on group control level but believe that there is still room for further improvement.

C. REPORT ON OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

In addition to the financial statements and our auditor's report thereon, the annual report contains other information that consists of:

- About Us;
- Management report;
- ESG report;
- Corporate Governance;
- other information as required by Part 9 of Book 2 of the Dutch Civil Code;
- In-Control statement; and
- EU taxonomy.

Based on the following procedures performed, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements;
- contains the information as required by Part 9 of Book 2 of the Dutch Civil Code for the Management report and the other information as well as the information as required by Sections 2:135b and 2:145 sub-Section 2 of the Dutch Civil Code for the remuneration report.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of Part 9 of Book 2, of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

The Management Board is responsible for the preparation of the other information, including the Management report in accordance with Part 9 of Book 2 of the Dutch Civil Code and other information as required by Part 9 of Book 2 of the Dutch Civil Code.

D. REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Engagement

We were engaged by the General Meeting as auditor of Cabka N.V. on 12 April 2022, as of the audit for financial year 2022 and have operated as statutory auditor ever since that financial year.

Prohibited non-audit services

We have not provided prohibited non-audit services as referred to in Article 5(1) of the EU Regulation on specific requirements regarding statutory audit of public-interest entities.

European Single Electronic Format (ESEF)

Cabka N.V. has prepared its annual report in ESEF. The requirements for this are set out in the Delegated Regulation (EU) 2019/815 with regard to regulatory technical standards on the specification of a single electronic reporting format (hereinafter: the RTS on ESEF).

In our opinion, the annual report prepared in XHTML-format, including the marked-up consolidated financial statements as included in the reporting package by Cabka N.V., complies in all material respects with the RTS on ESEF.

Management is responsible for preparing the annual report including the financial statements in accordance with the RTS on ESEF, whereby management combines the various components into a single reporting package.

Our responsibility is to obtain reasonable assurance for our opinion whether the annual report complies with the RTS on ESEF.

We performed our examination in accordance with Dutch law, including Dutch Standard 3950N 'Assurance-opdrachten inzake het voldoen aan de criteria voor het opstellen van een digitaal verantwoordingsdocument' (assurance engagements relating to compliance with criteria for digital reporting).

Our examination included amongst others:

- obtaining an understanding of the entity's financial reporting process, including the preparation of the reporting package;
- Identifying and assessing the risks that the annual report does not comply in all material respects with the RTS on ESEF and designing and performing further assurance procedures responsive to those risks to provide a basis for our opinion including:
  - obtaining the reporting package and performing validations to determine whether the reporting package containing the Inline XBRL instance document and the XBRL extension taxonomy files have been prepared in accordance with the technical specifications as included in the RTS on ESEF;
  - examining the information related to the consolidated financial statements in the reporting package to determine whether all required mark-ups have been applied and whether these are in accordance with the RTS on ESEF.

E. DESCRIPTION OF RESPONSIBILITIES REGARDING THE FINANCIAL STATEMENTS

Responsibilities of the Management Board and the Supervisory Board for the financial statements

The Management Board is responsible for the preparation and fair presentation of the financial statements in accordance with EU-IFRS and Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the Management Board is responsible for such internal control the Management Board determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, the Management Board is responsible for assessing the company’s ability to continue as a going concern. Based on the financial reporting frameworks mentioned, the Management Board should prepare the financial statements using the going concern basis of accounting, unless the Management Board either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

The Management Board should disclose events and circumstances that may cast significant doubt on the company’s ability to continue as a going concern in the financial statements.

The Supervisory Board is responsible for overseeing the company’s financial reporting process.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included among others:

- identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity’s internal control;

- evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management Board;
- concluding on the appropriateness of the use of the going concern basis of accounting by the Management Board, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern;
- evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Because we are ultimately responsible for the opinion, we are also responsible for directing, supervising and performing the group audit. In this respect we have determine the nature and extent of the audit procedures to be carried out for group entities. Decisive were the size and/or the risk profile of the group entities or operations. On this basis, we selected group entities for which an audit or review had to be carried out on the complete set of financial information or specific items.

We communicate with the Supervisory Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit. In this respect we also submit an additional report to the audit committee in accordance with Article 11 of the EU Regulation on specific requirements regarding statutory audit of public-interest entities. The information included in this additional report is consistent with our audit opinion in this auditor's report.

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

From the matters communicated with the Supervisory Board, we determine the key audit matters: those matters that were of most significance in the audit of the financial statements. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, not communicating the matter is in the public interest.

Amstelveen, 17 April 2024

For and on behalf of BDO Audit & Assurance B.V.,

sgd. drs. J.F. van Erve RA

Assurance report of the independent auditor

To: the shareholders and Supervisory Board of Cabka N.V.

Our conclusion

We have examined the selected ESG key performance indicators included in the annual report 2023 of Cabka N.V. at Amsterdam.

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the selected ESG key performance indicators included in the annual report 2023 of Cabka N.V. are not prepared, in all material respects, in accordance with the applicable criteria.
The selected key performance indicators in the annual report 2023 that we have examined:

- CO_2 emissions - Scope 1 and 2 emissions (page 49);
- Energy consumption (page 49);
- Overall total weight of resource inflow of raw materials used during reporting period (page 52);
- Absolute weight and % of recycled raw materials used to manufacture products (page 52).

(hereafter: the selected ESG key performance indicators).

Basis for our conclusion

We performed our examination in accordance with Dutch law, including Dutch Standard 3000A 'Assurance-opdrachten anders dan opdrachten tot controle of beoordeling van historische financiële informatie (attest-opdrachten)' ('Assurance engagements other than audits or reviews of historical financial information (attestation engagements))'. This engagement is aimed to obtain limited assurance. Our responsibilities in this regard are further described in the 'Our responsibilities for the examination of selected ESG key performance indicators 2023' section of our report.

We are independent of Cabka N.V. in accordance with the 'Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten' (ViO, Code of Ethics for

Professional Accountants, a regulation with respect to independence) and other relevant independence requirements in The Netherlands. Furthermore we have complied with the `Verordening gedrags- en beroepsregels accountants' (VGBA, Dutch Code of Ethics).

We believe that the assurance evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Applicable criteria

The criteria applied for the preparation of the selected ESG key performance indicators are disclosed on page 68 and 69 in the KPI definitions paragraph in the annual report 2023. The comparability of the selected ESG key performance indicators between entities and over time may be affected by the absence of an uniform practice on which to draw, to evaluate and measure this information. This allows for the application of different, but acceptable, measurement techniques.

Consequently, the selected ESG key performance indicators needs to be read and understood together with the criteria applied.

Limitation in the scope of our assurance engagement

Our assurance engagement is limited to the selected ESG key performance indicators for 2023. We have not performed any assurance procedures for other information in the 2023 annual report of Cabka N.V. in the context of this engagement.

Responsibilities of the Management Board and the Supervisory Board for the selected ESG key performance indicators

The Management Board is responsible for the preparation of the selected ESG key performance indicators in accordance with the applicable criteria, including the identification of the intended users and the criteria being applicable for their purposes. In this context, the Management Board is responsible for such internal control as it determines is necessary to enable the preparation, measurement or evaluation of the selected ESG key performance indicators that are free from material misstatement, whether due to error or fraud. The supervisory board is responsible for overseeing the company's reporting process for the selected ESG key performance indicators.

Our responsibilities for the examination the selected ESG key performance indicators 2023

Our objective is to plan and perform our examination in a manner that allows us to obtain sufficient and appropriate assurance evidence for our conclusion.

The procedures performed in this context differ in nature and timing and are less extent as compared to reasonable assurance engagements. The level of assurance obtained in a limited assurance engagement is therefore substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

We apply the `Nadere voorschriften kwaliteitssystemen' (NVKS, Regulations for quality management systems) and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our examination included among others:

- Identifying areas where a material misstatement of the subject matter information is likely to arise, designing and performing procedures to address the areas identified and to obtain limited assurance to support our conclusion;
- Considering internal control relevant to the examination of the selected ESG key performance indicators, in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control;
- Gaining an understanding of the reporting processes underlying the selected ESG key performance indicators, including obtaining a high-level understanding of internal control measures, as far as they are relevant to our assurance engagement
- Identifying areas of the selected ESG key performance indicators with a higher risk of misleading or unbalanced information or material misstatements due to errors or fraud. Based on this risk assessment, determining and performing assurance procedures

aimed at establishing the plausibility of the selected ESG key performance indicators and obtaining assurance information that is sufficient and appropriate as a basis for our conclusion. These assurance procedures include:
- Conducting interviews with management and relevant employees responsible for providing, performing internal controls on, and consolidating data into the selected ESG key performance indicators for 2023;
- Obtaining assurance information that the selected ESG key performance indicators for 2023 reconcile with the underlying company records;
- Assessing relevant internal and external documentation based on limited sampling;
- Analytically evaluating data and trends;

- Evaluating the suitability of the reporting criteria used, their consistent application, and the disclosures made in the 2023 annual report. This also includes evaluating the reasonableness of management's estimates;
- Considering whether the selected ESG key performance indicators is clearly and adequately disclosed in accordance with applicable criteria.
- Reading the information in the annual report which is not included in the scope of our assurance engagement to identify material inconsistencies, if any, with the selected ESG key performance indicators.

Amstelveen, 17 April 2024

For and on behalf of BDO Audit & Assurance B.V.,

sgd. drs. J.F. van Erve RA

In-Control Statement

Cabka's assessment is that there are no major failings in its internal risk management and control systems in the reporting year.

It should be noted that the above does not imply that our systems and procedures provide certainty as to the realization of strategic, operational, compliance and reporting objectives, nor that they can prevent all misstatements, inaccuracies, errors, fraud and non-compliance with laws and regulations.
On this basis, Cabka's Management Board states that to the best of its knowledge:
- the Annual Report provides sufficient insight into the effectiveness of Cabka's internal risk management and control systems
- the aforementioned risk management and control systems provide reasonable assurance that the financial reporting does not contain any material inaccuracies, and
- based on the current state of affairs, financial reporting on a going concern basis is justified (refer to going concern note).

In accordance with provision 1.4.3. of the Dutch Corporate Governance Code and Article 5:25c of the Financial Supervision Act, the Management Board declares that, to the best of its knowledge:
- the sections in the Report of the Management Board as included in this report provide sufficient insights into any deficiencies in the effectiveness of Cabka's internal risk management and control systems
- the financial reporting systems provide reasonable assurance that Cabka's financial reporting does not contain any material errors
- based on Cabka's current state of affairs, it is justified that the financial reporting is prepared on a going concern basis (refer to going concern note)
- the sections in the Report of the Management Board list those material risks and uncertainties relevant to expectations regarding Cabka's continuity for the period of 12 months after the preparation of the Report of the Management Board
- the financial statements as included in this report provide a true and fair view of the assets, liabilities, financial position and results for the financial year of Cabka, and
- the sections in the Report of the Management Board provide a true and fair view of the situation on the balance sheet date and the business development during the financial year of Cabka included in the financial statements.

Amsterdam, 17 April 2024

Tim Litjens
Chief Executive Officer

Frank Roerink
Chief Financial Officer

EU Taxonomy

Regulatory Framework
In order to meet the EU's climate targets as well as the objectives of the European Green Deal, investments must be directed towards sustainable economic undertakings. Prerequisite for this is a common language and definition of the sustainability of different economic activities. The EU Taxonomy serves as such a common classification system, enabling the financing of sustainable developments through the identification of economic activities that support the EU's sustainability goals.

The EU Taxonomy Regulation entered into force in July 2020. It establishes six environmental objectives of which climate change mitigation (1) and climate change adaptation (2) became effective in 2021. Further delegated acts were adopted in 2023 to define economic activities contributing to the remaining objectives of sustainable use and protection of water and marine resources (3), transition to a circular economy (4), pollution prevention and control (5) and protection and restoration of biodiversity and ecosystems (6). Thus the reporting scope expanded from FY 2022 to FY 2023.

Technical Screening Criteria for these objectives enable the evaluation of taxonomy eligibility of those economic activities. For alignment with EU Taxonomy, meaning the definition of an economic activity to be considered environmentally sustainable, activities undergo further screening to confirm that there is no significant harm to other environmental objectives and minimum safeguards are being met.

The Taxonomy framework provisions effective at the publishing date of this Annual Report requires Cabka to disclose the proportion of its turnover, capital, and operational expenditure from taxonomy-eligible and non-eligible economic activities.

Cabka's taxonomy eligibility
Economic Activities defined in Delegated Regulation (EU) 2021/2139 and the additional 2023 regulation (EU) 2023/2485 and (EU) 2023/2486 were used to identify which of Cabka's activities are taxonomy eligible in FY 2023.
The definition of economic activities contributing to the transition to a circular economy in additional delegated acts adopted in 2023, expectedly cover more of Cabka's business model and related individual economic activities compared to the scope of FY 2022 which focussed only on activities making a contribution to climate change mitigation and climate change adaptation.
This initiated a complete review of the economic activities and how they match against value chain steps undertaken within Cabka operations. Cabka's main focus is on recycling and the manufacture of products from recycled plastics. With our integrated business model, in-house recycled plastics do not generate direct revenues but are further processed into final products.
Cabka's material handling manufacturing operations and resulting products plastic pallets and large load carriers fall within the Manufacture of Plastic Packaging Goods (1.1) as defined in Annex II by the delegated act (EU) 2023/2486

as a sustainable economic activity. Cabka decided to re-classify its recycling operations which were in FY 2022 assessed as the taxonomy activity 3.17 Manufacture of Plastics, in FY 2023 into the activity 5.9 Material recovery from non-hazardous waste. The EU Taxonomy climate mitigation, adaptation and other environmental objectives inherently cover different types of recycling activities with overlapping definitions. The classification of Cabka's recycling activities under 5.9 Material recovery from non-hazardous waste includes a larger scope of Cabka's processes.

Cabka's eligible activities

Environmental Objective	ACTIVITY NUMBER	ACTIVITY NAME	DESCRIPTION AND MAIN ACTIVITIES OF CABKA
Climate Change Mitigation / Climate Change Adaptation	5.9	Material recovery from non-hazardous waste	Cabka engages in recycling of post-consumer and post-industrial waste streams to recover secondary materials to be processed again in subsequent inhouse and external product manufacturing and replacing virgin material.
Transition to the circular economy	1.1	Manufacture of plastic packaging goods	Cabka manufactures reusable plastic pallets and containers for packaging and transport purposes out of recycled material.

Status on alignment

EU Taxonomy alignment requires an assessment of compliance with the technical screening section of each economic activity which consists of 1) substantial contribution criteria as well as 2) "Do no significant harm" – criteria defined for each economic activity and compliance with minimum social safeguards.

Cabka conducted a taxonomy alignment assessment for its operations which are classified in EU Taxonomy activities 1.1 Manufacture of Plastic Packaging Goods and 5.9 Material recovery from non-hazardous waste.

Interpretation of assessment criteria is in certain circumstances not straightforward as they refer to multiple regulations and directives. The existence and requirements of documentation can be challenging to establish. In our judgement we have thus taken a range of perspectives and used a multitude of sources. Considering the evolving character of the European regulatory framework, the level of complexity of the available legislation, and the lack of clarity around how to interpret and apply it, we anticipate this interpretation to require an annual review and thus conformity with the criteria to continue to evolve.

The criteria set by the EU Taxonomy for compliance with the substantial contribution to the transition to a circular economy with the manufacture of plastic packaging goods are orientated towards requirements on packaging goods already in place on a European level and national level. We have conducted a product level assessment to identify aligned products. Recycling activities have been assessed on their contribution compliance with the means of recycling yields to document the required threshold of the recycling streams defined by the EU Taxonomy.

Do no significant harm criteria (DNSH) require for both economic activities a climate risk and vulnerability assessment. This aligns with the physical risk assessment conducted for our overall business. The assessment was prepared and conducted according to requirements set by the EU Taxonomy requirements set in (EU) 2021/2139 in Appendix A of Annex II and subsequent acts (EU) 2023/2485 and (EU) 2023/2486. External guidance and required climate projections were used to evaluate impact of climate change. Action plans to mitigate those impacts were developed while no physical climate risks that are material to the economic activities listed above were identified.

DNSH criteria were also assessed for compliance with water and marine resources, pollution prevention and control for the packaging goods manufacturing activities as well as biodiversity and ecosystems requirements for both, material recovery as well as packaging goods activities. Interpretation requires extensive review of local documentation, site specificities and local regulation. Judgement on alignment was taken with a conservative approach.

The last pillar in the alignment assessment relates to compliance with the minimum safeguards. These safeguards encompass the procedures implemented by a company carrying out an economic activity to ensure alignment in accordance with the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. The alignment review was conducted in 2022.

Following these assessments, Cabka reports for financial year 2023, taxonomy eligible as well as taxonomy aligned turnover, capital and operational expenditure.

Cabka's taxonomy eligibility and alignment

DISCLOSURE	TOTAL IN EURO X 1,000	ALIGNMENT IN %	ELIGIBILITY IN %
Turnover	196,888	48%	36%
CapEx	34,374	62%	27%
OpEx	14,165	60%	30%

EU Taxonomy KPI disclosure tables

The KPI tables summarize the outcome of our assessment of turnover, CapEx and OpEx. 2023 is our second year of EU Taxonomy reporting – for the reporting under (EU) 2021/2486. With the re-classification of Cabka's recycling activities in 2023, a comparison to the previous year is not available.

Proportion of Alignment and Eligibility by environmental objective

Cabka`s taxonomy eligibility and alignment per taxonomy environmental objective	TURNOVER		CAPEX		OPEX	
ENVIROMENTAL OBJECTIVE	TAXONOMY-ALIGNED	TAXONOMY-ELIGIBLE	TAXONOMY-ALIGNED	TAXONOMY-ELIGIBLE	TAXONOMY-ALIGNED	TAXONOMY-ELIGIBLE
CCM - Climate Change Mitigation	6%	0%	9%	0%	16%	0%
CCA - Climate Change Adaptation	0%	0%	0%	0%	0%	0%
WTR - Sustainable Use and Protection of Water and Marine Resources	0%	0%	0%	0%	0%	0%
CE -Transition to a Circular Economy	42%	36%	53%	27%	44%	30%
PPC -Pollution Prevention and Control	0%	0%	0%	0%	0%	0%
BIO - Protection and Restoration of Biodiversity and Ecosystems	0%	0%	0%	0%	0%	0%

Economic Activities (1)	Code (2)	Turnover (3)	Proportion of turnover (4)	Substantial contribution criteria: Climate change mitigation (5)	Climate change adaptation (6)	Water (7)	Pollution (8)	Circular economy (9)	Biodiversity and ecosystems (10)	DNSH criteria („Does not significantly harm"): Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safe-guards (17)	Proportion of taxonomy-aligned (A.1.) or -eligible (A.2.) turnover, year N-1 (18)	Category (enabling activity) (19)	Category (transitional activity) (20)
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Manufacture of plastic packaging goods	CE 1.1	82,376,246	42%	N/EL	N/EL	N/EL	N/EL	Y	N/EL	Y	Y	Y	Y	Y	Y	Y	-		
Material recovery from non-hazardous waste	CCM 5.9, CCA 5.9	12,597,923	6%	Y	Y	Y	Y	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	-		
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**94,974,169**	**48%**	**6%**	**0%**	**0%**	**0%**	**42%**	**0%**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**-**		
Of which enabling		0%	0%																
Of which transitional		0%	0%																
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Manufacture of plastic packaging goods	CE 1.1	70,283,513	36%	N/EL	N/EL	N/EL	N/EL	EL	N/EL										
Material recovery from non-hazardous waste	CCM 5.9, CCA 5.9	0	0%	EL	EL	EL	EL	N/EL	N/EL										
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**70,283,513**	**36%**	**0%**	**0%**	**0%**	**0%**	**36%**	**0%**										
Total (A.1+A.2)		**165,257,682**	**84%**																
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		**31,630,282**	**16%**																
Total (A+B)		**196,888,064**	**100%**																

1) Abbreviations used in the templates:
Y: Yes, N: No, EL: Taxonomy eligible, N/EL: Not taxonomy eligible, E: Enabling activity, T: Transitional activity. CCM: Climate Change Mitigation, CCA: Climate Change Adaptation, WTR: Water and Marine Resources, CE: Circular Economy, PPC: Pollution Prevention and Control, BIO: Biodiversity and Ecosystems

2) The blacked out area is not to be reported in accordance with Delegated Regulation (EU) 2023/2486.

Economic Activities (1)	Code (2)	Absolute CapEx (3)	Proportion of CapEx (4)	Substantial Contribution Criteria: Climate Change Mitigation (5)	Climate Change Adaptation (6)	Water (7)	Pollution (8)	Circular Economy (9)	Biodiversity and Ecosystems (10)	DNSH Criteria („Does Not Significantly Harm") : Climate Change Mitigation (11)	Climate Change Adaptation (12)	Water (13)	Pollution (14)	Circular Economy (15)	Biodiversity (16)	Minimum Safe-guards (17)	Proportion of Taxonomy-aligned (A.1.) or eligible (A.2.) CapEx, year N-1 (18)	Category (enabling activity) (20)	Category (transitional activity) (21)
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Manufacture of plastic packaging goods	CE 1.1	18,122,908	53%	N/EL	N/EL	N/EL	N/EL	Y	N/EL	Y	Y	Y	Y	Y	Y	Y	-		
Material recovery from non-hazardous waste	CCM 5.9, CCA 5.9	3,046,879	9%	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	-		
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**21,169,787**	**62%**	**9%**	**0%**	**0%**	**0%**	**53%**	**0%**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**-**		
Of which enabling		0%	0%																
Of which transitional		0%	0%																
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Manufacture of plastic packaging goods	CE 1.1	9,408,631	27%	N/EL	N/EL	N/EL	N/EL	EL	N/EL										
Material recovery from non-hazardous waste	CCM 5.9, CCA 5.9	0	0%	EL	EL	N/EL	N/EL	N/EL	N/EL										
CapEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**9,408,631**	**27%**	**0%**	**0%**	**0%**	**0%**	**27%**	**0%**										
Total (A.1+A.2)		**30,578,418**	**89%**																
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
CapEx of Taxonomy-non-eligible activities		**3,795,993**	**11%**																
Total (A+B)		**34,374,411**	**100%**																

1) Abbreviations used in the templates:
Y: Yes, N: No, EL: Taxonomy eligible, N/EL: Not taxonomy eligible, E: Enabling activity, T: Transitional activity. CCM: Climate Change Mitigation, CCA: Climate Change Adaptation, WTR: Water and Marine Resources, CE: Circular Economy, PPC: Pollution Prevention and Control, BIO: Biodiversity and Ecosystems

2) The blacked out area is not to be reported in accordance with Delegated Regulation (EU) 2023/2486.

				SUBSTANTIAL CONTRIBUTION CRITERIA						DNSH CRITERIA (‚DOES NOT SIGNIFICANTLY HARM')									
Economic Activities (1)	CODE (2)	ABSOLUTE OPEX (3)	PROPORTION OF OPEX (4)	CLIMATE CHANGE MITIGATION (5)	CLIMATE CHANGE ADAPTATION (6)	WATER (7)	POLLUTION (8)	CIRCULAR ECONOMY (9)	BIODIVERSITY AND ECOSYSTEMS (10)	CLIMATE CHANGE MITIGATION (11)	CLIMATE CHANGE ADAPTATION (12)	WATER (13)	POLLUTION (14)	CIRCULAR ECONOMY (15)	BIODIVERSITY (16)	MINIMUM SAFE-GUARDS (17)	PROPORTION OF TAXONOMY-ALIGNED (A.1) OR -ELIGIBLE (A.2) OPEX, YEAR N-1 (18)	CATEGORY (ENABLING ACTIVITY) (20)	CATEGORY (TRANSITIONAL ACTIVITY) (21)
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1. Environmentally sustainable activities (Taxonomy-aligned)																			
Manufacture of plastic packaging	CE 1.1	6,203,715	44%	N/EL	N/EL	N/EL	N/EL	Y	N/EL	Y	Y	Y	Y	Y	Y	Y	-		
Material recovery from non-hazardous	CCM 5.9, CCA 5.9	2,327,281	16%	Y	Y	N/EL	N/EL	N/EL	N/EL	Y	Y	Y	Y	Y	Y	Y	-		
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**8,530,997**	**60%**	**16%**	**0%**	**0%**	**0%**	**44%**	**0%**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**Y**	**-**		
Of which enabling		0%	0%																
Of which transitional		0%	0%																
A.2 Taxonomy-Eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Manufacture of plastic packaging	CE 1.1	4,180,879	30%	N/EL	N/EL	N/EL	N/EL	EL	N/EL										
Material recovery from non-hazardous	CCM 5.9, CCA 5.9	0	0%	EL	EL	N/EL	N/EL	N/EL	N/EL										
OpEx of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**4,180,879**	**30%**	**0%**	**0%**	**0%**	**0%**	**30%**	**0%**										
Total (A.1+A.2)		**12,711,876**	**90%**																
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
OpEx of Taxonomy-non-eligible activities		**1,452,651**	**10%**																
Total (A+B)		**14,164,527**	**100%**																

1) Abbreviations used in the templates:
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2) The blacked out area is not to be reported in accordance with Delegated Regulation (EU) 2023/2486.

Appendix I – GRI Content Index

Statement of use: Cabka has reported the information cited in this GRI content index for the reporting period of 01 January to 31 December 2022 with reference to the GRI Standards.

GRI 1 used: GRI 1: Foundation 2021
Applicable GRI Sector Standard(s): Non applicable

TOPIC	GRI DISCLOSURE NUMBER	DISCLOSURE TITLE	SOURCE	PAGE(S)
GRI 2: General Disclosures				
Organizational profile	102-1	Organizational details	AR	2, 14, 73-74
	102-2	Entities included in the organization's sustainability report	AR	42
	102-3	Reporting period, frequency and contact point	AR	42, 182
	102-4	Restatements of information	AR	49
	102-5	External assurance	AR	159, 176
Activities and workers	102-6	Activities, value chain and other business relationships	AR	6-13
	102-7	Employees	AR	114
Governance	102-9	Governance structure and composition	AR	74-76
	102-10	Nomination and selection of the highest governance body	AR	75
	102-11	Chair of the highest governance body	AR	77
	102-12	Role of the highest governance body in overseeing the management of impacts	AR	79
	102-13	Delegation of responsibility for managing impacts	AR	80

TOPIC	GRI DISCLOSURE NUMBER	DISCLOSURE TITLE	SOURCE	PAGE(S)
	102-14	Role of the highest governance body in sustainability reporting	AR	45, 79
	102-15	Conflicts of interest	AR	75
	102-16	Communication of critical concerns	AR	79
	102-19	Remuneration policies	AR	83-84
	102-20	Process to determine remuneration	AR	85-88
Strategy, policies, and practices	102-22	Statement on sustainable development strategy	AR	44-45, 47
	102-23	Policy commitments	AR	44-45
	102-24	Embedding policy commitments	AR	45, 57
	102-25	Processes to remediate negative impacts	AR	45
	102-26	Mechanisms for seeking advice and raising concerns	AR	39, 57-58
	102-27	Compliance with laws and regulations	AR	34, 39
	102-28	Membership associations	AR	66-67
Stakeholder engagement	102-29	Approach to stakeholder engagement	AR	44

TOPIC	GRI DISCLOSURE NUMBER	DISCLOSURE TITLE	SOURCE	PAGE(S)
GRI 3: Material Topics				
Disclosures on material topics	103-1	Process to determine material topics	AR	43
	103-2	List of material topics	AR	43
	103-3	Management of material topics	AR	45
GRI 200: Economic				
Economic Performance	201-1	Direct economic value generated and distributed	AR	93
	201-2	Financial implications and other risks and opportunities due to climate change	AR	35, 37
	201-3	Defined benefit plan obligations and other retirement plans	AR	83-85
Anti-corruption	205-2	Communication and training about anti-corruption policies and procedures	AR	39, 57-58
GRI 300: Environment				
Materials	301-1	Materials used by weight or volume	AR	52
	301-2	Recycled input materials used	AR	52
Energy	302-1	Energy consumption within the organization	AR	49
Emissions	305-1	Direct (Scope 1) GHG emissions	AR	49
	305-2	Energy indirect (Scope 2) GHG emissions	AR	49
	305-3	Other indirect (Scope 3) GHG emissions	AR	49
Waste	306-4	Waste diverted from disposal	AR	52
Supplier environmental assessment	308-1	New suppliers that were screened using environmental criteria	AR	65
GRI 400: Social				
Occupational health & safety	403-1	Occupational health and safety management system	AR	59-60
	403-5	Worker training on occupational health and safety	AR	59-60
	403-6	Promotion of worker health	AR	59-60
Diversity & equal opportunity	405-1	Diversity of governance bodies and employees	AR	63

Appendix II – TCFD index

PILLAR	RECOMMENDED DISCLOSURES	PAGE(S)
	Governance	
Disclose the company's governance around climate-related risks and opportunities.	Describe the board's oversight of climate-related risks and opportunities.	32
	Describe management's role in assessing and managing climate-related risks and opportunities.	44
	Strategy	
Disclose the actual and potential impacts of climate-related risks and opportunities on the company's businesses, strategy, and financial planning where such information is material.	Describe the climate-related risks and opportunities the company has identified over the short, medium, and long term.	35-38
	Describe the impact of climate-related risks and opportunities on the company's businesses, strategy, and financial planning.	35-38
	Describe the resilience of the company's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.	35-36, 50

PILLAR	RECOMMENDED DISCLOSURES	PAGE(S)
	Risk Management	
Disclose how the company identifies, assesses, and manages climate-related risks.	Describe the company's processes for identifying and assessing climate-related risks.	30, 38
	Describe the company's processes for managing climate-related risks.	30, 38
	Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the company's overall risk management.	38
	Metrics and Targets	
Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.	Disclose the metrics used by the tcompany to assess climate-related risks and opportunities in line with its strategy and risk management process.	48-50
	Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	48-50
	Describe the targets used by the company to manage climate-related risks and opportunities and performance against targets.	48-50

Statement – This copy of the annual report of Cabka N.V. for the year 2023 is not in the ESEF format as specified by the European Commission in Regulatory Technical Standard on ESEF (Regulation (EU) 2019/815). The ESEF reporting package is available at https://investors.cabka.com/reporting-and-investor-library/reports-and-presentation

Cabka N.V.
John M. Keynesplein 10
1066 EP, Amsterdam
The Netherlands
www.cabka.com
investors.cabka.com

Investor & Press contact: IR@Cabka.com
Commercial contact: info@Cabka.com