

This Offer expires at 17:40 hours CET on 7 February 2024, unless extended

OFFER MEMORANDUM

dated 12 December 2023

RECOMMENDED CASH OFFER

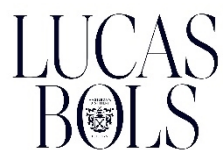
by

HollandsGlorie B.V.



**FOR ALL ISSUED AND OUTSTANDING ORDINARY SHARES WITH A NOMINAL VALUE OF
EUR 0.10 EACH IN THE SHARE CAPITAL OF**

Lucas Bols N.V.



This offer memorandum (*biedingsbericht*; the "**Offer Memorandum**") contains the details of the recommended public offer (*openbaar bod*) by HollandsGlorie B.V. (the "**Offeror**"), an Affiliate (as defined below) of Nolet Holding B.V. ("**Nolet**"), to all holders of issued and outstanding ordinary shares with a nominal value of EUR 0.10 (ten euro cents) each (the "**Shares**", each a "**Share**" and the holders of such Shares, the "**Shareholders**") in the share capital of Lucas Bols N.V. (the "**Company**" or "**Lucas Bols**"), to purchase for cash their Shares on the terms and subject to the conditions and restrictions set out in this Offer Memorandum (the "**Offer**"). On the date of this Offer Memorandum, 14,972,756 (fourteen million nine hundred seventy-two thousand seven hundred fifty-six) Shares are issued by the Company and subject to the Offer.

This Offer Memorandum contains the information required by Article 5:76 of the Dutch Act on Financial Supervision (*Wet op het financieel toezicht*, the "**Wft**") in conjunction with Article 8, Paragraph 1(a) of the Dutch Decree on public offers Wft (*Besluit openbare biedingen Wft*, the "**Decree**") in connection with the Offer. This Offer Memorandum has been reviewed and approved by the Dutch Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*, the "**AFM**") as an offer memorandum (*biedingsbericht*) under Article 5:76 of the Wft.

The information required by Article 18, Paragraph 2 of the Decree in connection with the Offer is included in a separate position statement of the Company (including all appendices thereto, the "**Position Statement**"), which is also published on the date of this Offer Memorandum. The Position Statement does not form part of this Offer Memorandum and has not been reviewed or approved by the AFM prior to publication. The Position Statement will be reviewed by the AFM after publication.

Capitalised terms used in this Offer Memorandum have the meaning set out in Section 4 (*Definitions and Interpretation*) or elsewhere in this Offer Memorandum. Capitalised terms used in the Dutch summary included in Section 11 (*Dutch language summary*) have the meaning set out in Section 11.2 (*Nederlandse definities*).

Shareholders tendering their Shares under the Offer will be paid on the terms and subject to the conditions and restrictions contained in this Offer Memorandum in consideration for each Share validly tendered (or defectively tendered, if the Offeror accepts such defective tender) and not withdrawn for acceptance pursuant to the Offer (each such Share, a "**Tendered Share**") and transferred (*geleverd*) to the Offeror, an amount in cash of EUR 18.00 (eighteen euro) cum dividend, without interest (the "**Consideration**"). In the event further cash or share dividend or other distribution on the Shares (each a "**Distribution**" and collectively, the "**Distributions**") is declared by the Company whereby the record date for entitlement to such Distribution is on or prior to the Settlement Date (as defined below), the Consideration will be decreased by the full amount of any such Distribution made by the Company in respect of each Share (before any applicable withholding tax). The Offeror is entitled to deduct and withhold from the Consideration such amounts as the Offeror is required to deduct and withhold with respect to the payment of the Consideration under any provision of applicable tax or social security Law.

The management board (*bestuur*) of the Company (the "**Management Board**") and the supervisory board (*raad van commissarissen*) of the Company (the "**Supervisory Board**", and jointly, the "**Boards**") unanimously support the Transaction (as defined below), recommend the Offer to the Shareholders for acceptance and recommend the Shareholders to vote in favour of the Resolutions (as defined below). Reference is made to Section 6.7 (*Decision-making and Recommendation by the Boards*) and the Position Statement.

At the date of this Offer Memorandum, the Offeror owns approximately 29.9% (twenty-nine point nine per cent) of the Company's issued share capital. The individual members of the Boards (the "**Board Members**") who hold Shares have irrevocably undertaken to tender all their Shares to the Offeror (together representing approximately 5.4% (five point four per cent) of the Shares) prior to the Settlement Date (as defined below) under the terms and conditions of this Offer Memorandum as set out in Section 6.12 (*Irrevocable undertakings*).

The Offer Period (as defined below) under the Offer will commence at 09:00 hours CET on 13 December 2023 (the "**Commencement Date**") and will expire at 17:40 hours CET on 7 February 2024 (the "**Initial Closing Date**"), unless the Offeror extends the Offer Period in accordance with Article 15 of the Decree and Section 5.6 (*Extension of the Offer Period*). The day on which the Offer Period expires, whether or not extended, is the "**Closing Date**" and 17:40 hours CET on the Closing Date is the "**Closing Time**". The Offeror will announce whether or not it declares the Offer unconditional (*gestand doen*) within three (3) Business Days (as defined below) following the Closing Date, in accordance with Article 16, Paragraph 1 of the Decree (the "**Unconditional Date**").

Shares tendered prior to or at the Closing Time may not be withdrawn, subject to the right of withdrawal of any Tendered Shares during the Offer Period in accordance with the provisions of Article 5b, Paragraph 5, Article 15, Paragraphs 3 and 8 and Article 15a, Paragraph 3 of the Decree as set out in Section 5.3.5 (*Withdrawal Rights*).

The obligation of the Offeror to declare the Offer unconditional (*gestand doen*) is subject to the satisfaction or waiver of the Offer Conditions in accordance with Section 6.6 (*Offer Conditions, waiver and satisfaction*). The Offer Conditions may be waived, to the extent permitted by Law or by agreement, as set out in Section 6.6.2 (*Waiver of the Offer Conditions*).

In the event that the Offeror declares the Offer unconditional (*gestand doen*), the Offeror will deliver the Consideration in respect of each Tendered Share that has been tendered during the Offer Period, and the Offeror shall acquire each Tendered Share, within five (5) Business Days following the Closing Date ("**Settlement**" and the day on which Settlement occurs, the "**Settlement Date**").

If the Offer is declared unconditional (*gestand gedaan*), the Offeror will publicly announce a post-closing acceptance period (*na-aanmeldingstermijn*) of two (2) weeks (the "**Post-Acceptance Period**") to enable the Shareholders who did not tender their Shares during the Offer Period to tender their Shares during the Post-Acceptance Period on the same terms and subject to the same conditions and restrictions as the Offer.

If, following the Settlement Date and, if applicable, the Post-Acceptance Period, the statutory threshold is met, the Offeror intends to commence a compulsory acquisition procedure or takeover buy-out procedure, as described further in Section 6.13.3 (*Post-closing measures and future legal structure*).

The Offeror may implement a Post-Closing Restructuring Measure (as defined below) if (i) following the Settlement Date and the Post-Acceptance Period, if applicable, the number of Tendered Shares, together with any Shares directly or indirectly held by the Offeror's Group (as defined below) or irrevocably committed to the Offeror's Group in writing subject only to the Offer being declared unconditional, represents less than 95% but at least 80% of the Company's issued and outstanding ordinary share capital and (ii) the Post-Closing Restructuring Resolutions (as defined below) have been adopted. The Boards have agreed to the Company entering into a Post-Closing Restructuring Measure as part of the

Offer and subject to the Shareholders adopting the Post-Closing Restructuring Resolutions. Reference is made to Section 6.13 (*Consequences of the Offer for non-tendering Shareholders*).

In accordance with Article 18, Paragraph 1 of the Decree, the Company will hold an extraordinary general meeting of Shareholders at least six (6) Business Days before the Offer Period ends (the "**EGM**"). At the EGM, the Offer will be discussed and recommended by the Boards to the Shareholders for acceptance and the Shareholders will be requested to vote in favour of the Resolutions (defined below). The manner in which the EGM will be held (i.e. a physical or virtual meeting) will be provided for in the convocation of the EGM. The EGM convocation materials will be made available on the website of the Company (www.lucasbols.com). Reference is made to Section 6.22 (*EGM*).

Distribution of this Offer Memorandum may, in certain jurisdictions, be subject to specific regulations or restrictions. Persons in possession of this Offer Memorandum are urged to inform themselves of any such restrictions which may apply to them and to observe them. Any failure to comply with these restrictions may constitute a violation of the securities Laws of that jurisdiction. The Offeror and the Company disclaim all responsibility for any violation of such restrictions by any person. See Sections 2 (*Restrictions*) and 3 (*Important information*).

All announcements in relation to the Offer will be made by press release and placed on the websites of the Offeror (www.noletdistillery.com) and the Company (www.lucasbols.com). Reference is made to Section 5.12 (*Announcements*).

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2 RESTRICTIONS

The Offer is made in, and from, the Netherlands with due observance of the statements, conditions and restrictions included in this Offer Memorandum. Without prejudice to the Offeror's right to reject defective tenders, the Offeror reserves the right to accept any tender under the Offer which is made by, or on behalf of, a Shareholder, even if it has not been made in the manner set out in this Offer Memorandum.

The distribution of this Offer Memorandum and the making of the Offer in jurisdictions other than the Netherlands may be restricted or prohibited by Law. The Offer is not made, and the Shares will not be accepted for purchase from, or on behalf of, any Shareholder, in any jurisdiction in which the making of the Offer or acceptance of the Offer would not be in compliance with the securities or other Laws of such jurisdiction or would require any registration, approval or filing with any regulatory authority not expressly contemplated by this Offer Memorandum. If you are in any doubt as to your eligibility to participate in the Offer, you should contact your professional adviser immediately.

Persons obtaining this Offer Memorandum are required to take due note of and observe all such restrictions and obtain any necessary authorisations, approvals or consents (to the extent applicable). However, acceptances of the Offer by Shareholders not residing in the Netherlands will be accepted by the Offeror if such acceptances comply with (i) the acceptance procedure set out in this Offer Memorandum and (ii) the applicable Laws of the jurisdiction from which such acceptance has been made. No actions have been taken or will be taken to make the Offer possible in any jurisdiction outside of the Netherlands where such actions would be required. In addition, this Offer Memorandum has not been filed with or recognised by the authorities of any jurisdiction other than the Netherlands.

Neither the Offeror, nor the Company, nor any of their advisers, nor the Settlement Agent (as defined below) accepts any responsibility or liability for any violation by any person of any such restriction. Any person (including, without limitation, custodians, nominees and trustees) who forwards or intends to forward this Offer Memorandum or any related document to any jurisdiction other than the Netherlands should carefully read this Section 2 (*Restrictions*) and Section 3 (*Important information*) before taking any action.

The release, publication or distribution of this Offer Memorandum and any documentation regarding the Offer or the making of the Offer in jurisdictions other than the Netherlands may be restricted by Law and therefore persons into whose possession this Offer Memorandum comes should inform themselves about and observe those restrictions. Any failure to comply with any such restriction may constitute a violation of the Law of any such jurisdiction.

3 IMPORTANT INFORMATION

3.1 Introduction

This Offer Memorandum contains, incorporates and refers to important information that should be read carefully before any Shareholder makes a decision to tender Shares under the Offer. Shareholders are advised to seek independent advice that takes into account their personal circumstances with regard to the consequences resulting from the acceptance or non-acceptance of the Offer.

In addition, this Offer Memorandum only contains the principal Dutch tax consequences of the disposal of Shares by a Shareholder in connection with the Offer, the Statutory Buy-Out Proceedings and the Post-Closing Restructuring Measures. It does not describe all Dutch tax consequences of acceptance or non-acceptance of the Offer that may be relevant for a Shareholder, nor does this Offer Memorandum describe any tax consequences relating to jurisdictions other than the Netherlands that may be relevant for a Shareholder (other than in Section 3.2 (*Information for U.S. Shareholders*)). Shareholders are therefore urged to consult their own tax adviser regarding the tax consequences of acceptance or non-acceptance of the Offer.

3.2 Information for U.S. Shareholders

The Offer is being made by the Offeror for the Shares in the Company, a public limited liability company incorporated under the laws of the Netherlands, and is subject to Dutch disclosure and procedural requirements, which differ from those of the United States.

The financial information of the Company included in this document has been prepared in accordance with the International Financial Reporting Standards as adopted by the European Union ("**IFRS**") and with Part 9 of Book 2 of the Dutch Civil Code (*Burgerlijk Wetboek*) ("**DCC**"), and thus may not be comparable to financial information of U.S. companies or companies whose financial statements are prepared in accordance with generally accepted accounting principles in the United States. None of the financial information in this Offer Memorandum has been audited in accordance with auditing standards generally accepted in the U.S. or the auditing standards of the U.S. Public Company Accounting Oversight Board.

The Offer will be made in the United States in compliance with Regulation 14E under the U.S. Securities Exchange Act of 1934, as amended (the "**U.S. Exchange Act**") and the rules and regulations promulgated thereunder, including the exemptions therefrom, and otherwise in accordance with the applicable regulatory requirements in the Netherlands. Accordingly, the Offer will be subject to disclosure and other procedural requirements, including with respect to withdrawal rights, offer timetable, settlement procedures and timing of payments that are different from those applicable under U.S. domestic tender offer procedures and law.

The receipt of cash pursuant to the Offer by a U.S. shareholder will generally be a taxable transaction for U.S. federal income tax purposes and may be a taxable transaction under applicable state and local Laws, as well as foreign and other tax Laws. Each Shareholder is urged to consult his or her independent professional adviser immediately regarding the tax consequences of acceptance or non-acceptance of the Offer.

It may be difficult for U.S. Shareholders to enforce their rights and claims arising out of the U.S. federal securities laws, since the Offeror and the Company are located in a country other than the United States, and some or all of their officers and directors may be residents of a country other than the United States. U.S. shareholders may not be able to sue a non-U.S. company or its officers or directors in a non-U.S. court for violations of the U.S. securities laws. Further, it may be difficult to compel a non-U.S. company and its affiliates to subject themselves to a U.S. court's judgment.

Neither the U.S. Securities and Exchange Commission nor any U.S. state securities commission or other regulatory authority has approved or disapproved the Offer, passed upon the fairness or merits of the Offer or provided an opinion as to the accuracy or completeness of this Offer Memorandum or any other documents regarding the Offer. Any declaration to the contrary constitutes a criminal offence in the United States.

In accordance with standard Dutch practice and pursuant to Rule 14e-5 of the U.S. Exchange Act, the Offeror or its nominees, or its brokers (acting as agents), or affiliates of the Offeror's financial advisers, may from time to time make certain purchases of, or arrangements to purchase, Shares outside of the United States, other than pursuant to the Offer, before or during the period in which the Offer remains open for acceptance. These purchases may occur either in the open market at prevailing prices or in private transactions at negotiated prices. Information about such purchases, if any, will be announced by press release in accordance with Article 13 of the Decree and posted on the website of the Offeror (www.noletdistillery.com/).

3.3 Responsibility for information

The information included on the cover page, on pages 2 through 4, and in Sections 1 (*Table of Contents*) through 3.1 (*Introduction*), 3.5 (*Governing Law and jurisdiction*), 3.6 (*Language*), 3.9 (*Forward-looking statements*), 4 (*Definitions and Interpretation*), 5 (*Invitation to the Shareholders*), 6.2 (*The Offer*) through 6.6 (*Offer Conditions, waiver and satisfaction*), 6.10 (*Transactions by the Offeror and the Offeror Board Members*), 6.12 (*Irrevocable undertakings*) through 6.21 (*Termination*), 8 (*Information regarding the Offeror*) and 11 (*Dutch language summary*) has been solely provided by the Offeror.

The information included in Sections 6.7 (*Decision-making and Recommendation by the Boards*) through 6.9 (*Shareholdings of the Board Members*), 6.22 (*EGM*), 7 (*Information regarding Lucas Bols*) and 13 (*Financial information regarding the Company*) has been solely provided by the Company.

The information included in Sections 3.2 (*Information for U.S. Shareholders*) through 3.4 (*Presentation of financial information and other information*), 3.7 (*Contact details*), 3.8 (*Availability of information and documents incorporated by reference*), 3.10 (*Financial advisers*), 6.1 (*Background and public announcements*), 6.11 (*Respective cross-shareholdings Offeror – the Company*), 9 (*Further information required by the Decree*), 10 (*Dutch tax aspects of the Transaction*), 12 (*Press Releases*), 14 (*Articles of Association*) and 15 (*Advisers*) has been provided by the Offeror and the Company jointly. To the extent certain information in these sections only relates to the Offeror or to the Company, either the Offeror or the Company, as applicable, has solely provided such information.

The Offeror and the Company are exclusively responsible for the accuracy and completeness of the information provided in this Offer Memorandum, each severally with respect to the information it has solely provided, and jointly with respect to the information they have provided jointly.

The information included in Sections 13.3-13.5 (*Financial information regarding the Company*) has been sourced by the Company from its audited consolidated financial statements for the financial years ended on 31 March 2023, 2022 and 2021 respectively, as further explained in Section 13 (*Financial information regarding the Company*). The independent auditor's report included in Section 13.6 (*Independent auditor's report of PwC on the selected consolidated financial information of the Company for the financial year 2022/2023*) has been sourced by the Company from PricewaterhouseCoopers Accountants N.V. ("**PwC**"), the independent auditor of the Company for the financial year 2022/2023. The independent auditor's report included in Section 13.7 (*Independent auditor's report of EY on the selected consolidated financial information of the Company for the financial years 2020/2021 and 2021/2022*) has been sourced by the Company from Ernst & Young Accountants LLP ("**EY**"), the Company's independent auditor for the financial years 2021/2022 and 2020/2021. The financial information included in Section 13.9 (*Unaudited interim condensed consolidated financial statements for the six-month period ended 30 September 2023 including independent auditor's review report of PwC*) has been subject to a review by PwC.

The information included on pages 2, 3 and 4, and in Section 11 (*Dutch language summary*) regards summarised and translated information, as the case may be, and has been derived from information included in other Sections of this Offer Memorandum.

No person other than the Offeror, Nolet and the Company, and without prejudice to the independent auditor's reports issued by PwC and EY included in this Offer Memorandum, and the Fairness Opinion rendered by ABN AMRO Bank N.V. ("**ABN AMRO**") to the Boards, (the full text of the Fairness Opinion, which sets forth the assumptions made, procedures followed, matters considered and limitations on the review undertaken in connection with the Fairness Opinion, is included in the Position Statement), is authorised to provide any information or to make any statements on behalf of the Offeror or the Company in connection with the Offer or the information contained in the Offer Memorandum. If any such information or statement is provided or made by parties other than the Offeror, Nolet or the Company, such information or statements must not be relied upon as having been provided by or made by or on behalf of the Offeror or the Company. Any information or representation not contained in this Offer Memorandum or in press releases issued by the Offeror or the Company must not be relied upon as having been provided or made by or on behalf of the Offeror or the Company.

ABN AMRO Bank N.V. has been engaged by the Offeror as settlement agent (the "**Settlement Agent**") for the Offer, upon the terms and subject to the conditions set out in the agency agreement. Neither the Settlement Agent, nor any of its directors, officers, agents or employees make any representation or warranty as to the accuracy, completeness or fairness of the information or opinions described or incorporated by reference in this Offer Memorandum or for any other statements made or purported to be made either by itself or on its behalf in connection with the Offer set forth in this Offer Memorandum. Accordingly, the Settlement Agent disclaims all and any liability, whether arising in tort or contract or otherwise in respect of this Offer Memorandum and or any such other statements.

3.4 Presentation of financial information and other information

Both the Offeror and the Company confirm, each severally with respect to the information it has solely provided, and jointly with respect to the information which they have provided jointly, that to the best of their knowledge, the information contained in this Offer Memorandum is in accordance with the facts and contains no omission likely to affect its import.

The information set out in this Offer Memorandum reflects the situation as at the date of this Offer Memorandum, unless specified otherwise. Neither the issue nor the distribution of this Offer Memorandum shall under any circumstances imply that the information contained herein is accurate and complete as of any time subsequent to the date of this Offer Memorandum or that there has been no change in the information set out in this Offer Memorandum or in the affairs of the Offeror, the Company and/or the Affiliates since the date of this Offer Memorandum. The foregoing does not affect any obligation of both the Offeror and the Company to make a public announcement pursuant to the European Market Abuse Regulation (596/2014) or Article 4, Paragraphs 1 and 3 of the Decree, if applicable.

The selected consolidated financial information of the Company (as included in Section 13 (*Financial information regarding the Company*)) is that of the Company and its consolidated subsidiaries. The selected consolidated financial information should be read in conjunction with the consolidated financial statements of the Company for the financial years 2022/2023, 2021/2022 and 2020/2021. The selected consolidated financial information of the Company is derived (i) from the Company's consolidated financial statements for the financial years 2021/2022 and 2020/2021, which have been audited by EY, the Company's independent auditor for the financial years 2021/2022 and 2020/2021, and (ii) from the Company's consolidated

financial statements for the financial year 2022/2023, which have been audited by PwC, the Company's independent auditor for the financial year 2022/2023. The consolidated financial statements from which the selected consolidated financial information has been derived were prepared in accordance with IFRS, and with Part 9 of Book 2 DCC.

Certain financial, statistical and other numerical information in this Offer Memorandum, including financial data presented in millions or thousands, may have been rounded up or down to the nearest whole number or the nearest decimal and should therefore not be regarded as exact. In addition, the rounding also means that the totals of the data in this Offer Memorandum may vary slightly from the actual arithmetic totals of such information.

3.5 Governing Law and jurisdiction

This Offer Memorandum and the Offer are, and any tender, purchase or transfer (*levering*) of Shares will be, governed by and construed in accordance with Dutch Law.

The District Court of Amsterdam (*Rechtbank Amsterdam*), the Netherlands, and its appellate courts shall have exclusive jurisdiction to settle any disputes which might arise out of or in connection with this Offer Memorandum, the Offer and/or any tender, purchase or transfer (*levering*) of Shares. Accordingly, any legal action or proceedings arising out of or in connection with this Offer Memorandum, the Offer and/or any tender, purchase or transfer (*levering*) of Shares must be brought exclusively in such courts.

3.6 Language

This Offer Memorandum is published in the English language and a Dutch language summary is included as Section 11 (*Dutch language summary*). In the event of any differences, whether or not in interpretation, between the English text of this Offer Memorandum and the Dutch language summary of this Offer Memorandum, the English text of this Offer Memorandum shall prevail.

3.7 Contact details

The Offeror

HollandsGlorie B.V.
Hoofdstraat 14
3114 GG Schiedam
The Netherlands

The Company

Lucas Bols N.V.
Paulus Potterstraat 14
1071 CZ Amsterdam
The Netherlands

Settlement Agent

ABN AMRO Bank N.V.
Corporate Broking and Issuer Services HQ7212
Gustav Mahlerlaan 10
1082 PP Amsterdam
The Netherlands

3.8 Availability of information and documents incorporated by reference

Digital copies of this Offer Memorandum are available on the websites of the Offeror (www.noletdistillery.com/) and of the Company (www.lucasbols.com). Copies of this Offer Memorandum are also available free of charge at the office of the Settlement Agent at the address mentioned in Section 3.7 (*Contact details*). The websites of the Offeror and the Company do not constitute a part of, and are not incorporated by reference into, this Offer Memorandum.

The current articles of association of the Company (the "**Articles of Association**"), which are incorporated by reference in this Offer Memorandum, are available on the website of the Company (www.lucasbols.com/investors/corporate-governance/principles-policies). Certain amendments of the Articles of Association will be proposed for adoption in accordance with the draft of the amended Articles of Association included in Section 14 (*Articles of Association*), as described in Sections 6.13.7 (*Proposed amendments to the Articles of Association*) and 6.22 (*EGM*).

The annual reports for the financial years 2022/2023, 2021/2022 and 2020/2021 are available on the website of the Company (annual report 2022/2023: www.lucasbols.nl/files/4/4/0/8/2/Lucas%20Bols%20Annual%20Report%2022-23_interactive.pdf, annual report 2021/2022: www.lucasbols.com/files/9/6/9/7/2/Lucas%20Bols%20Annual%20Report%202021-22%20interactief.pdf, and annual report 2020/2021: view.publitas.com/cfreport/lucas-bols-annual-report-20-21/) and are incorporated by reference in this Offer Memorandum. Copies of the Company's annual reports for the financial years 2022/2023, 2021/2022 and 2020/2021 are also available free of charge at the offices of the Company and the Settlement Agent mentioned in mentioned in Section 3.7 (*Contact details*).

3.9 Forward-looking statements

Certain statements in this Offer Memorandum may be considered "forward-looking statements", such as statements about the impact of the Transaction on the Offeror and the Company and the expected timing and completion of the Offer and the Transaction. Forward-looking statements involve known or unknown risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Generally, words such as may, should, aim, will, expect, intend, estimate, anticipate, believe, plan, seek, continue or similar expressions identify forward-looking statements. These forward-looking statements speak only as of the date of this Offer Memorandum. Although the Offeror and the Company, each with respect to the statements it has provided, believe that the expectations reflected in such forward-looking statements are based on reasonable assumptions, no assurance can be given that such statements will be fulfilled or prove to be correct, and no representations are made as to the future accuracy and completeness of such statements.

The forward-looking statements are subject to risks, uncertainties and other factors, many of which are outside the control of the Offeror and the Company, difficult to predict and which could cause actual results or outcomes to differ materially from historical experience or those expressed or implied in these forward-looking statements.

These forward-looking statements are not guarantees of future performance. Any such forward-looking statements must be considered together with the fact that actual events or results may

vary materially from such forward-looking statements due to, among other things, political, economic or legal changes in the markets and environments in which the Offeror or the Company operates, to competitive developments or risks inherent to the business plans of the Offeror or the Company and to uncertainties, risk and volatility in financial markets and other factors affecting the Offeror and/or the Company.

The Offeror and the Company assume no obligation to publicly update or revise any forward-looking statements, except as required by the Law or by any competent regulatory authority.

3.10 Financial advisers

AXECO Corporate Finance B.V. ("**AXECO**") is acting as financial adviser exclusively to the Offeror and to no one else in connection with the Offer and will not regard any other person (whether or not a recipient of this Offer Memorandum) as a client in relation to the Offer or any other matter referred to in this Offer Memorandum and will not be responsible to anyone other than the Offeror for providing the protections afforded to the clients of AXECO or for providing advice in relation to the Offer or any other matter referred to in this Offer Memorandum. AXECO has advised the Offeror on the Consideration. AXECO has not issued a fairness opinion to the Offeror with regard to the Offer or the Consideration. AXECO has given and has not withdrawn its written consent to the references to its name in the form and context in which it happens in this Offer Memorandum.

ABN AMRO is acting as financial adviser exclusively to the Company and to no one else in connection with the Offer and will not regard any other person (whether or not a recipient of this Offer Memorandum) as a client in relation to the Offer or any other matter referred to in this Offer Memorandum and will not be responsible to anyone other than the Company for providing the protections afforded to the clients of ABN AMRO or for providing advice in relation to the Offer or any other matter referred to in this Offer Memorandum (other than in its capacity as Settlement Agent as described in Section 3.3 (*Responsibility for information*)). ABN AMRO has given and has not withdrawn its written consent to the references to its name in the form and context in which it happens in this Offer Memorandum. ABN AMRO has issued the Fairness Opinion to the Boards on 9 October 2023. The full text of the Fairness Opinion, which sets forth the assumptions made, procedures followed, matters considered and limitations on the review undertaken in connection with the Fairness Opinion, is included in the Position Statement.

4 DEFINITIONS AND INTERPRETATION

In this Offer Memorandum, except for Section 11 (*Dutch language summary*), Section 12 (*Press Releases*) and Section 13 (*Financial information regarding the Company*), capitalised terms have the meaning set out in this Section 4 (*Definitions and Interpretation*).

"2022/2023 Normalised EBITDA" has the meaning set out in Section 6.3.2 (*Analyses*);

"ABN AMRO" means ABN AMRO Bank N.V.;

"Acceptance Threshold" means 70% (seventy per cent) of the Outstanding Capital;

"Admitted Institution" means each of the institutions admitted to Euronext Amsterdam (*aangesloten instelling*);

"Adverse Recommendation Change" has the meaning set out in Section 6.8.1 (*Adverse Recommendation Change*);

"Affiliate" means, with respect to a Party, from time to time, any Person that is controlled by that Party, controls that Party, is controlled by a Person that also controls that Party or otherwise qualifies as a subsidiary or a group company of that Party as referred to in Articles 2:24a and 2:24b DCC. **"Control"** for purposes of this definition means the possession, directly or indirectly, solely or jointly (whether through ownership of securities or partnership interest or other ownership interest, by contract, or otherwise) of (a) more than 50% of the voting power at general meetings of that Person or (b) the power to appoint and to dismiss a majority of the managing directors or supervisory directors of that Person or otherwise to direct the management and policies of that Person. The Company and any other Group Company will at no time be considered an Affiliate of the Offeror (or *vice versa*) and a management company (or equivalent, in particular the general partner) of an investment fund is deemed to Control that fund;

"AFM" means the Dutch Authority for the Financial Markets (*Stichting Autoriteit Financiële Markten*);

"Alternative Proposal" has the meaning set out in Section 6.17 (*Exclusivity and Alternative Proposal*);

"Aggregate Minority Cash Out Amount" has the meaning set out in Section 6.13.5(a) (*Post-Closing Merger*);

"Articles of Association" means the articles of association of the Company, as amended from time to time;

"Asset Sale" means the sale and assignment and/or transfer (as the case may be) by the Company and the purchase and acceptance and/or assumption (as the case may be) by the Offeror or its nominee of the Company's entire business, including all assets and liabilities, on the terms and subject to the conditions to be agreed between the Parties in good faith in the Asset Sale Agreement;

"Asset Sale Agreement" means the agreement in respect of the Asset Sale, as to be agreed between the Parties in good faith in the Interim Period (if applicable);

"Asset Sale Offeror Net Amount" has the meaning set out in Section 6.13.5(b) (*Post-Closing Asset Sale*);

"Asset Sale Purchase Price" has the meaning set out in Section 6.13.5(b) (*Post-Closing Asset Sale*);

"Asset Sale Resolution" has the meaning set out in Section 6.22.2 (*Resolutions*);

"AXECO" means AXECO Corporate Finance B.V.;

"Binding Advice" has the meaning set out in Section 6.6.3 (*Satisfaction of the Offer Conditions*);

"Board Irrevocables" means the agreements by individual Board Members that hold Shares or depositary receipts for Shares to irrevocably tender and deliver all their (depository receipts for) Shares in the Offer, subject to the Offer being declared unconditional, and to vote in favour of the Resolutions subject to the conditions of the Merger Agreement;

"Boards" means the Management Board and the Supervisory Board;

"Board Members" means the individual members of the Boards;

"Business Day" means a day other than a Saturday or Sunday on which banks in the Netherlands and Euronext Amsterdam are generally open for normal business;

"Business Strategy" has the meaning set out in Section 6.15.3 (*Short Term Non-Financial Covenants*);

"Captin" means Captin B.V.;

"CET" means Central European Time;

"Closing Date" means the day on which the Offer Period expires, whether or not extended;

"Closing Time" means 17.40 CET on the Closing Date;

"Commencement Date" means 13 December 2023;

"Company" means Lucas Bols N.V., a public limited liability company (*naamloze vennootschap*), incorporated under the Laws of the Netherlands, having its corporate seat in Amsterdam, the Netherlands and its office at Paulus Potterstraat 14, 1071 CZ Amsterdam, the Netherlands, and registered with the trade register of the Dutch Chamber of Commerce under number 34242707;

"Company Holdco" has the meaning set out in Section 6.13.5(a) (*Post-Closing Merger*);

"Company Liquidator" has the meaning set out in Section 6.22 (*EGM*);

"Company Sub" has the meaning set out in Section 6.13.5(a) (*Post-Closing Merger*);

"Company Sub Shares" has the meaning set out in Section 6.13.5(a) (*Post-Closing Merger*);

"Competing Offer" has the meaning set out in Section 6.18.2 (*Competing Offer*);

"Competing Offer Notice" has the meaning set out in Section 6.19 (*Revised Offer*);

"Consideration" means an amount in cash of EUR 18.00 (eighteen euro) per Share (cum dividend), without interest;

"Consultation Period" has the meaning set out in Section 6.8.2(c) (*Permitted Adverse Recommendation Change*);

"Current Supervisory Board Members" means the four (4) individuals who are at the date of the Merger Agreement a member of the Supervisory Board;

"DCC" means the Dutch Civil Code;

"Decree" means the Dutch Decree on Public Takeover Bids (*Besluit openbare biedingen Wft*);

"Defaulting Party" has the meaning set out in Section 6.21.1(f) (*Termination grounds*);

"Delisting" means the delisting of the Shares from Euronext Amsterdam (including the Shares not tendered under the Offer) and the termination of the listing agreement between the Company and Euronext Amsterdam in relation to the listing of the Shares;

"Distribution" means any cash or share dividend or other distribution on the Shares on or prior to the Settlement Date;

"EGM" means the extraordinary general meeting of Shareholders to be held by the Company at least six (6) Business Days before the end of the Offer Period;

"ESG" means Environmental, Social and Governance;

"ESPP" means the employee share purchase plan of the Company;

"EU" means the European Union;

"EUR" or **"euro"** means the lawful currency of the Netherlands;

"Euroclear Nederland" means Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V.;

"Euronext Amsterdam" means the stock exchange of Euronext Amsterdam, a regulated market operated by Euronext Amsterdam N.V.;

"Exclusivity Period" means the period commencing on the date of the Merger Agreement and ending on the earlier of the Settlement and the date of a valid termination of the Merger Agreement in accordance with Section 6.21 (*Termination*);

"Explanatory Notes" means the explanatory notes to the Merger Proposal;

"EY" means Ernst & Young Accountants LLP;

"Fairness Opinion" means the fairness opinion rendered by ABN AMRO to the Boards;

"Group" means the Company and its Subsidiaries;

"Group Companies" means the entities in the Group jointly, each a **"Group Company"**;

"Holdco Dissolution" has the meaning set out in Section 6.13.5(a) (*Post-Closing Merger*);

"Holdco Liquidator" has the meaning set out in Section 6.13.5(a)(iii);

"IFRS" means the International Financial Reporting Standards as adopted by the European Union;

"Indemnified Party" has the meaning set out in Section 6.13.5(c) (*Indemnification*);

"Initial Announcement" means the joint press release issued by the Offeror and the Company on 9 October 2023 pursuant to Article 4, Paragraphs 1 and 3, Article 5, Paragraph 1 and Article 7, Paragraph 4 of the Decree;

"Initial Closing Date" means 7 February 2024;

"Interim Period" means the period as of the date of the Merger Agreement until the earlier of (i) the Settlement Date or (ii) the date on which the Merger Agreement is terminated in accordance with its terms;

"Law" means any applicable statute, law, subordinate legislation, treaty, ordinance, order, rule, directive, regulation, code, executive order, resolution, decision, guidance, ruling, injunction, judgment, decree or other requirement of any Regulatory Authority, having binding effect at the relevant time;

"Liquidation" means the dissolution and liquidation of the Company in accordance with Article 2:19 DCC;

"Long Stop Date" means 9 April 2024;

"Losses" has the meaning set out in Section 6.13.5(c) (*Indemnification*);

"LTIP" means the long term incentive plan of the Company;

"Lucas Bols" means Lucas Bols N.V., a public limited liability company (*naamloze vennootschap*), incorporated under the Laws of the Netherlands, having its corporate seat in Amsterdam, the Netherlands and its office at Paulus Potterstraat 14, 1071 CZ Amsterdam, the Netherlands, and registered with the trade register of the Dutch Chamber of Commerce under number 34242707;

"Management Board" means the management board of the Company;

"Material Adverse Effect" means any change, event, development, occurrence, violation, inaccuracy, circumstance or effect (any such items an **"Effect"**) individually or when taken together with all other Effects that have occurred since signing of the Merger Agreement, that has been, is or is reasonably likely to be materially adverse to the reputation, the business, the assets, the liabilities, the financial condition, results of operation or the capitalisation of the Group, taken as a whole, such that the Offeror cannot otherwise reasonably be expected to declare the Offer unconditional, as the case may be, provided, however, that for the purpose of determining whether there has been, or will be, a Material Adverse Effect, Effects to the extent arising from the following will not be taken into account:

- (a) changes or conditions generally affecting the industries in which the Group operates;
- (b) any natural disaster, pandemic (including COVID-19), the outbreak or escalation of war/hostilities, sabotage, military action, act of god, armed hostilities, acts of terrorism, or any escalation or worsening thereof;
- (c) changes in economic, political or market conditions (including volatility in interest rates, volatility in international trade of raw materials, disruption of supply chain in one or more material markets, changes in exchange rates for the currencies of any country, any suspension of trading in any type of securities, trade disputes or the imposition of trade restrictions), including any adverse development regarding the U.S., the European Union, its member states (including member states leaving such union) and the Euro zone (including one or more member states leaving or forced to leave such zone);
- (d) normal seasonal changes in the results or operations of the Group Companies;
- (e) changes or prospective changes in laws or regulations or generally accepted accounting principles;
- (f) any failure, in and of itself, by the Company or the Group to meet any internal or published projections, forecasts or revenue or earnings predictions (provided, however, that, in the case of this paragraph the underlying cause for such failure may be considered in determining whether there may be a Material Adverse Effect);
- (g) the credit, financial strength or other ratings of the Company or the Group (provided, however, that, in the case of this paragraph, the underlying cause for such Effect relating to credit, financial strength or other ratings may be considered in determining whether there may be a Material Adverse Effect);
- (h) any Effect to the extent it directly results from any act or omission of the Offeror, whether before or after the date of execution of the Merger Agreement, including any action taken or omitted to be taken by the Company or any other member of the Group at the Offeror's direction or compliance by the Company with the terms of, or the taking of any action required by, the Merger Agreement,

except for any Effect resulting from any act or omission of the Offeror that is a reasonable response to a breach of the Merger Agreement by the Company;

- (i) any Effect to the extent it directly results from (i) the entry into, execution, performance (including the taking of any action required hereby or the failure to take any action prohibited hereby) of the Merger Agreement, (ii) the announcement of the Merger Agreement, the Offer and the Transaction, or (iii) the making or implementation of the Offer (it being understood and agreed that the foregoing shall not apply with respect to any representation or warranty that is intended to address the consequences of the entry into, execution, performance, implementation or announcement of the Merger Agreement, or the Transaction);
- (j) a material breach of the Merger Agreement or applicable Law by the Offeror;
- (k) any litigation having been commenced by shareholders of the Company in relation to the Offer or the Post-Closing Restructuring Measure; or
- (l) any Effect (including litigation) which is known or should reasonably have been known to the Offeror as per the date of execution of the Merger Agreement,

and provided, however, that the impact of any adverse Effect described in subparagraphs (a), (b), (c) and (e) shall be included for purposes of determining whether a Material Adverse Effect has occurred or would reasonably be expected to occur if such Effect has or would reasonably be expected to have a materially disproportionate adverse effect on the Group, taken as a whole, as compared to similarly situated companies in the industries in which the Group operates;

"McKinsey Value Driver Formula" means the key value driver formula as developed by McKinsey (value = profit x (1 – growth/return on invested capital) / cost of capital – growth));

"Merger Agreement" means the merger agreement agreed and signed by the Offeror and the Company on 9 October 2023 (as it may be amended from time to time);

"Merger Proposal" has the meaning set out in Section 6.13.5(a) (*Post-Closing Merger*);

"Merger Resolution" has the meaning set out in Section 6.22.2 (*Resolutions*);

"Mid Term Non-Financial Covenants" has the meaning set out in Section 6.15.2 (*Mid Term Non-Financial Covenants*);

"Mid Term Non-Financial Covenants Period" means the period of five (5) years after the Settlement Date;

"Net Debt" has the meaning set out in Section 6.3.2 (*Analyses*);

"NFC Board Member" means the member of the Supervisory Board tasked with monitoring compliance of the Non-Financial Covenants as set out in Section 6.15 (*Non-Financial Covenants*);

"**Nolet**" means Nolet Holding B.V.;

"**Non-Financial Covenants**" has the meaning set out in Section 6.15 (*Non-Financial Covenants*);

"**Non-Financial Covenants Period**" means the Short Term Non-Financial Covenants Period, together with the Mid Term Non-Financial Covenants Period and the Very Long Term Non-Financial Covenants Period;

"**Offer**" means the public offer (*openbaar bod*) by the Offeror to all Shareholders to purchase for cash their Shares on the terms and subject to the conditions and restrictions set out in this Offer Memorandum;

"**Offer Conditions**" means the conditions for the Offer set out in Section 6.6.1 (*Offer Conditions*);

"**Offer Memorandum**" means this offer memorandum (*biedingsbericht*);

"**Offer Period**" means the period commencing on 13 December 2023 at 09:00 hours CET and expiring on 7 February 2024 at 17:40 hours CET or such other date if the period is extended in accordance with the terms and conditions set out in this Offer Memorandum;

"**Offeror**" means HollandsGlorie B.V., a private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under the laws of the Netherlands, having its corporate seat in Schiedam, the Netherlands, and its address at Hoofdstraat 14, 3114 GG Schiedam, the Netherlands, and registered with the trade register of the Dutch Chamber of Commerce under number 90636503;

"**Offeror Board Members**" means the board members of the Offeror, each an "**Offeror Board Member**";

"**Offeror Material Adverse Effect**" means any change, event, development, occurrence, violation, inaccuracy, circumstance or effect (any such items an "**Effect**") individually or when taken together with all other Effects that have occurred since signing of the Merger Agreement, that has been, is or is reasonably likely to be materially adverse to the reputation, the business, the assets, the liabilities, the financial condition, results of operation or the capitalisation of the Offeror's Group, taken as a whole, and is of such significance that it can be reasonably expected that the Offeror will not be able to comply with its material obligations under the Merger Agreement in all material respects and such non-compliance is reasonably expected to have material adverse consequences for the Group, provided, however, that for the purpose of determining whether there has been, or will be, an Offeror Material Adverse Effect, Effects to the extent arising from the following will not be taken into account:

- (a) changes or conditions generally affecting the industries in which the Offeror's Group operates;
- (b) any natural disaster, pandemic (including COVID-19), the outbreak or escalation of war/hostilities, sabotage, military action, act of god, armed hostilities, acts of terrorism, or any escalation or worsening thereof;

- (c) changes in economic, political or market conditions (including volatility in interest rates, volatility in international trade of raw materials, disruption of supply chain in one or more material markets, changes in exchange rates for the currencies of any country, any suspension of trading in any type of securities, trade disputes or the imposition of trade restrictions), including any adverse development regarding the United States of America, the European Union, its member states (including member states leaving such union) and the Euro zone (including one or more member states leaving or forced to leave such zone);
- (d) normal seasonal changes in the results or operations of the members of the Offeror's Group;
- (e) changes or prospective changes in laws or regulations or generally accepted accounting principles;
- (f) any failure, in and of itself, by the Offeror or any of its Affiliates to meet any internal or published projections, forecasts or revenue or earnings predictions (provided, however, that, in the case of this paragraph the underlying cause for such failure may be considered in determining whether there may be a Material Adverse Effect);
- (g) the credit, financial strength or other ratings of the Offeror or any of its Affiliates (provided, however, that, in the case of this paragraph, the underlying cause for such Effect relating to credit, financial strength or other ratings may be considered in determining whether there may be a Material Adverse Effect);
- (h) any Effect to the extent it directly results from any act or omission of the Company or any of its Affiliates, whether before or after the date of execution of the Merger Agreement, including any action taken or omitted to be taken by the Offeror or any of its Affiliates at the Company's direction or compliance by the Offeror or any of its Affiliates with the terms of, or the taking of any action required by, the Merger Agreement, except for any Effect resulting from any act or omission of the Company that is a reasonable response to a breach of the Merger Agreement by the Offeror;
- (i) any Effect to the extent it directly results from (i) the entry into, execution, performance (including the taking of any action required hereby or the failure to take any action prohibited hereby) of the Merger Agreement, (ii) the announcement of the Merger Agreement, the Offer and the Transaction, or (iii) the making or implementation of the Offer (it being understood and agreed that the foregoing shall not apply with respect to any representation or warranty that is intended to address the consequences of the entry into, execution, performance, implementation or announcement of the Merger Agreement, or the Transaction);
- (j) a material breach of the Merger Agreement or applicable Law by the Group;
- (k) any litigation having been commenced by shareholders of the Company in relation to the Offer or the Post-Closing Restructuring Measure; or

- (l) any Effect (including litigation) which is known or should reasonably have been known to the Company as per the date of execution of the Merger Agreement;

and provided, however, that the impact of any adverse Effect described in subparagraphs (a), (b), (c) and (e) shall be included for purposes of determining whether a Material Adverse Effect has occurred or would reasonably be expected to occur if such Effect has or would reasonably be expected to have a materially disproportionate adverse effect on the Offeror's Group, taken as a whole, as compared to similarly situated companies in the industries in which the Offeror's Group operates;

"Offeror's Group" means the Offeror and its Affiliates, excluding the Group;

"Outstanding Capital" means the Company's issued share capital (*geplaatst kapitaal*) on a fully diluted basis and reduced with any Shares for which Book 2 of the DCC provides that no votes can be cast on such Shares;

"Parties" means the Offeror and the Company and **"Party"** means any one of them;

"Permitted Adverse Recommendation Change" has the meaning set out in Section 6.8.2 (*Permitted Adverse Recommendation Change*);

"Person" means any individual, corporation (including not-for-profit), general or limited partnership, limited liability company, joint venture, estate, trust, association, unincorporated association, organisation, including a government or political subdivision or an agency or instrumentality thereof or other entity of any kind or nature (in each case whether or not having separate legal personality);

"Position Statement" means the separate position statement of the Company (including all appendices thereto) including the information required by Article 18, Paragraph 2 of the Decree in connection with the Offer;

"Post-Acceptance Period" means a post-Offer acceptance period (*na-aanmeldingstermijn*) of two (2) weeks declared by the Offeror, if the Offer is declared unconditional (*gestand gedaan*);

"Post-Closing Asset Sale" has the meaning set out in Section 6.13.5(b) (*Post-Closing Asset Sale*);

"Post-Closing Measure" has the meaning set out in Section 6.13.6 (*Other Post-Closing Measures*);

"Post-Closing Merger" has the meaning set out in Section 6.13.5(a) (*Post-Closing Merger*);

"Post-Closing Restructuring Measures" has the meaning set out in Section 6.13.3 (*Post-closing measures and future legal structure*);

"Post-Closing Restructuring Resolutions" has the meaning set out in Section 6.22.2 (*Resolutions*);

"Post-Closing Restructuring Threshold" has the meaning set out in Section 6.22.2 (*Resolutions*);

"Potential Competing Offer" has the meaning set out in Section 6.18.1 (*Potential Competing Offer*);

"PwC" means PricewaterhouseCoopers Accountants N.V.;

"Recommendation" means the decision by the Boards to unanimously (i) support the Transaction, (ii) recommend to the Shareholders to accept the Offer and to tender their Shares pursuant to the Offer, and (iii) recommend to the Shareholders to vote in favour of the Resolutions at the EGM to be held at 10:30 hours CET on 24 January 2024;

"Reference Date" means 6 October 2023;

"Regulatory Authority" means any competent governmental, administrative, supervisory, regulatory, judicial, disciplinary, enforcement or Taxation authority, body, agency, commission, board, organisation, court or arbitral tribunal of any jurisdiction (including any sub-division, department or branch of any of the foregoing as well as any relevant stock exchange), in each case whether supranational (including the European Union), national, federal, state, provincial, regional, municipal or local;

"Related Person" means in relation to any Person, a Person who or which is (i) a member of a board of management (*bestuurder*) or of a supervisory board (*commissaris*), or any other Person holding a similar position in a company in a jurisdiction other than the Netherlands or (ii) a direct or indirect shareholder of that Person, or (iii) (if applicable) his or her spouse, registered partner or relatives in blood or by marriage in the direct line and in the collateral line in the first degree;

"Resolutions" has the meaning set out in Section 6.22.2 (*Resolutions*);

"Revised Offer" has the meaning set out in Section 6.19(b) (*Revised Offer*);

"Settlement" means the delivery of the Consideration in respect of each Tendered Share that has been tendered during the Offer Period, and the acquisition of such Tendered Shares by the Offeror;

"Settlement Agent" means ABN AMRO Bank N.V.;

"Settlement Date" means the date on which the Settlement occurs;

"Share" means an issued and outstanding share having an accounting par value of EUR 0.10 (ten euro cents) in the share capital of the Company;

"Share Issuance" has the meaning set out in Section 6.13.11 (*Financing commitment*);

"Shareholders" means the holders of Shares;

"Share Purchase Agreement" has the meaning set out in Section 6.13.5(a) (*Post-Closing Merger*);

"Share Sale" has the meaning set out in Section 6.13.5(a) (*Post-Closing Merger*);

"Share Sale Offeror Net Amount" has the meaning set out in Section 6.13.5(a) (*Post-Closing Merger*);

"Share Sale Purchase Price" has the meaning set out in Section 6.13.5(a) (*Post-Closing Merger*);

"Share Transfer Deed" has the meaning set out in Section 6.13.5(a) (*Post-Closing Merger*);

"Short Term Non-Financial Covenants" has the meaning set out in Section 6.15.3 (*Short Term Non-Financial Covenants*);

"Short Term Non-Financial Covenants Period" means the period of three (3) years after the Settlement Date;

"STAK Nolet" means Stichting Administratiekantoor Nolet, a foundation (*stichting*) incorporated under the laws of the Netherlands, having its corporate seat in Schiedam, the Netherlands, and its address at Hoofdstraat 14, 3114 GG Schiedam, the Netherlands, and registered with the trade register of the Dutch Chamber of Commerce under number 24289049;

"Statutory Buy-Out Proceedings" has the meaning set out in Section 6.13.4 (*Statutory Buy-Out Proceedings*);

"Statutory Buy-Out Threshold" means 95% (ninety-five per cent) of the Shares (calculated in accordance with the DCC);

"Subsidiary" means, with respect to any Person, any entity (including a subsidiary (*dochtermaatschappij*) within the meaning of Section 2:24a of the DCC), whether incorporated or unincorporated, of which at least a majority of the securities or ownership interests having by their terms voting power to elect a majority of the board of directors or other Persons performing similar functions is directly or indirectly owned or controlled by such Person or by one or more of its respective Subsidiaries;

"Supervisory Board" means the supervisory board of the Company;

"Tendered Share" means each Share validly tendered (or defectively tendered, if the Offeror accepts such defective tender) and not withdrawn for acceptance pursuant to the Offer;

"Tendered, Owned and Committed Shares" means the Tendered Shares together with any Shares directly or indirectly held by the Offeror's Group or irrevocably committed to the Offeror's Group in writing subject only to the Offer being declared unconditional;

"Terminating Party" has the meaning set out in Section 6.21.1(b) (*Termination grounds*);

"Termination Compensation" means an amount of EUR 2,150,000 (two million one hundred fifty thousand euro);

"Transaction" means the Offer, together with any Statutory Buy-Out Proceedings or Post-Closing Restructuring Measure;

"Triangular Merger" has the meaning set out in Section 6.13.5(a) (*Post-Closing Merger*);

"Unconditional Date" means the date on which the Offeror will announce that it declares the Offer unconditional (*gestand doen*), which date will fall within three (3) Business Days following the Closing Date in accordance with Article 16, Paragraph 1 of the Decree;

"U.S." means the United States of America;

"U.S. Exchange Act" means the U.S. Exchange Act of 1934, as amended;

"Very Long Term Non-Financial Covenants" has the meaning set out in Section 6.15.1 (*Very Long Term Non-Financial Covenants*);

"Very Long Term Non-Financial Covenants Period" means for a very long term after the Settlement Date;

"Wft" means the Dutch Financial Markets Supervision Act (*Wet op het financieel toezicht*); and

"Withdrawal Rights" means the right of withdrawal of any tender as set out in Section 5.3.5 (*Withdrawal Rights*).

5 INVITATION TO THE SHAREHOLDERS

5.1 Offer

The Offeror hereby makes a recommended public cash offer to purchase all Shares (*volledig bod*) on the terms and subject to the conditions and restrictions set forth in this Offer Memorandum.

Shareholders are advised to review this Offer Memorandum (including all documents incorporated by reference herein), and in particular Sections 2 (*Restrictions*) and 3 (*Important information*), thoroughly and completely and to seek independent financial, legal and/or tax advice where appropriate in order to reach a balanced and well-informed judgement with respect to the Offer and the contents of this Offer Memorandum. Shareholders who consider not tendering their Shares are advised to review Sections 6.13 (*Consequences of the Offer for non-tendering Shareholders*) and 6.14.3 (*Corporate governance following Settlement*) in particular.

With due reference to all statements, terms, conditions and restrictions included in this Offer Memorandum, the Shareholders are hereby invited to tender their Shares under the Offer in the manner and on the terms and subject to the conditions and the restrictions set out in this Offer Memorandum.

5.2 Consideration

For each Tendered Share that is not validly withdrawn and is transferred (*geleverd*) under the Offer, subject to the Offeror declaring the Offer unconditional (*gestand doen*), the Offeror offers a cash consideration of EUR 18.00 (eighteen euro) cum dividend, without interest (the "**Consideration**").

The Consideration is 'cum dividend'. Consequently, if any Distribution is declared by the Company whereby the record date for entitlement to such Distribution is on or prior to the Settlement Date, then the amount of EUR 18.00 (eighteen euro) per Tendered Share will be decreased by the full amount of any such Distribution made by the Company in respect of each Share (before any applicable withholding tax). At the date of this Offer Memorandum, there are no Distributions envisaged by the Company.

Any adjustment to the Consideration, resulting from a Distribution by the Company or an increase of the Consideration, will be communicated by means of a press release in accordance with Section 5.12 (*Announcements*).

As further set out in Section 5.11 (*Withholding*), the Offeror is entitled to deduct and withhold from the Consideration such amounts as the Offeror is required to deduct and withhold with respect to the payment of the Consideration under any provision of applicable tax or social security Law.

5.3 Acceptance by Shareholders

5.3.1 General

The tender of any Share by a Shareholder constitutes an acceptance of the Offer by the Shareholder. If in doubt, Shareholders should contact the Settlement Agent at the contact details included in Section 3.7 (*Contact details*).

5.3.2 Acceptance by Shareholders

Shareholders who hold their Shares through an Admitted Institution (as defined below) are requested to make their acceptance known through their custodian, bank or stockbroker no later than by the Closing Time, being 17:40 hours CET on the Closing Date. The relevant custodian, bank or stockbroker may set an earlier deadline for communication by Shareholders in order to permit the custodian, bank or stockbroker to communicate its acceptances to the Settlement Agent in a timely manner. Accordingly, Shareholders should contact such financial intermediary to obtain information about the deadline by which such Shareholder must send instructions to the financial intermediary to accept the Offer and should comply with the dates set by such financial intermediary, as such dates may differ from the dates and times noted in this Offer Memorandum.

The institutions admitted to Euronext Amsterdam (*aangesloten instelling*) (each an "**Admitted Institution**") can tender Shares only to the Settlement Agent and only in writing. The Admitted Institutions are requested to tender the Shares via Euroclear Nederland (via Swift message MT565). In submitting the acceptance, the Admitted Institutions are required to submit a statement to the Settlement Agent containing the name of the Shareholder and the number of Shares for all instances in which Shareholders tender more than 50,000 Shares. In submitting the acceptance, the Admitted Institutions are further required to declare that:

- (a) they have the Shares tendered by the relevant Shareholder in their administration;
- (b) on behalf of the relevant Shareholder, each Shareholder who accepts the Offer irrevocably represents and warrants that (i) the Shares tendered by the Shareholder are being tendered in compliance with the restrictions set out in Sections 2 (*Restrictions*) and 3 (*Important information*) and (ii) it is not the subject or target, directly or indirectly, of any economic or financial sanctions administered or enforced by any agency of the U.S. government, the European Union, any member state thereof, the United Kingdom (including His Majesty's Treasury) or the United Nations, other than solely by virtue of its inclusion in, or ownership by a person included in, the U.S. 'Sectoral Sanctions Identifications (SSI) List' or Annex III, IV, V or VI of Council Regulation (EU) No. 833/2014 of 31 July 2014, as amended; and
- (c) the relevant Admitted Institution undertakes to effect the transfer (*levering*) of the relevant Shares to the Offeror on or before the Settlement Date, provided that the Offer has been declared unconditional (*gestand is gedaan*).

Although under normal circumstances the relevant Admitted Institution will ensure that the Tendered Shares are transferred (*geleverd*) to the Offeror, if so instructed by the Shareholder, Shareholders are advised that each Shareholder is responsible for the transfer (*levering*) of such Shares to the Offeror.

The payment of the Consideration to an Admitted Institution for the benefit of a Shareholder will only occur when all Tendered Shares of such Shareholder are delivered. No split settlement will be facilitated.

In case of failure to deliver any Tendered Share on the Settlement Date, a penalty of 10% of the Consideration per Tendered Share will be charged by the Settlement Agent to the relevant Admitted Institution for every non-delivered Tendered Share.

Subject to the Withdrawal Rights as set out in Section 5.3.5 (*Withdrawal Rights*), the tendering of Shares by a Shareholder in acceptance of the Offer will constitute irrevocable instructions by the relevant Shareholder to the relevant Admitted Institution to:

- (a) block any attempt to transfer (*leveren*) such Tendered Shares, so that on or prior to the Settlement Date no transfer (*levering*) of such Tendered Shares may be effected (other than any action required to effect the transfer to the Offeror);
- (b) debit the securities account in which such Tendered Shares are held on the Settlement Date in respect of all of the Tendered Shares, against payment of the Consideration by the Settlement Agent on the Offeror's behalf; and
- (c) effect the transfer (*levering*) of such Shares to the Offeror.

5.3.3 Validity of the Tendered Shares, waiver of defects, return of Tendered Shares

The Offeror will determine questions as to the validity, form, eligibility, including time of receipt, and acceptance for purchase of any tender of Shares, in its sole reasonable discretion and the Offeror's determination will be final and binding. The Offeror reserves the right to reject any and all tenders of Shares that it in all reasonableness determines are not in proper form or the acceptance for purchase of which may be unlawful. No tender of Shares will be deemed to have been validly made until all defects and irregularities have been cured or waived. The Offeror's interpretation of the terms and conditions of the Offer, including the acceptance forms and instructions thereto, will be final and binding.

There shall be no obligation on the Offeror, the Settlement Agent or any person acting on its or their behalf to give notice of any defects or irregularities in any acceptance or notice of withdrawal and no liability shall be incurred by any of them for failure to give any such notification.

The Offeror reserves the right to accept any tender of Shares pursuant to the Offer, even if such tender has not been made in compliance with the terms and conditions of the Offer, including the procedures set forth in this Section 5.3.2 (*Acceptance by Shareholders*).

If any Shares tendered in accordance with the instructions set forth in this Offer Memorandum are not accepted for purchase pursuant to the terms and conditions of the Offer, the Offeror will cause these Shares to be returned promptly following the announcement of the lapse or withdrawal of the Offer, as the case may be.

5.3.4 Undertakings, representations and warranties by tendering Shareholders

Each Shareholder tendering Shares under the Offer, by such tender, on the date that such Shares are tendered and up to and including the Settlement Date or, with respect to Tendered Shares

tendered in the Post-Acceptance Period, up to and including the settlement date for such Shares, undertakes, represents and warrants to the Offeror that:

- (a) the tender of any Shares constitutes an acceptance by the Shareholder of the Offer, on and subject to the terms, conditions and restrictions of the Offer as set out in this Offer Memorandum;
- (b) such Shareholder has full power and authority to tender, sell and transfer (*leveren*) the Shares held by it, and has not entered into any other agreement to tender, sell or transfer (*leveren*) the Shares stated to have been tendered to any party other than the Offeror (together with all rights attaching thereto) and, when such Shares are transferred to the Offeror, the Shareholder will have sole legal and beneficial title to such Shares and those Shares are free of any third-party rights and restrictions of any kind, unless such third-party rights and restrictions arise solely and result directly from the Shares being held in book entry form in Euroclear Nederland or pursuant to the Articles of Association;
- (c) the Shares held by such Shareholder are tendered in compliance with the restrictions as set out in Sections 2 (*Restrictions*) and 3 (*Important information*) and the securities and other Laws or regulations of the jurisdiction in which the Shareholder is located or of which it is a resident, and no registration, approval or filing with any regulatory authority of that jurisdiction is required in connection with the tendering of those Shares; and
- (d) such Shareholder is not the subject or target, directly or indirectly, of any economic or financial sanctions administered or enforced by any agency of the U.S. government, the European Union, any member state thereof, the United Kingdom (included His Majesty's Treasury) or the United Nations, other than solely by virtue of its inclusion in, or ownership by a person included in, the U.S. 'Sectoral Sanctions Identifications (SSI) List' or Annex III, IV, V or VI of Council Regulation (EU) No. 833/2014 of 31 July 2014, as amended.

Furthermore, each Shareholder tendering Shares under the Offer, by such tender, acknowledges towards and agrees with the Offeror (i) that it has received this Offer Memorandum, and has reviewed and accepted the restrictions, terms, conditions and other considerations of the Offer, all as described in this Offer Memorandum, and has undertaken an analysis of the implications of the Offer without reliance on the Offeror, the Settlement Agent or any other representative of the Offeror, except as set forth in this Offer Memorandum and (ii) as of the date on which its Shares are transferred (*geleverd*) to the Offeror, to have waived any and all rights or entitlements that the Shareholder may have in its capacity as Shareholder or otherwise in connection with its shareholding in the Company vis-à-vis the Company, any other Group Company and any past or current Board Member.

5.3.5 Withdrawal Rights

Shares tendered on or prior to the Closing Date may not be withdrawn, subject to the right of withdrawal of any tender (together, the "**Withdrawal Rights**"):

- (a) during any extension of the Offer Period in accordance with the provisions of Article 15, Paragraph 3 of the Decree;

- (b) following an announcement of a mandatory public bid in accordance with the provisions of Article 5b, Paragraph 5 of the Decree, provided that such Shares were already tendered prior to such announcement and will be withdrawn within seven (7) Business Days following such announcement;
- (c) following the grant of a request to set a reasonable price for a mandatory public bid by the Offeror in accordance with the provisions of Article 15, Paragraph 8 of the Decree, provided that such Shares were already tendered prior to the first filing of such request and will be withdrawn within seven (7) Business Days following the date on which the judgement of the Enterprise Chamber (*Ondernemingskamer*) was declared provisionally enforceable or became final and conclusive and prior to or at the Closing Time; or
- (d) following an increase of the Consideration as a result of which the Consideration no longer only consists of a cash component and in respect of which increase a document is made publicly available in accordance with the provisions of Article 15a, Paragraph 3 of the Decree, provided that such Shares
 - (i) were already tendered before such document was made generally available; and
 - (ii) are withdrawn within seven (7) Business Days after such document was made generally available.

To withdraw previously tendered Shares, Shareholders must instruct the Admitted Institution they initially instructed to tender the Shares to arrange for the withdrawal of such Shares by the timely deliverance of a written or facsimile transmission notice of withdrawal to the Settlement Agent at the address set out in Section 3.7 (*Contact details*).

Any notice of withdrawal must specify the name of the person having tendered the Shares to be withdrawn, the number of Shares to be withdrawn and the name of the holder of the Shares to be withdrawn, if different from that of the person who tendered such Shares. The signature(s) on the notice of withdrawal must be guaranteed by an Admitted Institution, unless such Shares have been tendered for the account of any Admitted Institution. All questions as to the form and validity (including time of receipt) of any notice of withdrawal will be determined by the Offeror, in its sole discretion, which determination will be final and binding. Shareholders should contact their financial intermediary to obtain information about the deadline by which such Shareholder must send instructions to the financial intermediary to withdraw their acceptance of the Offer and should comply with the dates set by such financial intermediary, as such dates may differ from the dates and times noted in this Offer Memorandum.

Withdrawals of tenders of Shares may not be rescinded, and any Shares properly withdrawn will be deemed not to have been validly tendered for purposes of the Offer. However, withdrawn Shares may be retendered by the procedure for tendering Shares described in Section 5.3.2 (*Acceptance by Shareholders*).

During the Post-Acceptance Period (if any), no withdrawal rights will apply to Shares tendered during such Post-Acceptance Period or to Shares tendered under the Offer on or prior to the Closing Time and accepted by the Offeror.

5.4 Offer Period (*aanmeldingstermijn*)

The Offer Period will commence on 13 December 2023 at 09:00 hours CET and will expire on 7 February 2024 at 17:40 hours CET, unless the Offer Period is extended in accordance with Article 15 of the Decree and Section 5.6 (*Extension of the Offer Period*) (such period, as it may be extended from time to time, the "**Offer Period**").

If the Offer is declared unconditional (*gestand wordt gedaan*) by the Offeror, the Offeror will accept all Tendered Shares not previously validly withdrawn in accordance with the procedures set out in Section 5.3.5 (*Withdrawal Rights*).

5.5 Declaring the Offer unconditional (*gestanddoening*)

The obligation of the Offeror to declare the Offer unconditional (*gestand doen*) is subject to the satisfaction or waiver of the Offer Conditions in accordance with Section 6.6 (*Offer Conditions, waiver and satisfaction*). The Offer Conditions may be waived by the Offeror and/or the Company, to the extent permitted by Law or by agreement, as set out in Section 6.6.2 (*Waiver of the Offer Conditions*). If any Offer Condition is waived in accordance with Section 6.6.2 (*Waiver of the Offer Conditions*), the Offeror will inform the Shareholders as required by Law.

On or before the Unconditional Date, which falls within three (3) Business Days following the Closing Date in accordance with Article 16, Paragraph 1 of the Decree, the Offeror will determine whether or not the Offer Conditions have been satisfied or waived as set out in Section 6.6 (*Offer Conditions, waiver and satisfaction*). On the Unconditional Date, the Offeror will announce whether the Offer:

- (a) is declared unconditional (*gestand wordt gedaan*);
- (b) will be extended in accordance with Section 5.6 (*Extension of the Offer Period*); or
- (c) is terminated as a result of the Offer Conditions not having been satisfied or waived,

all in accordance with Article 16 of the Decree and Sections 6.6.2 (*Waiver of the Offer Conditions*) and 6.6.3 (*Satisfaction of the Offer Conditions*). If the Offeror does not declare the Offer unconditional (*gestand doen*), the Offeror will explain such decision.

If the Offeror declares the Offer unconditional (*gestand doen*), the Offeror will accept the transfer of all Tendered Shares on the terms of the Offer.

5.6 Extension of the Offer Period

If any Offer Condition is not satisfied or waived in accordance with Section 6.6 (*Offer Conditions, waiver and satisfaction*) on the Closing Date, the Offeror may, after having consulted with the Company and having considered in good faith the reasonable suggestions made by the Company in respect of the length of such extension, in accordance with Article 15 of the Decree, extend the Offer Period once with no less than two (2) weeks and no more than ten (10) weeks, calculated from the Closing Date, until such time as the Offeror reasonably believes is necessary to cause such Offer Condition(s) to be satisfied or waived, provided that the Offeror shall extend the Offer Period until such time as the Offeror and the Company reasonably believe is necessary to obtain the Binding Advice (as defined below), if on the Closing Date:

- (a) the Offeror and the Company do not agree on the Offer Condition set out in Section 6.6.1(f) (*No Material Adverse Effect*) being satisfied;
- (b) the Offeror has not waived such Offer Condition in accordance with Section 6.6 (*Offer Conditions, waiver and satisfaction*); and
- (c) the Binding Advice has not been rendered.

If one or more of the Offer Conditions is not satisfied or waived in accordance with Section 6.6 (*Offer Conditions, waiver and satisfaction*) on the Closing Date following the extension of the Offer Period in accordance with the above, the Offeror may, after having consulted with the Company and having considered in good faith the reasonable suggestions made by the Company in respect of the length of such extension, extend the extended Offer Period for several periods of time, subject to receipt of an exemption granted by the AFM, until such time as the Offeror reasonably believes is necessary to cause such Offer Condition(s) to be satisfied or waived, but ultimately until the Long Stop Date (as defined below).

In the event (i) the AFM does not grant an exemption to extend the Offer Period and (ii) the Offer Period has lapsed without the Offer having been declared unconditional (*gestand gedaan*), the Offeror may, in its sole discretion, promptly request the AFM to grant an exemption enabling the Offeror to immediately make (*uitbrengen*) a new public offer on the same terms and conditions as the Offer with an acceptance period not expiring after the Long Stop Date. In the event that a third party makes or announces an offer prior to the expiration of the Offer Period, the Offeror may decide, after consultation with the Company, to extend the Offer Period in accordance with Article 15 of the Decree.

For the avoidance of doubt, in case of any extension of the Offer Period, all references in this Offer Memorandum to "Closing Time", "17:40 hours CET", "Closing Date" and "7 February 2024" shall, unless the context requires otherwise, be changed to the latest time or date (as applicable) to which the Offer Period has been so extended.

If the Offer Period is extended, so that the obligation pursuant to Article 16 of the Decree to announce whether the Offer is declared unconditional (*gestand wordt gedaan*) is postponed, a public announcement to that effect will be made ultimately on the third (3rd) Business Day following the Closing Date in accordance with the provisions of Article 15, Paragraphs 1 and 2 of the Decree. If the Offeror extends the Offer Period, the Offer will expire on the latest time and date to which the Offeror extends the Offer Period.

During an extension of the Offer Period, Shares previously tendered and not withdrawn in accordance with Section 5.3.5 (*Withdrawal Rights*) will remain tendered under the Offer.

5.7 Settlement

In the event that the Offeror declares the Offer unconditional (*gestand doen*), Shareholders who have:

- (a) validly tendered (or defectively tendered provided that such defect has been waived by the Offeror) their Shares; and

- (b) not validly withdrawn and have transferred their Shares for acceptance pursuant to the Offer on or prior to the Closing Date,

will receive on the Settlement Date the Consideration in respect of each Tendered Share, subject, for the avoidance of doubt, to Section 5.11 (*Withholding*). As of this moment, revocation (*herroeping*), dissolution (*ontbinding*) or annulment (*vernietiging*) of a Shareholder's acceptance, tender or transfer (*levering*) shall not be permitted. Settlement will only take place if the Offer is declared unconditional (*gestand is gedaan*). Settlement shall take place no later than five (5) Business Days after the Closing Date. The Offeror cannot guarantee that Shareholders will actually receive the payment within this period from the Admitted Institution with whom they hold their Shares.

5.8 Post-Acceptance Period (*na-aanmeldingstermijn*)

If the Offeror declares the Offer unconditional (*gestand doen*), the Offeror shall, in accordance with Article 17 of the Decree, within three (3) Business Days after the Unconditional Date, publicly announce a Post-Acceptance Period (*na-aanmeldingstermijn*) of two (2) weeks. During the Post-Acceptance Period, Shareholders that did not tender their Shares during the Offer Period may tender their Shares on the same terms and subject to the same conditions and restrictions as the Offer. The Post-Acceptance Period will commence on the first (1st) Business Day following the announcement of the Post-Acceptance Period.

In the Post-Acceptance Period, the Offeror will continue to accept against payment of the Consideration all Shares validly tendered (or defectively tendered provided that such defect has been waived by the Offeror) and will pay for such Shares no later than five (5) Business Days after the last day of the Post-Acceptance Period. The procedure for Shareholders to tender their Shares during the Post-Acceptance Period is the same as during the Offer Period. Shares validly tendered (or defectively tendered provided that such defect has been waived by the Offeror) during the Offer Period or during the Post-Acceptance Period may not be withdrawn.

The Offeror will publicly announce the results of the Post-Acceptance Period, and the total number and total percentage of Shares held by it in accordance with Article 17, Paragraph 4 of the Decree no later than on the third (3rd) Business Day following the last day of the Post-Acceptance Period.

5.9 Costs related to tendering

No costs will be charged to Shareholders by the Offeror or the Company for the transfer (*levering*) of each Tendered Share and payment of the Consideration through an Admitted Institution. However, Shareholders may be charged certain fees by Admitted Institutions or their custodians, banks or stockbrokers. Shareholders should consult their Admitted Institution, custodian, bank and/or stockbroker regarding any charges. Costs might also be charged if a foreign institution is involved in the transfer (*levering*) of each Tendered Share and payment of the Consideration.

5.10 Dividends

Following the Settlement Date, the current dividend policy of the Company may be discontinued. Any Distribution made in respect of Shares not tendered during the Offer Period or the Post-Acceptance Period will *pro rata* be deducted from the price per share for the purpose of

establishing the value per Share in the Statutory Buy-Out Proceedings, any Post-Closing Restructuring Measure or any other measure contemplated by Section 6.13 (*Consequences of the Offer for non-tendering Shareholders*).

5.11 Withholding

The Offeror is entitled to deduct and withhold from the Consideration such amounts as the Offeror is required to deduct and withhold with respect to the payment of the Consideration under any provision of applicable tax or social security Law. To the extent that amounts are so deducted and withheld by the Offeror, those amounts shall be treated for all purposes as having been paid to the Shareholders on behalf of which such deduction and withholding was made by the Offeror. This Section applies mutatis mutandis to any amounts payable in connection with a Post-Closing Restructuring Measure.

5.12 Announcements

Any further announcements in relation to the Offer, including whether or not the Offeror declares the Offer unconditional (*gestand wordt gedaan*) and announcements in relation to an extension of the Offer Period, if any, will be made by press release. Any joint press release issued by the Offeror and the Company will be made available on the website of the Offeror (www.noletdistillery.com) and the Company (www.lucasbols.com). Any press release issued by the Offeror will be made available on the website of the Offeror (www.noletdistillery.com).

Subject to any applicable requirements of the Law and without limiting the manner in which the Offeror may choose to make any public announcement, the Offeror will have no obligation to make any public announcement other than as described in this Offer Memorandum.

5.13 Indicative timetable of the Offer

<u>Expected date and time (CET)</u>	<u>Event</u>
12 December 2023	Press release announcing the availability of this Offer Memorandum and the date of the commencement of the Offer Period
13 December 2023, 09:00 hours	Commencement of the Offer Period in accordance with Article 14, Paragraph 2 of the Decree
24 January 2024, 10:30 hours	EGM, at which meeting, among other matters, the Offer will be discussed, and the Resolutions will be voted on
7 February 2024, 17:40 hours	Closing Date and Closing Time: Deadline for tendering Shares during the Offer Period, unless the Offer is extended in accordance with Section 5.6 (<i>Extension of the Offer Period</i>) and Article 15 of the Decree
No later than three (3) Business Days after the Closing Date	Unconditional Date: The date on which the Offeror will publicly announce whether the Offer is declared unconditional (<i>gestand wordt gedaan</i>) in accordance with Article 16 of the Decree
No later than five (5) Business Days after the Closing Date	Settlement Date: The date on which, in accordance with the terms and conditions of the Offer, the Offeror will pay the Consideration for each Tendered Share tendered during the Offer Period
No later than three (3) Business Days after the Unconditional Date	Post-Acceptance Period: If the Offer is declared unconditional (<i>gestand wordt gedaan</i>), the Offeror shall publicly announce a Post-Acceptance Period of two (2) weeks, in accordance with Article 17 of the Decree, unless the Parties agree otherwise. The Post-Acceptance Period will commence on the first (1 st) Business Day following the announcement of the Post-Acceptance Period
No later than three (3) Business Days after the Post-Acceptance Period	The Offeror will publicly announce the results of the Post-Acceptance Period
No later than five (5) Business Days after the Post-Acceptance Period	Settlement of the Tendered Shares during the Post-Acceptance Period: in accordance with the terms and conditions of the Offer, the Offeror will pay the Consideration for each Tendered Share tendered during the Post-Acceptance Period

6 EXPLANATION AND BACKGROUND OF THE OFFER

6.1 Background and public announcements

6.1.1 Background

On 8 June 2023, Nolet sent a letter to the Boards to express its interest to acquire all the Shares not already held by Nolet through a public offer. The letter included a non-binding proposal and outlined several non-financial covenants focused on preserving the Lucas Bols heritage. Nolet mentioned in the letter that a transaction would create an opportunity for Nolet and Lucas Bols to jointly enter into a new chapter of the rich history of two successful Dutch distillers. On 12 June 2023, the Company submitted a response letter, informing Nolet that the Boards had unanimously concluded that the proposal did not provide sufficient basis to enter into discussions on a potential transaction.

Following the exchange of several letters, a meeting was held on 8 July 2023 between Mr C.H.J. Nolet Sr and Mr J.C. de Mos, representing Nolet, and Mr H.L.M.P. van Doorne and Mr F.J. Cocx of the Management Board to discuss Nolet's intention to acquire all remaining Shares through a public offer. During the meeting, Nolet further substantiated its proposed consideration and Lucas Bols explained why the proposed consideration in its view did not reflect the value of Lucas Bols and its brands. On 31 July 2023, Nolet submitted a new letter to the Company with a revised non-binding proposal. On 3 August 2023, the Company submitted a response letter, informing Nolet that after careful consideration of the revised proposal, the Boards deemed the revised consideration still inadequate as it did not align with the value of Lucas Bols and its brands.

On 16 August 2023, in advance of a meeting scheduled to further discuss Nolet's interest to acquire all the Shares through a public offer, Nolet and the Company entered into a confidentiality agreement. The meeting between representatives of Nolet, the Management Board and their respective financial advisers was held on 24 August 2023, at which meeting the Company further substantiated why the Boards believed the (revised) proposed consideration was not in line with the value of Lucas Bols and its brands.

On 31 August 2023, Nolet made a final and conditional non-binding proposal to acquire all the Shares through a voluntary public offer at a revised consideration of EUR 18.00 (cum dividend) in cash for each Share, including the same proposed non-financial covenants as in its initial non-binding offer letter sent on 8 June 2023. On 1 September 2023, the Company submitted a response letter to Nolet, stating that after careful consideration of the proposal, thereby taking into consideration the strategic rationale and the interests of the Company's stakeholders, the Boards deemed that the revised consideration per Share together with the non-financial covenants provided sufficient basis to enter into further discussions. Nolet and the Company then engaged in constructive discussions to bring two leading spirits and cocktail players with a rich heritage under one Dutch flag.

On 5 September 2023, Nolet and the Company signed an amended and restated confidentiality agreement, including a standstill. Nolet was subsequently given the opportunity to conduct a due diligence investigation of the Company and its activities, consisting of management presentations, review of documents that were made available in a virtual data room prepared by the Company and its advisers, and the possibility to ask questions and participate in expert sessions with the Management Board and their advisers.

In parallel to the due diligence review, a draft merger agreement was negotiated between Nolet and the Company. On behalf of the Company, the draft merger agreement was negotiated with Mr H.L.M.P. van Doorne and Mr F.J. Cocx of the Management Board and Mr D.R. Hooft Graafland of the Supervisory Board.

Throughout the process of the Offer, the members of the Supervisory Board among themselves and together with the members of the Management Board frequently and extensively discussed the developments in respect of the potential transaction and related key decisions, including the draft merger agreement. During various meetings, including its final meeting on 8 October 2023, the Boards, assisted by their financial and legal advisers, carefully and extensively discussed and considered the Offer. The Boards concluded the Offer, the Transaction and all the related actions as contemplated by the draft merger agreement to be in the best interest of the Company, promoting the sustainable success of its business, taking into account the interests of all stakeholders, including the Shareholders. Reference is made to Section 6.7 (*Decision-making and Recommendation by the Boards*). On the same date, the Offeror entered into irrevocable undertakings with Mr H.L.M.P. van Doorne and Mr F.J. Cocx of the Management Board and Mr D.R. Hooft Graafland of the Supervisory Board, to tender all their Shares in case of an offer. Reference is made to Section 6.12 (*Irrevocable undertakings*).

After final negotiations in the early morning of 9 October 2023, the Offeror and the Company entered into a merger agreement (the "**Merger Agreement**"), setting out the terms and conditions for the Offer.

6.1.2 Public announcements

Immediately after entering into the Merger Agreement in the early morning of 9 October 2023, the Offeror and the Company issued a joint press release pursuant to Article 4, Paragraphs 1 and 3, Article 5, Paragraph 1 and Article 7, Paragraph 4 of the Decree (the "**Initial Announcement**"), announcing the recommended cash offer for all issued and outstanding Shares against payment of EUR 18.00 per share (cum dividend), subject to certain conditions. In the Initial Announcement, the Offeror also confirmed it had sufficient funds available to secure the Offer in accordance with Article 7, Paragraph 4 of the Decree. Reference is made to Section 12.1 (*Initial Announcement*).

On 3 November 2023, the Offeror and the Company confirmed in an announcement published in accordance with Section 7, Paragraph 1 sub a of the Decree, that they are making good progress on the preparations of the Offer and that the first draft of the Offer Memorandum would be submitted to the AFM for approval no later than the first half of November 2023. Reference is made to Section 12.2 (*Press release four weeks post-announcement*).

On 16 November 2023, the Company published its 2023/2024 half-year results. Reference is made to Section 12.3 (*Press release Company 2023/2024 half-years results*).

6.2 The Offer

The Offeror is making an offer to purchase from the Shareholders all the Shares on the terms and subject to the conditions and restrictions set out in this Offer Memorandum.

Subject to the Offer being declared unconditional (*gestand wordt gedaan*), Shareholders tendering their Shares under the Offer will receive the Consideration in respect of each Tendered Share.

6.3 Substantiation of the Consideration

6.3.1 General

In establishing the Consideration, the Offeror, assisted by its outside financial adviser AXECO, has carefully considered the history and prospects of the Company, and analysed the historic financial information and the potential future development of the Company's key profit, cash flows and balance sheet metrics in detail, as derived from (i) the Company's financial statements, including the latest annual report for the financial year 2022/2023, (ii) historical market valuations of the Shares in the period from 6 October 2022 up to and including the Reference Date, (iii) broker reports, (iv) information disclosed in a virtual data room, and (v) information derived from management and expert sessions.

6.3.2 Analyses

The Consideration represents an equity value for the Company of approximately EUR 269.5 million. The Consideration implies a post-IFRS 16 enterprise value / normalised EBITDA 22/23 multiple of 18.6x based on normalised EBITDA 22/23 achieved for the last twelve (12) months prior to 31 March 2023 of approximately EUR 18.0 million (post-IFRS-16 normalised EBIT (as per p. 19 of the Company's 2022/2023 annual report) + depreciation and amortisation (as per p. 173 of the Company's 2022/2023 annual report)) (the "**2022/2023 Normalised EBITDA**") and post-IFRS-16 Net Debt of approximately EUR 65.0 million (net debt (as per p. 19 of the Company's 2022/2023 annual report) + current lease liabilities + non-current lease liabilities) (the "**Net Debt**"). Reference is made to 2022/2023 Normalised EBITDA to improve comparability with peer companies as the impact of one-off occurrences is excluded. Furthermore, the industry commonly adopts this non-GAAP measure as a standard practice, facilitating a more uniform and comparable assessment of financial performance.

The difference between pre-IFRS-16 EBITDA and post-IFRS-16 EBITDA is related to lease payments. As on a pre-IFRS-16 basis lease liabilities are considered as an operating expense, the pre-IFRS-16 EBITDA is lower than the post-IFRS-16 EBITDA. Similarly, the difference between the pre-IFRS-16 enterprise value and the post-IFRS-16 enterprise value is accounted for by the current and non-current lease liabilities (as included in the balance sheet of the annual report for the financial year 2022/2023), which are considered off-balance sheet items pre-IFRS-16.

The Consideration has been based on the following series of financial analyses:

- (a) a stand-alone discounted cash flow analysis, considering historic financial developments and assuming (i) financial projections in line with broker forecasts (as mentioned under (b) below) and the Offeror's interpretation of publicly stated market guidance, (ii) weighted average cost of capital between 9.0% and 9.5%, (iii) a forecasting period of eight years and (iv) a terminal value based on the McKinsey Value Driver Formula methodology assuming a perpetual growth rate of 2.3%;

- (b) a target share price analysis based on the Company target prices issued prior to the Reference Date, based on research reports by (i) ABN AMRO Oddo BHF dated 11 July 2023 (target price: EUR 14.00), and (ii) Kepler Cheuvreux dated 26 May 2023 (target price: EUR 14.00);
- (c) an analysis of the historical trading and valuation levels of the Company's share price. The trading period reviewed spans from 2022 up to and including the Reference Date. Reference is made to Section 7.10 (*Share price development*);
- (d) an analysis of the closing prices of the Shares on Euronext Amsterdam since 6 October 2022 up to and including the Reference Date. In this period, the closing price per Share ranged from EUR 9.62 to EUR 11.45. The closing price per Share on Euronext Amsterdam on the Reference Date was EUR 10.20. The volume-weighted average closing price per Share on Euronext Amsterdam for the one, three, six and twelve month periods prior to and including the Reference Date were EUR 10.28, EUR 10.39, EUR 10.50 and EUR 10.48, respectively;
- (e) a comparable transaction multiple analysis, whereby the enterprise value (i.e. the Company's total value, including the equity market capitalisation and Net Debt) to 2022/2023 Normalised EBITDA (for the avoidance of doubt, post-IFRS-16) multiple of 18.6x implied by the Offer was compared against multiples paid for companies active in the sector with a focus on the most comparable transactions in terms of both organic growth as well as product and service offering. The Offeror compared nine transactions, completed after February 2018, being Distell Group Limited/Heineken, Stock Spirits Group Plc/CVC Capital Partners, SweetWater Brewing Company/Aphria Inc, Texelse Bierbrouwerij/Heineken, Arcus ASA/Altia Plc, Craft Brew Alliance Inc/AB InBev, Maison Routin/Apax partners, Dogfish Head Craft Brewery Inc./The Boston Beer Company and Puerto de Indias Group/H.I.G. Capital LLC, reflecting an average enterprise value / post-IFRS-16 EBITDA multiple of 14.0x and a median of 13.5x;
- (f) a comparable trading multiple analysis, whereby the enterprise value (i.e. the Company's total value, including the equity market capitalisation and Net Debt) to 2022/2023 Normalised EBITDA (for the avoidance of doubt, post-IFRS-16) multiple of 18.6x implied by the Offer was compared against multiples of listed companies active in the sector with a focus on the most comparable companies in terms of product and service offering, including Brown-Forman Corporation, Davide Campari-Milano, Becele, Diageo, Rémy Cointreau and Pernod Ricard. For reference, the Offeror compared the aforementioned six companies from a long list of nineteen companies reflecting an average enterprise value / post-IFRS-16 EBITDA over the latest completed fiscal year of 18.0x and a median of 16.0x; and
- (g) an analysis of cash-only public offers on Euronext Amsterdam since 1 January 2008. The precedent public offers include Ordina, Boskalis, Accell, Hunter Douglas, Intertrust, Neways Electronics International, ICT Group, DPA Group, Kiadis Pharma, Altice Europe, NIBC, VolkerWessels, GrandVision, Koninklijke Wessanen, Kas Bank, Binckbank, Gemalto, Refresco, Snowworld, TMG, Delta Lloyd, Royal Reesink, USG People, Ballast Nedam, Ten Cate, TNT Express, Nutreco, Crown van Gelder, Exact, HES Beheer, Unit4, Simac, DE Master Blenders, Octoplus, Mediq, Lbi, HITT, Wavin, Crucell, DIM Vastgoed,

Oce, Smit Internationale, ERIKS, Gouda Vuurvast, DNC, Econosto and Corporate Express.

6.3.3 Offer premia

The Offer represents a premium of approximately:

- (a) 76% to the closing price per Share on Euronext Amsterdam on the Reference Date;
- (b) 73% to the volume-weighted average closing price per Share on Euronext Amsterdam for the three (3) month period prior to and including the Reference Date; and
- (c) 72% to the volume-weighted average closing price per Share on Euronext Amsterdam for the six (6) month period prior to and including the Reference Date.

6.4 Rationale for the Transaction

The combination of the Offeror's Group and Lucas Bols is the start of a new chapter in the rich Dutch history of both Parties in the spirits and cocktails sector. Together they form the Dutch champion in the global spirits and cocktails market, cementing their shared heritage for the long term.

Nolet is a family business from Schiedam and has been in the hands of the Nolet family continuously since it was founded by Joannes Nolet in 1691. This makes Nolet one of the oldest family companies in the Netherlands. Since its establishment, Nolet has been almost exclusively active in the development, production and sale of spirits, with the distillery always being located in Schiedam, the centre of the spirits industry in the Netherlands for many centuries. Currently, the 10th, 11th and 12th generations are actively involved in Nolet.

Lucas Bols combines 450 years of craftsmanship with the history and creative spirit of Amsterdam. Lucas Bols has a lot in common with the Offeror's Group, such as their core values, originating from their history as family companies. Lucas Bols has a tradition of innovation and successfully developing and growing cocktail and spirits brands. Its rich history and great portfolio of brands are a source of knowledge and future inspiration.

As a long-term, committed and financially strong partner, the Offeror's Group intends to support Lucas Bols with its strategy to grow and develop the spirits and cocktail market and the Lucas Bols' brands based on the following pillars:

- Leading the development of the cocktail markets by driving trends and innovations.
- The global growth of Lucas Bols' cocktail brands by increasing its market share, increasing distribution penetration and further investing in brand awareness.
- Development of certain regional liqueurs and spirits brands into new 'Global Cocktail Brands'.
- The further development and expansion of the no- & lower-alcohol cocktail proposition.
- Using the full potential of the operational capabilities of Lucas Bols.

As part of the Offeror's Group, Lucas Bols' craftsmanship and heritage will be preserved for the long term. Lucas Bols will have a shareholder who, because of its own heritage, understands what is needed to continuously strengthen, partly centuries-old, brands for generations to come. This is through investing in brands, marketing, product development and innovation. The Offeror's Group has the focus and resources to not only make this possible for Lucas Bols, but also to accelerate the progress. The Offeror's Group provides Lucas Bols with a stable foundation in a private setting, as well as a strategic partner for the long term, providing specific room for the following:

- preserving the heritage of Lucas Bols, including its connection to Amsterdam;
- continuing the current business strategy and the human resources policy in which an open culture with room for entrepreneurship and ambition is key;
- providing additional financial support (whether in the form of debt and/or equity) to accelerate the growth of the Company in agreed upon projects; and
- autonomy for the Management Board in managing the Company from the headquarters in Amsterdam.

6.5 Financing of the Offer

Reference is made to the Initial Announcement in which certainty of funds was announced in accordance with Article 7, Paragraph 4 of the Decree. The Offeror will fund the Offer through cash resources available within the Offeror's Group. The Offeror and the Company have received a binding equity commitment letter from Nolet to fund the acquisition of the Shares under the Offer. The equity commitment letter does not contain any relevant conditions to the funding commitment other than the Offer being declared unconditional.

6.6 Offer Conditions, waiver and satisfaction

6.6.1 Offer Conditions

The obligation of the Offeror to declare the Offer unconditional (*gestand doen*) is subject to the following conditions precedent (the "**Offer Conditions**") being satisfied or waived on the Unconditional Date or, in case of paragraphs (a) and (b) below, on the Closing Date:

Acceptance Threshold

- (a) the number of Tendered Shares, together with any Shares directly or indirectly held by the Offeror's Group or irrevocably committed to the Offeror's Group in writing subject only to the Offer being declared unconditional (collectively the "**Tendered, Owned and Committed Shares**"), representing as at the Closing Date at least the Acceptance Threshold;

where "**Acceptance Threshold**" means 70% (seventy per cent) of the Outstanding Capital;

No Competing offer or mandatory offer

- (b) no public announcement having been made of a Competing Offer or of a mandatory offer for the Shares pursuant to Article 5:70 Wft with an offer price that is at least equal to the Consideration and no third party having obtained the right to subscribe, or having agreed to subscribe, for Shares;

No Adverse Recommendation Change

- (c) no Adverse Recommendation Change having occurred that has not been rectified in accordance with Section 6.8.1 (*Adverse Recommendation Change*);

No Breach by the Company

- (d) the Company not having breached the terms of the Merger Agreement to the extent that any such breach (i) has or could reasonably be expected to have material adverse consequences on the Company, the Offeror or its Affiliates or the Transaction; and (ii) is incapable of being remedied or has not been remedied by the Company, in each case before the date that is the earlier of (A) fifteen (15) Business Days after receipt by the Company of a written notice from the Offeror and (B) three (3) Business Days before the Closing Date;

No Breach by the Offeror

- (e) the Offeror not having breached the terms of the Merger Agreement to the extent that any such breach (i) has or could reasonably be expected to have material adverse consequences on the Group or the Transaction; and (ii) is incapable of being remedied or has not been remedied, in each case before the date that is the earlier of (A) fifteen (15) Business Days after receipt by the Offeror of a written notice from the Company and (B) three (3) Business Days before the Closing Date;

No Material Adverse Effect

- (f) no Material Adverse Effect, of which it is apparent that it is continuing on the Unconditional Date, having occurred or become known after signing of the Merger Agreement;

Board Irrevocables

- (g) the Board Irrevocables being in full force and effect and not having breached, terminated or modified, except as approved by the Offeror;

No order

- (h) no order, stay, injunction, judgment, decision, guidance, ruling or decree having been issued by any Regulatory Authority and being in effect, or any statute, law, subordinate legislation, treaty, ordinance, rule, regulation, resolution, directive, code or executive order having been enacted or enforced, any of which prohibits, restrains or delays or is reasonably likely to prohibit, restrain or delay the consummation of the Transaction in any material respect;

No AFM notification violation Wft

- (i) no notification having been received from the AFM stating that the Offer has been prepared, announced or made in conflict with any of the provisions of chapter 5.5 Wft or the Decree, within the meaning of Article 5:80, Paragraph 2 Wft, that investment firms (*beleggingsinstellingen*) would not be permitted to cooperate with the Offer; and

No suspension or ending of trading

- (j) trading in the Shares not having been permanently suspended or ended by Euronext.

6.6.2 Waiver of the Offer Conditions

Each of the Offer Conditions set out in Sections 6.6.1(a) (*Acceptance Threshold*), 6.6.1(h) (*No order*) and 6.6.1(j) (*No suspension or ending of trading*) is for the benefit of the Offeror and the Company and accordingly may, to the extent permitted by Law, only be waived (either in whole or in part) by the Offeror and the Company jointly in writing.

The Offer Conditions set out in Sections 6.6.1(b) (*No Competing offer or mandatory offer*), 6.6.1(c) (*No Adverse Recommendation Change*), 6.6.1(d) (*No Breach by the Company*), 6.6.1(f) (*No Material Adverse Effect*) and 6.6.1(g) (*Board Irrevocables*) are for the sole benefit of the Offeror and accordingly the Offeror may, to the extent permitted by Law, waive each of these Offer Conditions (either in whole or in part) at any time by written notice to the Company.

To the Offeror's knowledge, at the date of this Offer Memorandum, no Material Adverse Effect has occurred.

The Offer Condition set out in Section 6.6.1(e) (*No Breach by the Offeror*) is for the sole benefit of the Company and accordingly the Company may, to the extent permitted by Law, waive this Offer Condition (either in whole or in part) at any time by written notice to the Offeror.

The Offer Condition set out in Section 6.6.1(i) (*No AFM notification violation Wft*) cannot be waived.

The Offeror and the Company may not invoke any of the Offer Conditions if the non-satisfaction of such condition(s) is primarily caused by a breach of that party of any of its obligations under the Merger Agreement.

If on the then scheduled Closing Date any Offer Condition is not satisfied or waived, the Offeror may extend the Offer Period in accordance with and subject to Section 5.6 (*Extension of the Offer Period*).

6.6.3 Satisfaction of the Offer Conditions

The satisfaction of each of the Offer Conditions does not solely depend on the will of the Offeror as prohibited by Article 12, Paragraph 2 of the Decree.

The Offeror and the Company shall each use their reasonable best efforts to procure the satisfaction of the Offer Conditions as soon as reasonably practicable. If at any time either the Offeror or the Company becomes aware of a fact or circumstance that is reasonably likely to

prevent an Offer Condition from being satisfied, it shall notify the other party as soon as reasonably practicable thereof in writing. If at any time either the Offeror or the Company becomes aware that an Offer Condition is satisfied, it shall promptly notify the other party thereof.

To the extent that the Offeror and the Company do not agree on the Offer Condition set out in Section 6.6.1(f) (*No Material Adverse Effect*) being satisfied, the Offeror and the Company have agreed on a binding advice procedure. In such event, a binding adviser shall decide on the matter within ten (10) Business Days after the dispute having been referred to the binding adviser or such shorter period as the Offeror and the Company may agree, it being understood that a decision by way of binding advice (*bindend advies*) (the "**Binding Advice**") shall be rendered no later than noon CET on the Business Day before the Closing Date. Reference is made to Section 5.6 (*Extension of the Offer Period*). The binding adviser shall be appointed in accordance with Article 14 of the Binding Advice Rules of the Netherlands Arbitration Institute. The Binding Advice shall be binding upon the Offeror and the Company (save in the case of manifest error) and each of the Offeror and the Company shall fully comply with the Binding Advice and the content thereof.

6.6.4 Long Stop Date

The Offer Conditions must be satisfied or waived on or before 9 April 2024 (the "**Long Stop Date**").

6.7 Decision-making and Recommendation by the Boards

On 8 June 2023, the Company received an unsolicited initial expression of interest from Nolet outlining its non-binding proposal to acquire 100% of the Outstanding Capital of the Company. The letter included a proposal for several non-financial covenants, including maintaining the Lucas Bols corporate identity, its (office) locations and the brands.

During the days following Nolet's initial expression of interest, consistent with their fiduciary duties, the Boards carefully analysed and evaluated the expression of interest in terms of the potential benefit for Lucas Bols, the continued success of its business and the impact on all of its stakeholders. After due consideration, the Boards unanimously concluded that, taking into consideration the interests of Lucas Bols and its stakeholders, including its shareholders, the proposal was wholly inadequate and did not provide sufficient basis to enter into discussions with respect to a potential transaction. The Boards expressed the same in a response letter submitted to Nolet on 12 June 2023.

In the weeks thereafter, a number of letters were exchanged and a meeting was held between representatives of the Company and Nolet on 8 July 2023 at which meeting Nolet further substantiated its proposed consideration and Lucas Bols explained why the proposed consideration in its view did not reflect the performance of Lucas Bols and its individual brands. On 31 July 2023, Nolet submitted a letter to the Company including a revised non-binding proposal and thereby referring to the non-financial covenants as set out in its previous letters. On 3 August 2023, the Company submitted a response letter, informing Nolet that after careful consideration of the revised proposal, thereby taking into consideration the strategic rationale and the interests of Lucas Bols' stakeholders, the Boards deemed the revised consideration still inadequate as it did not align with the value of Lucas Bols in general and in particular its brands. Nevertheless, the Company invited Nolet to enter into further discussions under a confidentiality agreement. The Company and Nolet entered into a confidentiality agreement dated 16 August

2023, after which a meeting was held between representatives of the Company, Nolet and their respective financial advisers on 24 August 2023, at which meeting the Company further substantiated why the Boards believed the (revised) proposed consideration was not in line with the value of Lucas Bols and its brands.

On 31 August 2023, Nolet submitted a non-binding offer letter with a (further) revised consideration of EUR 18.00 per Share, which Nolet stated to be its final proposal for the Consideration, and whereby the proposed non-financial covenants remained the same as set out in Nolet's initial offer letter. On 1 September 2023, the Company submitted a response letter to Nolet, informing Nolet that after careful consideration of the (further) revised proposal, thereby taking into consideration the strategic rationale and the interests of Lucas Bols' stakeholders, the Boards deemed that the revised Consideration in conjunction with the Non-Financial Covenants provided sufficient basis for parties to enter into further discussions.

On 5 September 2023, the Company and Nolet entered into an amended and restated confidentiality agreement, which included a standstill provision. Subsequently, the Company granted Nolet and its advisers the opportunity to conduct a due diligence investigation on Lucas Bols and its business, consisting of a review of documents that were made available in a virtual data room prepared by the Company and its advisers to which Nolet and its advisers were granted access on 8 September 2023 and allowed Nolet and its advisers to ask questions and to join expert sessions. Moreover, the Company and Nolet initiated negotiations on the terms and conditions of the potential transaction, including the Merger Agreement, from early September 2023 onwards.

Throughout the process of the Offer, the members of the Supervisory Board among themselves and together with the members of the Management Board frequently and extensively discussed the developments in respect of the potential transaction and related key decisions, including the draft merger agreement. The Boards considered a number of aspects, including but not limited to the potential benefits of the potential transaction for Lucas Bols, the continued success of its business and the impact on all of its stakeholders. In doing so, the Boards continuously weighed the combination of the financial and non-financial terms of the Offer carefully. In addition to their recurring annual review of the Company's strategy and shareholder structure, the Boards evaluated potential (strategic) alternatives to the Offer. In the deliberations and decision-making process, the Boards have given due consideration to conflicts of interest between any Board Member and the Company in respect of the potential transaction and have established that such was not the case.

On 9 October 2023, ABN AMRO issued the Fairness Opinion to the Boards that, as of that date, and based on and subject to the factors, assumptions, limitations and qualifications and other matters set forth therein, (i) from a financial point of view, the Consideration is fair to the Shareholders and (ii) in relation to any Post-Closing Restructuring Measure, the value of (a) the purchase price for the share(s) in the capital of Company Sub under the Share Sale is fair to Company Holdco, and (b) the purchase price for the entire business of Lucas Bols under the Asset Sale is fair to Lucas Bols.

The full text of the Fairness Opinion, which sets out the assumptions made, procedures followed, matters considered and limitations on the review undertaken in connection with such opinion, is included in the Position Statement.

After having received extensive legal and financial advice and having given due and careful consideration to all circumstances and all aspects of the Transaction, the Boards concluded that the Offeror made a compelling offer representing an attractive cash premium to the Shareholders, as well as favourable non-financial terms and commitments in respect of deal certainty and financing (as described in Section 6.13.11 (*Financing commitment*)), amongst others. In reaching this conclusion, the set of non-financial terms in the final offer (as described in Sections 6.14 (*Future governance*) and 6.15 (*Non-Financial Covenants*)) was also evaluated in the context of what non-financial terms could be expected in the potential (strategic) alternatives considered.

In summary, the Boards concluded that the Offer is in the best interest of the Company and the sustainable, long-term success of its business, especially taking into account the interests of all of the Company's stakeholders. Early in the morning of 9 October 2023, after final negotiations, the representatives of the Company and the Offeror signed the Merger Agreement and Lucas Bols and the Offeror published a joint press release stating that they had reached conditional agreement on an intended public offer by the Offeror on Lucas Bols.

With reference to the above, and subject to Section 6.8 (*Revocation or withdrawal of Recommendation*), the Boards unanimously (i) support the Transaction, (ii) recommend to the Shareholders to accept the Offer and to tender their Shares pursuant to the Offer, and (iii) recommend to the Shareholders to vote in favour of the Resolutions at the EGM to be held at 10:30 hours CET on 24 January 2024 (the "**Recommendation**").

At the date of this Offer Memorandum, the Company published the Position Statement pursuant to Article 18 of the Decree, which sets out the Recommendation and a more elaborate explanation on the decision-making process.

6.8 Revocation or withdrawal of Recommendation

6.8.1 Adverse Recommendation Change

Subject to Sections 6.17 (*Exclusivity and Alternative Proposal*) and 6.18 (*Competing Offer*), the Company shall use its best efforts to ensure that neither any of the Boards nor any of their members shall:

- (a) withdraw, modify, amend or qualify the Recommendation in a manner adverse to the Offeror;
- (b) make any statement contradictory to the Recommendation; or
- (c) fail to comply with Section 6.7 (*Decision-making and Recommendation by the Boards*),

any of the actions described in sub (a) – (c), an "**Adverse Recommendation Change**".

Other than (i) in case of an Adverse Recommendation Change as permitted under Section 6.8.2 (*Permitted Adverse Recommendation Change*) and (ii) in accordance with Sections 6.17 (*Exclusivity and Alternative Proposal*) and 6.18 (*Competing Offer*), any Adverse Recommendation Change will constitute a material breach by the Company of the Merger Agreement, provided that if one or more Board Members are misquoted or inadvertently or without intent make a contradictory (public or private) statement, this shall not constitute a material breach by the Company if the Boards publicly reconfirm the Recommendation of (the

relevant member(s) of) the Boards as soon as reasonably possible but in any event within two (2) Business Days following receipt of a written request from the Offeror for the Boards to do so.

6.8.2 Permitted Adverse Recommendation Change

The Boards may make an Adverse Recommendation Change ("**Permitted Adverse Recommendation Change**"), if:

- (a) the Boards have jointly determined in good faith (acting in compliance with the individual directors' fiduciary and statutory duties) that, in light of an Offeror Material Adverse Effect occurring or arising after the date of the Merger Agreement, the failure to make such Adverse Recommendation Change would constitute a breach of the fiduciary duties of the Board Members under Dutch law;
- (b) prior to such determination, the Boards have consulted with their outside legal counsel and financial adviser as to the application of the directors' fiduciary duties and statutory duties in relation to the Adverse Recommendation Change;
- (c) prior to such determination, the Boards have (i) notified the Offeror, in reasonable detail, of the circumstances underlying the potential Adverse Recommendation Change, (ii) provided the Offeror and its outside legal counsel and financial adviser at least five (5) Business Days (the "**Consultation Period**") to consult with the Company and its outside legal counsel in good faith and (iii) following such Consultation Period, jointly determined, in good faith, to nevertheless proceed with such Adverse Recommendation Change.

6.9 Shareholdings of the Board Members

6.9.1 Information on Shares

As at the date of this Offer Memorandum, the Shares or depositary receipts for Shares held by each Board Member, directly or indirectly via entities over which such Board Member has control (*zeggenschap heeft in*) within the meaning of Annex A, Paragraph 2, Sub-Paragraphs 5 and 6 of the Decree, are shown in the table below:

Boards Member	Number of Shares
<i>Management Board Members</i>	
H.L.M.P. van Doorne	781,000
F.J. Cocx	18,803
<i>Supervisory Board Members</i>	
D.R. Hooft Graafland	8,500

6.9.2 Share transactions in the year prior to the date of this Offer Memorandum

The table below provides an overview of all transactions in Shares or depositary receipts for Shares effectuated by the Board Members in the year prior to the date of this Offer Memorandum.

Boards Member	Number of Shares	Type of transaction	Date	Volume weighted average price (EUR)
F.J. Cocx	9,398	Purchase of depositary receipts for Shares under the ESPP (as defined below)	16 June 2023 ⁽¹⁾	10.46

(1) By way of background, it is noted that this transaction has been prepared and executed by Captin B.V. ("**Captin**"), the independent operator of the ESPP (as defined below), following an instruction thereto given by Mr F.J. Cocx to Captin on 31 May 2023. Therefore, the instruction was given prior to the receipt by the Company of the unsolicited initial expression of interest by Nolet on 8 June 2023.

6.10 Transactions by the Offeror and the Offeror Board Members

In the year preceding the date of this Offer Memorandum, the Offeror and the board members of the Offeror (the "**Offeror Board Members**") did not effect any transaction in Shares.

6.11 Respective cross-shareholdings Offeror – the Company

As at the date of this Offer Memorandum:

- (a) the Offeror's Group holds 4,476,853 Shares;
- (b) based on item (a), the shareholding of the Offeror's Group in the Company represents:
 - (i) approximately 29.9% of the Shares; and
 - (ii) in aggregate approximately 29.9% of the issued share capital and voting rights of the Company; and
- (c) the Company does not directly or indirectly hold any shares in any entity of the Offeror's Group.

6.12 Irrevocable undertakings

With reference to Section 6.9 (*Shareholdings of the Board Members*), each Board Member holding Shares or depositary receipts for Shares (together representing approximately 5.4% of the Shares), has undertaken to irrevocably tender and deliver all his (depositary receipts for) Shares under the Offer, subject to the Offer being declared unconditional, and to vote in favour of the Resolutions (the agreements by the relevant individual Board Members containing such undertakings, the "**Board Irrevocables**"). The Board Irrevocables contain customary undertakings and conditions and may be terminated if (i) the Merger Agreement is terminated in accordance with its terms and/or (ii) the Offer lapses or is withdrawn in accordance with its terms.

Pursuant to the Board Irrevocables, the Shares directly or indirectly held by the Offeror's Group together with the Shares irrevocably committed to the Offeror's Group in writing subject only to

the Offer being declared unconditional, amount, at the date of this Offer Memorandum, to an aggregate of 5,285,156 Shares or 35.3% of the Shares. This represents 50.43% of the Shares required to meet the Acceptance Threshold.

If and when Settlement occurs, it is expected that Mr H.L.M.P. van Doorne, Mr F.J. Cocx and Mr D.R. Hooft Graafland will receive cash amounts of EUR 14,058,000, EUR 338,454 and EUR 153,000 respectively in consideration of the tender under the Offer of their respective Tendered Shares (held as of the date of this Offer Memorandum by each of them). Mr H.L.M.P. van Doorne, Mr F.J. Cocx and Mr D.R. Hooft Graafland did not receive any information from the Offeror or the Company relevant for a Shareholder in connection with the Offer that is not included in this Offer Memorandum and will tender their Shares under the Offer under the same terms and conditions as the other Shareholders.

6.13 Consequences of the Offer for non-tendering Shareholders

It is likely that the Offer, if and when it is declared unconditional, has implications for the Shareholders who did not tender their Shares. Therefore, Shareholders considering not to tender their Shares under the Offer should carefully review the Sections of this Offer Memorandum that explain the intentions of the Offeror and/or certain actual or potential implications to which such non-tendering Shareholders will be subject if Settlement occurs, such as (but not limited to) this Section 6.13 (*Consequences of the Offer for non-tendering Shareholders*). These risks are in addition to the risks associated with holding securities issued by the Company generally, such as the exposure to risks related to the business of the Group, the markets in which the Group operates, as well as economic trends affecting such markets generally as such business, markets or trends may change from time to time.

It is the intention of the Offeror to ultimately acquire 100% of the Shares and the Offeror's willingness to pay the Consideration is predicated on the ultimate acquisition of 100% of the Shares or the entirety of the Company's assets and operations (including the Group's entire business). In light thereof, following Settlement, the Offeror may choose to implement (or cause to be implemented) certain restructuring measures, including but not limited to the Statutory Buy-Out Proceedings, a Post-Closing Restructuring Measure and/or one or more Post-Closing Measures (as described in more detail in this Section 6.13 (*Consequences of the Offer for non-tendering Shareholders*)). No decision in respect of pursuing the Statutory Buy-Out Proceedings, a Post-Closing Restructuring Measure or any other Post-Closing Measure has been taken by the Offeror and no such decision is envisaged to be taken prior to the Offer being declared unconditional (*gestanddoening*). The Offeror expects to initiate the Statutory Buy-Out Proceedings in the event set out in Section 6.13.4 (*Statutory Buy-Out Proceedings*) and expects to implement the Post-Closing Merger in the event set out in Section 6.13.5 (*Post-Closing Restructuring Measures*). If the Offeror declares the Offer unconditional, but does not meet the Post-Closing Restructuring Threshold, it will not be able to initiate the Statutory Buy-Out Proceedings in accordance with Section 6.13.4 (*Statutory Buy-Out Proceedings*) nor will it be able to implement any Post-Closing Restructuring Measure in accordance with Section 6.13.5 (*Post-Closing Restructuring Measures*). In such event the Offeror will be a majority shareholder and the Company will not be delisted in accordance with Section 6.13.2 (*Liquidity and Delisting*). The Offeror reserves the right to use any legally permitted method to acquire all of the Shares (or full ownership of the Group's business) and/or to optimise the corporate, financing and tax structure of the Group.

6.13.1 Intentions following the Offer being declared unconditional

If the Offer is declared unconditional (*gestand wordt gedaan*), the Offeror and the Company intend to, as soon as possible:

- (a) procure delisting of the Shares from Euronext Amsterdam and termination of the listing agreement between the Company and Euronext Amsterdam in relation to the listing of the Shares; and
- (b) convert the Company into a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) if deemed desirable by the Offeror, which will, *inter alia*, cause all Shares to become subject to transfer restrictions, all in accordance with the laws of the Netherlands and the Articles of Association in the form as amended post-delisting, as set out in Sections 6.13.7 (*Proposed amendments to the Articles of Association*) and 14 (*Articles of Association*); and
- (c) have the Offeror, or any of its Affiliates, if so desired by the Offeror, acquire all Shares not yet owned by it or the entirety of the Company's assets and operations (including the Group's entire business), whether pursuant to the Statutory Buy-Out Proceedings, implementation of a Post-Closing Restructuring Measure and/or any other Post-Closing Measure.

6.13.2 Liquidity and Delisting

The purchase of Shares by the Offeror pursuant to the Offer will reduce the number of Shareholders and the number of Shares that might otherwise trade publicly. As a result, the size of the free float in Shares may be substantially reduced following Settlement and trading volumes and liquidity of Shares may be adversely affected. The Offeror does not intend to compensate the Shareholders for such adverse effect.

Furthermore and subject to the terms and conditions of the Merger Agreement, the Offeror may initiate any of the procedures set out in this Section 6.13 (*Consequences of the Offer for non-tendering Shareholders*) following completion of the Offer, such as the Delisting, which may further adversely affect the liquidity and market value of the Shares not tendered.

In the Merger Agreement, the Offeror and the Company have agreed that they shall, as soon as practicable after Settlement, seek to procure the delisting of the Shares from Euronext Amsterdam (including the Shares not tendered under the Offer) and the termination of the listing agreement between the Company and Euronext Amsterdam in relation to the listing of the Shares (the "**Delisting**").

If the Offeror acquires 95% or more of the Shares, it will be able to procure delisting of the Shares from Euronext Amsterdam in accordance with applicable (policy) rules of Euronext Amsterdam, but the listing of the Shares on Euronext Amsterdam can also be terminated as a consequence of a Post-Closing Restructuring Measure or any other Post-Closing Measure. In the event that the Company will no longer be listed and the Shares will no longer be publicly traded, the provisions applicable to the governance of listed companies will no longer apply and the rights of remaining minority Shareholders may be limited to the statutory minimum.

6.13.3 Post-closing measures and future legal structure

Taking into account the business rationale of the Transaction, the Company has acknowledged the importance of enhancing the sustainable success of the business of the Group in an expeditious manner and that the terms of the Offer are predicated on the acquisition of 100% of the Shares or the Company's assets and operations. This importance to both the Company and the Offeror if the Offer is declared unconditional is based, inter alia, on:

- (a) the ability to achieve the strategic benefits of the Transaction and enhance the sustainable long-term success of the Company's business (including increasing the Company's ability to achieve the goals and implement the actions of its strategy) in an expeditious manner in a private environment in a fully owned set-up after delisting;
- (b) the ability to terminate the listing of the Shares from Euronext Amsterdam, and the resulting cost savings therefrom and from having a single shareholder;
- (c) the ability to achieve an efficient capital structure; and
- (d) the ability to implement and focus on achieving sustainable long-term strategic goals of the Company, as opposed to short-term performance driven by periodic reporting and market expectations.

In light of the above and the fact that the Offeror's willingness to pay the Consideration and to pursue the Offer is predicated on the direct or indirect acquisition of 100% of the Shares or the Company's assets and operations, the Company expresses an interest in and its support for the Statutory Buy-Out Proceedings or for the Post-Closing Merger or the Post-Closing Asset Sale (each a "**Post-Closing Restructuring Measure**"), subject to the applicable thresholds being met (see Sections 6.13.4 (*Statutory Buy-Out Proceedings*) and 6.13.5 (*Post-Closing Restructuring Measures*)).

Following Settlement and subject to Sections 6.13.4 (*Statutory Buy-Out Proceedings*) and 6.13.5 (*Post-Closing Restructuring Measures*), the Offeror may implement the measures mentioned in those Sections.

Furthermore, subject to the terms and conditions of the Merger Agreement, the Offeror reserves the right to use any legally permitted method to acquire all of the Shares (or full ownership of the Group's business) and to optimise the corporate, financing and tax structure of the Group. No decision in respect of pursuing the Statutory Buy-Out Proceedings, a Post-Closing Restructuring Measure or any other Post-Closing Measure has been taken by the Offeror and no such decision is envisaged to be taken prior to the Offer being declared unconditional (*gestanddoening*). The Offeror expects to initiate the Statutory Buy-Out Proceedings in the event set out in Section 6.13.4 (*Statutory Buy-Out Proceedings*) and expects to implement the Post-Closing Merger in the event set out in Section 6.13.5 (*Post-Closing Restructuring Measures*).

6.13.4 Statutory Buy-Out Proceedings

If, following the Settlement Date and the Post-Acceptance Period, the Offeror and its group companies within the meaning of Article 2:24b DCC hold in the aggregate at least 95% of the Shares (calculated in accordance with the DCC) (the "**Statutory Buy-Out Threshold**"), the Offeror shall commence (a) a compulsory acquisition procedure (*uitkoopprocedure*) in

accordance with Article 2:92a or 2:201a DCC or (b) a takeover buy-out procedure (*uitkoopprocedure*) in accordance with Article 2:359c DCC in order to buy out the remaining Shareholders that have not tendered their Shares under the Offer ((a) and/or (b), the "**Statutory Buy-Out Proceedings**"). The Company shall provide the Offeror with any assistance as may be required, including, if needed, joining such proceedings as co-claimant. In the Statutory Buy-Out Proceedings, any remaining minority Shareholders of the Company will be offered the Consideration for their Shares, for the avoidance of doubt without interest, unless there would be financial, business or other developments or circumstances that would justify a different price (including a reduction resulting from the payment of any Distribution) in accordance with, respectively, Article 2:92a, Paragraph 5 or Article 2:201a, Paragraph 5 or Article 2:359c, Paragraph 6 DCC.

No Dutch dividend withholding tax (*dividendbelasting*) is due upon a disposal of the Shares under the Statutory Buy-Out Proceedings. The Dutch income tax of the Statutory Buy-Out Proceedings is the same as the Dutch income tax of the Offer. For more information, reference is made to Section 10 (*Dutch tax aspects of the Transaction*).

6.13.5 Post-Closing Restructuring Measures

(a) Post-Closing Merger

In order to facilitate the implementation of the Post-Closing Merger, should the Offeror elect it as the Post-Closing Restructuring Measure,

(i) the Company has prior to the date of this Offer Memorandum performed or shall perform or cause to be performed, as applicable, the following acts during the Interim Period:

(A) incorporate a Dutch private limited liability company to be fully and directly owned by the Company ("**Company Holdco**") and a Dutch private limited liability company to be fully and directly owned by Company Holdco ("**Company Sub**");

(B) ensure that (i) the Boards and the management boards of Company Holdco and Company Sub will unanimously adopt, approve and sign a merger proposal (the "**Merger Proposal**") for a legal triangular merger (*juridische driehoeksfusie*) of the Company (as disappearing company) with and into Company Sub (as acquiring company), with Company Holdco allotting shares to the Company's shareholders in accordance with Articles 2:309 et seq. and 2:333a DCC (the "**Triangular Merger**") and in which Company Holdco cancels the share(s) that formed its issued share capital immediately prior to the completion of the Triangular Merger and (ii) the Management Board and the management boards of Company Holdco and Company Sub will unanimously adopt and sign explanatory notes to the Merger Proposal (the "**Explanatory Notes**");

(C) on the Commencement Date, or such earlier date as the Offeror requests, file the Merger Proposal and all ancillary documents (including the relevant audit statements) required by Law with the Trade Register of the

Netherlands Chamber of Commerce, make copies of the Merger Proposal, the Explanatory Notes and all ancillary documents (including the relevant audit statements and reports) required by Law available at the offices of the Company and announce the foregoing in a Dutch national newspaper on the day following the Commencement Date; and

- (D) the Offeror and the Company shall provide such assistance and sign all documents and undertake and perform all acts as reasonably necessary or requested by either party to prepare the effectuation of the Post-Closing Merger (including the filing of a request by the Company with the competent Tax Authority to confirm the Tax treatment of the Post-Closing Merger and/or the recognised share capital (*fiscaal erkend kapitaal*) of the Company for Dutch dividend withholding tax purposes).

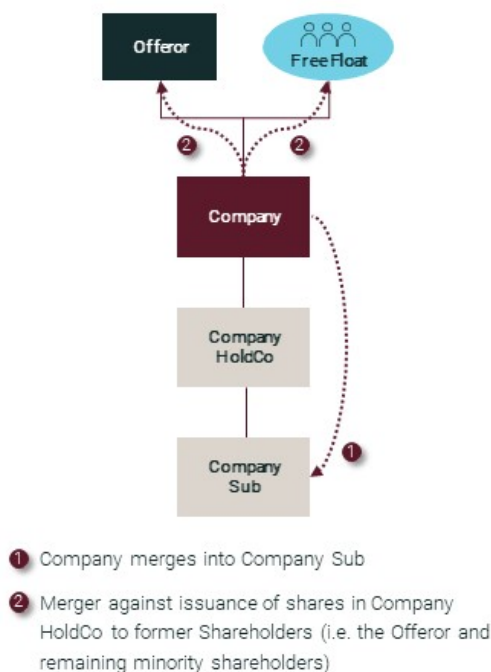
After and subject to:

- (i) the adoption of the Merger Resolution;
- (ii) the Offer having been declared unconditional and the Post-Acceptance Period having taken place (if applicable); and
- (iii) the Offeror's Group meeting the Post-Closing Restructuring Threshold (as defined below) and the Statutory Buy-Out Threshold not having been met,

the Offeror may notify the Company that it wishes to implement the Post-Closing Merger, in which case:

- (i) the Company shall effect, and shall procure that Company Holdco and Company Sub shall effect, the Triangular Merger in accordance with the provisions set forth in the Merger Proposal and the Explanatory Notes pursuant to the execution of a notarial deed of merger as soon as possible after the Offeror's notification to pursue the Post-Closing Merger;

1. Triangular Merger

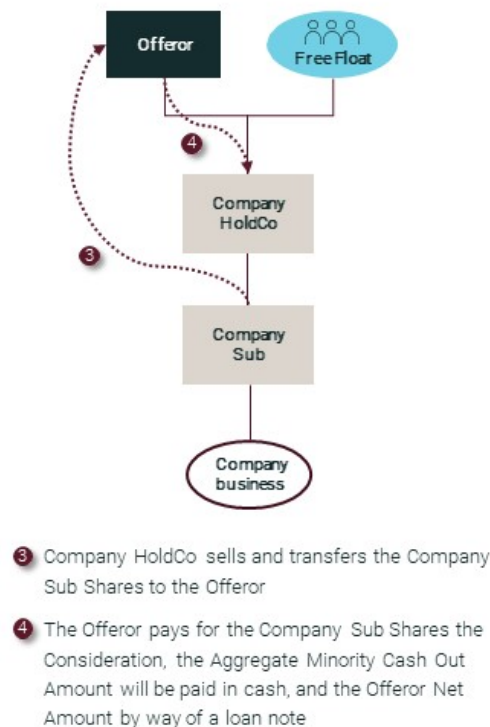


(ii) immediately after the Triangular Merger becoming effective, the Offeror shall, and the Company (or any of its successors) shall procure that Company Holdco shall, enter into a share purchase agreement (the "**Share Purchase Agreement**"), pursuant to which all issued and outstanding shares in the capital of Company Sub (the "**Company Sub Shares**") will be sold and, by means of the execution of a notarial deed of transfer, in the mutually agreed form as included as an Annex to the Share Purchase Agreement (the "**Share Transfer Deed**"), immediately after the Triangular Merger becoming effective, be transferred to the Offeror (or its nominee nominated in accordance with the Share Purchase Agreement) (the "**Share Sale**"). The aggregate purchase price for the Company Sub Shares shall be an amount equal to (i) the Consideration multiplied by (ii) the total number of Shares issued and outstanding immediately prior to the Triangular Merger becoming effective (the "**Share Sale Purchase Price**"). The Share Sale Purchase Price shall be payable immediately following the execution of the Share Transfer Deed as follows:

- (A) an amount equal to (x) the Consideration multiplied by (y) the total number of Shares held by holders of Shares other than the Offeror's Group (such amount, the "**Aggregate Minority Cash Out Amount**") will be paid in cash; and
- (B) an amount equal to (x) the Share Sale Purchase Price minus (y) the Aggregate Minority Cash Out Amount (such difference, the "**Share Sale Offeror Net Amount**") will be paid by the Offeror's execution and delivery of a loan note to Company Holdco payable on demand by Company Holdco at arm's length terms (which shall take into account that such note

is payable on demand by Company Holdco) in an aggregate principal amount equal to the Share Sale Offeror Net Amount;

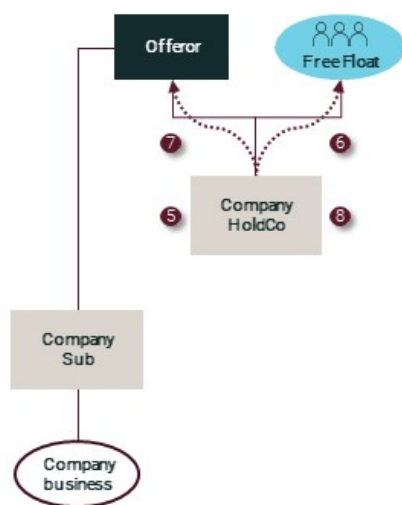
2. Share Sale



- (iii) the Company shall adopt prior to the Settlement Date, in its capacity as sole shareholder of Company Holdco, a resolution to, subject to and with effect as per immediately following execution of the Share Transfer Deed, (i) dissolve Company Holdco in accordance with Article 2:19 DCC (the "**Holdco Dissolution**"), (ii) appoint a special purpose foundation as the liquidator of Company Holdco ("**Holdco Liquidator**"), (iii) approve reimbursement of Holdco Liquidator's reasonable salary and costs and (iv) appoint Company Sub as the custodian of the books and records of Company Holdco in accordance with Article 2:24 DCC; and
- (iv) following the execution of the Share Transfer Deed, the Company shall cause the effectuation of the Holdco Dissolution and the making of an advance liquidation distribution per ordinary share in the capital of Company Holdco, whereby such advance liquidation distribution is intended to take place on or about the date of the execution of the Share Transfer Deed and in an amount that is to the fullest extent possible equal to the Consideration, for the avoidance of doubt being without any interest,

(the steps under Sections (i), (ii), (iii) and (iv) together, the "**Post-Closing Merger**").

3. Liquidation & distribution



- 5 Company HoldCo dissolves and commences liquidation
- 6 As an advance liquidation distribution, Company HoldCo distributes the Aggregate Minority Cash Out Amount to the remaining minority shareholders
- 7 As an advance liquidation distribution, Company HoldCo distributes the Offeror Net Amount to the Offeror, which will be set-off against the loan note
- 8 Company HoldCo ceases to exist upon completion of liquidation

(b) Post-Closing Asset Sale

In order to facilitate the implementation of the Post-Closing Merger, should the Offeror elect it as the Post-Closing Restructuring Measure, the Offeror and the Company shall, to the extent not already done so by the date of this Offer Memorandum, during the Interim Period, upon the Offeror's reasonable request, cooperate, provide such assistance and sign all documents and undertake and perform all acts as reasonably necessary to prepare the effectuation of the Post-Closing Asset Sale (including the filing of a request by the Company with the competent Tax Authority to confirm the Tax treatment of the Post-Closing Asset Sale and/or the recognised share capital (*fiscaal erkend kapitaal*) of the Company for Dutch dividend withholding tax purposes).

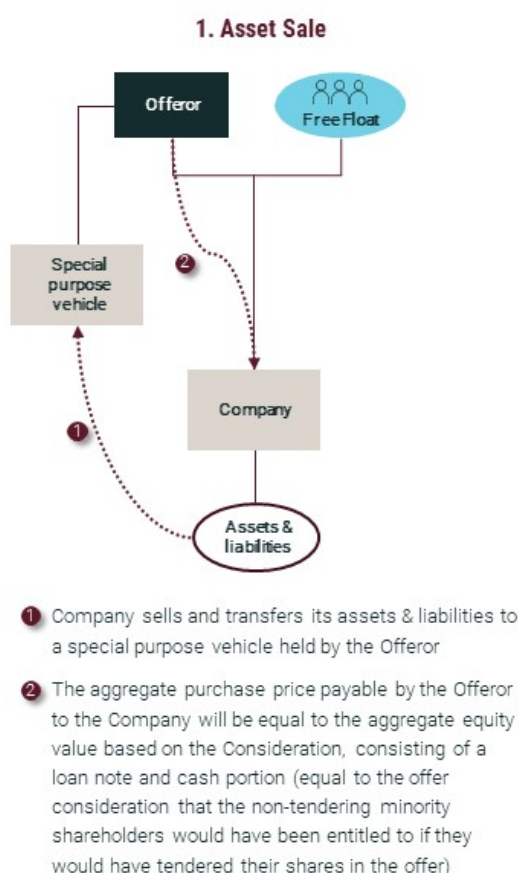
After and subject to:

- (i) the adoption of the Asset Sale Resolution (as defined below);
- (ii) the Offer having been declared unconditional and the Post-Acceptance Period having taken place;
- (iii) the Offeror's Group meeting the Post-Closing Restructuring Threshold and the Statutory Buy-Out Threshold not having been met; and

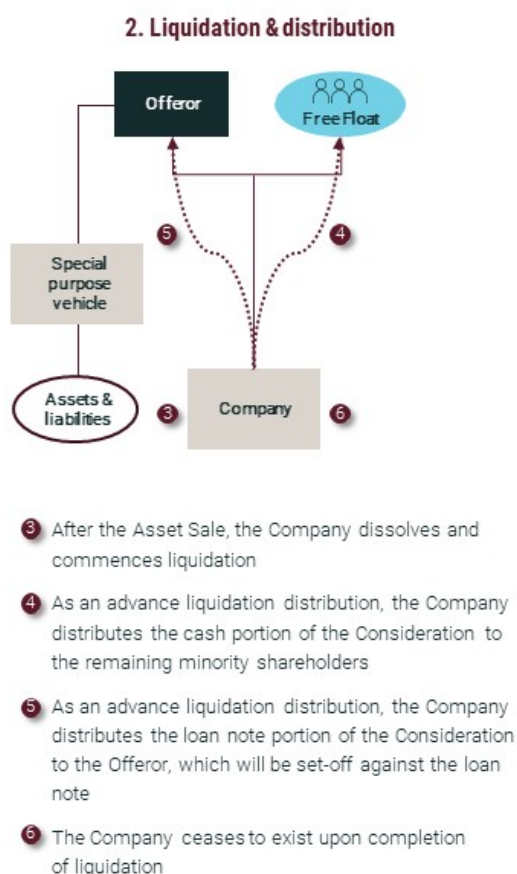
- (iv) the Offeror having elected the Post-Closing Asset Sale as the Post-Closing Restructuring Measure,

the Offeror may notify the Company that it wishes to implement the Asset Sale, in which case the Company shall, as soon as reasonably possible following the Offeror's notification, execute the Asset Sale Agreement and promptly implement the Asset Sale and take (or cause to be taken) the steps to complete the actions and transactions set forth in the Asset Sale Agreement. The aggregate purchase price for the business of the Company pursuant to the Asset Sale Agreement shall be an amount equal to (i) the Consideration multiplied by (ii) the total number of Shares issued and outstanding immediately prior to completion of the Asset Sale in accordance with the Asset Sale Agreement (the "**Asset Sale Purchase Price**"). The Asset Sale Purchase Price shall be payable immediately following completion of the Asset Sale as follows:

- (i) the Aggregate Minority Cash Out Amount will be paid in cash; and
- (ii) an amount equal to (x) the Asset Sale Purchase Price minus (y) the Aggregate Minority Cash Out Amount (such difference, the "**Asset Sale Offeror Net Amount**") will be paid by the Offeror's execution and delivery of a loan note to the Company payable on demand by the Company at arm's length terms (which shall take into account that such note is payable on demand by the Company) in an aggregate principal amount equal to the Asset Sale Offeror Net Amount;



Promptly following completion of the Asset Sale the Company shall implement the Liquidation and make an advance liquidation distribution per Share, whereby such advance liquidation distribution is intended to take place on or about the date the Asset Sale is completed and in an amount that is to the fullest extent possible equal to the Consideration, for the avoidance of doubt being without any interest (the steps set out in this Section 6.13.6(*Post-Closing Asset Sale*), the "**Post-Closing Asset Sale**").



(c) Indemnification

The Offeror has undertaken to indemnify and hold harmless, by way of irrevocable third party stipulation for no consideration (*onherroepelijk derdenbeding om niet*), the Company, each current and future Board Member, any member of the Group and their respective board members, employees and officers and, if the Liquidation is implemented as part of the Asset Sale in accordance with the Merger Agreement, the Company Liquidator (as defined below) and managing directors of the Company Liquidator (each of them an "**Indemnified Party**") against any present and future, actual or contingent, ascertained or unascertained or disputed, known or unknown, reported and unreported or other damages, liabilities, losses, costs (including reasonable adviser fees and expenses) and fines (collectively "**Losses**") arising, accruing or (to be) incurred by any Indemnified Party in that capacity arising from any Post-Closing Restructuring Measure, and any acts or omissions in connection with preparing, proposing or implementing the Post-Closing Restructuring Resolutions, in each case:

- (i) excluding any Losses arising, accruing or incurred as a result of a material breach of the Company's obligations for which it, he or she was responsible or its, his or her obligations under the Merger Agreement or any other document contemplated thereby, provided the Indemnified Party was or reasonably should have been aware of such obligations, or fraud (*bedrog*), gross negligence (*grove schuld*) or willful misconduct (*opzet*) by such Indemnified Party, as finally established by a court decision or settlement agreement;
- (ii) except to the extent covered by insurance and actually paid out pursuant to any insurance taken out for the benefit of an Indemnified Party;
- (iii) excluding any Losses exclusively incurred by such Indemnified Party in his or her capacity as a holder of Shares, including, without limitation, any Tax, including any Dutch dividend withholding tax, on any distributions to such Indemnified Party as part of a liquidation that is part of a Post-Closing Restructuring Measure; and
- (iv) excluding any Losses incurred by such Indemnified Party for or on account of any Dutch withholding Tax on any distributions made by such Indemnified Party to the minority shareholders of the Company as part of a liquidation that is part of the Post-Closing Restructuring Measure,

provided that the Indemnified Party will not take any action that may prejudice or affect its, his or her or the Offeror's position in litigation without the Offeror's consent, which shall not be unreasonably withheld, conditioned or delayed, and the Indemnified Party shall provide the Offeror with such information and assistance as the Offeror reasonably requests.

6.13.6 Other Post-Closing Measures

Without prejudice to Section 6.13.4 (*Statutory Buy-Out Proceedings*) and subject to Section 6.15 (*Non-Financial Covenants*), if the Offeror declares the Offer unconditional, the Offeror shall be entitled to effect, subject to Section 6.13.5(c) (*Indemnification*) applying *mutatis mutandis*, or cause to effect any other restructuring of the Group (other than the Statutory Buy-Out Proceedings, the Post-Closing Merger or the Post-Closing Asset Sale) for the purpose of achieving an optimal operational, legal or financial structure, in accordance with Law, some of which may have the side effect of diluting the shareholding of any remaining minority shareholders of the Company (each a "**Post-Closing Measure**"), including:

- (a) a subsequent public offer for any Shares held by minority shareholders;
- (b) a statutory cross-border or domestic (bilateral or triangular) legal merger (*juridische driehoeksfusie*) or legal demerger (*juridische splitsing*) in accordance with Title 7 of Book 2 DCC involving (x) two or more members of the Group or (y) one or more members of the Group and the Offeror or any of its Affiliates;
- (c) a conversion (*omzetting*) of the Company into a private company with limited liability under Dutch law (*besloten vennootschap met beperkte aansprakelijkheid*);

- (d) a contribution of cash and/or assets by the Offeror or by any Affiliate of the Offeror in exchange for shares in the share capital of a member of the Group, in which circumstances the pre-emptive rights (*voorkeursrechten*), if any, of minority shareholders of the Company may be excluded;
- (e) a distribution of proceeds, cash and/or assets to the shareholders of the Company or share buybacks;
- (f) a liquidation of any member of the Group;
- (g) a sale or transfer of assets or liabilities by the Offeror or any of its Affiliates to any member of the Group, or a sale or transfer of assets or liabilities by any member of the Group to the Offeror or any of its Affiliates;
- (h) any transaction between any member of the Group and the Offeror or any of its Affiliates at terms that may not be at arm's length;
- (i) any transaction, including a sale or transfer of any material asset, between members of the Group or between any member of the Group and the Offeror or any of its Affiliates with the objective of utilising any carry forward Tax losses available to the Group, the Offeror or any of its Affiliates;
- (j) any transactions, restructurings, share issues, procedures or proceedings in relation to any member of the Group required to effect the aforementioned objectives; or
- (k) any combination of the foregoing.

The Offeror has agreed with the Company that it will only effect or cause to effect a Post-Closing Measure after the Post-Acceptance Period and if the Statutory Buy-Out Threshold has not been achieved. The Post-Closing Measures are subject to any applicable tax, including any Dutch dividend withholding tax.

In the implementation of a Post-Closing Measure, due consideration will be given to the requirements of Law, including the fiduciary duty of the Board Members to consider the interests of all stakeholders including any minority shareholders of the Company, and the requirement for the members of the Supervisory Board to form their independent view of the relevant matter.

If any proposed Post-Closing Measure could reasonably be expected to prejudice or negatively affect the value of the Shares held by the remaining minority shareholders in the Company, other than pursuant to a rights issue or any other share issue where they have been offered a reasonable opportunity to subscribe pro rata to their then existing shareholding, or any shares issued to a third party not being an Affiliate of a Party, then the affirmative vote of the NFC Board Member shall be required prior to the implementation of any such Post-Closing Measure.

6.13.7 Proposed amendments to the Articles of Association

At the EGM, the Shareholders shall be requested to vote, subject to the condition that the Offer is declared unconditional (*gestand wordt gedaan*) by the Offeror, for a resolution to amend the Articles of Association in accordance with the draft attached as Section 14 (*Articles of Association*), which, if deemed desirable by the Offeror, shall be executed and become effective

at such time after the delisting of the Shares from Euronext Amsterdam as determined by the Offeror,

The amendments to the Articles of Association following delisting mainly relate to the conversion of the Company from a public limited company (*naamloze vennootschap*) into a private company with limited liability (*besloten vennootschap*) and the Company at that moment no longer being a listed company.

6.13.8 Dividend policy

The Shareholders should be aware that the Company may or may not pay cash dividends in the future. Future dividends paid may be of a one-off nature only and the amount of any dividends will depend on a number of factors associated with the Offeror's tax and financial preferences from time to time. Any distribution made in respect of Shares after the Settlement Date will be deducted for the purpose of establishing the value per Share in the Statutory Buy-Out Proceedings, Post-Closing Restructuring Measures or any other Post-Closing Measures.

6.13.9 Reduced governance rights

In the event that the Company or its successor entity will no longer be listed and its Shares will no longer be publicly traded, the statutory provisions applicable to the governance of public or listed companies will no longer apply and the rights of minority shareholders may, in accordance with Laws and the Articles of Association, be reduced, subject to Section 6.15 (*Non-Financial Covenants*).

6.13.10 Tax treatment of distributions

The Offeror and the Company give no assurances and have no responsibility with respect to the tax treatment of Shareholders with respect to any distributions made by the Company or any successor entity to the Company on the Shares, which may include dividends, interest, repayments of principal, repayments of capital and liquidation distribution.

In the event that there is a sale of all, substantially all, or part of the assets of the Company, followed by a liquidation and a distribution of the sale proceeds, this may raise specific tax issues for Shareholders, including without limitation a deduction and withholding of Dutch dividend withholding tax. To the extent Dutch dividend withholding tax is not fully creditable against any tax liability of a Shareholder, the after-tax return may be significantly lower than the return would have been had the Shares held by it been tendered under the Offer. In addition, a sale of all, substantially all, or part of the assets of the Company may raise other specific tax issues for any Group Company or Shareholders as a result of which the after-tax return received by a Shareholder may be significantly lower than the return would have been had such Shareholder tendered its Shares under the Offer.

6.13.11 Financing commitment

In view of the Company's aim to further reduce its leverage, and subject to Settlement, the Offeror has committed to fully underwrite for an amount of EUR 20 million (twenty million euro) a share issuance of the Company under the current authorisation provided by the Company's general meeting of shareholders to the Management Board against a consideration per Share equal to the Consideration, in which all shareholders of the Company will be able to participate on a *pro*

rata basis (the "**Share Issuance**"), in the event that the Boards determine that such Share Issuance is beneficial to reducing the leverage, taking into account the circumstances at that time. The underwriting commitment applies to any Share Issuance determined by the Boards and taking place within the first six months after Settlement. The proceeds of the Share Issuance will be solely used to repay (part of) the Group's existing bank facilities. The Company will consult the Offeror on the Share Issuance and provide all information as reasonably requested by the Offeror prior to any decision on any Share Issuance.

6.14 Future governance

6.14.1 Future composition of the Management Board

The composition of the Management Board shall not change following Settlement. For a period of at least three (3) years following the Settlement Date:

- (a) the Management Board shall comprise no more than two (2) persons; and
- (b) the members of the Management Board are appointed, suspended and dismissed by the Company's general meeting of Shareholders and may be suspended by the Supervisory Board, in accordance with the Articles of Association at the date of the Merger Agreement or the Articles of Association as attached in Section 14 (*Articles of Association*), as applicable, and the Offeror shall not amend such provisions of the Articles of Association.

6.14.2 Future composition of the Supervisory Board

Following Settlement and subject to the Resolutions having been adopted at the EGM, the Supervisory Board will immediately following Settlement consist of:

- (a) Mr C.H. Teschmacher and Mr P.H.J.M. Visée as new members of the Supervisory Board; and
- (b) the four (4) individuals who are at the date of the Merger Agreement a member of the Supervisory Board (the "**Current Supervisory Board Members**"), and Mr D.R. Hooft Graafland shall remain the chair of the Supervisory Board until the end of his term and shall be the initial NFC Board Member (as defined below).

For the duration of the Mid Term Non-Financial Covenants Period (as defined below):

- (a) one member of the Supervisory Board shall be tasked with monitoring compliance of the Non-Financial Covenants as set out in Section 6.15 (*Non-Financial Covenants*) (the "**NFC Board Member**");
- (b) the NFC Board Member will designate one of the other members of the Supervisory Board as its successor; and
- (c) in the event of the absence or inability to act of the NFC Board Member prior to designating his or her successor, the Supervisory Board shall designate the new NFC Board Member from among its members.

For a period of at least three (3) years following the Settlement Date:

- (a) the Supervisory Board will comprise of at least five (5) persons;
- (b) the members of the Supervisory Board are appointed, suspended and dismissed by the Company's general meeting of Shareholders in accordance with the Articles of Association of the Company at the date of the Merger Agreement or the Articles of Association as attached in Section 14 (*Articles of Association*), as applicable, and the Offeror shall not amend such provisions of the Company's Articles of Association during such term;
- (c) the Offeror shall not request the dismissal of any Current Supervisory Board Member prior to the end of his or her current term;
- (d) the members of the Supervisory Board shall be entitled to nominate the chair of the Supervisory Board; and
- (e) the Offeror will respect the division of duties and responsibilities between the Management Board, the Supervisory Board and the Company's general meeting of Shareholders as reflected in the Articles of Association at the date of the Merger Agreement or the Articles of Association as attached in Section 14 (*Articles of Association*), as applicable, and the Management Board regulations and the Supervisory Board regulations in force at the date of the Merger Agreement.

All members of the Supervisory Board, including the NFC Board Member, shall act in the interest of the Company and its business, taking into account the interests of the Company's stakeholders, in accordance with their obligations under Dutch Law. The NFC Board Member shall be particularly tasked with monitoring compliance with the Non-Financial Covenants for the duration of the Mid Term Non-Financial Covenants Period. The NFC Board Member shall be provided by the Company and the Offeror with all information as reasonably required by the NFC Board Member to fulfil this task.

6.14.3 Corporate governance following Settlement

For as long as the Shares remain listed on Euronext Amsterdam, the Company shall continue to comply with the Dutch Corporate Governance Code, unless (i) agreed otherwise in the Merger Agreement, as disclosed in this Offer Memorandum, including but not limited to the composition of the Supervisory Board as described in Section 6.14.2 (*Future composition of the Supervisory Board*) which entails that, following Settlement and subject to the Resolutions having been adopted at the EGM, more than one member of the Supervisory Board shall not be "independent" as defined in the Dutch Corporate Governance Code due to an affiliation with the Offeror or (ii) the Company did not comply with the relevant principle or best practice provision of the Dutch Corporate Governance Code at the date of the Merger Agreement.

There are currently no intentions for post-Settlement deviations from the Dutch Corporate Governance Code by the Company other than those agreed upon in the Merger Agreement (as disclosed in this Offer Memorandum) and the Company's current deviations.

The current deviations from the Dutch Corporate Governance Code applied by the Company can be found on p. 98-101 of the Company's annual report for the financial year 2022/2023.

6.15 Non-Financial Covenants

The Offeror shall, in accordance with the terms and subject to the conditions of the Merger Agreement, comply with the non-financial covenants set out in this Section 6.15 (*Non-Financial Covenants*) (the "**Non-Financial Covenants**").

6.15.1 Very Long Term Non-Financial Covenants

The Offeror shall comply with each of the Non-Financial Covenants set out in this Section 6.15.1 (*Very Long Term Non-Financial Covenants*) (the "**Very Long Term Non-Financial Covenants**") for a very long term after the Settlement Date (the "**Very Long Term Non-Financial Covenants Period**").

Identity and brands

- (a) The Offeror and the Company shall keep (i) the Group's headquarters, day-to-day management and its corporate seat, (ii) the House of Bols, (iii) the Bols Cocktail Academy and (iv) the Group's distillery, in Amsterdam, the Netherlands.
- (b) The Offeror acknowledges the strength of, and shall retain and not change the Group's trade name and the Group's corporate identity, consisting of Lucas Bols' history, heritage, craftsmanship and creative spirit.
- (c) The Offeror and the Company shall procure that the Group Companies shall maintain and continue to reference to "1575" in their respective trade names and related branding as at the Settlement Date.
- (d) The Offeror and the Company shall procure that the Group shall respect, maintain and continue the use of the name of the Company (including Lucas Bols as the Company's statutory name), the Lucas Bols brand and the Bols Cocktails brand, and any trade mark, trade name, domain name, logo or design in relation to those names which, at or prior to the Settlement Date, were used by the Group and material to the branding of the Group in relation thereto.

6.15.2 Mid Term Non-Financial Covenants

The Offeror shall comply with each of the Non-Financial Covenants set out in this Section 6.15.2 (*Mid Term Non-Financial Covenants*) (the "**Mid Term Non-Financial Covenants**") for a period of five (5) years, after the Settlement Date (the "**Mid Term Non-Financial Covenants Period**").

Other core brands

- (a) The Offeror and the Company shall procure that the Group shall respect, maintain and continue the use of the Passoã, Galliano and Tequila Partida brands, and any trade mark, trade name, domain name, logo or design in relation to those names which, at or prior to the Settlement Date, were used by the Group and material to the branding of the Group in relation thereto.

Organisation and operations

- (b) The Offeror will respect the manner in which the Group is set up, including the geographical locations or regions in which the Group is currently active (including in the United States of America and in Mexico).
- (c) The Offeror will respect the existing pension arrangements and the pension rights of current and former employees of the Group.
- (d) The Offeror agrees that the Company will, and allows the Company to, continue to strive to provide an inclusive, safe and diverse working environment to the Group's employees and to stimulate personal development, including as set out on p.75 and 76, section 1 of the Company's 2022-2023 annual accounts.

6.15.3 Short Term Non-Financial Covenants

The Offeror shall comply with each of the Non-Financial Covenants set out in this Section 6.15.3 (*Short Term Non-Financial Covenants*) (the "**Short Term Non-Financial Covenants**") for a period of three (3) years, after the Settlement Date (the "**Short Term Non-Financial Covenants Period**", together with the Mid Term Non-Financial Covenants Period and the Very Long Term Non-Financial Covenants Period, the "**Non-Financial Covenants Period**")

Strategy

- (a) The strategic and business rationale for the Transaction as set out in Section 6.4 (*Rationale for the Transaction*) sets out the key principles of the Offeror in respect of the Group.
- (b) The Offeror fully supports the Group in realising and, where applicable, accelerating its Business Strategy of growing and developing the cocktail markets and the Company's cocktail brands and shall assist the Group in the realisation thereof.

For the purpose of this Offer Memorandum, "**Business Strategy**" includes the strategy as further set out in pages 46 through 56 of the Company's 2022-2023 annual report and in Section 6.4 (*Rationale for the Transaction*).

Specifically, the Offeror intends to provide financial support as and when reasonably required to accelerate the growth of the Group (including through material acquisitions), including by committing capital and assisting with securing optimal debt financing.

- (c) The Offeror shall not divest the Group or a material part of the Group.

Growth and synergies

- (d) The Offeror commits to support the Group's (accelerated) growth through acquisitions and organic growth, including by investing in brands, marketing, product development and innovation.
- (e) The Offeror and the Company shall explore opportunities for synergies between the Offeror's Group and the Group benefitting both the Offeror's Group and the Group,

provided that any material synergy implementation shall require the approval of the Supervisory Board upon a proposal by the Management Board.

- (f) The Offeror will not change the benchmarks used for capital allocation planning, product development, mergers and acquisitions at the date of the Merger Agreement.

Financing and leverage

- (g) The Offeror and the Company shall strive to keep the Group prudently capitalised and financed.
- (h) The Offeror shall procure that no dividends or other distributions shall be paid by any Group Company to the Offeror's Group that conflict with the continuity of the business.

Governance

- (i) The management of the Company remains autonomously responsible for managing the Group and its businesses and executing the Business Strategy and the Offeror and the Company shall procure this by, among other things, seeing to it that none of the Group Companies include any general meeting reserved matters in their articles of association other than those required pursuant to applicable Laws and/or in place at the date of the Merger Agreement.

Employees

- (j) The Offeror will not change, unless to the employee's or employees' benefit, the existing rights and benefits of the employees of the Group, including existing rights and benefits under their individual employment agreements, collective labour agreements and social plans.
- (k) The Offeror agrees that the Company will continue to strive for a culture of excellence, where qualified employees are offered attractive training and career progression.
- (l) The Offeror will not reduce the total workforce.

CAPEX

- (m) The Offeror shall respect the Group's capital expenditures (CAPEX) in line with past practice.

ESG

- (n) The Offeror shall support the ESG Strategy set out in pages 72-79 of the Company's 2022-2023 annual report.

Protection of minority shareholders

- (o) Until the earlier of (i) the date on which the Offeror holds 100% of the Outstanding Capital, (ii) the date on which a Statutory Buy-Out Proceeding is initiated or (iii) the date on which the Post-Closing Restructuring Measure (if applicable) is completed, no member of the Group shall take any of the following actions:

- (i) issue additional shares for a cash consideration to any person (other than members of the Group) without offering pre-emption rights to minority shareholders;
- (ii) agree to and enter into a related party transaction with the Offeror or its Affiliates or any of their respective Related Persons which is not at arm's length; and
- (iii) take any other action which disproportionately prejudices the value of, or the rights relating to the minority's shareholding.

6.15.4 Benefit and enforcement

The Non-Financial Covenants can only be deviated from or modified, amended or altered with the prior approval of the Supervisory Board, including, for a period of three (3) years after the Settlement Date in relation to the Short Term Non-Financial Covenants and a period of five (5) years after the Settlement Date in relation to the Mid Term Non-Financial Covenants and the Very Long Term Non-Financial Covenants, a vote in favour of such approval by the NFC Board Member.

In relation to the Very Long Term Non-Financial Covenants, the Offeror shall act in accordance with the philosophy that the Offeror's Group applies to safeguard the Nolet history and heritage.

The initiation of the Statutory Buy-Out Proceedings or the implementation of the Post-Closing Restructuring Measure in accordance with the Merger Agreement, as the case may be, does not constitute a deviation from the Non-Financial Covenants, however, if the implementation of any Post-Closing Restructuring Measure does prejudice the effectiveness and/or existence of any of the Non-Financial Covenants this will require the prior approval of the Supervisory Board, including a vote in favour of such approval by the NFC Board Member.

The NFC Board Member shall have the opportunity to engage for the account of the Company his or her own financial and legal advisers if and to the extent he or she believes that the advice of such advisers is reasonably necessary to assist him or her in reviewing and assessing matters that come before the Supervisory Board.

The Offeror's covenants, confirmations and obligations set forth in this Section 6.15 (*Non-Financial Covenants*) and Section 6.14 (*Future governance*) are made to the Company as well as, by way of irrevocable third-party undertaking for no consideration (*onherroepelijk derdenbeding om niet*), to the NFC Board Member, and regardless of whether he or she is in office or has resigned or has been dismissed, provided that after resignation or dismissal, the resigned or dismissed NFC Board Member must assign the benefit of such undertaking to the new NFC Board Member in function, unless such dismissal is successfully challenged by such NFC Board Member. The Offeror has agreed in advance to such assignment.

In the event that the Company ceases to exist or ceases to be the holding company of the Company's operations during the Non-Financial Covenants Period, the Non-Financial Covenants and the provisions of Section 6.15 (*Non-Financial Covenants*) and Section 6.14 (*Future governance*), to the extent not lapsed, shall continue to apply to the new holding company of the Company's operations (being Company Sub if the Post-Closing Merger is effected). In such case, all references to the Company shall be deemed to refer to such holding company, and any and

all of the Company's rights and obligations under the Non-Financial Covenants and this Section 6.15 (*Non-Financial Covenants*), to the extent these have not lapsed, will be assigned and transferred to it.

In the event the Offeror or any of its Affiliates sells or transfers (whether directly or indirectly, whether by a sale or transfer of shares or assets or otherwise) the Group or substantially all of the assets of the Group (in a single transaction or a series of related transactions) to any third party, the Offeror shall procure that such third party shall commit to undertakings in respect of the Group which are comparable to such undertakings as set out in Section 6.15 (*Non-Financial Covenants*) and Section 6.14 (*Future governance*), to the extent not lapsed, for the remainder of the respective Non-Financial Covenants Period or such period as specified in Section 6.14 (*Future governance*) pursuant to the Merger Agreement at such time.

For the purpose of Section 6.146.14 (*Future governance*) and Section 6.15 (*Non-Financial Covenants*), the Offeror is deemed to include Nolet and any of its Affiliates, if the Offeror has transferred (a majority of) its interest in the Company to such company during the Non-Financial Covenants Period.

6.16 Trade union and SER notification

The secretariat of the Social Economic Council (*Sociaal Economische Raad*) and the relevant trade unions have been informed in writing of the Offer in accordance with the SER Fusiegedragsregels 2015.

6.17 Exclusivity and Alternative Proposal

For the purposes of this Section 6.17, the "**Exclusivity Period**" shall mean the period commencing on the date of the Merger Agreement and ending on the earlier of the Settlement and the date of a valid termination of the Merger Agreement in accordance with Section 6.21 (*Termination*).

During the Exclusivity Period, except to the extent expressly permitted pursuant to this Section 6.17 (*Exclusivity and Alternative Proposal*) and Section 6.18 (*Competing Offer*) the Company shall not and shall use its reasonable best efforts to ensure that each other Group Company and each of their respective directors, officers, employees, agents, advisers or other representatives, including the Board Members, shall not and shall not publicly announce an intention to, directly or indirectly,

- (a) approach, initiate, enter into or continue discussions or negotiations with (other than informing Persons of the provisions contained in this Section 6.17 (*Exclusivity and Alternative Proposal*);
- (b) provide any non-public information relating to the Group to; or
- (c) otherwise approach, solicit or encourage,

any third-party with respect to a potential offer or proposal that constitutes or would reasonably be expected to lead to a potential offer for the acquisition of any or all of the Shares or assets (including for this purpose the outstanding equity securities of Group Companies and any entity surviving any merger or combination including any of them) of the Group representing more than

five per cent (5%) of the revenues, net income or assets (in each case, on a consolidated basis) of the Group, taken as a whole (each an "**Alternative Proposal**").

During the Exclusivity Period, the Company will promptly notify the Offeror (and in any event within forty-eight (48) hours) if any communication, invitation, approach or enquiry, or any request for information, is received by any of the Group Companies or any of their respective directors, officers, employees, agents or representatives, from any third-party in relation to an Alternative Proposal and provide the Offeror with (i) the identity of the relevant third-party, (ii) the proposed consideration and (iii) any other material terms of the Alternative Proposal.

Notwithstanding the above, the Company and each other Group Company and each of their respective directors, officers, employees, agents, advisers or other representatives, including the Board Members are permitted to engage in discussions with, and provide information to, a *bona fide* third-party that makes an unsolicited approach with the intention to make an Alternative Proposal to the Company and to investigate such approach and enter into discussions with such third-party, provided that the Company shall only be permitted to engage in discussions if and to the extent (i) the Boards have in their reasonable opinion determined that doing so is reasonably necessary to assess whether such Alternative Proposal could reasonably be expected to qualify or evolve into a Potential Competing Offer or Competing Offer, (ii) the Company enters into a confidentiality agreement with the third party on terms that are no less stringent than the terms of the confidentiality agreement between the Offeror and the Company, and (iii) provides any confidential information to the Offeror substantially concurrently with the time it is provided to the third party (if such information has not been previously provided to the Offeror).

6.18 Competing Offer

6.18.1 Potential Competing Offer

Following receipt of an unsolicited communication from a third party containing an Alternative Proposal for all of the Shares or assets as described in Section 6.17 (*Exclusivity and Alternative Proposal*), which in the reasonable opinion of the Boards could reasonably be expected to qualify as or evolve into a Competing Offer as described in Section 6.18.2 (*Competing Offer*) (a "**Potential Competing Offer**"), the Company may:

- (a) provide confidential information relating to the Group to such third party, provided that (i) the relevant third party enters into a confidentiality agreement with the Company on terms that are no less stringent than the terms of the confidentiality agreement between the Offeror and the Company, and (ii) any such confidential information is provided to the Offeror substantially concurrently with the time it is provided to such third party (if such information has not been previously provided to the Offeror);
- (b) engage in discussions or negotiations regarding such Potential Competing Offer;
- (c) consider such Potential Competing Offer; and
- (d) make public announcements in relation to a Potential Competing Offer to the extent required by Law,

in each case provided that the Company will promptly notify the Offeror (and in any event within forty-eight (48) hours) of such Potential Competing Offer and provide the Offeror with (i) the

identity of the relevant third-party, (ii) the proposed consideration, (iii) other material terms of the Potential Competing Offer and (iv) the Company's intention to enter into discussions with such third-party.

6.18.2 Competing Offer

A Potential Competing Offer will be a "**Competing Offer**" if:

- (a) it is a credible, written, and unsolicited proposal by a *bona fide* third party to make a (public) offer for (i) all of the Shares, (ii) for substantially all of the Company's business, (iii) a merger of any Group Company with a third party or (iv) another credible, written, and unsolicited proposal made by a *bona fide* third party that would involve a change of control of the Company or substantially all of the Company's business, which is in the good faith opinion of the Boards, after having considered advice of the Company's financial and legal advisers, on balance, a more beneficial offer and transaction for the Company and the sustainable success of its business, taking into account the interests of its stakeholders, than the Transaction as contemplated in the Merger Agreement, taking into account the identity and track record of the Offeror and its Affiliates and that of such third party, certainty of execution (including certainty of financing and compliance with all antitrust Laws), conditionality, the level and nature of the consideration, the future plans of such third party with respect to the Company and the Company's strategy, and the interest of all stakeholders of the Company;
- (b) the consideration offered per Share is in cash and exceeds the Consideration (as increased in accordance with applicable Law, but excluding, for the avoidance of doubt, any increases pursuant to any Revised Offers), by at least twelve and a half per cent (12.5%), and to the extent that the Competing Offer is an offer for all or substantially all of the assets of the Group, the calculation shall be made on the basis of the net proceeds (before any applicable Taxes) to be distributed to the shareholders of the Company resulting from such a transaction calculated on a per Share basis;
- (c) it is binding on the third party in the sense that such third party has:
 - (i) committed itself to the Company to (i) in case of a public offer, subject to customary (pre-)offer conditions, launch a public offer which is consistent with that Competing Offer within ten (10) weeks subsequent to public announcement of that Competing Offer by the third party or (ii) in case of another transaction not involving a public offer, subject to obtaining required clearances and other customary conditions, complete the transaction which is consistent with that Competing Offer as soon as possible following obtaining the required clearances, and
 - (ii) publicly announced its intention to launch a transaction which is consistent with that Competing Offer, which announcement includes the proposed price per Share and the relevant conditions precedent in relation to such offer and the commencement thereof; and
- (d) there has not been a breach by the Company of Section 6.17 (*Exclusivity and Alternative Proposal*).

6.19 Revised Offer

If the Company receives a Competing Offer, the following shall apply:

- (a) the Company shall notify the Offeror in writing of such event promptly upon the Boards' determining that the relevant Potential Competing Offer is a Competing Offer (and in any event within forty-eight (48) hours of such announcement or receipt of such Competing Offer) and shall provide all relevant details on the Competing Offer, insofar as the Company is aware of such details, to the Offeror, it being understood that as a minimum the Company shall promptly (and in any event within forty-eight (48) hours) notify the Offeror in writing of its knowledge of the identity of such third party and its advisers, the proposed consideration, the conditions to (making) the Competing Offer and other key terms of such Competing Offer, so as to enable the Offeror to consider its position and assess the consequences of such Competing Offer on the Offer (the "**Competing Offer Notice**") and after delivery of the Competing Offer Notice, the Company shall keep the Offeror promptly informed of all material developments affecting the material terms of any such Competing Offer;
- (b) the Offeror has the right to submit in writing to the Boards a revision of its Offer within a period of five (5) Business Days following the date on which the Offeror has received the Competing Offer Notice. If, on balance, the terms and conditions of such revised offer are, in the good faith opinion of the Boards, having consulted their financial and legal advisers and acting in good faith and observing their obligations under Dutch Law, at least equal to those of the Competing Offer, such offer shall qualify as a "**Revised Offer**" and the Company shall notify the Offeror as promptly as possible of the Boards' opinion of such Revised Offer;
- (c) if the Offeror has submitted a revision of its Offer to the Boards in accordance with Section 6.19(b) above and the Boards have qualified it as a Revised Offer or it is deemed a Revised Offer pursuant to the last sentence of Section 6.19(b) above, both Parties will continue to be bound by the Merger Agreement; and
- (d) if the Offeror has not made a Revised Offer or if the Offeror has informed the Company that it does not wish to make a Revised Offer, (i) the Company shall be entitled to (conditionally) agree to the Competing Offer and (ii) if the Company (conditionally) agrees to the Competing Offer, each Party has the right to terminate the Merger Agreement with immediate effect in accordance with Section 6.21 (*Termination*).

6.20 Consecutive Competing Offer

Sections 6.18 (Competing Offer) and 6.19 (Revised Offer) will apply mutatis mutandis to any consecutive Competing Offer.

6.21 Termination

6.21.1 Termination grounds

The Merger Agreement terminates immediately:

- (a) if the Offeror and the Company so agree in writing;

- (b) by notice in writing given by the Offeror or the Company (the "**Terminating Party**") to the other Party if, subject to the extension requirement as set out in Section 5.6 (*Extension of the Offer Period*):
 - (i) any of the Offer Conditions as set out in Section 6.6 (*Offer Conditions, waiver and satisfaction*) has not been satisfied or waived on the Unconditional Date, or if it is apparent that such Offer Condition(s) cannot be satisfied and will not be waived on such date; and
 - (ii) the non-satisfaction of the relevant Offer Condition(s) is not due to a breach by the Terminating Party of any of its obligations under the Merger Agreement;
- (c) by notice in writing given by the Company to the Offeror if the Offer has been commenced and all Offer Conditions have been satisfied or waived and Settlement has not taken place on the Settlement Date;
- (d) by notice in writing given by the Offeror to the Company in case of an Adverse Recommendation Change that has not been rectified in accordance with Section 6.8.1 (*Adverse Recommendation Change*);
- (e) by notice given by the Terminating Party to the other Party pursuant to Section 6.19(d); or
- (f) by notice in writing given by the Terminating Party to the other Party in case of the other Party having breached the terms of the Merger Agreement (the "**Defaulting Party**") to the extent that any such breach:
 - (i) has or could reasonably be expected to have material adverse consequences for the Company, the Offeror or their respective Affiliates or the Transaction; and
 - (ii) is incapable of being remedied or has not been remedied by the Defaulting Party within ten (10) Business Days after receipt by the Defaulting Party of a written notice from the other Party of such breach.

6.21.2 Termination compensation

As an inducement to the Offeror to enter into the Merger Agreement and as reimbursement and compensation for damages, costs and expenses incurred by the Offeror in connection with the Offer, the parties have agreed on the following termination compensation in the Merger Agreement.

If the Merger Agreement is terminated pursuant to Section 6.21.1(d), unless the Merger Agreement is terminated by notice in writing given by the Offeror to the Company in case of a Permitted Adverse Recommendation Change, or Section 6.21.1(e), (i) the Company shall pay the Offeror by way of compensation for damages, fees and costs, an amount of EUR 2,150,000 (two million one hundred fifty thousand euro) (amount inclusive of (reverse charge) VAT, if any) (the "**Termination Compensation**") within ten (10) Business Days after the Merger Agreement has been terminated and (ii) the Offeror shall not have any other claim against the Company or any of the (members of the) Boards under the Merger Agreement.

6.22 EGM

6.22.1 Convocation

In accordance with Article 18, Paragraph 1 of the Decree, the Company will hold an EGM on 24 January 2024 to discuss the Offer with the Shareholders. Subject to the terms of the Merger Agreement, the Company shall procure that the Boards unanimously recommend that the Shareholders vote in favour of the Resolutions (as defined below) put to the Shareholders at the EGM.

6.22.2 Resolutions

At the EGM, the shareholders shall be requested to adopt the following resolutions to, subject to the Offer being declared unconditional:

- (a) in respect of the implementation of the Post-Closing Restructuring Measure (the "**Post-Closing Restructuring Resolutions**"):
 - (i) subject to (x) the Tendered, Owned and Committed Shares representing at least 80% (eighty per cent.) of the Outstanding Capital (the "**Post-Closing Restructuring Threshold**") and the Statutory Buy-Out Threshold not having been met ultimately following the Post-Acceptance Period, and (y) the Offeror having notified the Company that it wishes to implement the Post-Closing Merger,
 - (A) enter into the Triangular Merger; and
 - (B) approve, to the extent required under Law, the Share Sale and the Holdco Dissolution, each subject to the Triangular Merger being effected, (the "**Merger Resolution**"); and
 - (ii) subject to (x) the Offeror meeting the Post-Closing Restructuring Threshold and the Statutory Buy-Out Threshold not having been met ultimately following the Post-Acceptance Period, and (yii) the Offeror having notified the Company that it wishes to implement the Post-Closing Asset Sale,
 - (A) approve the Asset Sale in accordance with Article 2:107a DCC, and, subject further to completion of the Asset Sale,
 - (B) dissolve the Company in accordance with Article 2:19 DCC;
 - (C) appoint a special purpose foundation as liquidator of the Company to be further designated by the Management Board (the "**Company Liquidator**") and to approve reimbursement of the Company Liquidator's reasonable salary and costs; and
 - (D) appoint the Offeror as the custodian of the Company's books and records following its dissolution in accordance with Article 2:24 DCC,

(the "**Asset Sale Resolution**");

- (b) appoint Mr C.H. Teschmacher and Mr P.H.J.M. Visée as members of the Supervisory Board with effect as per Settlement; and
- (c) convert the Company into a private company with limited liability under Dutch law (*besloten vennootschap met beperkte aansprakelijkheid*) and amend the Articles of Association, in accordance with the draft attached as Section 14 (*Articles of Association*), which, if deemed desirable by the Offeror, shall be executed and become effective at such time after the delisting of the Shares from Euronext Amsterdam as determined by the Offeror,

(together, the "**Resolutions**").

The Offeror undertakes to vote in favour of the Resolutions, with all of the Shares, directly or indirectly, held by the Offeror's Group at the EGM registration date. Mr H.L.M.P. van Doorne, Mr F.J. Cocx and Mr D.R. Hooft Graafland have undertaken to vote in favour of the Resolutions as part of the Board Irrevocables.

The Company shall reasonably do, and use its best efforts to procure that are done, all those things necessary and within its control, to ensure that the Resolutions are passed at the EGM. If, however, either (i) one or more of the Resolutions is not approved at the EGM or (ii) the Merger Resolution is approved at the EGM but it is reasonably expected that it will not be possible to effectuate the Triangular Merger on the basis of the adopted Merger Resolution in view of the timing constraint included in Article 2:318 Paragraph 1 DCC, the Company will at the Offeror's reasonable request convene a new meeting of shareholders of the Company at which the relevant Resolution(s) will be put to a vote.

7 INFORMATION REGARDING LUCAS BOLS

7.1 Introduction

Lucas Bols is a public limited liability company (*naamloze vennootschap*) incorporated under the Laws of the Netherlands, having its corporate seat in Amsterdam, the Netherlands and its office address at Paulus Potterstraat 14, 1071 CZ Amsterdam, the Netherlands. The Company is registered with the trade register of the Dutch Chamber of Commerce under number 34242707. The Company is listed on Euronext Amsterdam.

7.2 History of Lucas Bols

Year	Event
1575	The Lucas Bols family establishes distillery 't Lootsje in Amsterdam and starts distilling liqueurs
1664	The Lucas Bols family starts producing genever which plays an important role in the emergence of the cocktail culture in the U.S. in the 19th century
18 th century	The distillery develops into an international company and creates over 300 liqueur and genever recipes
1816	The widow of the last male Lucas Bols' heir sells Lucas Bols, on condition that the Lucas Bols name would forever be used on all its products
20 th century	Lucas Bols acquires regional brands, including Dutch Genever, Pisang Ambon and Coebergh
2004	Lucas Bols launches the iconic Bols Liqueurs bottle
2006	The Company is incorporated when the Lucas Bols head office returns to Amsterdam. New bartender and cocktail brands are added, including Galliano
2007	The House of Bols Cocktail & Genever Experience and the Bols Cocktail Academy open in Amsterdam
2008	Bols Genever is relaunched, based on the original 1820 recipe
2014	The Lucas Bols Distillery is opened in the city centre of Amsterdam, producing the essential (flavour) distillates for some of the Group's products, including various Bols Genevers, Bols Liqueurs and Damrak Gin
2015	The Company is listed on the Euronext Amsterdam stock exchange
2016	Passoã, the world's number 1 passion-fruit liqueur, is added to the Company's brand portfolio
2017	Nuvo, the sparkling liqueur, is added to the Company's brand portfolio

2020	Lucas Bols launches the non-alcoholic Damrak Virgin 0.0 and globally relauches Bols Liqueurs, now crafted with natural botanicals
2021	Lucas Bols launches Ready-to-Enjoy Cocktail Tubes (single serve) and Bottles (multi-serve), with five signature cocktails
2022	Lucas Bols acquires Tequila Partida
2023	Lucas Bols acquires Fluère, a leading non-alcoholic spirit brand, to accelerate growth in the no- & lower-alcohol cocktails segment

7.3 Business overview and organisational structure

The Company develops, sells and markets leading global cocktail and spirits brands. The Bols brand includes the number one liqueur range globally (not including the U.S.). The Group is also the world's largest player in the genever segment, whilst Passoã is the world's number 1 passion-fruit liqueur. The Company's brands are operated and developed through two distinctive brand portfolios: Global Cocktail Brands and Regional Liqueurs & Spirits.

7.3.1 Global Cocktail Brands portfolio

The Global Cocktail Brands portfolio comprises of those brands that (i) have a strong link to cocktails and/or the cocktail culture, (ii) are sold on more than one continent and (iii) generate a high gross margin. The three Global Cocktail Brands are (a) Bols Cocktails (i.e., the Bols Liqueurs range, Bols Genever, Bols Vodka and Bols Cocktails Ready-to-Enjoy Cocktails), (b) Passoã and (c) Galliano.

7.3.2 Regional Liqueurs & Spirits portfolio

The Regional Liqueurs & Spirits portfolio comprises of brands that (i) (currently) have a less obvious link tot cocktails and/or the cocktail culture and/or (ii) are (predominantly) sold on one continent. The Regional Liqueurs & Spirits portfolio consists of all brands other than those allocated to the Global Cocktail Brands portfolio, including Vaccari, Tequila Partida, Damrak, Pisang Ambon, Nuvo, Henkes, Bokma, Hartevelt, Coebergh, Fluère and a large portfolio of Dutch genever, vieux and liqueur brands. The brands are categorised into International Liqueurs & Spirits and Domestic Liqueurs & Spirits. In addition, the Regional Liqueurs & Spirits portfolio comprises the business-to-business concentrate offering, the Company's Experiences (e.g., the House of Bols and Wynand Fockink) and the exclusive Lucas Bols KLM Delft Blue miniature houses.

7.3.3 Business model

The Group operates an asset-light business model. Under this operating model, only the core activities are performed in-house. Such core activities include distillation, innovation and product development, strategic marketing, brand development and distribution in the US. As such, a crucial role is assigned to the Group's long-term partnerships, mainly in the areas where such partnerships are particularly essential to achieve the Group's business objectives: (i) sourcing of the raw materials, (ii) blending and bottling, (iii) logistics and (iv) the worldwide in-market distribution and marketing of the Group's brands.

7.4 Business objectives and strategy

The Group's strategic objective is to grow and develop the cocktail markets and the Group's cocktail brands. To accomplish this objective, the Group focusses on four strategic pillars, being:

- (a) leading the development of the cocktail market;
- (b) achieving worldwide growth of the Group's cocktail brands;
- (c) developing the Regional Liqueurs & Spirits portfolio; and
- (d) leveraging operational excellence.

7.4.1 Lead the development of the cocktail market

As a market leader, the Group finds it important to drive cocktail innovation and trends in order to grow the cocktail market around the globe. The Group has an active innovation programme and is continuously updating and launching new flavours and packaging. The Group closely engages with the global bartending community, creating new trends in the cocktail market together. The Group works with retailers and engages directly with influencers and consumers to support and inspire cocktail consumption at home. Initiatives such as Bols Cocktail Academy courses and the Bols Around the World global competition, which are increasingly taking place online, capture the interest of the bartending community and consumers alike.

7.4.2 Worldwide growth of the Group's cocktail brands

To grow the equity of its Global Cocktail Brands portfolio, the Group focusses on growing the global and local cocktail markets. The Group aims to increase its market share in current cocktail markets by increasing distribution penetration, investing in brand awareness and by opening up (digital) direct-to-consumer sales. In addition to building its existing cocktail markets, the Group also enters into (and expands in) emerging cocktail markets (i.e., Eastern Europe, Asia (excluding Japan), Africa, Middle East and Latin America) with its brands.

7.4.3 Develop the Group's Regional Liqueurs & Spirits portfolio

Within the portfolio of Regional Liqueurs & Spirits, the Group drives regional brand growth for its "local heroes". The Group develops clear roles and strategies for the various brands, also within its domestic genever & vieux portfolio, which helps to increase competitiveness and protect the contribution of these brands. The Group optimises profitability and cash generation throughout the chain by constantly challenging pricing and costs. The Group's ultimate objective for this portfolio is to develop certain existing brands into new Global Cocktail Brands by investing in brand-strategy development and awareness.

7.4.4 Leverage operational excellence

The Group's asset-light business model with a mix of in-house and outsourced activities provides optimal flexibility and creates a strong, scalable platform for brand development. The Group further leverages this platform by adding selected brands through distribution agreements (e.g. regarding the Group's distribution platform in the US), through strategic partnerships with brand owners (e.g. Pallini Limoncello) and by acquiring new brands such as Tequila Partida and Fluère.

At the foundation of the Group's asset-light business model are long-term partnerships with sourcing, co-manufacturing and logistics partners as well as distributors.

7.5 ESG strategy

The four strategic pillars described above are anchored in the Group's view on Environmental, Social and Governance ("**ESG**") responsibilities. The Group has developed an ESG strategy that shapes its purpose and contribution to the world around it. The Group's ESG strategy comprises the following three strategic ESG pillars:

- (a) empowering the Lucas Bols Community;
- (b) respecting the planet and craftsmanship; and
- (c) inspiring responsible cocktail enjoyment.

7.6 The Management Board

The Management Board consists of the following members:

- (a) Mr H.L.M.P. (Huub) van Doorne, CEO and member of the Management Board. He has the Dutch nationality and was born in 1958. His current term expires in 2026; and
- (b) Mr F.J. (Frank) Cocx, CFO and member of the Management Board. He has the Dutch nationality and was born in 1981. His current term expires in 2024.

7.7 The Supervisory Board

The Company's Supervisory Board consists of the following members:

- (a) Mr D.R. (René) Hooft Graafland, chairman of the Supervisory Board. He has the Dutch nationality and was born in 1955. His current (second) term commenced on 7 July 2023 and expires in 2027. His first term commenced on 10 July 2019;
- (b) Mr R. (Ralph) Wisbrun, vice-chairman of the Supervisory Board. He has the Dutch nationality and was born in 1957. His current (second) term commenced on 8 July 2021 and expires in 2025. His first term commenced on 7 September 2017;
- (c) Mrs A.L. (Alexandra) Oldroyd, member of the Supervisory Board. She has the British nationality and was born in 1967. Her current (second) term commenced on 9 July 2020 and expires in 2024. Her first term commenced on 1 September 2016; and
- (d) Mrs M.P. (Marie-Pauline) Lauret, member of the Supervisory Board. She has the Dutch nationality and was born in 1979. Her current (first) term commenced on 7 July 2022 and expires in 2026.

All members of the Supervisory Board are independent as defined in best practice provisions 2.1.7 to 2.1.9 of the Dutch Corporate Governance Code. No member of the Supervisory Board holds more than five directorships at Dutch large companies, in accordance with Article 2:142a DCC.

The Supervisory Board has not appointed separate committees among its members. The Supervisory Board as a whole carries out the duties of an audit committee as well as other committees. Matters regarding remuneration are chaired by Mr Wisbrun and matters related to financial reporting and the external audit are chaired by Mrs Lauret.

7.8 Major Shareholders of the Company

As of 11 December 2023 (one day prior to the date of this Offer Memorandum), the following persons are registered in the public register of the AFM as having notified a substantial holding (*substantiële deelneming*), i.e. a holding of 3% or more, in the share capital or voting rights of the Company (the further notification thresholds being 5%, 10%, 15%, 20%, 25%, 30%, 40%, 50%, 60%, 75% and 95%):

Shareholder	Share Capital ¹	Voting rights ¹
Dreamspirit B.V. (controlled by Mr H.L.M.P. van Doorne)	5.22%	5.22%
Enix N.V.	15.01%	15.01%
John and Marine van Vlissingen Foundation	5.01%	5.01%
Lazard Frères Gestion SAS	5.01%	5.01%
Dick au Vin B.V. (controlled by Mr H. Gommer)	5.01%	5.01%
Samson Rock Event Driven Master Fund Limited (controlled by Samson Rock Event Driven Fund Limited)	3.02%	3.02%
Samson Rock Capital LLP	0.00%	3.02%
Nolet	29.99%	29.99%

7.9 Capital and Shares

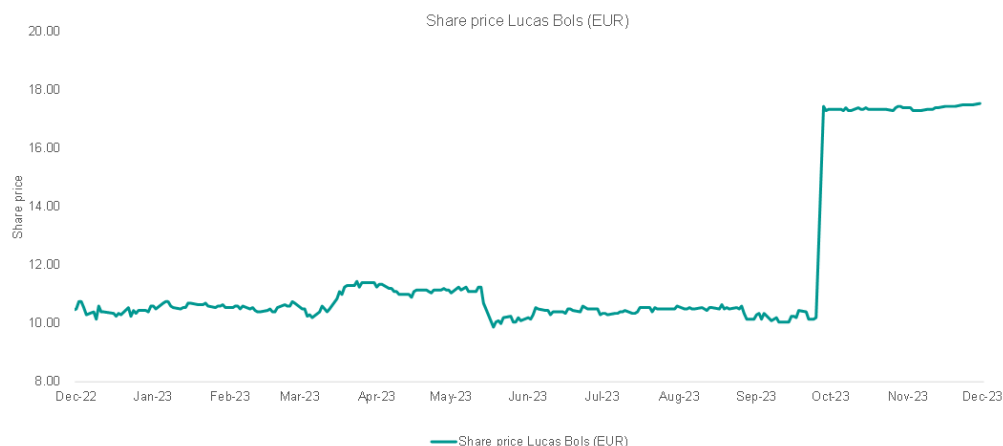
As at the date of this Offer Memorandum, the Company has issued 14,972,756 (fourteen million nine hundred seventy-two thousand seven hundred fifty-six) ordinary Shares with a nominal value of EUR 0.10 (ten euro cents) per ordinary Share. As at the date of this Offer Memorandum, the Company holds no Shares in treasury. All issued Shares are fully paid-up.

The Shares are listed on Euronext Amsterdam. The Euronext ticker symbol is BOLS and the ISIN code is NL0010998878.

¹ Save for the share capital and voting rights held by Dreamspirit B.V. (controlled by Mr H.L.M.P. van Doorne) and Nolet, the percentages are based on the information registered in the register kept by the AFM as at 11 December 2023. These percentages may not reflect the actual shareholdings and/or voting rights as at the date of this Offer Memorandum since not all changes in shareholdings and/or voting rights require a notification. Only if a notification threshold is reached, exceeded or fallen below this must be notified. The latest filings with the AFM by shareholders, including on gross and net short positions, can be found at the website of the AFM (www.afm.nl).

7.10 Share price development

This graph below sets out the Share price development from 12 December 2022 to 11 December 2023:



7.11 Company incentive plans

As at the date of this Offer Memorandum, the Company has a long term incentive plan (the "LTIP") and an employee share purchase plan (the "ESPP") of which the main terms are described below.

7.11.1 LTIP

Effective 1 April 2022, the LTIP grants phantom shares to key management and senior employees of the Company and its (direct and indirect) Subsidiaries or such other person as determined by, or on behalf of, the Supervisory Board. An award under the LTIP may be granted by or, as determined by the Management Board, on behalf of the Supervisory Board. Phantom shares awarded under the LTIP may entitle the recipients to a cash payment after three years of service. Whether there is any cash payment, and if so, the amount of such cash payment, depends on the extent to which three-year performance targets are met and the development of the Group's share price between grant date and vesting date.

The award under the LTIP is subject to performance conditions. The Management Board determines the extent to which the relevant performance conditions have been achieved and calculates the number of phantom shares (if any) that will vest for the relevant period for the eligible employees. With respect to phantom shares awarded to members of the Management Board, the Supervisory Board will determine in its sole discretion whether the performance conditions have been achieved and calculate the number of phantom shares (if any) that have vested for the relevant period for the members of the Management Board.

As at the date of this Offer Memorandum, 49,087 phantom shares have been granted under the 2202/2023 LTIP and 58,757 have been granted under the 2023/2024 LTIP.

7.11.2 ESPP

Under the ESPP, employees of the Company and its (direct and indirect) Subsidiaries are entitled to purchase depositary receipts for Shares with their own funds up to twice a year (i.e. following publication of the half-year and full-year results) for a yearly maximum of 33.33% of their gross base salary. Eligible employees are entitled to purchase at a discount of 13.5% of the share price at that time. A three-year lock-up period is applicable, during which the employees cannot sell the (depositary receipts for) Shares bought under the ESPP. No other vesting or performance conditions are applicable.

Stichting Administratiekantoor Werknemersparticipatie Bols is charged with the administration of the ordinary shares and issuance of depositary receipts to the participants. After the lapse of a retention period of three years, the depositary receipts may be exchanged by the employee into Shares on a one-to-one ratio.

As at the date of this Offer Memorandum, 51,710 depositary receipts for Shares are outstanding under the ESPP.

7.11.3 Treatment of the LTIP and ESPP

Pursuant to the Merger Agreement, the Company shall not accelerate the vesting of awards under the LTIP nor cancel the unvested awards under the LTIP in connection with the Offer. All outstanding rights under the LTIP will remain outstanding in accordance with the LTIP, provided that the Supervisory Board shall amend the LTIP and the collective implementation thereof with effect from Settlement to reflect that the settlement upon vesting per vested phantom share shall be equal to the Consideration, for the avoidance of doubt, less any mandatory withholding taxes payable under applicable Law (if any).

The Shares corresponding with the depositary receipts for Shares issued under the ESPP will be tendered in accordance with the terms of the Offer, and any outstanding depositary receipts for Shares will be cancelled upon and subject to Settlement. The (former) holders of such depositary receipts for Shares will receive an amount equal to the Consideration, for the avoidance of doubt, less any mandatory withholding taxes payable under applicable Law (if any), per depositary receipt for Shares from Stichting Administratiekantoor Werknemersparticipatie Bols as full and final settlement of their entitlement under the ESPP.

The Offeror and the Company shall discuss in good faith the terms and conditions of a new incentive plan that is on similar (and no lesser) terms as the existing LTIP, and which is to be implemented following the annual results of the Company in respect of the financial year 2023/2024, provided that Settlement has occurred.

7.12 Transactions by the Company relating to the Shares

Other than transactions under the ESPP, no transactions have been effected and no agreements have been concluded by the Company in relation to the Shares in the year immediately preceding this Offer Memorandum.

8 INFORMATION REGARDING THE OFFEROR

8.1 Information regarding the Offeror

8.1.1 Introduction

The Offeror is a private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under the laws of the Netherlands, having its corporate seat in Schiedam, the Netherlands, and its address at Hoofdstraat 14, 3114 GG Schiedam, the Netherlands, and registered with the trade register of the Dutch Chamber of Commerce under number 90636503. The Offeror is an Affiliate of Nolet.

For purposes of the Dutch takeover rules, in addition to the Offeror, Stichting Administratiekantoor Nolet ("**STAK Nolet**"), Nolet and Mr C.H.J. Nolet Sr. qualify as offeror (*bieder*) within the meaning of Article 1:1 of the Wft. The Offer, however, is made only by the Offeror, and the Offeror is solely responsible for accepting and paying for the Tendered Shares.

8.1.2 Ownership structure of the Offeror

The Offeror is a direct wholly-owned subsidiary of STAK Nolet, a foundation (*stichting*) incorporated under the laws of the Netherlands, having its corporate seat in Schiedam, the Netherlands, and its address at Hoofdstraat 14, 3114 GG Schiedam, the Netherlands, and registered with the trade register of the Dutch Chamber of Commerce under number 24289049.

In addition to owning the Offeror, STAK Nolet holds all the shares in Nolet, a private limited liability company (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under the laws of the Netherlands, having its corporate seat in Schiedam, the Netherlands, and its address at Hoofdstraat 14, 3114 GG Schiedam, the Netherlands, and registered with the trade register of the Dutch Chamber of Commerce under number 24430168.

The ultimate beneficial owner of the Offeror and STAK Nolet is Mr C.H.J. Nolet Sr, on the basis of voting control in his capacity as director A of STAK Nolet. For more information on Mr C.H.J. Nolet Sr. (place of residence: Schiedam, the Netherlands), reference is made to Section 8.1.4 (*Board of the Offeror*).

8.1.3 Capital and shares of the Offeror

At the date of this Offer Memorandum, the share capital of the Offeror consists of one ordinary share with a nominal value of EUR 1.

8.1.4 Board of the Offeror

The board of the Offeror consists of the following members:

- (a) Mr C.H.J. (Carel) Nolet Sr. He has the Dutch nationality and was born in 1941. Appointed as director on 27 June 2023;
- (b) Mr B.P.G. (Bob) Nolet. He has the Dutch nationality and was born in 1970. Appointed as director on 27 June 2023;

- (c) Mr C.H.J. (Carel) Nolet Jr. He has the Dutch nationality and was born in 1968. Appointed as director on 6 October 2023;
- (d) Mr J.C. (Hans) de Mos. He has the Dutch nationality and was born in 1943. Appointed as director on 6 October 2023;
- (e) Mr P.H.M. (Paul) Simonis. He has the Dutch nationality and was born in 1954. Appointed as director on 6 October 2023; and
- (f) Mr C.H. (Heino) Teschmacher. He has the Dutch nationality and was born in 1956. Appointed as director on 6 October 2023.

The Transaction will not impact the structure or composition of the Offeror's board. The boards of Nolet and STAK Nolet consist of the same board members as the Offeror.

The Offeror Board Members will not receive any compensation in relation to the Offer being declared unconditional (*gestanddoening*).

8.2 Information on the Offeror's Group

Since its establishment in 1691, Nolet Family Distillery has been continuously owned by the Nolet family. It is one of the oldest family businesses in the Netherlands, with a rich heritage. The Nolet family business makes excellent spirits with traditional methods using state-of-the-art technology. His Majesty the King has granted the company the right to use the 'Royal' designation.

Current head of the Nolet family is Mr C.H.J. Nolet Sr (1941), who expanded the family business in the early 1980s to create a modern distillery. Mr C.H.J. Nolet Sr made the distillery a worldwide player in over ninety countries with its super premium brands. In 1977, he presented the smooth and pure KETEL 1 Jenever. In 1983, he introduced the now world-famous Ketel One Vodka in the United States, which is distributed and marketed through a 50-50 joint venture with Diageo since 2008. Today, it is the world's leading bartenders' favourite vodka. Of more recent date are NOLET'S Gin and Ketel One Botanical.

Mr C.H.J. Nolet Sr shares his craftsmanship, his love of the profession and the family recipes with his sons Mr C.H.J. Nolet Jr and Mr B.P.G. Nolet, who are the eleventh generation of Nolet. The twelfth generation is already on the way.

9 FURTHER INFORMATION REQUIRED BY THE DECREE

In addition to the other statements set out in this Offer Memorandum, the Offeror with regard to items (a), (b) and (d) and the Company with regard to items (c), (e) and (f) and the Offeror, hereby declare as follows:

- (a) with due observance of and without prejudice to the restrictions referred to in Section 2 (*Restrictions*) and Section 3 (*Important information*), the Offer concerns all Shares and applies on an equal basis to all Shares and Shareholders;
- (b) no transactions or agreements in respect of securities in the Company have been effected or have been concluded during the twelve (12) months prior to the date of this Offer Memorandum, by the Offeror, Nolet, STAK Nolet or any other Affiliate of the Offeror, any Offeror Board Member (including, for the avoidance of doubt, Mr C.H.J. Nolet Sr), any of their spouses (*echtgenoten*), registered partners (*geregistreerde partners*), or minor children (*minderjarige kinderen*) and any entities over which these persons have control (*zeggenschap hebben in*) within the meaning of Annex A, Paragraph 2, sub-paragraph 5, 6 and 7 of the Decree;
- (c) no transactions or agreements in respect of securities in the Company have been effected or have been concluded during the twelve (12) months prior to the date of this Offer Memorandum, by any Board Members, any of their spouses (*echtgenoten*), registered partners (*geregistreerde partners*) or minor children (*minderjarige kinderen*) and any entities over which these persons have control (*zeggenschap hebben in*) within the meaning of Annex A, Paragraph 2, sub-paragraphs 5 and 6 of the Decree, other than in respect of securities in the Company and transactions as described in Section 6.9 (*Shareholdings of the Board Members*);
- (d) the costs incurred or to be incurred by the Offeror and Nolet in relation to the Offer are expected to amount to approximately EUR 3 million and comprise fees of financial advisers, legal advisers, public relations and communications advisers, other advisers, AFM fees and fees of the Settlement Agent. These costs will be borne by the Offeror or Nolet;
- (e) the costs incurred or to be incurred by the Company in relation to the Offer are expected to amount to approximately EUR 2.6 million and comprise fees of financial advisers, legal advisers, tax advisers and external auditors. These costs will be borne by the Company;
- (f) other than as described in Sections 6.9 (*Shareholdings of the Board Members*) and 7.11 (*Company incentive plans*), no remunerations will be paid to the Board Members in connection with the Offer being declared unconditional (*gestand wordt gedaan*).

10 DUTCH TAX ASPECTS OF THE TRANSACTION

10.1 General

This summary outlines certain principal Dutch tax consequences of the disposal of the Shares in connection with the Offer, the Statutory Buy-Out Proceedings mentioned in Section 6.13.4 (*Statutory Buy-Out Proceedings*), and the Post-Closing Restructuring Measures mentioned in Section 6.13.5(a) (*Post-Closing Merger*) and 6.13.5(b) (*Post-Closing Asset Sale*), but does not purport to describe every aspect of taxation that may be relevant to a particular Shareholder. Tax matters are complex, and the tax consequences of the Offer, the Statutory Buy-Out Proceedings or the Post-Closing Restructuring Measures to a particular Shareholder will depend in part on such Shareholder's circumstances. Accordingly, a Shareholder is urged to consult his own tax adviser for a full understanding of the tax consequences of the Offer, the Statutory Buy-Out Proceedings or any of the Post-Closing Restructuring Measures to him, including the applicability and effect of Dutch tax laws.

Where in this summary English terms and expressions are used to refer to Dutch concepts, the meaning to be attributed to such terms and expressions shall be the meaning to be attributed to the equivalent Dutch concepts under Dutch tax law. Where in this summary the terms "the Netherlands" and "Dutch" are used, these refer solely to the European part of the Kingdom of the Netherlands. This summary assumes that the Company is organised, and that its business will be conducted, in the manner outlined in this Offer Memorandum. A change to such organisational structure or to the manner in which the Company conducts its business may invalidate the contents of this summary, which will not be updated to reflect any such change.

This summary is based on the tax law of the Netherlands (unpublished case law not included) as it stands at the date of this Offer Memorandum. The tax law upon which this summary is based, is subject to changes, possibly with retroactive effect. Any such change may invalidate the contents of this summary, which will not be updated to reflect such change.

This summary does not address the Dutch tax consequences for a Shareholder who:

- (a) is a person who may be deemed an owner of the Shares for Dutch tax purposes pursuant to specific statutory attribution rules in Dutch tax law;
- (b) is, although in principle subject to Dutch corporation tax (*vennootschapsbelasting*), in whole or in part, specifically exempt from that tax in connection with income from the Shares;
- (c) is an investment institution (*beleggingsinstellingen*) as defined in the Dutch Corporation Tax Act 1969 (*Wet op de vennootschapsbelasting 1969*);
- (d) is an entity that, although in principle subject to Dutch corporation tax, is fully or partly exempt from Dutch corporation tax;
- (e) owns the Shares in connection with a membership of a management board or a supervisory board, an employment relationship, a deemed employment relationship or management role;

- (f) has a substantial interest (*aanmerkelijk belang*) in the Company or a deemed substantial interest (*fictief aanmerkelijk belang*) in the Company for Dutch tax purposes. Generally, a person holds a substantial interest if (a) such person – either alone or, in the case of an individual, together with his partner or any of his relatives by blood or by marriage in the direct line (including foster-children) or of those of his partner for Dutch tax purposes – owns or is deemed to own, directly or indirectly, 5% or more of the shares or of any class of shares of the Company, or rights to acquire, directly or indirectly, such an interest in the shares of the Company or profit participating certificates relating to 5% or more of the annual profits or to 5% or more of the liquidation proceeds of the Company, or (b) such person's shares, rights to acquire shares or profit participating certificates in the Company are held by him following the application of a non-recognition provision; or
- (g) is for Dutch tax purposes taxable as a corporate entity and resident of Aruba, Curaçao or Sint Maarten.

10.2 Dutch Tax aspects for Shareholders who tender their Shares under the Offer

10.2.1 Dividend withholding tax

No Dutch dividend withholding tax (*dividendbelasting*) will be withheld or deducted from the payment of the Consideration by the Offeror to Shareholders in respect of a disposal of the Shares under the Offer.

10.2.2 Taxes on income and capital gains

Resident Shareholders

A Shareholder who is resident or deemed to be resident in the Netherlands for Dutch tax purposes is (i) fully subject to Dutch income tax if he is an individual or (ii) fully subject to Dutch corporation tax if it is a corporate entity, or an entity, including an association, a partnership and a mutual fund, taxable as a corporate entity, as described in the summary below:

(a) *Individuals deriving profits or deemed to be deriving profits from an enterprise*

Any benefits derived or deemed to be derived from or in connection with the Shares that are attributable to an enterprise from which an individual derives profits, whether as an entrepreneur (*ondernemer*) or pursuant to a co-entitlement to the net value of an enterprise (*medegerechtigde*), other than as a shareholder, are generally subject to Dutch income tax at progressive rates up to 49.5%.

(b) *Individuals deriving benefits from miscellaneous activities (resultaat uit overige werkzaamheden)*

Any benefits derived or deemed to be derived from or in connection with the Shares that constitute benefits from miscellaneous activities by an individual are generally subject to Dutch income tax at progressive rates up to 49.5%.

An individual may *inter alia* derive, or be deemed to derive, benefits from or in connection with the Shares that are taxable as benefits from miscellaneous activities if his

investment activities go beyond regular active portfolio management (*meer dan normaal vermogensbeheer*).

(c) *Other individuals*

If a Shareholder is an individual whose situation has not been discussed before in this Section 10.2.2 (*Taxes on income and capital gains*) under Resident Shareholders, the value of his Shares forms part of the yield basis for purposes of tax on benefits from savings and investments (*sparen en beleggen*). A deemed benefit, which is calculated on the basis of a Shareholder's actual bank savings plus his actual other investments (including the value of his Shares), minus his actual liabilities whilst taking into account a deemed benefit for each of these categories, is taxed at the rate of 32%. For the year 2023, the estimated deemed benefit rate for actual bank savings is 0.36%, the deemed benefit rate for actual other investments is 6.17% and the estimated deemed benefit rate for actual liabilities is 2.57%. The estimated deemed return percentages will be confirmed early 2024. Actual benefits derived from or in connection with his Shares are not subject to Dutch income tax.

(d) *Corporate entities*

Any benefits derived or deemed to be derived from or in connection with the Shares that are held by a corporate entity, or an entity, including an association, a partnership and a mutual fund, taxable as a corporate entity, are generally subject to Dutch corporation tax.

Non-resident Shareholders

(a) *Individuals*

If a Shareholder is an individual who is neither resident nor deemed to be resident in the Netherlands for purposes of Dutch income tax, such Shareholder will not be subject to Dutch income tax in respect of any benefits derived or deemed to be derived from or in connection with the Shares, unless:

- (i) the Shareholder derives profits from an enterprise, whether as an entrepreneur or pursuant to a co-entitlement to the net value of such enterprise, other than as a shareholder, and such enterprise is carried on, in whole or in part, through a permanent establishment or a permanent representative in the Netherlands, and the Shares are attributable to such permanent establishment or permanent representative;
- (ii) the Shareholder derives benefits or is deemed to derive benefits from or in connection with the Shares that are taxable as benefits from miscellaneous activities performed in the Netherlands; or
- (iii) the Shareholder derives profits pursuant to the entitlement to a share in the profits of an enterprise, other than as a holder of securities, which is effectively managed in the Netherlands and to which enterprise his Shares are attributable.

(b) *Corporate entities*

If a Shareholder is a corporate entity, or an entity including an association, a partnership and a mutual fund, taxable as a corporate entity, which is neither resident, nor deemed to be resident in the Netherlands for purposes of Dutch corporation tax, it will not be subject to Dutch corporation tax in respect of any benefits derived or deemed to be derived from or in connection with the Shares, unless:

- (i) it derives profits from an enterprise directly which is carried on, in whole or in part, through a permanent establishment or a permanent representative in the Netherlands, and to which permanent establishment or permanent representative its Shares are attributable; or
- (ii) it derives profits pursuant to a co-entitlement to the net value of an enterprise which is managed in the Netherlands, other than as a holder of securities, and to which enterprise its Shares are attributable.

10.3 Dutch Tax aspects for Shareholders who did not tender their Shares under the Offer

Following Settlement, the Offeror may choose to implement the Statutory Buy-Out Proceedings mentioned in Section 6.13.4 (*Statutory Buy-Out Proceedings*) or the Post-Closing Restructuring Measures mentioned in Section 6.13.5(a) (*Post-Closing Merger*) or 6.13.5(b) (*Post-Closing Asset Sale*)).

See below for a non-exhaustive description of certain Dutch tax consequences of the Statutory Buy-Out Proceedings, the Post-Closing Merger and the Post-Closing Asset Sale.

10.3.1 Statutory Buy-Out Proceedings

The Dutch tax consequences for a Shareholder in respect of a disposal of the Shares under the Statutory Buy-Out Proceedings are the same as in respect of a disposal of the Shares under the Offer as described in Section 10.2 (*Dutch Tax aspects for Shareholders who tender their Shares under the Offer*).

10.3.2 Post-Closing Merger

(a) *Triangular Merger*

(i) *Dividend Withholding Tax*

No Dutch dividend withholding tax is due upon a disposal of the Shares under the Triangular Merger or in respect of receipt of shares in Company Holdco pursuant to the Triangular Merger.

(ii) *Taxes on income and capital gains*

The Dutch corporation tax and Dutch personal income tax consequences for a Shareholder in respect of a disposal of the Shares under the Triangular Merger are the same as in respect of a disposal of the Shares under the Offer as described in Section 10.2 (*Dutch Tax aspects for Shareholders who tender their*

Shares under the Offer), unless roll-over relief is available in respect of any gain realised in connection with the Triangular Merger.

(b) Share Sale

(i) *Dividend Withholding Tax*

No Dutch dividend withholding tax is due upon completion of the Share Sale, provided that each of the transactions entered into pursuant to or in connection with the Share Sale is carried out on the basis of arm's-length terms and conditions, both together and individually.

(ii) *Taxes on income and capital gains*

The Share Sale has no direct Dutch corporation tax and Dutch personal income tax consequences for a holder of shares in Company Holdco, provided that each of the transactions entered into pursuant to or in connection with the Share Sale is carried out on the basis of arm's-length terms and conditions, both together and individually.

(c) Liquidation

(i) *Dividend Withholding Tax*

Company Holdco is generally required to withhold Dutch dividend withholding tax at a rate of 15% from dividends distributed by Company Holdco, subject to possible relief under Dutch domestic law, EU law or an applicable Dutch income tax treaty depending on the particular individual circumstances of the relevant holder of shares in Company Holdco.

The concept "dividends distributed by Company Holdco" as used in this Paragraph includes, but is not limited to, liquidation proceeds in excess of the average capital (as recognised as paid-in for Dutch dividend withholding tax purposes) of the shares on which the relevant liquidation distribution takes place.

(ii) *Taxes on income and capital gains*

The Dutch corporation tax and Dutch personal income tax consequences for a holder of shares in Company Holdco in respect of or in connection with the Liquidation are the same as in respect of or in connection with the transfer of the Shares under the Offer as described in Section 10.2.2 (*Taxes on income and capital gains*). Any reference in Section 10.2.2 (*Taxes on income and capital gains*) to 'Shares' includes a reference to shares in Company Holdco held by non-tendering Shareholders following the Triangular Merger becoming effective.

10.3.3 Post-Closing Asset Sale

(a) Asset Sale

(i) *Dividend Withholding Tax*

No Dutch dividend withholding tax is due upon completion of the Asset Sale, provided that each of the transactions entered into pursuant to or in connection with the Asset Sale is carried out on the basis of arm's-length terms and conditions, both together and individually.

(ii) *Taxes on income and capital gains*

The Asset Sale has no direct Dutch corporation tax and Dutch personal income tax consequences for a Shareholder, provided that each of the transactions entered into pursuant to or in connection with the Asset Sale is carried out on the basis of arm's-length terms and conditions, both together and individually.

(b) Liquidation

(i) *Dividend Withholding Tax*

The Company is generally required to withhold Dutch dividend withholding tax at a rate of 15% from dividends distributed by the Company, subject to possible relief under Dutch domestic law, EU law or an applicable Dutch income tax treaty depending on a particular Shareholders' individual circumstances.

This includes liquidation proceeds in excess of the average capital (as recognised as paid-in for Dutch dividend withholding tax purposes) of the Shares on which the relevant liquidation distribution takes place.

(ii) *Taxes on income and capital gains*

The Dutch corporation tax and Dutch personal income tax consequences for a Shareholder in respect of or in connection with the Liquidation are the same as in respect of or in connection with the transfer of the Shares under the Offer as described in Section 10.2 (*Dutch Tax aspects for Shareholders who tender their Shares under the Offer*).

10.4 Other Dutch Tax aspects for Shareholders who either tender or do not tender their Shares under the Offer

10.4.1 Gift and Inheritance Tax

No Dutch gift tax (*schenkbelasting*) or Dutch inheritance tax (*erfbelasting*) will be payable by a Shareholder with respect to a disposal of the Shares pursuant to the Offer, the Statutory Buy-Out Proceedings and/or any of the Post-Closing Measures.

10.4.2 Other Taxes and Duties

No Dutch registration tax, transfer tax, stamp duty or any other similar documentary tax or duty, other than court fees, is payable in the Netherlands by a Shareholder in respect of or in connection with the disposal of the Shares pursuant to the Offer, the Statutory Buy-Out Proceedings and/or any of the Post-Closing Measures.

11 DUTCH LANGUAGE SUMMARY

Dit Hoofdstuk 11 (*Dutch language summary*) is de Nederlandse samenvatting van dit Biedingsbericht dat is uitgegeven ter zake van het openbaar bod dat door de Bieder is uitgebracht op alle Aandelen met inachtneming van de voorwaarden zoals beschreven in dit Biedingsbericht.

De gedefinieerde termen in dit Hoofdstuk 11 (*Dutch language summary*) hebben de betekenis die daaraan is gegeven in Hoofdstuk 11.2 (*Nederlandse definities*). Deze Nederlandse samenvatting maakt deel uit van dit Biedingsbericht, maar vervangt dit niet. Deze Nederlandse samenvatting is niet volledig en bevat niet alle informatie die voor de Aandeelhouders van belang is om een afgewogen oordeel te kunnen vormen over het Bod.

Het lezen van deze Nederlandse samenvatting mag niet worden beschouwd als een alternatief voor het bestuderen van het volledige Biedingsbericht. Aandeelhouders wordt geadviseerd het volledige Biedingsbericht (inclusief alle documenten die daarin door middel van verwijzing (*incorporation by reference*) zijn opgenomen) zorgvuldig door te lezen en zo nodig onafhankelijk advies in te winnen teneinde een afgewogen en goed geïnformeerd oordeel te kunnen vormen omtrent het Bod. Daarnaast wordt Aandeelhouders geadviseerd een onafhankelijke professionele adviseur te raadplegen met betrekking tot de fiscale gevolgen van het aanmelden van Aandelen onder het Bod.

Waar deze Nederlandse samenvatting afwijkt van de Engelse tekst van dit Biedingsbericht, prevaleert de Engelse tekst.

11.1 Belangrijke informatie

Het uitbrengen van het Bod, de algemeenverkrijgbaarstelling van dit Biedingsbericht, inclusief deze Nederlandse samenvatting, en/of de verspreiding van enige andere informatie met betrekking tot het Bod, kunnen in bepaalde jurisdicties aan restricties onderhevig zijn. Ieder persoon die dit Biedingsbericht of enig daarmee verband houdend document doorstuurt of voornemens is door te sturen naar enig rechtsgebied buiten Nederland, dient de Hoofdstukken 2 (*Restrictions*) en 3 (*Important information*) zorgvuldig te lezen alvorens enige actie te ondernemen.

Het Bod wordt gedaan in en vanuit Nederland met inachtneming van de verklaringen, voorwaarden en beperkingen opgenomen in dit Biedingsbericht. Het Bod wordt direct noch indirect gedaan in, en mag niet worden aanvaard door of namens Aandeelhouders vanuit een jurisdictie waarin het uitbrengen van het Bod of het aanvaarden daarvan niet in overeenstemming is met de in die jurisdictie geldende wet- en regelgeving. Het niet in acht nemen van deze restricties kan een overtreding van de wet- en regelgeving van de desbetreffende jurisdictie opleveren. De Bieder, de Doelvennootschap, hun respectievelijke adviseurs en het Afwikkelingskantoor aanvaarden geen enkele aansprakelijkheid ter zake van overtredingen van voornoemde restricties. Aandeelhouders dienen zo nodig onafhankelijk advies in te winnen omtrent hun positie dienaangaande.

De Bieder behoudt zich het recht voor om in het kader van het Bod de aanmelding van Aandelen te accepteren, zelfs indien dit niet gebeurt in overeenstemming met de bepalingen zoals uiteengezet in dit Biedingsbericht.

De informatie opgenomen op de voorpagina en de pagina's 2, 3 en 4, en in Paragrafen 1 (*Table of Contents*) tot en met 3.1 (*Introduction*), 3.5 (*Governing Law and jurisdiction*), 3.6 (*Language*), 3.9 (*Forward-looking statements*), 4 (*Definitions and Interpretation*), 5 (*Invitation to the Shareholders*), 6.2 (*The Offer*) tot en met 6.6 (*Offer Conditions, waiver and satisfaction*), 6.10 (*Transactions by the Offeror and the Offeror Board Members*), 6.12 (*Irrevocable undertakings*) tot en met 6.21 (*Termination*), 8 (*Information regarding the Offeror*) en 11 (*Dutch language summary*) is uitsluitend door de Bieder verstrekt.

De informatie opgenomen in Paragrafen 6.7 (*Decision-making and Recommendation by the Boards*) tot en met 6.9 (*Shareholdings of the Board Members*), 6.22 (*EGM*), 7 (*Information regarding Lucas Bols*) en 13 (*Financial information regarding the Company*) is uitsluitend door de Doelvennootschap verstrekt.

De informatie opgenomen in Paragrafen 3.2 (*Information for U.S. Shareholders*) tot en met 3.4 (*Presentation of financial information and other information*), 3.7 (*Contact details*), 3.8 (*Availability of information and documents incorporated by reference*), 3.10 (*Financial advisers*), 6.1 (*Background and public announcements*), 6.11 (*Respective cross-shareholdings Offeror – the Company*), 9 (*Further information required by the Decree*), 10 (*Dutch tax aspects of the Transaction*), 12 (*Press Releases*), 14 (*Articles of Association*) en 15 (*Advisers*) is door de Bieder en de Doelvennootschap gezamenlijk verstrekt. Voor zover bepaalde informatie in deze Paragrafen alleen betrekking heeft of de Bieder of de Doelvennootschap, heeft alleen de Bieder of de Doelvennootschap, al naar gelang van toepassing, deze informatie verstrekt.

De Bieder en de Doelvennootschap zijn verantwoordelijk voor de juistheid en volledigheid van de informatie die in dit Biedingsbericht is verstrekt, en dan ieder afzonderlijk voor de informatie die uitsluitend door henzelf is verstrekt, en gezamenlijk voor de informatie die door hen gezamenlijk is verstrekt.

De informatie opgenomen in Paragraaf 13 (*Financial information regarding the Company*) is door de Doelvennootschap ontleend aan de geconsolideerde jaarrekeningen over de boekjaren eindigend op 31 maart 2023, 2022 en 2021, respectievelijk, zoals verder uiteengezet in Paragraaf 13 (*Financial information regarding the Company*). De controleverklaring opgenomen in Paragraaf 13.6 (*Independent auditor's report of PwC on the selected consolidated financial information of the Company for the financial year 2022/2023*) is door de Doelvennootschap verkregen van PricewaterhouseCoopers Accountants N.V., de onafhankelijke accountant van de Doelvennootschap voor het boekjaar 2022/2023. De controleverklaring opgenomen in Paragraaf 13.7 (*Independent auditor's report of EY on the selected consolidated financial information of the Company for the financial years 2020/2021 and 2021/2022*) is door de Doelvennootschap verkregen van Ernst & Young Accountants LLP, de onafhankelijke accountant van de Doelvennootschap voor de boekjaren 2021/2022 en 2020/2021. De financiële informatie opgenomen in Paragraaf 13.9 (*Unaudited interim condensed consolidated financial statements for the six-month period ended 30 September 2023 including independent auditor's review report of PwC*) bevat een beoordelingsverklaring van PwC.

Uitsluitend de Bieder, Nolet en de Doelvennootschap zijn bevoegd mededelingen te doen of informatie te verstrekken namens de Bieder respectievelijk de Doelvennootschap, over het Bod of de in dit Biedingsbericht opgenomen informatie, zonder afbreuk te doen aan de controleverklaringen van PwC en EY, en de beoordelingsverklaring van PwC, die zijn opgenomen in dit Biedingsbericht en de *Fairness Opinion* die is verstrekt aan het Bestuur en de Raad van

Commissarissen van de Doelvennootschap door ABN AMRO en die zal worden opgenomen in de Standpuntbepaling. Indien dergelijke informatie of verklaringen door anderen dan de Bieder, Nolet of de Doelvennootschap zijn verstrekt of gedaan, dient op dergelijke informatie of verklaringen niet te worden vertrouwd als zijnde verstrekt door of gedaan door of namens de Bieder of de Doelvennootschap.

ABN AMRO Bank N.V. is door de Bieder aangesteld als het Afwikkelingskantoor voor het Bod. Het Afwikkelingskantoor wijst alle aansprakelijkheid af met betrekking tot dit Biedingsbericht en/of aan het Bod gerelateerde mededelingen.

De informatie in dit Biedingsbericht geeft de situatie weer op de datum van dit Biedingsbericht tenzij specifiek anders is aangegeven. Onder geen beding houden publicatie en verspreiding van dit Biedingsbericht in dat de hierin opgenomen informatie ook na de datum van dit Biedingsbericht juist en volledig blijft. Het voorgaande laat echter onverlet de verplichting van de Bieder en de Doelvennootschap om een openbare mededeling te doen ingevolge de Europese Verordening Marktmisbruik (596/2014) of artikel 4 lid 1 en 3 van het Bob, voor zover van toepassing. Getallen in dit Biedingsbericht kunnen naar boven of beneden zijn afgerond en dienen derhalve niet als exact te worden beschouwd.

Dit Biedingsbericht en het Bod (en enig aanbod, aankoop of overdracht (levering) van Aandelen) zal worden beheerst door en worden uitgelegd in overeenstemming met Nederlands recht. De rechtbank Amsterdam is aangewezen als exclusief forum om geschillen te beslechten voortvloeiend uit of in verband met dit Biedingsbericht, het Bod en enig aanbod, aankoop of overdracht (levering) van Aandelen.

11.2 Nederlandse definities

Aandeel	betekent een gewoon aandeel in het aandelenkapitaal van de Doelvennootschap met een nominale waarde van EUR 0,10 (tien cent);
Aandeelhouder	betekent een houder van één of meer Aandelen;
Aangemeld Aandeel	betekent elk Aandeel dat voorafgaand aan of op de Laatste Dag van Aanmelding op juiste wijze is aangemeld (of op onjuiste wijze, gegeven dat de Bieder de aanmelding desalniettemin heeft aanvaard) en dat niet is herroepen onder het Bod;
Aangemelde, Eigen en Gecommitteerde Aandelen	betekent het aantal Aangemelde Aandelen, samen met alle Aandelen die direct of indirect worden gehouden door of zijn toegezegd aan de Biedersgroep onder de

	voorwaarde dat het bod gestand wordt gedaan;
Aangesloten Instelling	betekent de tot Euronext Amsterdam aangesloten instelling;
Aanmeldingstermijn	betekent de periode gedurende welke de Aandeelhouders hun Aandelen kunnen aanmelden bij de Bieder, vanaf 09:00 uur CET op 13 december 2023 tot 17:40 uur CET op de Laatste Dag van Aanmelding;
ABN AMRO	betekent ABN AMRO Bank N.V.;
Acceptatievoorwaarde	heeft de betekenis die daaraan is gegeven in Paragraaf 11.8(a)(i) (<i>Acceptatievoorwaarde</i>);
Activa Bieder Bedrag	heeft de betekenis die daaraan is gegeven in Paragraaf 11.19.4 (<i>Post-Closing Activa Transactie</i>);
Activa Transactiebesluit	betekent het besluit genomen op de BAVA tot onder meer, goedkeuring en voltooiing van de Post-Closing Activa Transactie;
Activa Transactieprijs	heeft de betekenis die daaraan is gegeven in Paragraaf 11.19.4 (<i>Post-Closing Activa Transactie</i>);
AFM	betekent de Stichting Autoriteit Financiële Markten;
Afwikkelingskantoor	betekent ABN AMRO Bank N.V.;
Asset Sale	heeft de betekenis die daaraan is gegeven in Paragraaf 11.19.4 (<i>Post-Closing Activa Transactie</i>);
BAVA	betekent de buitengewone algemene vergadering van Aandeelhouders die door de Doelvennootschap ten minste zes (6) Werkdagen voor het einde van de Aanmeldingstermijn wordt gehouden;
Bestuur	betekent het bestuur van de Doelvennootschap;
Bieder	betekent HollandsGlorie B.V., een besloten vennootschap met beperkte aansprakelijkheid, opgericht naar

Nederlands recht, statutair gevestigd te Schiedam, met adres Hoofdstraat 14, 3114 GG Schiedam, Nederland, en ingeschreven in het handelsregister onder nummer 90636503;

Bieder Materieel Nadelig Effect

betekent elke verandering, gebeurtenis, ontwikkeling, gebeurtenis, schending, onnauwkeurigheid, omstandigheid of effect (elk van dergelijke items een "Effect") afzonderlijk of tezamen genomen met alle andere Effecten die zich hebben voorgedaan sinds de ondertekening van de Fusieovereenkomst, die wezenlijk nadelig is geweest, is of redelijkerwijs waarschijnlijk wezenlijk nadelig zal zijn voor de reputatie, de activiteiten, de activa, de verplichtingen, de financiële situatie of de kapitalisatie van de Biedersgroep als geheel, zodanig dat in redelijkheid kan worden verwacht dat de Bieder niet in staat zal zijn om in alle wezenlijke opzichten aan zijn materiële verplichtingen onder de Fusieovereenkomst te voldoen en dat een dergelijke niet-naleving naar redelijke verwachting wezenlijke nadelige gevolgen zal hebben voor de Groep, met dien verstande evenwel dat voor het bepalen of sprake is of zal zijn van een Materieel Nadelig Effect, de volgende Veranderingen niet in acht zullen worden genomen:

- (a) veranderingen of omstandigheden die in het algemeen effect hebben op de industrieën waarin de Biedersgroep actief is;
- (b) elke natuurramp, pandemie (met inbegrip van COVID-19), het uitbreken of escaleren van oorlog/vijandelijkheden, sabotage, terroristische daad, gewapende strijd, militaire actie of *act of God*, of elke escalatie of verergering daarvan;
- (c) veranderingen in economische, politieke of marktomstandigheden (waaronder volatiliteit van de

rentetarieven, volatiliteit van de internationale handel in grondstoffen, verstoring van de toeleveringsketen in een of meer materiële markten, veranderingen in de wisselkoersen van de valuta's van landen, opschorting van de handel in enig type effecten, handelsgeschillen of het opleggen van handelsbeperkingen), waaronder nadelige ontwikkelingen met betrekking tot de Verenigde Staten, de Europese Unie, haar lidstaten (inclusief één of meer lidstaten die de Europese Unie verlaten) en de Eurozone (inclusief een of meer lidstaten die zulke zone verlaten of verplicht worden te verlaten);

- (d) normale seizoensgebonden veranderingen in de resultaten of activiteiten van de maatschappijen van de Biedersgroep;
- (e) wijzigingen or aanstaande wijzigingen in wet- of regelgeving of algemeen aanvaarde boekhoudkundige beginselen;
- (f) het op zich niet voldoen door de Bieder of zijn Gelieerde Ondernemingen aan interne of gepubliceerde projecties, prognoses of inkomsten- of winstvoorspellingen (met dien verstande echter dat in het geval van deze paragraaf de onderliggende oorzaak voor een dergelijke mislukking in aanmerking kan worden genomen om te bepalen of er sprake kan zijn van een Materieel Nadelig Effect);
- (g) de kredietwaardigheid, financiële draagkracht of andere ratings (op voorwaarde evenwel dat, in het geval van deze paragraaf, de onderliggende oorzaak voor een dergelijk effect met betrekking tot

kredietwaardigheid, financiële draagkracht of andere ratings in overweging kan worden genomen bij het bepalen of er sprake kan zijn van een Materieel Nadelig Effect) van de Bieder of zijn Gelieerde Ondernemingen;

- (h) elk Effect dat voortvloeit uit enig handelen of nalaten van de Groep, hetzij voor of na de datum van de Fusieovereenkomst, met inbegrip van enige actie ondernomen door de Bieder met schriftelijke toestemming of op de instructie van de Doelvennootschap of het door de Doelvennootschap naleven van de voorwaarden van, of het ondernemen van enige actie vereist ingevolge, de Fusieovereenkomst;
- (i) enig Effect voortvloeiend uit (i) het aangaan, de uitvoering, de nakoming (met inbegrip van het ondernemen van enige actie die hierbij wordt vereist of het nalaten van enige actie die hierbij wordt verboden) van de Fusieovereenkomst, (ii) de aankondiging van de Fusieovereenkomst, het Bod en de Transactie, of (iii) het doen of uitvoeren van het Bod;
- (j) een schending van de Fusieovereenkomst of het toepasselijke recht door de Groep;
- (k) enige rechtszaak die door aandeelhouders van de Doelvennootschap is aangespannen met betrekking tot het Bod of een Herstructureringsmaatregel; of
- (l) enig Effect (met inbegrip van maar niet beperkt tot rechtszaken) dat bekend is of redelijkerwijs bekend had moeten zijn bij de Doelvennootschap op de datum van

uitvoering van de
Fusieovereenkomst,

en op voorwaarde evenwel dat de impact van enig nadelig Effect beschreven in subparagrafen (a), (b), (c) en (e) hierboven en zal worden meegeteld om te bepalen of zich een Materieel Nadelig Effect heeft voorgedaan of redelijkerwijs verwacht zou worden zich voor te doen indien een dergelijk Effect een materieel onevenredig nadelig effect heeft of redelijkerwijs verwacht zou worden te hebben op de Biedersgroep in vergelijking met gelijksoortig gesitueerde ondernemingen in de sectoren waarin de Biedersgroep actief is;

Biedersgroep

betekent de Bieder en zijn Gelieerde Ondernemingen (met uitsluitel van de Groep);

Biedingsbericht

betekent dit biedingsbericht;

Biedprijs

heeft de betekenis die daaraan is gegeven in Paragraaf 11.5 (*Biedprijs*);

Bindend Advies

heeft de betekenis die daaraan is gegeven in Paragraaf 11.8(c) (*Vervulling*);

Bob

betekent het Besluit openbare biedingen behorend bij de Wet of het financieel toezicht;

Bod

betekent het bod zoals in dit Biedingsbericht beschreven;

Company HoldCo

een op te richten besloten vennootschap met beperkte aansprakelijkheid als directe dochteronderneming van de Doelvennootschap;

Company Sub

een op te richten besloten vennootschap met beperkte aansprakelijkheid als directe dochteronderneming van Company HoldCo;

Concurrerend Bod

betekent een mogelijk concurrerend bod dat voldoet aan de volgende cumulatieve vereisten:

(a) het is een geloofwaardig, schriftelijk en ongevraagd voorstel van een *bona fide* derde partij om een (openbaar) bod uit te brengen op (i) alle Aandelen, (ii) of op nagenoeg alle activiteiten van de Doelvennootschap, (iii) of een fusie van enige maatschappij van de Groep met een derde partij, (iv) of een ander geloofwaardig, schriftelijk en ongevraagd voorstel van een *bona fide* derde partij dat een wijziging van de zeggenschap over de Doelvennootschap of nagenoeg alle activiteiten van de Doelvennootschap met zich brengt, en dat naar het redelijke oordeel van het Bestuur en de Raad van Commissarissen, na advies van de financiële en juridische adviseurs van de Doelvennootschap in overweging te hebben genomen, in totaal een gunstiger bod en gunstigere transactie is voor de Doelvennootschap en het bestendige succes van haar onderneming, rekening houdende met haar belanghebbenden, dan de Transactie zoals overeengekomen in de Fusieovereenkomst, rekening houdende met de identiteit en de staat van dienst van de Bieder en haar Gelieerde Ondernemingen en die van de derde partij, de zekerheid van uitvoering van de transactie (met inbegrip van zekerheid met betrekking tot financiering daarvan en naleving van alle mededingingsrechtelijke wetten), de voorwaardelijkheid, de hoogte en de aard van de geboden prijs, de toekomstplannen van de derde partij met betrekking tot de Doelvennootschap en haar strategie, en de belangen van alle belanghebbenden van de Doelvennootschap;

(b) de geboden prijs per Aandeel is in cash en overschrijdt de Biedprijs (zoals verhoogd in overeenstemming met de wet, maar zonder eventuele verhogingen in verband met een Herzien Bod) met ten minste twaalf en een half procent (12,5%) en voor zover het concurrerende bod een bod betreft op alle of nagenoeg alle activa van de Groep, berekend op basis van de netto-opbrengsten (voor aftrek van enige belastingen) die aan de

aandeelhouders van de Doelvennootschap moeten worden uitgekeerd als gevolg van een dergelijke transactie per Aandeel;

(c) het concurrerende bod is bindend voor de derde partij in die zin dat die derde partij (i) zich jegens de Doelvennootschap heeft verbonden om (x) in geval van een openbaar bod, onder gebruikelijke voorwaarden, binnen tien (10) weken na de openbare aankondiging van dat concurrerende bod door de derde partij een openbaar bod uit te brengen in overeenstemming met dat concurrerende bod, of (y) ingeval van een andere transactie waarbij er geen sprake is van een openbaar bod, met inbegrip van gebruikelijke voorwaarden, een dergelijke transactie in overeenstemming met het concurrerende bod zo snel mogelijk na bemachtiging van de vereiste toestemmingen te voltooien, en (ii) openbaar heeft aangekondigd voornemens te zijn om een transactie te starten die in overeenstemming is met dat concurrerende bod, welke aankondiging de voorgestelde prijs per Aandeel en de relevante opschortende voorwaarden met betrekking tot dat concurrerende bod en de aanvang daarvan bevat; en

(d) er is geen sprake van een schending door de Doelvennootschap van de exclusiviteitsafspraken gedurende de periode die begint op de datum van de Fusieovereenkomst en eindigt op de Dag van Gestanddoening of de datum van een geldige beëindiging van de Fusieovereenkomst, indien deze eerder valt;

Dag van Gestanddoening

betekent de dag waarop de Bieder aankondigt of het Bod gestand wordt gedaan, zijnde niet later dan de derde Werkdag na de Laatste Dag van Aanmelding;

Doelvennootschap

betekent Lucas Bols N.V., een naamloze vennootschap, opgericht naar Nederlands recht, statutair gevestigd te Amsterdam, kantoorhoudend aan de Paulus Potterstraat

	14, 1071 CZ Amsterdam, Nederland, en ingeschreven in het handelsregister onder nummer 34242707;
Euroclear Nederland	betekent het Nederlands Centraal Instituut voor Giraal Effectenverkeer B.V.;
Euronext Amsterdam	betekent de beurs van Euronext Amsterdam, een gereglementeerde markt beheerd door Euronext Amsterdam N.V.;
EY	betekent Ernst & Young Accountants LLP;
Fusie Bieder Bedrag	heeft de betekenis die daaraan is gegeven in Paragraaf 11.19.3 (<i>Post-Closing Fusie</i>);
Fusieovereenkomst	betekent de Merger Agreement tussen en getekende door de Doelvennootschap en de Bieder op 9 oktober 2023;
Gelieerde Onderneming	betekent, met betrekking tot een partij, van tijd tot tijd, elke persoon gecontroleerd door die partij, die die partij controleert, of die is gecontroleerd door een persoon die ook die partij controleert, met inbegrip van alle dochter en groepsmaatschappijen van die partij in de zin van de artikel 2:24a en 2:24b BW. " Controle " in de zin van deze definitie betekent het bezit, direct of indirect, zelfstandig of gezamenlijk (al dan niet via eigenschap van effecten of partnerschaps- of andere eigendomsbelangen, bij overeenkomst of anderszins), van (a) meer dan 50% van de stemrechten tijdens algemene vergaderingen van die persoon of (b) de macht om een meerderheid van de bestuurders of commissarissen van die persoon te benoemen en te ontslaan of anderszins leiding te geven aan het management en het beleid van die persoon, met dien verstande dat voor de toepassing van de Fusieovereenkomst de Doelvennootschap niet zal worden beschouwd als een Gelieerde Onderneming van de Bieder (en <i>vice versa</i>);
Groep	betekent de Doelvennootschap en haar Gelieerde Ondernemingen;

Herstructureringsdrempel	heeft de betekenis die daaraan is gegeven in Paragraaf 11.19.3 (<i>Post-Closing Fusie</i>)(c);
Herstructureringsmaatregel	betekent de Post-Closing Fusie of de Post-Closing Asset Sale;
Initiële Aankondiging	betekent het gezamenlijke persbericht van de Bieder en de Doelvennootschap van 9 oktober 2023 op grond van artikel 4 lid 1 en 3, artikel 5 lid 1 en artikel 7 lid 4 van het Bob;
Laatste Dag van Aanmelding	betekent de dag waarop de Aanmeldingstermijn (al dan niet verlengd in overeenstemming met artikel 15 van het Bob) afloopt;
Liquidatie	heeft de betekenis die daaraan is gegeven in Paragraaf 11.19.3 (<i>Post-Closing Fusie</i>);
Lucas Bols	betekent Lucas Bols N.V., een naamloze vennootschap, opgericht naar Nederlands recht, statutair gevestigd te Amsterdam, kantoorhoudend aan de Paulus Potterstraat 14, 1071 CZ Amsterdam, Nederland, en ingeschreven in het handelsregister onder nummer 34242707;
Maatregel	heeft de betekenis die daaraan is gegeven in Paragraaf 11.19 (<i>Maatregelen na Overdracht en toekomstige juridische structuur</i>);
Materieel Nadelig Effect	betekent elke verandering, gebeurtenis, ontwikkeling, gebeurtenis, schending, onnauwkeurigheid, omstandigheid of effect (elk van dergelijke items een " Effect ") afzonderlijk of tezamen genomen met alle andere Effecten die zich hebben voorgedaan sinds de ondertekening van de Fusieovereenkomst, die wezenlijk nadelig is geweest, is of redelijkerwijs waarschijnlijk wezenlijk nadelig zal zijn voor de reputatie, de activiteiten, de activa, de verplichtingen, de financiële situatie of de kapitalisatie van de Groep als geheel, zodanig dat van de Bieder in redelijkheid niet kan worden verwacht dat hij het Bod gestand doet, met dien verstande evenwel dat voor het bepalen of sprake is of zal zijn van een Materieel Nadelig Effect, de

volgende Veranderingen niet in acht zullen worden genomen:

- (a) veranderingen of omstandigheden die in het algemeen effect hebben op de industrieën waarin de Groep actief is;
- (b) elke natuurramp, pandemie (met inbegrip van COVID-19), het uitbreken of escaleren van oorlog/vijandelijkheden, sabotage, terroristische daad, gewapende strijd, militaire actie of *act of God*, of elke escalatie of verergering daarvan;
- (c) veranderingen in economische, politieke of marktomstandigheden (waaronder volatiliteit van de rentetarieven, volatiliteit van de internationale handel in grondstoffen, verstoring van de toeleveringsketen in een of meer materiële markten, veranderingen in de wisselkoersen van de valuta's van landen, opschorting van de handel in enig type effecten, handelsgeschillen of het opleggen van handelsbeperkingen), waaronder nadelige ontwikkelingen met betrekking tot de Verenigde Staten, de Europese Unie, haar lidstaten (inclusief één of meer lidstaten die de Europese Unie verlaten) en de Eurozone (inclusief een of meer lidstaten die zulke zone verlaten of verplicht worden te verlaten);
- (d) normale seizoensgebonden veranderingen in de resultaten of activiteiten van de maatschappijen van de Groep;
- (e) wijzigingen or aanstaande wijzigingen in wet- of regelgeving of algemeen aanvaarde boekhoudkundige beginselen;

- (f) het op zich niet voldoen door de Doelvennootschap of de Groep aan interne of gepubliceerde projecties, prognoses of inkomsten- of winstvoorspellingen (met dien verstande echter dat in het geval van deze paragraaf de onderliggende oorzaak voor een dergelijke mislukking in aanmerking kan worden genomen om te bepalen of er sprake kan zijn van een Materieel Nadelig Effect);
- (g) de kredietwaardigheid, financiële draagkracht of andere ratings (op voorwaarde evenwel dat, in het geval van deze paragraaf, de onderliggende oorzaak voor een dergelijk effect met betrekking tot kredietwaardigheid, financiële draagkracht of andere ratings in overweging kan worden genomen bij het bepalen of er sprake kan zijn van een Materieel Nadelig Effect) van de Doelvennootschap of de Groep;
- (h) elk Effect dat voortvloeit uit enig handelen of nalaten van de Bieder, hetzij voor of na de datum van de Fusieovereenkomst, met inbegrip van enige actie ondernomen door enig maatschappij van de Groep met schriftelijke toestemming van de Bieder of op de Bieders instructie (of niet ondernomen indien de Bieder zijn toestemming heeft onthouden) of het door de Doelvennootschap naleven van de voorwaarden van, of het ondernemen van enige actie vereist ingevolge, de Fusieovereenkomst;
- (i) enig Effect voortvloeiend uit (i) het aangaan, de uitvoering, de nakoming (met inbegrip van het ondernemen van enige actie die hierbij wordt vereist of het nalaten van enige actie die hierbij wordt verboden) van de Fusieovereenkomst, (ii) de

aankondiging van de Fusieovereenkomst, het Bod en de Transactie, of (iii) het doen of uitvoeren van het Bod;

- (j) een schending van de Fusieovereenkomst of het toepasselijke recht door de Bieder;
- (k) enige rechtszaak die door aandeelhouders is aangespannen met betrekking tot het Bod of een Herstructureringsmaatregel; of
- (l) enig Effect (met inbegrip van maar niet beperkt tot rechtszaken) dat bekend is of redelijkerwijs bekend had moeten zijn bij de Bieder op de datum van uitvoering van de Fusieovereenkomst,

en op voorwaarde evenwel dat de impact van enig nadelig Effect beschreven in subparagrafen (a), (b), (c) en (e) hierboven en zal worden meegeteld om te bepalen of zich een Materieel Nadelig Effect heeft voorgedaan of redelijkerwijs verwacht zou worden zich voor te doen indien een dergelijk Effect een materieel onevenredig nadelig effect heeft of redelijkerwijs verwacht zou worden te hebben op de Groep in vergelijking met gelijksoortig gesitueerde ondernemingen in de sectoren waarin de Groep actief is;

Na-aanmeldingstermijn

heeft de betekenis die daaraan is gegeven in Paragraaf 11.13 (*Na-aanmeldingstermijn*);

Nadelige Verandering van de Aanbeveling

betekent dat het Bestuur of de Raad van Commissarissen of één van haar leden de aanbeveling (i) intrekt, wijzigt, aanpast of kwalificeert op een voor de Bieder nadelige wijze, (ii) een verklaring aflegt die tegenstrijdig is aan de aanbeveling, of (iii) zich niet houdt aan het opnemen van de aanbeveling in bepaalde documenten en aankondigingen met betrekking tot het Bod, waaronder de Standpuntbepaling, de toelichting op de agenda voor de BAVA, de

	presentatie voor de BAVA en het draaiboek voor de BAVA;
NFC-bestuurslid	betekent het lid van de Raad van Commissarissen dat belast is met het toezicht op de naleving van de niet-financiële convenanten zoals uiteengezet in Paragraaf 11.20.2 (<i>Toekomstige samenstelling van de Raad van Commissarissen</i>);
Nolet	betekent Nolet Holding B.V., een besloten vennootschap met beperkte aansprakelijkheid, opgericht naar Nederlands recht, statutair gevestigd te Schiedam, met adres Hoofdstraat 14, 3114 GG Schiedam, Nederland, en ingeschreven in het handelsregister onder nummer 24430168;
Overdracht	betekent de overdracht van de Biedprijs met betrekking tot elk Aangemeld Aandeel dat is aangemeld gedurende de Aanmeldingstermijn, en de verwerving van dergelijke Aangemelde Aandelen door de Bieder;
Overdrachtsdatum	betekent de datum waarop de Overdracht plaatsvindt;
Peildatum	betekent 6 oktober 2023;
Post-Closing Activa Transactie	heeft de betekenis die daaraan is gegeven in Paragraaf 11.19.4 (<i>Post-Closing Activa Transactie</i>);
Post-Closing Fusie	heeft de betekenis die daaraan is gegeven in Paragraaf 11.19.3 (<i>Post-Closing Fusie</i>);
Post-Closing Fusiebesluit	betekent het besluit genomen op de BAVA tot onder meer, goedkeuring en voltooiing van de Post-Closing Fusie;
Prijs Aandelen Fusie	heeft de betekenis die daaraan is gegeven in Paragraaf 11.19.3 (<i>Post-Closing Fusie</i>);
PwC	betekent PricewaterhouseCoopers Accountants N.V.;

Raad van Commissarissen	betekent de raad van commissarissen van de Doelvennootschap;
STAK Nolet	betekent Stichting Administratiekantoor Nolet, een stichting opgericht naar Nederlands recht, statutair gevestigd te Schiedam, met adres Hoofdstraat 14, 3114 GG Schiedam, Nederland, en ingeschreven in het handelsregister onder nummer 24289049;
Standpuntbepaling	betekent de afzonderlijke standpuntbepaling van de Doelvennootschap (inclusief de bijlagen) met inbegrip van de informatie vereist op grond van artikel 18 lid 2 van het Bob in verband met het Bod;
Statuten	de statuten van de Doelvennootschap, zoals gewijzigd met de tijd;
Totale Minderheidsbedrag	heeft de betekenis die daaraan is gegeven in Paragraaf 11.19.3 (<i>Post-Closing Fusie</i>);
Transactie	betekent het Bod, met de Uitkoopprocedure of een Herstructureringsmaatregel;
Uiterlijke Datum	betekent 9 april 2024;
Uitkoopdrempel	heeft de betekenis die daaraan is gegeven in Paragraaf 11.19.2 (<i>Uitkoopprocedure</i>);
Uitkoopprocedure	heeft de betekenis die daaraan is gegeven in Paragraaf 11.19.2 (<i>Uitkoopprocedure</i>);
Verkoop van Aandelen Fusie	heeft de betekenis die daaraan is gegeven in Paragraaf 11.19.3 (<i>Post-Closing Fusie</i>);
Voorwaarde	heeft de betekenis die daaraan is gegeven in Paragraaf 11.8(a) (<i>Voorwaarden</i>);
Werkdag	betekent een dag, anders dan een zaterdag of zondag, waarop banken in Nederland en Euronext Amsterdam in het algemeen open zijn voor normale bedrijfsvoering;
Wet	betekent elke toepasselijke wet, wet, ondergeschikte wetgeving, verdrag, verordening, order, regel, richtlijn, verordening, code, uitvoeringsbesluit, resolutie, besluit, leidraad, uitspraak, bevel,

vonnis of andere vereiste van een
regelgevende instantie, die op het
desbetreffende moment bindend is;

Wft

betekent de Wet op het financieel toezicht.

11.3 Uitnodiging aan de Aandeelhouders

Onder verwijzing naar de verklaringen, voorwaarden en beperkingen zoals opgenomen in dit Biedingsbericht, worden Aandeelhouders uitgenodigd om hun Aandelen aan te melden onder het Bod op de wijze en onder de voorwaarden zoals in dit Biedingsbericht beschreven. Aandeelhouders wordt aangeraden dit Biedingsbericht (inclusief alle documenten die daarin zijn opgenomen door middel van verwijzing), in het bijzonder Paragrafen 2 (*Restrictions*), 3 (*Important information*) en 11.1 (*Belangrijke informatie*), grondig en volledig door te nemen en waar nodig onafhankelijk financieel, fiscaal en/of juridisch advies in te winnen om tot een afgewogen en weloverwogen oordeel te komen met betrekking tot het Bod en dit Biedingsbericht. Aandeelhouders die overwegen hun Aandelen niet aan te melden, wordt geadviseerd in het bijzonder Paragrafen 6.13 (*Consequences of the Offer for non-tendering Shareholders*), 6.14.3 (*Corporate governance following Settlement*), 11.18 (*Gevolgen van het Bod voor Aandeelhouders die hun Aandelen niet aanmelden*) en 11.19 (*Maatregelen na Overdracht en toekomstige juridische structuur*) door te nemen.

11.4 Het Bod

De Bieder brengt het Bod uit om alle Aandelen te verwerven, onder de voorwaarden en conform de bepalingen, voorwaarden en beperkingen zoals opgenomen in het Biedingsbericht. Onder voorbehoud dat het Bod gestand wordt gedaan, zullen de Aandeelhouders de Biedprijs per Aangemeld Aandeel ontvangen.

11.5 Biedprijs

Voor elk Aangemeld Aandeel biedt de Bieder een vergoeding van EUR 18,00 (achttien euro) cum dividend in contanten, zonder betaling van rente, onder de voorwaarden en conform de bepalingen en beperkingen in het Biedingsbericht (de "**Biedprijs**"). De Bieder is gerechtigd om van de Biedprijs zulke bedragen af te trekken en in te houden als de Bieder verplicht is te doen in verband met de betaling van de Biedprijs conform enige bepaling van toepasselijke belasting- of socialezekerheidswetgeving.

11.6 Premie

Het Bod vertegenwoordigt een premie van ongeveer:

- (a) 76% boven de slotkoers per Aandeel op Euronext Amsterdam op de Peildatum;
- (b) 73% boven de volumegewogen gemiddelde slotkoers per Aandeel op Euronext Amsterdam voor de periode van drie (3) maanden voorafgaand aan en inclusief de Peildatum; en
- (c) 72% boven de volumegewogen gemiddelde slotkoers per Aandeel op Euronext Amsterdam voor de periode van zes (6) maanden voorafgaand aan en inclusief de Peildatum.

11.6.1 Rationale van de Transactie

De combinatie van de Biedersgroep en Lucas Bols is de start van een nieuw hoofdstuk in de rijke oer-Hollandse geschiedenis van beide Partijen in de gedistilleerd en cocktails sector. Samen

vormen zij de Nederlandse kampioen in de wereldwijde spirits- en cocktail markt en verstevigen hun gezamenlijke erfgoed voor de lange termijn.

Nolet is een Schiedams familiebedrijf, dat sinds de oprichting door Joannes Nolet in 1691 onafgebroken in de handen van de familie Nolet is. Daarmee is Nolet een van de oudste familiebedrijven in Nederland. Nolet is sinds de oprichting vrijwel uitsluitend actief in de ontwikkeling, productie en verkoop van gedistilleerde dranken, waarbij de distilleerderij altijd gevestigd bleef in Schiedam, door de eeuwen heen het centrum van de gedistilleerd-industrie in Nederland. Thans zijn de 10e, 11e en 12e generatie nauw betrokken bij Nolet.

Lucas Bols weet 450 jaar vakmanschap te combineren met de historie en creatieve geest van Amsterdam. Lucas Bols kent veel parallellen met de Biedersgroep, zoals de gemeenschappelijke normen en waarden die voortkomen uit hun beider oorsprong als familiebedrijven. Lucas Bols kent een traditie van innovatie, evenals het ontwikkelen en uitbouwen van succesvolle spirits- en cocktailmerken. De rijke geschiedenis en het prachtige merkenportfolio zijn een bron van kennis en inspiratie voor de toekomst.

De Biedersgroep wil als een lange termijn, betrokken en financieel sterke partner Lucas Bols de gelegenheid bieden om zich verder te ontwikkelen in lijn met haar strategie om de spirits- en cocktailmarkt en de Lucas Bols merken te laten groeien en ontwikkelen aan de hand van de volgende pijlers:

- Het leiden van de ontwikkeling van de cocktailmarkten door middel van het stimuleren van trends en innovaties.
- Wereldwijde groei van de Lucas Bols cocktailmerken door het vergroten van het marktaandeel van de wereldwijde cocktailmerken, het vergroten van de distributie en te investeren in merkbekendheid.
- Het ontwikkelen van bepaalde regionale likeuren en spirits tot nieuwe, wereldwijde cocktailmerken.
- Het verder ontwikkelen en uitbreiden van de no- & lower-alcohol cocktailpropositie.
- Het optimaal benutten van de operationele kracht van Lucas Bols.

Door onderdeel te worden van de Biedersgroep wordt het vakmanschap en erfgoed van Lucas Bols voor de lange termijn geborgd, en krijgt Lucas Bols een aandeelhouder die door haar eigen erfgoed begrijpt wat nodig is om, deels eeuwenoude, merken voor de komende generaties voortdurend te blijven versterken. Dit door te investeren in merken, marketing, productontwikkeling en innovatie. De Biedersgroep heeft de focus en middelen om dit voor Lucas Bols niet alleen mogelijk te maken, maar ook sneller te realiseren. Met de Biedersgroep krijgt het Amsterdamse Lucas Bols tegelijkertijd een solide basis, buiten de beurs, en een strategische partner voor de lange termijn, waarbij in het bijzonder ruimte zal zijn voor de volgende punten:

- behoud van het erfgoed van Lucas Bols, waaronder de verbondenheid aan Amsterdam;
- voortzetting van de huidige bedrijfsstrategie en het personeelsbeleid waarbij een open cultuur met ruimte voor ondernemerschap en ambitie centraal staan;

- beschikbaar stellen van extra (eigen) vermogen om de groei van het bedrijf te versnellen bij overeengekomen projecten; en
- een autonome aansturing van de Doelvennootschap door het Bestuur vanuit het Amsterdamse hoofdkantoor.

11.7 Financiering van het Bod

Onder verwijzing naar artikel 7 lid 4 van het Bob, heeft de Bieder in de Initiële Aankondiging aangekondigd dat zij over voldoende middelen beschikte om het Bod gestand te doen. De Bieder zal het Bod financieren uit beschikbare liquide middelen binnen de Biedersgroep. De Bieder en de Doelvennootschap hebben een bindende toezeggingsbrief ontvangen van Nolet om de aankoop van de Aandelen onder het Bod te financieren.

11.8 Voorwaarden, afstand en vervulling

(a) Voorwaarden

De verplichting van de Bieder om het Bod gestand te doen is afhankelijk van of wordt voldaan aan de volgende opschortende voorwaarden of de afstand daarvan (geheel of gedeeltelijk en voor zover wettelijk toegestaan) op de Dag van Gestanddoening, of in het geval van Paragrafen (i) (ii) hieronder, de Laatste Dag van Aanmelding:

Acceptatievoorwaarde

- (i) het aantal Aangemelde Aandelen, samen met alle Aandelen die direct of indirect worden gehouden door of zijn toegezegd aan de Biedersgroep onder de voorwaarde dat het bod gestand wordt gedaan, vertegenwoordigt op de Laatste Dag van Aanmelding ten minste de Acceptatievoorwaarde, waarbij "**Acceptatievoorwaarde**" betekent 70% (zeventig procent) van het Uitstaande Aandelenkapitaal;

Geen Concurrerend Bod of verplicht bod

- (ii) er is geen openbare aankondiging gedaan van een Concurrerend Bod of van een verplicht bod op de Aandelen op grond van artikel 5:70 Wft met een biedprijs die ten minste gelijk is aan de Biedprijs, en geen derde partij heeft het recht verkregen om in te schrijven, of heeft toegezegd in te schrijven, op de Aandelen;

Geen Nadelige Verandering van de Aanbeveling

- (iii) er heeft zich geen Nadelige Verandering van de Aanbeveling voorgedaan die niet is gerectificeerd in overeenstemming met Paragraaf 6.8.1 (*Adverse Recommendation Change*);

Geen inbreuk door de Doelvennootschap

- (iv) de Doelvennootschap heeft geen inbreuk gemaakt op de Fusieovereenkomst, voor zover deze inbreuk (i) heeft geleid of redelijkerwijs kan leiden tot materieel nadelige gevolgen voor de Doelvennootschap, de Bieder of zijn Gelieerde

Ondernemingen, of de Transactie; en (ii) niet kan worden hersteld of niet is hersteld door de Doelvennootschap, in ieder geval vóór de datum die eerder is dan (A) vijftien (15) Werkdagen na ontvangst door de Doelvennootschap van een schriftelijke kennisgeving van de Bieder en (B) drie (3) Werkdagen voorafgaand aan de Laatste Dag van Aanmelding;

Geen inbreuk door de Bieder

- (v) de Bieder heeft geen inbreuk gemaakt op de Fusieovereenkomst, voor zover deze inbreuk (i) heeft geleid of redelijkerwijs kan leiden tot materieel nadelige gevolgen voor de Groep of de Transactie; en (ii) niet kan worden hersteld of niet is hersteld, in ieder geval vóór de datum die eerder is dan (A) vijftien (15) Werkdagen na ontvangst door de Bieder van een schriftelijke kennisgeving van de Doelvennootschap en (B) drie (3) Werkdagen voorafgaand aan de Laatste Dag van Aanmelding;

Geen Materieel Nadelig Effect

- (vi) geen Materieel Nadelig Effect heeft zich voorgedaan of is bekend geworden, waarvan duidelijk is dat deze voortduurt op de Dag van Gestanddoening, sinds de datum van de Fusieovereenkomst;

Onherroepelijke toezeggingen

- (vii) de onherroepelijke toezeggingen zijn volledig van kracht en niet geschonden, beëindigd of gewijzigd, behalve zoals goedgekeurd door de Bieder;

Geen bevel

- (viii) geen bevel, schorsing, opschorting, vonnis, besluit of decreet is uitgevaardigd door een overheidsinstantie of andere regelgevende of administratieve autoriteit en van kracht, en geen statuut, wet, regelgeving, verdrag, voorschrift, overheidsbevel of bevel is uitgevaardigd of wordt ten uitvoer gelegd, welke het voltooien van het Bod verbiedt, beperkt of materieel vertraagt of naar redelijke waarschijnlijkheid zal leiden tot een beperking, verbod of materiële vertraging;

Geen AFM aanwijzing

- (ix) geen aanwijzing is ontvangen van de AFM dat het Bod is uitgebracht in strijd met een van de bepalingen uit hoofdstuk 5.5 van de Wft of het Bob, in de zin van artikel 5:80 lid 2 Wft, op grond waarvan beleggingsinstellingen niet zullen mogen meewerken aan het Bod; en

Geen schorsing of beëindiging van handel

- (x) de handel in de Aandelen is niet permanent geschorst of beëindigd door Euronext Amsterdam.

(b) Afstand van de Voorwaarden

Elk van de Voorwaarden uiteengezet in Paragrafen 11.8(a)(i) (*Acceptatievoorwaarde*), 11.8(a)(viii) (*Geen bevel*) en 11.8(a)(x) (*Geen schorsing of beëindiging van handel*) is opgenomen ten behoeve van zowel de Bieder als de Doelvennootschap en daarvan mag, voor zover wettelijk toegestaan, alleen door de Bieder en Doelvennootschap gezamenlijk schriftelijk (geheel of gedeeltelijk) afstand worden gedaan.

De Voorwaarden uiteengezet in Paragrafen 11.8(a)(ii) (*Geen Concurrerend Bod of verplicht bod*), 11.8(a)(iii) (*Geen Nadelige Verandering van de Aanbeveling*), 11.8(a)(iv) (*Geen inbreuk door de Doelvennootschap*), 11.8(a)(vi) (*Geen Materieel Nadelig Effect*) en 11.8(a)(vii) (*Onherroepelijke toezeggingen*) zijn opgenomen ten behoeve van de Bieder en daarvan mag, voor zover wettelijk toegestaan, (geheel of gedeeltelijk) afstand worden gedaan door de Bieder door middel van een schriftelijke kennisgeving aan de Doelvennootschap.

Op de datum van dit Biedingsbericht heeft zich naar weten van de Bieder geen Materieel Nadelig Effect voorgedaan.

De Voorwaarde uiteengezet in Paragraaf 11.8(a)(v) (*Geen inbreuk door de Bieder*) is opgenomen ten behoeve van de Doelvennootschap en daarvan mag door de Doelvennootschap, voor zover wettelijk toegestaan, te allen tijde (geheel of gedeeltelijk) afstand worden gedaan door middel van eens schriftelijke kennisgeving aan de Bieder.

Van de voorwaarde uiteengezet in Paragraaf 11.8(a)(ix) (*Geen AFM aanwijzing*) kan geen afstand worden gedaan.

De Bieder en de Doelvennootschap mogen geen beroep doen op één van de Voorwaarden als de niet-ervulling van dergelijke Voorwaarde(n) wordt veroorzaakt door een schending van de betreffende partij van een van haar verplichtingen onder de Fusieovereenkomst.

Indien op de geplande Laatste Dag van Aanmelding aan één van de Voorwaarden niet is voldaan of geen afstand daarvan is gedaan, mag de Bieder de Biedingsperiode verlengen in overeenstemming met en met inachtneming van Paragrafen 5.6 (*Extension of the Offer Period*) en 11.11 (*Verlenging van de Aanmeldingstermijn*).

(c) Vervulling

De vervulling van elk van de Voorwaarden hangt niet enkel af van de wil van de Bieder, zoals verboden door artikel 12 lid 2 van het Bob.

Zowel de Bieder als de Doelvennootschap zullen in redelijkheid haar uiterste best doen om ervoor te zorgen dat zo snel als redelijkerwijs mogelijk aan de Voorwaarden wordt voldaan. Indien op enig moment hetzij de Bieder, hetzij de Doelvennootschap kennis krijgt van een feit of omstandigheid die zou kunnen verhinderen dat aan een Voorwaarde wordt voldaan, zal zij de andere partij daarvan zo snel als redelijkerwijs mogelijk schriftelijk op de hoogte stellen. Indien op enig moment hetzij de Bieder, hetzij de Doelvennootschap merkt dat aan een Voorwaarde is voldaan, zal zij de andere partij daarvan onverwijld op de hoogte stellen.

Voor zover de Bieder en de Doelvennootschap het niet eens zijn of aan de Voorwaarde zoals uiteengezet in Paragraaf 11.8(a)(vi) (*Geen Materieel Nadelig Effect*) is voldaan, zijn de Bieder en de Doelvennootschap een bindend adviesprocedure overeengekomen. In een dergelijk geval zal een bindend adviseur een beslissing nemen binnen tien (10) Werkdagen nadat het geschil aan de bindend adviseur is voorgelegd of een kortere periode zoals de Bieder en de Doelvennootschap kunnen overeenkomen, met dien verstande dat een beslissing bij wijze van Bindend Advies uiterlijk om 12.00 uur CET op de Werkdag voorafgaand aan de Laatste Dag van Aanmelding zal worden genomen. Verwezen wordt naar Paragrafen 5.6 (*Extension of the Offer Period*) en 11.11 (*Verlenging van de Aanmeldingstermijn*). De bindend adviseur zal worden benoemd overeenkomstig artikel 14 van het Bindend Adviesreglement van het Nederlands Arbitrage Instituut. Het Bindend Advies is bindend voor de Bieder en de Doelvennootschap (behoudens in het geval van een manifeste fout) en elk van de Bieder en de Doelvennootschap zal het Bindend Advies en de inhoud daarvan volledig naleven.

(d) Uiterlijke Datum

De Voorwaarden moeten vervuld zijn of er moet afstand van worden gedaan op of voor 9 April 2024.

11.9 Aanmeldingstermijn

De Aanmeldingstermijn vangt aan om 09:00 uur, CET op 13 december 2023 en eindigt om 17:40 uur CET op 7 februari 2024, tenzij de Aanmeldingstermijn wordt verlengd in overeenstemming met artikel 15 van het Bob en Paragrafen 5.6 (*Extension of the Offer Period*) en 11.11 (*Verlenging van de Aanmeldingstermijn*).

Als het Bod gestand wordt gedaan door de Bieder, zal de Bieder alle Aangemelde Aandelen waarvan de aanmelding niet voordien geldig is herroepen, aanvaarden met inachtneming van de procedures zoals uiteengezet in Paragraaf 11.14 (*Recht tot herroeping*).

11.10 Gestanddoening

De verplichting van de Bieder om het Bod gestand te doen is onder voorbehoud van de vervulling of afstand van de Voorwaarden zoals uiteengezet in Paragrafen 6.6 (*Offer Conditions, waiver and satisfaction*) en 11.8 (*Voorwaarden, afstand en vervulling*). Van de Voorwaarden kan afstand worden gedaan door de Bieder en/of de Doelvennootschap, voor zover wettelijk of bij overeenkomst toegestaan, zoals uiteengezet in Paragrafen 6.6.2 (*Waiver of the Offer Conditions*) en 11.8(b) (*Afstand van de Voorwaarden*). Indien afstand wordt gedaan van enige Voorwaarde in overeenstemming met het bepaalde in Paragrafen 6.6.2 (*Waiver of the Offer Conditions*) en 11.8(b) (*Afstand van de Voorwaarden*), dan zal de Bieder daarvan kennisgeven aan de Aandeelhouders zoals voorgeschreven door de Wet.

De Bieder zal uiterlijk op de Dag van Gestanddoening, die volgt binnen drie (3) Werkdagen na de Laatste Dag van Aanmelding overeenkomstig artikel 16 lid 1 van het Bob, vaststellen of aan de Voorwaarden is voldaan dan wel daarvan afstand is gedaan. Op de Dag van Gestanddoening zal de Bieder bekendmaken of het Bod:

(a) gestand wordt gedaan;

- (b) wordt verlengd in overstemming met Paragrafen 5.6 (*Extension of the Offer Period*) en 11.11 (*Verlenging van de Aanmeldingstermijn*); of
- (c) wordt beëindigd omdat niet is voldaan aan de Voorwaarden en daarvan geen afstand is gedaan,

alles in overeenstemming met artikel 16 van het Bob en Paragrafen 6.6 (*Offer Conditions, waiver and satisfaction*) en 11.8 (*Voorwaarden, afstand en vervulling*). Indien de Bieder het Bod niet gestand doet, zal de Bieder dit besluit toelichten.

Als de Bieder het Bod gestand doet, zal de Bieder de overdracht van alle Aangemelde Aandelen accepteren onder de voorwaarden van het Bod.

11.11 Verlenging van de Aanmeldingstermijn

Indien op de Laatste Dag van Aanmelding een Voorwaarde niet is vervuld en daarvan evenmin afstand is gedaan in overeenstemming met Paragrafen 6.6 (*Offer Conditions, waiver and satisfaction*) en 11.8 (*Voorwaarden, afstand en vervulling*), dan mag de Bieder, na overleg met de Doelvennootschap en na te goeder trouw rekening te hebben gehouden met de redelijke suggesties van de Doelvennootschap met betrekking tot de duur van een dergelijke verlenging, in overeenstemming met artikel 15 van het Bob, de Aanmeldingsperiode eenmalig verlengen met niet minder dan twee (2) weken en niet meer dan tien (10) weken, gerekend vanaf de dag vanaf de oorspronkelijke Laatste Dag van Aanmelding, tot het moment dat de Bieder redelijkerwijs noodzakelijk acht om te voldoen aan of afstand te doen van de Voorwaarde(n), met dien verstande dat de Bieder de Aanmeldingsperiode zal verlengen tot het moment dat de Bieder en de Doelvennootschap redelijkerwijs noodzakelijk achten om het Bindend Advies te verkrijgen, indien op de Laatste Dag van Aanmelding:

- (a) de Bieder en de Doelvennootschap het niet eens zijn of de Voorwaarde zoals uiteengezet in Paragraaf 11.8(a)(vi) (*Geen Materieel Nadelig Effect*) is vervuld;
- (b) de Bieder geen afstand heeft gedaan van deze Voorwaarde in overeenstemming met Paragrafen 6.6 (*Offer Conditions, waiver and satisfaction*) en 11.8 (*Voorwaarden, afstand en vervulling*); en
- (c) het Bindend Advies nog niet is uitgebracht.

Indien op de Laatste Dag van Aanmelding na de verlenging van de Aanmeldingstermijn in overeenstemming met het bovenstaande één of meer van de Voorwaarden niet is vervuld en daarvan evenmin afstand is gedaan in overeenstemming met Paragrafen 6.6 (*Offer Conditions, waiver and satisfaction*) en 11.8 (*Voorwaarden, afstand en vervulling*), dan mag de Bieder, na overleg met de Doelvennootschap en na te goeder trouw rekening te hebben gehouden met de redelijke suggesties van de Doelvennootschap met betrekking tot de duur van een dergelijke verlenging, de verlengde Aanmeldingstermijn voor meerdere perioden verlengen, onder voorbehoud van ontvangst van een ontheffing verleend door de AFM, tot het moment dat de Bieder redelijkerwijs noodzakelijk acht om te voldoen aan of afstand te doen van de Voorwaarden(n), maar maximaal tot de Uiterste Datum.

Indien (i) de AFM geen ontheffing verleent om de Aanmeldingstermijn te verlengen en (ii) de Aanmeldingstermijn is verstreken zonder dat het Bod gestand is gedaan, mag de Bieder naar

eigen inzicht onverwijld de AFM verzoeken om een ontheffing te verlenen die de Bieder in staat stelt om onverwijld een nieuw openbaar bod uit te brengen onder dezelfde voorwaarden als het Bod met een Aanmeldingstermijn die niet verstrijkt na de Uiterste Datum. In het geval dat een derde partij een bod uitbrengt of aankondigt vóór het verstrijken van de Aanmeldingstermijn, mag de Bieder, na overleg met de Doelvennootschap, besluiten de Aanmeldingstermijn te verlengen in overeenstemming met artikel 15 van het Bob.

Als de Aanmeldingstermijn wordt verlengd, worden alle verwijzingen in dit Biedingsbericht naar "17:40 uur CET", "Laatste Dag van Aanmelding" en "7 februari 2024" geacht te zijn gewijzigd in de laatste tijd en datum waarnaar de Aanmeldingstermijn is verlengd, tenzij uit de context anders blijkt.

Als de Aanmeldingstermijn wordt verlengd, waardoor de verplichting op grond van artikel 16 van het Bob om openbaar mede te delen of het Bod gestand wordt gedaan wordt uitgesteld, zal uiterlijk op de derde (3^e) Werkdag na de oorspronkelijk Laatste Dag van de Aanmelding hierover een openbare mededeling worden gedaan in overeenstemming met de bepalingen van artikel 15, leden 1 en 2 van het Bob. Indien de Bieder de Aanmeldingstermijn verlengt, zal het Bod aflopen op de uiterste tijd en datum waartoe de Bieder de Aanmeldingstermijn heeft verlengd.

Gedurende een verlenging van de Aanmeldingstermijn blijven eerder Aangemelde Aandelen die niet zijn ingetrokken overeenkomstig Paragrafen 5.3.5 (*Withdrawal Rights*) en 11.14 (*Recht tot herroeping*) aangemeld onder het Bod.

11.12 Overdracht

Indien de Bieder het Bod gestand doet, zullen Aandeelhouders die:

- (a) op geldige wijze hun Aandelen hebben aangemeld (of gebrekkig hebben aangemeld mits de Bieder een dergelijk gebrek aanvaardt); en
- (b) hun Aandelen niet op geldige wijze hebben ingetrokken en hebben geleverd voor aanvaarding ingevolge het Bod op of vóór de Laatste Dag van Aanmelding,

op de Overdrachtsdatum de Biedprijs ontvangen voor elk Aangemeld Aandeel, onder voorbehoud van Paragraaf 5.11 (*Withholding*). Vanaf dat moment is herroeping, ontbinding of vernietiging van de aanmelding, overdracht of levering door een Aandeelhouder niet toegestaan. De Overdracht zal alleen plaatsvinden indien het Bod gestand wordt gedaan. De Overdracht zal uiterlijk plaatsvinden op de vijfde (5^e) Werkdag na de Laatste Dag van de Aanmelding. De Bieder kan niet garanderen dat Aandeelhouders die Aandelen houden via een Aangesloten Instelling daadwerkelijk op de Eerste Overdrachtsdatum betaling zullen ontvangen van de Aangesloten Instelling bij wie zij hun Aandelen houden.

11.13 Na-aanmeldingstermijn

Indien de Bieder het Bod gestand doet, zal de Bieder, in overeenstemming met artikel 17 Bob binnen drie (3) Werkdagen na de Dag van Gestanddoening een na-aanmeldingstermijn aankondigen van twee (2) weken. Aandeelhouders die hun Aandelen niet hebben aangemeld tijdens de Aanmeldingstermijn kunnen gedurende de Na-aanmeldingstermijn hun Aandelen alsnog aanmelden tegen dezelfde voorwaarden als het Bod. De Na-aanmeldingstermijn zal beginnen op de eerste (1^e) Werkdag volgend op de aankondiging van de Na-aanmeldingstermijn.

In de Na-aanmeldingstermijn zal de Bieder alle geldig aangemelde Aandelen blijven aanvaarden tegen betaling van de Biedprijs (of gebrekkig aangemeld mits de Bieder een dergelijk gebrek aanvaardt) en zal de overdracht uiterlijk plaatsvinden op de vijfde (5^e) Werkdag na de laatste dag van de Na-aanmeldingstermijn. De procedure voor Aandeelhouders om hun Aandelen aan te melden tijdens de Na-aanmeldingstermijn is dezelfde als tijdens de Aanmeldingstermijn. Gedurende de Na-aanmeldingstermijn hebben Aandeelhouders niet het recht om Aandelen die geldig (of gebrekkig, mits de Bieder afstand heeft gedaan van een dergelijke gebrek) zijn aangemeld tijdens de Aanmeldingstermijn of tijdens de Na-aanmeldingstermijn terug te trekken uit het Bod.

De Bieder zal de resultaten van de Na-aanmeldingstermijn en het totale aantal en percentage van de door de Bieder gehouden Aandelen uiterlijk op de derde (3^e) Werkdag na de laatste dag van de Na-aanmeldingstermijn openbaar mededelen, in overeenstemming met artikel 17 lid 4 van het Bob.

11.14 Recht tot herroeping

Aandelen die zijn aangemeld op of voorafgaand aan de Laatste Dag van Aanmelding mogen niet worden ingetrokken, behoudens het recht tot intrekking van elke aanmelding:

- (a) gedurende enige verlenging van de Aanmeldingstermijn in overeenstemming met de bepalingen in artikel 15 lid 3 van het Bob;
- (b) na een aankondiging van een verplicht openbaar bod in overeenstemming met artikel 5b, lid 5 van het Bob, mits dergelijke Aandelen al waren aangemeld voorafgaand aan deze aankondiging en zijn ingetrokken binnen zeven (7) Werkdagen na deze aankondiging;
- (c) na indiening van een succesvol verzoek tot het vaststellen van een redelijke prijs voor een verplicht openbaar bod in overeenstemming met de bepalingen van artikel 15 lid 8 van het Bob, mits deze Aandelen al waren aangemeld voorafgaand aan het verzoek en zal worden ingetrokken binnen zeven (7) Werkdagen volgend op de dag waarop de beslissing van de Ondernemingskamer van het hof Amsterdam uitvoerbaar bij voorraad is verklaard of onherroepelijk is geworden en uiterlijk op de Laatste Dag van Aanmelding; of
- (d) na een verhoging van de Biedprijs in verband waarmee een daartoe strekkend document algemeen verkrijgbaar is gesteld zoals voorgeschreven in artikel 15a lid 3 van het Bod, mits dergelijke Aandelen:
 - (i) reeds aangemeld waren voorafgaand aan het algemeen verkrijgbaar stellen van het document; en
 - (ii) werden ingetrokken binnen zeven (7) Werkdagen nadat dit document algemeen verkrijgbaar is gesteld.

Om eerder aangemelde Aandelen in te trekken, moeten Aandeelhouders de Aangesloten Instelling aan wie zij aanvankelijk de opdracht hebben gegeven om de Aandelen aan te melden, instrueren om de intrekking van die Aandelen te regelen door tijdig een schriftelijke of per fax verzonden kennisgeving van intrekking te bezorgen aan het Afwikkelingskantoor op het adres vermeld in 3.7 (*Contact details*).

Elke kennisgeving van intrekking moet de naam vermelden van de persoon die de in te trekken Aandelen heeft aangemeld, het aantal in te trekken Aandelen en de naam van de houder van de in te trekken Aandelen, indien deze verschilt van de persoon die deze Aandelen heeft aangemeld. De handtekening(en) op het bericht van intrekking moet(en) worden gegarandeerd door een Aangesloten Instelling, tenzij de Aandelen zijn aangemeld voor rekening van een Aangesloten Instelling. Alle vragen met betrekking tot de vorm en geldigheid (inclusief tijdstip van ontvangst) van een kennisgeving van intrekking zullen naar eigen oordeel worden vastgesteld door de Bieder, welke vaststelling definitief en bindend zal zijn. Aandeelhouders dienen contact op te nemen met hun financiële tussenpersoon om informatie te verkrijgen over de uiterste datum waarop zij instructies moeten sturen naar de financiële tussenpersoon om hun aanvaarding van het Bod in te trekken en dienen zich te houden aan de data die door deze financiële tussenpersoon, omdat deze data kan afwijken van de data en tijdstippen zoals vermeld in dit Biedingsbericht.

Intrekkingen van Aangemelde Aandelen kunnen niet worden herroepen, en Aandelen die op de juiste wijze zijn ingetrokken, zullen worden geacht niet geldig te zijn aangemeld ten behoeve van het Bod. Ingetrokken Aandelen kunnen echter opnieuw worden aangemeld in overeenstemming met de procedure voor het aanmelden van Aandelen beschreven in Paragrafen 5.3.2 (*Acceptance by Shareholders*) en 11.15 (*Aanvaarding door Aandeelhouders*).

Gedurende de Na-aanmeldingstermijn (indien van toepassing) zijn er geen herroepingsrechten van toepassing op Aandelen aangemeld tijdens de Na-aanmeldingstermijn of aangemeld onder het bod op of vóór de Laatste Dag van Aanmelding en aanvaard door de Bieder.

11.15 Aanvaarding door Aandeelhouders

Aandeelhouders worden verzocht om hun aanmelding onder het Bod uiterlijk op de Laatste Dag van Aanmelding om 17:40 uur CET, kenbaar te maken via hun bewaarnemer, bank of effectenmakelaar. De relevante bewaarnemer, bank of effectenmakelaar kan een eerdere deadline stellen voor Aandeelhouders om hun aanmelding onder het Bod te communiceren zodat de bewaarnemer, bank of effectenmakelaar de aanmeldingen tijdig kan doorgeven aan het Afwikkelingskantoor. Derhalve dient een Aandeelhouder contact op te nemen met zijn financiële tussenpersoon om informatie te verkrijgen over de uiterste datum waarop die Aandeelhouder instructies moet sturen naar de financiële tussenpersoon om het Bod te accepteren en dient hij zich te houden aan de data die door die financiële tussenpersoon zijn vastgesteld, aangezien die data kunnen afwijken van de data en tijdstippen zoals vermeld in dit Biedingsbericht.

De instellingen die zijn aangesloten bij Euronext Amsterdam kunnen Aandelen alleen schriftelijk aanmelden bij het Afwikkelingskantoor. De Aangesloten Instellingen worden verzocht de Aandelen aan te melden via Euroclear Nederland (via Swift-bericht MT565). Bij het aanmelden van de Aandelen moeten de Aangesloten Instellingen een verklaring overleggen aan het Afwikkelingskantoor met daarin de naam en het aantal Aandelen voor alle gevallen waarin Aandeelhouders meer dan 50.000 Aandelen aanmelden. Aangesloten Instellingen dienen verder te verklaren dat:

- (a) zij de Aangemelde Aandelen van de relevante Aandeelhouder in hun administratie hebben opgenomen;

- (b) iedere betrokken Aandeelhouder onherroepelijk garandeert dat (i) voldaan is aan alle restricties die worden genoemd in Paragrafen 2 (*Restrictions*), 3 (*Important information*) en 11.1 (*Belangrijke informatie*) en (ii) het niet (direct of indirect) is onderworpen aan of getroffen door enige economische of financiële sancties uitgevoerd of afgedwongen door enig orgaan van de Amerikaanse overheid, de Europese Unie, een van haar lidstaten, het Verenigd Koninkrijk (met inbegrip van His Majesty's Treasury) of de Verenigde Naties, anders dan enkel uit hoofde van zijn opname in, of eigendom door een persoon opgenomen in de Amerikaanse "Sectoral Sanctions Identifications (SSI) List" of Annex III, IV, V of VI van Verordening (EU) No. 833/2014 van 31 juli 2014, zoals gewijzigd; en
- (c) zij zich verplicht om de Aangemelde Aandelen tegen ontvangst van de Biedprijs te leveren aan de Bieder voor of uiterlijk op de Overdrachtsdatum, mits het Bod gestand wordt gedaan.

Hoewel onder normale omstandigheden de relevante Aangesloten Instellingen ervoor zullen zorgdragen dat de Aangemelde Aandelen worden geleverd aan de Bieder, worden Aandeelhouders erop gewezen dat iedere Aandeelhouder zelf verantwoordelijk is voor de levering van deze Aangemelde Aandelen aan de Bieder, indien de Aandeelhouder hiertoe opdracht geeft.

De betaling van de Biedprijs aan een Aangesloten Instelling ten gunste van een Aandeelhouder zal alleen plaatsvinden wanneer alle Aangemelde Aandelen van die Aandeelhouder zijn geleverd. Er wordt geen gesplitste afwikkeling gefaciliteerd.

Indien een Aangemeld Aandeel niet wordt geleverd op de Overdrachtsdatum, zal het Afwikkelingskantoor een boete van 10% van de Biedprijs per Aandeel in rekening brengen aan de relevante Aangesloten Instelling voor elk niet-geleverd Aangemeld Aandeel.

Behoudens de rechten tot herroeping, zal de aanmelding van Aandelen ter aanvaarding van het Bod een onherroepelijke instructie vormen door de relevante Aandeelhouder aan de relevante Aangesloten Instelling om:

- (a) enige poging om dergelijke Aangemelde Aandelen over te dragen te blokkeren, met als gevolg dat uiterlijk op de Overdrachtsdatum, geen overdracht van dergelijke Aangemelde Aandelen kan plaatsvinden (anders dan enige handeling die is vereist voor de overdracht aan de Bieder);
- (b) de effectenrekening waarop dergelijke Aangemelde Aandelen worden gehouden op de Overdrachtsdatum met betrekking tot al dergelijke Aangemelde Aandelen te debiteren tegen betaling van de Biedprijs door het Afwikkelingskantoor namens de Bieder; en
- (c) de overdracht van dergelijke Aandelen aan de Bieder te bewerkstelligen.

11.16 Achtergrond en aankondigingen

Op 8 juni 2023 heeft Nolet een brief gestuurd naar de Doelvennootschap om haar interesse kenbaar te maken in het verwerven van alle Aandelen die nog niet door Nolet werden gehouden door middel van een openbaar bod. De brief bevatte een niet-bindend voorstel en schetste verschillende niet-financiële convenanten gericht op het behoud van het erfgoed van de Doelvennootschap. Nolet vermeldde in de brief dat een combinatie de start zou kunnen zijn van

een nieuw hoofdstuk in de rijke geschiedenis van twee succesvolle Nederlandse destilleerders. Op 12 juni 2023 heeft de Doelvennootschap een antwoordbrief gestuurd, waarin Nolet werd geïnformeerd dat het Bestuur en de Raad van Commissarissen unaniem tot de conclusie waren gekomen dat het voorstel onvoldoende basis bood om besprekingen over een mogelijke transactie aan te gaan.

Na de uitwisseling van verschillende brieven vond op 8 juli 2023 een bijeenkomst plaats tussen de heer C.H.J. Nolet Sr en de heer J.C. de Mos, als vertegenwoordigers van Nolet, en de heer H.L.M.P. van Doorne en de heer F.J. Cocx van het Bestuur om het voornemen van Nolet om alle resterende Aandelen te verwerven door middel van een openbaar bod te bespreken. Tijdens de vergadering heeft Nolet haar voorgestelde biedprijs nader onderbouwd en heeft het Bestuur uitgelegd waarom de voorgestelde biedprijs naar haar mening niet de waarde van de Doelvennootschap en haar merken zou weergeven. Op 31 juli 2023 heeft Nolet een nieuwe brief ingediend bij de Doelvennootschap met een aangepast niet-bindend voorstel. Op 3 augustus 2023 heeft de Doelvennootschap een antwoordbrief gestuurd, waarin Nolet werd meegedeeld dat het Bestuur, na zorgvuldige bestudering van het aangepaste voorstel, de aangepaste biedprijs nog steeds ontoereikend achtte omdat deze niet in overeenstemming zou zijn met de waarde van de Doelvennootschap en haar merken.

Op 16 augustus 2023, voorafgaand aan een geplande bespreking om de interesse van Nolet om alle Aandelen via een openbaar bod te verwerven verder te bespreken, zijn Nolet en de Doelvennootschap een vertrouwelijkheidsovereenkomst aangegaan. De bespreking tussen vertegenwoordigers van Nolet, het Bestuur en hun respectieve financiële adviseurs vond plaats op 24 augustus 2023, waarbij de Doelvennootschap nader onderbouwde waarom het Bestuur en de Raad van Commissarissen van mening waren dat de voorgestelde biedprijs niet in overeenstemming zou zijn met de waarde van de Doelvennootschap en haar merken.

Op 31 augustus 2023 heeft Nolet een definitief en voorwaardelijk niet-bindend voorstel gedaan om alle Aandelen te verwerven door middel van een vrijwillig openbaar bod tegen een aangepaste biedprijs van EUR 18,00 (cum dividend) voor elk Aandeel, inclusief dezelfde voorgestelde niet-financiële convenanten als in haar oorspronkelijke niet-bindende brief van 8 juni 2023.

Op 1 september 2023 heeft de Doelvennootschap een antwoordbrief gestuurd naar Nolet, waarin zij heeft verklaard dat na zorgvuldige bestudering van het voorstel, rekening houdend met de strategische rationale en de belangen van de stakeholders van de Doelvennootschap, het Bestuur en de Raad van Commissarissen van mening zijn dat de aangepaste biedprijs per Aandeel samen met de niet-financiële convenanten voldoende basis vormden om verdere besprekingen aan te gaan. Nolet en de Doelvennootschap zijn vervolgens besprekingen aangegaan om twee toonaangevende spelers op het gebied van gedistilleerde dranken en cocktails met een rijk erfgoed onder één Nederlandse vlag samen te brengen.

Op 5 september 2023 hebben Nolet en de Doelvennootschap een gewijzigde geheimhoudingsovereenkomst ondertekend. Nolet is vervolgens in de gelegenheid gesteld om een due diligence-onderzoek uit te voeren naar de Doelvennootschap en haar activiteiten, bestaande uit presentaties van het management, beoordeling van documenten die beschikbaar werden gesteld in een virtuele dataroom die was voorbereid door de Doelvennootschap en haar adviseurs, en de mogelijkheid om vragen te stellen en deel te nemen aan expertsessies met het Bestuur en haar adviseurs.

Tegelijkertijd hebben Nolet en de Doelvennootschap onderhandeld over een concept fusieovereenkomst, namens de Doelvennootschap door de heer H.L.M.P. van Doorne en de heer F.J. Cocx van het Bestuur en de heer D.R. Hooft Graafland van de Raad van Commissarissen.

Gedurende het proces van het Bod, hebben de leden van de Raad van Commissarissen onderling en gezamenlijk met de leden van het Bestuur frequent en intensief overleg gevoerd over de ontwikkelingen omtrent de mogelijke transactie en daaraan gerelateerde belangrijke beslissingen, waaronder de fusieovereenkomst. Tijdens verschillende vergaderingen, waaronder de laatste vergadering op 8 oktober 2023, hebben het Bestuur en de Raad van Commissarissen, bijgestaan door hun financiële en juridische adviseurs, het Bod zorgvuldig en uitvoerig besproken en bestudeerd. Het Bestuur en de Raad van Commissarissen hebben geconcludeerd dat het Bod, de Transactie en alle daaraan gerelateerde handelingen zoals overwogen in de concept fusieovereenkomst in het beste belang zijn van de Doelvennootschap, ter bevordering van het duurzame succes van haar onderneming, rekening houdend met de belangen van alle stakeholders, inclusief de Aandeelhouders. Op dezelfde datum is de Bieder onherroepelijke toezeggingen aangegaan met de heer H.L.M.P. van Doorne en de heer F.J. Cocx van het Bestuur en de heer D.R. Hooft Graafland van de Raad van Commissarissen om al hun Aandelen aan te bieden in geval van een bod. Verwezen wordt naar Paragrafen 6.12 (*Irrevocable undertakings*) en 11.17 (*Onherroepelijke toezegging leden van het Bestuur en de Raad van Commissarissen*).

Na laatste onderhandelingen in de vroege ochtend van 9 oktober 2023 hebben de Bieder en de Doelvennootschap een fusieovereenkomst gesloten, waarin de voorwaarden voor het Bod zijn vastgelegd.

Onmiddellijk daarna hebben de Bieder en de Doelvennootschap een gezamenlijk persbericht uitgebracht op grond van artikel 4, leden 1 en 3, artikel 5, lid 1 en artikel 7, lid 4 van het Bob, waarin zij het aanbevolen, voorwaardelijk bod op alle geplaatste en uitstaande Aandelen hebben aangekondigd tegen betaling van EUR 18,00 per aandeel (cum dividend). In de Initiële Aankondiging heeft de Bieder tevens bevestigd in overeenstemming met artikel 7, lid 4 van het Bob dat zij over voldoende middelen beschikt om het Bod te financieren. Verwezen wordt naar Paragraaf 12.1 (*Initial Announcement*).

Op 3 november 2023 hebben de Bieder en de Doelvennootschap in een persbericht in overeenstemming met artikel 7 lid 1 van het Bob bevestigd dat zij goede voortgang boeken met de voorbereidingen van het Bod en dat het eerste concept van het Biedingsbericht uiterlijk in de eerste helft van november 2023 ter goedkeuring aan de AFM zou worden voorgelegd. Verwezen wordt naar Paragraaf 12.2 (*Press release four weeks post-announcement*).

Op 16 november 2023 heeft de Doelvennootschap haar halfjaarcijfers voor 2023/2024 gepubliceerd. Verwezen wordt naar Paragraaf 12.3 (*Press release Company 2023/2024 half-years results*).

11.17 Onherroepelijke toezegging leden van het Bestuur en de Raad van Commissarissen

Elk lid van het Bestuur en de Raad van Commissarissen dat Aandelen of certificaten van Aandelen houdt zoals vermeld in Paragraaf 6.9 (*Shareholdings of the Board Members*), (samen ongeveer 5,4% van de Aandelen), heeft zich onherroepelijk verbonden jegens de Bieder tot het aanmelden en leveren van al zijn (certificaten van) Aandelen onder het Bod, onder voorwaarde dat het Bod gestand wordt gedaan, en om vóór de Besluiten te stemmen. De onherroepelijke

toezeggingen bevatten gebruikelijke verbintenissen en voorwaarden, en kunnen worden beëindigd indien (i) de Fusieovereenkomst wordt beëindigd in overeenstemming met de voorwaarden daarvan en/of (ii) het Bod vervalt of wordt ingetrokken in overeenstemming met de voorwaarden daarvan.

Op grond van de onherroepelijke toezeggingen bedragen de Aandelen die direct of indirect worden gehouden door de Biedersgroep, samen met de Aandelen die onherroepelijk schriftelijk zijn toegezegd aan de Biedersgroep onder de voorwaarde dat het Bod gestand wordt gedaan, op de datum van dit Biedingsbericht in totaal 5.285.156 Aandelen respectievelijk 35,3% van de Aandelen. Dit aantal vertegenwoordigt 50,43% van de Aandelen die zijn vereist om aan de Acceptatievoorwaarde te voldoen.

Indien en wanneer de Overdracht plaatsvindt, zullen de heer H.L.M.P. van Doorne, de heer F.J. Cocx en de heer D.R. Hooft Graafland naar verwachting respectievelijk EUR 14.058.000, EUR 338.454 en EUR 153.000 ontvangen voor de aanmelding onder het Bod van hun Aangemelde Aandelen (die door ieder van hen worden gehouden per de datum van dit Biedingsbericht). De heer H.L.M.P. van Doorne, de heer F.J. Cocx en de heer D.R. Hooft Graafland hebben geen relevante informatie ontvangen van de Bieder of de Doelvennootschap in verband met het Bod die niet is opgenomen in dit Biedingsbericht en zullen hun Aandelen onder dezelfde voorwaarden aanmelden onder het Bod als de andere Aandeelhouders.

11.18 Gevolgen van het Bod voor Aandeelhouders die hun Aandelen niet aanmelden

Het is waarschijnlijk dat het Bod, indien en wanneer het gestand wordt gedaan, gevolgen heeft voor de Aandeelhouders die hun Aandelen niet hebben aangemeld. Daarom dienen Aandeelhouders die overwegen hun Aandelen niet aan te melden onder het Bod, zorgvuldig de Paragrafen van dit Biedingsbericht te bestuderen die de intenties van de Bieder uiteenzetten en/of bepaalde feitelijke of potentiële implicaties waaraan dergelijke niet-aanmeldende Aandeelhouders zullen worden onderworpen als de Overdracht plaatsvindt, zoals (maar niet beperkt tot) deze Paragraaf 11.18 (*Gevolgen van het Bod voor Aandeelhouders die hun Aandelen niet aanmelden*) en Paragraaf 6.13 (*Consequences of the Offer for non-tendering Shareholders*). Deze risico's komen in aanvulling op de risico's die verbonden zijn aan het houden van door de Doelvennootschap uitgegeven effecten in het algemeen, zoals de blootstelling aan risico's die verband houden met de activiteiten van de Groep, de markten waarin de Groep actief is, alsmede economische trends die van invloed zijn op die markten in het algemeen aangezien zulke activiteiten, markten en trends van tijd tot tijd kunnen veranderen.

Het is de intentie van de Bieder om uiteindelijk 100% van de Aandelen te verwerven en de bereidheid van de Bieder om de Biedprijs te betalen is gebaseerd op de verwerving van 100% van de Aandelen of het geheel van de activa en activiteiten van de Doelvennootschap (inclusief de gehele onderneming van de Groep). In het licht daarvan kan de Bieder, na de Overdracht, ervoor kiezen om bepaalde herstructureringsmaatregelen te (laten) implementeren met inbegrip van, maar niet beperkt tot, de Uitkoopprocedure, een Herstructureringsmaatregel en/of één of meer Maatregelen (zoals meer gedetailleerd beschreven in Paragraaf 6.13 (*Consequences of the Offer for non-tendering Shareholders*)). De Bieder heeft geen beslissing genomen met betrekking tot het implementeren van de Uitkoopprocedure, een Herstructureringsmaatregel of enige andere Maatregel en verwacht niet dat een dergelijke beslissing wordt genomen voordat het Bod gestand wordt gedaan. De Bieder verwacht de Uitkoopprocedure te implementeren in het geval zoals uiteengezet in Paragraaf 6.13.4 (*Statutory Buy-Out Proceedings*) en verwacht

een Fusie te implementeren in het geval zoals uiteengezet in Paragraaf 6.13.5 (*Post-Closing Restructuring Measures*). De Bieder behoudt zich het recht voor om elke wettelijk toegestane methode te gebruiken om alle Aandelen (of de volledige eigendom van de activiteiten van de Groep) te verwerven en/of om de bedrijfs-, financierings- en belastingstructuur van de Groep te optimaliseren.

(a) Intenties nadat het Bod gestand is gedaan

Indien het Bod gestand wordt gedaan, zijn de Bieder en de Doelvennootschap voornemens zo spoedig mogelijk:

- (i) de beëindiging van de beursnotering van de Aandelen aan Euronext Amsterdam en de noteringsovereenkomst tussen de Doelvennootschap en Euronext Amsterdam te bewerkstelligen;
- (ii) de Doelvennootschap om te zetten in een besloten vennootschap met beperkte aansprakelijkheid indien dit wenselijk wordt geacht door de Bieder, waardoor, onder andere, alle Aandelen onderworpen zullen worden aan overdrachtsbeperkingen, dit alles in overeenstemming met Nederlandse wetgeving en de Statuten zoals gewijzigd na de beëindiging van de beursnotering, zoals uiteengezet in Paragrafen 6.13.7 (*Proposed amendments to the Articles of Association*) en 14 (*Articles of Association*); en
- (iii) de Bieder, of een van zijn Gelieerde Ondernemingen, indien gewenst door de Bieder, alle Aandelen die nog niet in zijn bezit zijn of de volledige activa en activiteiten van de Doelvennootschap (inclusief de volledige onderneming van de Groep) te laten verwerven, hetzij door middel van de Uitkoopprocedure, implementatie van een Herstructureringsmaatregel en/of enige andere Maatregel.

(b) Liquiditeit en beëindiging van de beursnotering van de Aandelen

De verwerving van de Aandelen door de Bieder onder het Bod zal het aantal Aandeelhouders en het aantal Aandelen dat anders openbaar verhandeld zou kunnen worden, verminderen. Als gevolg daarvan kan de omvang van de vrij verhandelbare Aandelen aanzienlijk worden verminderd na de Overdracht en kunnen de handelsvolumes en de liquiditeit van de Aandelen nadelig worden beïnvloed. De Bieder is niet van plan om de Aandeelhouders te compenseren voor een dergelijk nadelig effect.

Voorts kan de Bieder, in overeenstemming met de Fusieovereenkomst, een van de procedures zoals uiteengezet in Paragrafen 6.13 (*Consequences of the Offer for non-tendering Shareholders*) en 11.19 (*Maatregelen na Overdracht en toekomstige juridische structuur*) initiëren na afronding van het Bod, zoals de beëindiging van de beursnotering van de Aandelen, hetgeen de liquiditeit en marktwaarde van enige niet aangemelde Aandelen verder nadelig kan beïnvloeden.

In de Fusieovereenkomst zijn de Bieder en de Doelvennootschap overeengekomen dat zij, zo snel als redelijkerwijs mogelijk is na de Overdracht, de notering van de Aandelen aan Euronext Amsterdam (inclusief de Aandelen die niet zijn aangemeld onder het Bod)

en de noteringsovereenkomst tussen de Doelvennootschap en Euronext Amsterdam zullen beëindigen.

Als de Bieder 95% of meer van de Aandelen verkrijgt, kan hij bewerkstelligen dat de notering van de Aandelen aan Euronext Amsterdam wordt beëindigd in overeenstemming met de toepasselijke (beleids)regels van Euronext Amsterdam, maar de notering van de Aandelen aan Euronext Amsterdam kan ook worden beëindigd als gevolg van een Herstructureringsmaatregel of enige andere Maatregel. In het geval dat de Doelvennootschap niet langer genoteerd zal zijn en de Aandelen niet langer openbaar zullen worden verhandeld, zullen de bepalingen die van toepassing zijn op de governance van beursgenoteerde vennootschappen niet langer van toepassing zijn en kunnen de rechten van de resterende minderheidsaandeelhouders worden beperkt tot het wettelijk minimum.

11.19 Maatregelen na Overdracht en toekomstige juridische structuur

11.19.1 Algemeen

Met inachtneming van de strategische rationale van de Transactie heeft de Doelvennootschap het belang onderschreven van het vergroten van het duurzame succes van de activiteiten van de Groep op een voortvarende wijze en dat de voorwaarden van het Bod zijn gebaseerd op de verwerving van 100% van de Aandelen of de activa en activiteiten van de Doelvennootschap. Dit belang voor zowel de Doelvennootschap als de Bieder indien het Bod gestand wordt gedaan, is onder meer gebaseerd op:

- (a) de mogelijkheid om de strategische voordelen van de Transactie te verwezenlijken en het duurzame langetermijnsucces van de activiteiten van de Doelvennootschap (waaronder het vergroten van het vermogen van de Doelvennootschap om haar doelen te bereiken en de actiepunten uit te voeren van haar strategie) te verbeteren op een voortvarende wijze in een private omgeving in volledig eigendom na het beëindigen van de beursnotering;
- (b) de mogelijkheid om de notering van de Aandelen aan Euronext Amsterdam te beëindigen, en de daaruit voortvloeiende kostenbesparingen en het hebben van één aandeelhouder;
- (c) de mogelijkheid om een efficiënte kapitaalstructuur te bereiken; en
- (d) de mogelijkheid om duurzame strategische langetermijndoelen van de Doelvennootschap te implementeren en zich daarop te richten, in tegenstelling tot kortetermijnprestaties die worden gedreven door periodieke verslaggeving en marktverwachtingen.

In het licht van het bovenstaande en het feit dat de bereidheid van de Bieder om de Biedprijs te betalen en het Bod uit te brengen afhankelijk is van de directe of indirecte verwerving van 100% van de Aandelen of de activa en activiteiten van de Doelvennootschap, heeft de Doelvennootschap belangstelling en steun uitgesproken voor de Uitkoopprocedure of voor de Post-Closing Fusie of de Post-Closing Activa Transactie, op voorwaarde dat aan de toepasselijke voorwaarden wordt voldaan (zoals uiteengezet in Paragrafen 6.13.4 (*Statutory Buy-Out*

Proceedings), 6.13.5 (*Post-Closing Restructuring Measures*) en 11.19 (*Maatregelen na Overdracht en toekomstige juridische structuur*)).

Na de Overdracht en met inachtneming van Paragrafen 6.13.4 (*Statutory Buy-Out Proceedings*), 6.13.5 (*Post-Closing Restructuring Measures*) en 11.19 (*Maatregelen na Overdracht en toekomstige juridische structuur*), mag de Bieder de maatregelen uitvoeren zoals uiteengezet in die Paragrafen.

Verder behoudt de Bieder zich het recht voor om, met inachtneming van de voorwaarden van de Fusieovereenkomst, elke wettelijk toegestane methode te gebruiken om alle Aandelen (of de volledige eigendom van de activiteiten van de Groep) te verwerven en om de bedrijfs-, financierings- en belastingstructuur van de Groep te optimaliseren (een "**Maatregel**"). Er is door de Bieder geen beslissing genomen met betrekking tot het voeren van de Uitkoopprocedure, een Herstructureringsmaatregel of enige andere Maatregel, en de Bieder verwacht niet dat een dergelijke beslissing wordt genomen voordat het Bod gestand wordt gedaan. De Bieder verwacht de Uitkoopprocedure te starten in het geval zoals uiteengezet in Paragraaf 6.13.4 (*Statutory Buy-Out Proceedings*) en verwacht de Post-Closing Fusie te implementeren in het geval zoals uiteengezet in Paragrafen 6.13.5 (*Post-Closing Restructuring Measures*) en 11.19.3 (*Post-Closing Fusie*).

11.19.2 Uitkoopprocedure

Als na de Dag van Overdracht en de Na-aanmeldingstermijn de Biedersgroep in totaal ten minste 95% van de Aandelen houdt (berekend in overeenstemming met het BW) (de "**Uitkoopdrempel**"), mag de Bieder (a) een wettelijke uitkoopprocedure starten in overeenstemming met artikel 2:359c BW of (b) een wettelijke uitkoopprocedure starten in overeenstemming met artikel 2:92a of 2:201a BW, om houders van Aandelen uit te kopen wiens Aandelen nog niet worden gehouden door de Bieder ((a) of (b), de "**Uitkoopprocedure**").

11.19.3 Post-Closing Fusie

Nadat en op voorwaarde dat:

- (a) het Post-Closing Fusiebesluit op de BAVA is aangenomen;
- (b) het Bod gestand wordt gedaan en de Na-Aanmeldingstermijn heeft plaatsgevonden; en
- (c) de Aangemelde, Eigen en Gecommitteerde Aandelen ten minste 80% van het Uitstaande Kapitaal vertegenwoordigen (de "**Herstructureringsdrempel**") en de Uitkoopdrempel niet is bereikt,

kan de Bieder de Doelvennootschap informeren dat hij de Post-Closing Fusie wenst te implementeren, in welk geval:

- (a) een juridische driehoeksfusie zal worden geëffectueerd, waarbij de Doelvennootschap (als verdwijnende vennootschap) zal fuseren met Company Sub (als verkrijgende vennootschap) en waarbij Company HoldCo aandelen toekent aan de aandeelhouders van de Doelvennootschap overeenkomstig de artikelen 2:309 e.v. en 2:333a BW;

- (b) zal worden bewerkstelligd dat Company HoldCo met de Bieder een koopovereenkomst zal sluiten, op grond waarvan alle geplaatste en uitstaande aandelen in het kapitaal van Company Sub zullen worden verkocht en geleverd aan de Bieder (de "**Verkoop van Aandelen Fusie**"). De totale koopprijs voor de aandelen in Company Sub zal een bedrag zijn dat gelijk is aan (i) de Biedprijs vermenigvuldigd met (ii) het totale aantal uitgegeven en uitstaande Aandelen onmiddellijk voorafgaand aan het van kracht worden van de juridische driehoeksfusie (de "**Prijs Aandelen Fusie**"). De Prijs Aandelen Fusie zal na de levering van de Company Sub aandelen als volgt worden betaald:
- (i) een bedrag gelijk aan de uitkomst van (x) de Biedprijs vermenigvuldigd met (y) het totale aantal Aandelen gehouden door houders van Aandelen anders dan de Biedersgroep (dergelijk bedrag, het "**Totale Minderheidsbedrag**") zal in contanten worden betaald; en
 - (ii) een bedrag gelijk aan (x) de Prijs Aandelen Fusie minus (y) het Totale Minderheidsbedrag (dit verschil, het "**Fusie Bieder Bedrag**") zal worden betaald door het toekennen door de Bieder van een lening aan Company HoldCo die onmiddellijk opeisbaar is door Company HoldCo tegen marktconforme voorwaarden ter hoogte van het Fusie Bieder Bedrag;
- (c) zal worden bewerkstelligd dat de ontbinding en vereffening van Company HoldCo wordt geëffectueerd (de "**Liquidatie**") en op ieder gewoon aandeel in het kapitaal van Company HoldCo een liquidatie-uitkering bij voorbaat wordt gedaan welke uitkering beoogd is plaats te vinden op of rond de datum waarop de Verkoop van Aandelen Fusie wordt voltooid en voor een bedrag dat zoveel als mogelijk gelijk is aan de Biedprijs,

(de stappen onder (a)-(c) vormen gezamenlijk de "**Post-Closing Fusie**"),

Voor een meer gedetailleerde uitleg over de Post-Closing Fusie wordt verwezen naar Paragraaf 6.13.5 (*Post-Closing Restructuring Measures*).

11.19.4 Post-Closing Activa Transactie

Nadat en op voorwaarde dat:

- (a) het Activa Transactiebesluit op de BAVA is aangenomen;
- (b) het Bod gestand wordt gedaan en de Na-Aanmeldingstermijn heeft plaatsgevonden; en
- (c) de Herstructureringsdrempel is bereikt en de Uitkoopdrempel niet is bereikt; en
- (d) de Bieder de Post-Closing Activa Transactie als Herstructureringsmaatregel heeft geselecteerd,

kan de Bieder de Doelvennootschap informeren dat hij de Post-Closing Activa Transactie wenst te implementeren, in welk geval:

- (a) de Doelvennootschap zo snel als redelijkerwijs mogelijk de Activa Transactie zal uitvoeren. De totale koopprijs voor de onderneming van de Doelvennootschap zal een bedrag zijn dat gelijk is aan (i) de Biedprijs vermenigvuldigd met (ii) het totale aantal

uitgegeven en uitstaande Aandelen onmiddellijk voorafgaand aan het voltooien van de Activa Transactie (de "**Activa Transactieprijs**"). De Activa Transactieprijs zal na voltooiing van de Activa Transactie als volgt worden betaald:

- (i) het Totale Minderheidsbedrag wordt in contanten betaald; en
 - (ii) een bedrag gelijk aan (i) de Activa Transactieprijs min (ii) het Totale Minderheidsbedrag (dit verschil, het "**Activa Bieder Bedrag**") zal worden betaald door het toekennen door de Bieder van een lening aan de Doelvennootschap die onmiddellijk opeisbaar is door de Doelvennootschap tegen marktconforme voorwaarden ter hoogte van het Activa Bieder Bedrag; en
- (b) de Doelvennootschap na voltooiing van de Activa Transactie de ontbinding en vereffening van de Doelvennootschap zal effectueren en een liquidatie-uitkering bij voorbaat zal doen op ieder Aandeel welke uitkering beoogd is plaats te vinden op of rond de datum waarop de Activa Transactie wordt voltooid en voor een bedrag dat zoveel als mogelijk gelijk is aan de Biedprijs,

(de stappen in deze onder (a) en (b) vormen gezamenlijk de "**Post-Closing Activa Transactie**").

Voor een meer gedetailleerde uitleg over de Post-Closing Activa Transactie wordt verwezen naar Paragraaf 6.13.5 (*Post-Closing Restructuring Measures*).

11.20 Toekomstige samenstelling van het Bestuur en de Raad van Commissarissen

11.20.1 Toekomstige samenstelling van het Bestuur

De samenstelling van het huidige Bestuur, bestaande uit de heer H.L.M.P. van Doorne (Chief Executive Officer) en de heer Mr F.J. Cocx (Chief Financial Officer), verandert niet na de Overdracht. Voor een periode van ten minste drie (3) jaar na de Overdrachtsdatum:

- (a) zal het Bestuur uit niet meer dan twee (2) personen bestaan; en
- (b) zullen de leden van het Bestuur worden benoemd, geschorst en ontslagen door de algemene vergadering van aandeelhouders van de Doelvennootschap, en kunnen zij worden geschorst door de Raad van Commissarissen, in overeenstemming met de Statuten op de datum van de Fusieovereenkomst of de Statuten zoals aangehecht in Paragraaf 14 (*Articles of Association*), voor zover van toepassing, en de Bieder zal dergelijke bepalingen van de Statuten niet wijzigen.

11.20.2 Toekomstige samenstelling van de Raad van Commissarissen

Na de Overdracht en op voorwaarde dat de relevante besluiten zijn aangenomen op de buitengewone algemene vergadering van aandeelhouders, zal de Raad van Commissarissen onmiddellijk na de Overdracht bestaan uit:

- (a) de heer C.H. Teschmacher en de heer P.H.J.M. Visée als nieuwe leden van de Raad van Commissarissen; en

- (b) de vier (4) personen die op de datum van de Fusieovereenkomst lid zijn van de Raad van Commissarissen, en de heer D.R. Hooft Graafland zal voorzitter van de Raad van Commissarissen blijven tot het einde van zijn termijn en zal initieel het NFC-bestuurslid zijn.

Voor de duur van de middellange niet-financiële convenanten:

- (a) wordt één lid van de Raad van Commissarissen belast met het toezicht op de naleving van de niet-financiële convenanten zoals uiteengezet in Paragraaf 6.15 (*Non-Financial Covenants*);
- (b) wijst het NFC-bestuurslid één van de andere leden van de Raad van Commissarissen aan als zijn of haar opvolger; en
- (c) in geval van ontstentenis of belet van het NFC-bestuurslid voordat zijn of haar opvolger is aangewezen, wijst de Raad van Commissarissen uit zijn midden het nieuwe NFC-bestuurslid aan.

Voor een periode van ten minste drie (3) jaar na de Overdrachtsdatum:

- (a) zal de Raad van Commissarissen bestaan uit ten minste vijf (5) personen;
- (b) worden de leden van de Raad van Commissarissen benoemd, geschorst en ontslagen door de algemene vergadering van aandeelhouders van de Doelvennootschap in overeenstemming met de statuten van de Doelvennootschap op de datum van de Fusieovereenkomst of de Statuten zoals aangehecht in Paragraaf 14 (*Articles of Association*), voor zover van toepassing, en de Bieder zal dergelijke bepalingen van de Statuten van de Doelvennootschap niet wijzigen gedurende deze termijn;
- (c) de Bieder zal niet verzoeken om het ontslag van een huidig lid van de Raad van Commissarissen voor het einde van zijn of haar huidige termijn;
- (d) de leden van de Raad van Commissarissen hebben het recht om de voorzitter van de Raad van Commissarissen voor te dragen; en
- (e) de Bieder zal de verdeling van taken en verantwoordelijkheden tussen het Bestuur, de Raad van Commissarissen en de algemene vergadering van aandeelhouders van de Doelvennootschap respecteren zoals weergegeven in de Statuten op de datum van de Fusieovereenkomst of de Statuten zoals aangehecht in Paragraaf 14 (*Articles of Association*), voor zover van toepassing, en het reglement van het Bestuur en het reglement van de Raad van Commissarissen die van kracht zijn op de datum van de Fusieovereenkomst.

Alle leden van de Raad van Commissarissen, inclusief het NFC-bestuurslid, zullen handelen in het belang van de Doelvennootschap en haar activiteiten, rekening houdend met de belangen van de stakeholders van de Doelvennootschap, overeenkomstig hun verplichtingen onder Nederlands recht. Het NFC-bestuurslid zal in het bijzonder worden belast met het toezicht op de naleving van de niet-financiële convenanten gedurende hun looptijd. Het NFC-bestuurslid zal door de Doelvennootschap en de Bieder worden voorzien van alle informatie die het NFC-bestuurslid redelijkerwijs nodig heeft om deze taak te vervullen.

11.21 Bieder

11.21.1 Informatie over de Bieder

(a) Introductie

De Bieder is een besloten vennootschap met beperkte aansprakelijkheid naar Nederlands recht, statutair gevestigd te Schiedam, met adres Hoofdstraat 14, 3114 GG Schiedam, Nederland, en ingeschreven in het handelsregister onder nummer 90636503. De Bieder is een Gelieerde Onderneming van Nolet.

Naast de Bieder worden STAK Nolet, Nolet en de heer C.H.J. Nolet Sr. ook als bieder gekwalificeerd in de zin van artikel 1:1 Wft. Het Bod wordt echter uitsluitend uitgebracht door de Bieder, en de Bieder is als enige verantwoordelijk voor de aanvaarding en betaling van de Aangemelde Aandelen.

(b) Eigendomsstructuur van de Bieder

De Bieder is een directe 100% dochteronderneming van STAK Nolet, een stichting opgericht naar Nederlands recht, statutair gevestigd te Schiedam, met als adres Hoofdstraat 14, 3114 GG Schiedam, Nederland, en ingeschreven in het handelsregister onder nummer 24289049.

Naast eigenaar van de Bieder is STAK Nolet houder van alle aandelen in Nolet, een besloten vennootschap met beperkte aansprakelijkheid naar Nederlands recht, statutair gevestigd te Schiedam, met adres Hoofdstraat 14, 3114 GG Schiedam, Nederland, en ingeschreven in het handelsregister onder nummer 24430168.

De *ultimate beneficial owner* van de Bieder en STAK Nolet is de heer C.H.J. Nolet Sr, op basis van stemrecht in zijn hoedanigheid van directeur A van STAK Nolet. Voor meer informatie over de heer C.H.J. Nolet Sr. (woonplaats: Schiedam, Nederland) wordt verwezen naar Paragraaf 8.1.4 (*Board of the Offeror*).

(c) Kapitaal en aandelen van de Bieder

Op de datum van dit Biedingsbericht bestaat het aandelenkapitaal van de Bieder uit één gewoon aandeel met een nominale waarde van EUR 1.

(d) Bestuur van de Bieder

Het bestuur van de Bieder bestaat uit de volgende leden:

- (i) de heer C.H.J. (Carel) Nolet Sr. Hij heeft de Nederlandse nationaliteit en is geboren in 1941. Benoemd tot bestuurder op 27 juni 2023;
- (ii) de heer B.P.G. (Bob) Nolet. Hij heeft de Nederlandse nationaliteit en is geboren in 1970. Benoemd tot bestuurder op 27 juni 2023;
- (iii) de heer C.H.J. (Carel) Nolet Jr. Hij heeft de Nederlandse nationaliteit en is geboren in 1968. Benoemd tot bestuurder op 6 oktober 2023;

- (iv) de heer J.C. (Hans) de Mos. Hij heeft de Nederlandse nationaliteit en is geboren in 1943. Benoemd tot bestuurder op 6 oktober 2023;
- (v) de heer P.H.M. (Paul) Simonis. Hij heeft de Nederlandse nationaliteit en is geboren in 1954. Benoemd tot bestuurder op 6 oktober 2023; en
- (vi) de heer C.H. (Heino) Teschmacher. Hij heeft de Nederlandse nationaliteit en is geboren in 1956. Benoemd tot bestuurder op 6 oktober 2023.

De Transactie zal geen invloed hebben op de structuur of samenstelling van het bestuur van de Bieder. De besturen van Nolet en STAK Nolet bestaan uit dezelfde bestuursleden als de Bieder.

De bestuursleden van de Bieder zullen geen compensatie ontvangen in verband met de gestanddoening van het Bod.

11.21.2 Informatie over de Biedersgroep

Sinds de oprichting in 1691 is Nolet Family Distillery onafgebroken in handen van de familie Nolet. Het is een van de oudste familiebedrijven van Nederland met een rijk erfgoed. Het familiebedrijf Nolet maakt uitstekende gedistilleerde dranken op traditionele wijze en met de modernste technologie. Zijne Majesteit de Koning heeft het bedrijf het recht gegeven om het predicaat 'Koninklijk' te gebruiken.

Het huidige hoofd van de familie Nolet is de heer C.H.J. Nolet Sr (1941), die het familiebedrijf begin jaren '80 uitbreidde tot een moderne distilleerderij. De heer C.H.J. Nolet Sr maakte van de distilleerderij een wereldwijde speler in meer dan negentig landen met zijn premium merken. In 1977 presenteerde hij de zachte en pure KETEL 1 Jenever. In 1983 introduceerde hij de nu wereldberoemde Ketel One Vodka in de Verenigde Staten, die sinds 2008 wordt gedistribueerd en op de markt gebracht via een 50-50 joint venture met Diageo. Vandaag de dag is het de favoriete wodka van 's werelds toonaangevende bartenders. Van meer recente datum zijn NOLET'S Gin en Ketel One Botanical.

De heer C.H.J. Nolet Sr deelt zijn vakmanschap, zijn liefde voor het vak en de familierecepten met zijn zonen, de heer C.H.J. Nolet Jr en de heer B.P.G. Nolet, die de elfde generatie Nolet vormen. De twaalfde generatie is al onderweg.

11.22 Aankondigingen

Elke aankondiging over het Bod zal worden gedaan door middel van een persbericht. Een persbericht van de Bieder zal beschikbaar worden gesteld op de website van de Bieder (www.noletdistillery.com). Een persbericht uitgegeven door de Doelvennootschap zal beschikbaar worden gesteld op haar website (www.lucasbols.com).

Met inachtneming van de toepasselijke vereisten op grond van de Wet en zonder beperkingen aan te brengen in de wijze waarop de Bieder een openbare mededeling kan doen, rust op de Bieder geen verplichting om een openbare mededeling te doen, anders dan beschreven in dit Biedingsbericht.

12 PRESS RELEASES

12.1 Initial Announcement

JOINT PRESS RELEASE

This is a joint press release by HollandsGlorie B.V. (the “Offeror”), an affiliate of Nolet Holding B.V. (“Nolet”, and together with its affiliates the “Nolet Group”) and Lucas Bols N.V. (“Lucas Bols” or the “Company”). This joint press release is issued pursuant to the provisions of Section 17, paragraph 1 of the European Market Abuse Regulation (596/2014), as well as Section 4, paragraphs 1 and 3, Section 5, paragraph 1 and Section 7, paragraph 4 of the Dutch Decree in Public Takeover Bids (Besluit openbare biedingen Wft, the “Decree”) in connection with the intended recommended public offer by the Offeror for all the issued and outstanding shares in the capital of the Company (the “Offer”). This press release does not constitute an offer, or any solicitation of any offer, to buy or subscribe for any securities in the Company. Any offer will be made only by means of an offer memorandum approved by the Dutch Authority for the Financial Markets (Autoriteit Financiële Markten, the “AFM”). This press release is not for release, publication or distribution, in whole or in part, in or into, directly or indirectly, in any jurisdiction in which such release, publication or distribution would be unlawful, including the United States.

Nolet and Lucas Bols to create Dutch champion in the global spirits and cocktail market

- Recommended public offer by Nolet for Lucas Bols of EUR 18 per share, resulting in a significant premium of 76%
- Nolet and Lucas Bols see unique opportunity to bring two leading global spirits and cocktail companies with a rich heritage under one Dutch flag
- Nolet, as long-term, committed and financially strong partner, will enable Lucas Bols to accelerate its growth strategy
- The Lucas Bols Company will continue to be based in Amsterdam and to operate with its current name, leadership, route-to-market and other partnerships

Schiedam, Amsterdam, the Netherlands, 9 October 2023 – Nolet Group (“Nolet”) and Lucas Bols N.V. (“Lucas Bols”) are pleased to announce they have reached conditional agreement on an intended recommended public offer by Nolet for all issued and outstanding shares in the capital of the Company (the “Shares”) of EUR 18 per share (cum dividend) in cash (the “Consideration”), valuing 100% of the Shares at approximately EUR 269.5 million. This will create a Dutch champion in the global spirits and cocktail market and preserve valuable heritage and growth potential for the long term. The Consideration represents a premium of approximately 76% to Lucas Bols’ closing price per Share on 6 October 2023 of EUR 10.20. This delivers immediate, certain and attractive value to the shareholders of Lucas Bols. Both parties acknowledge the importance of Nolet acquiring 100% of the Shares, pursuant to the Offer.

The management board (the “Management Board”) and supervisory board (the “Supervisory Board, and together with the Management Board, the “Boards”) of Lucas Bols consider the Offer to be in the best interest of the Company and all of the Company’s stakeholders, including its shareholders, and unanimously support the Offer and the transactions contemplated in connection therewith, including the post-closing restructuring (together with the Offer, the “Transaction”) and fully recommend the Offer to the shareholders of Lucas Bols.



Nolet and The Lucas Bols Company see this as a unique opportunity to bring together two leading Dutch companies with a rich heritage and a wide range of strong spirits and cocktail brands. Nolet and Lucas Bols complement each other well in terms of markets, brands, innovation and marketing, which will enable further international growth.

As part of the Nolet Group, almost four and a half centuries of Lucas Bols' craftsmanship and heritage will be preserved for the long term. With Nolet, Lucas Bols will have a shareholder who, through its own history and family culture, understands what is needed to continuously strengthen spirits and cocktail brands for generations to come. As a long-term, committed and well-funded strategic partner the Nolet Group offers Lucas Bols a strong base by providing The Lucas Bols Company an opportunity to accelerate its growth strategy. Nolet has the focus, strength and resources to enable this. For Nolet, the combination with Lucas Bols is a valuable expansion with a strong portfolio of well-known brands. This is fully aligned with the long-term strategy of the Nolet family company. Nolet has been a large shareholder of Lucas Bols since its listing in 2015.

The Lucas Bols Company will retain its identity, name and brands. It will be brought into the Nolet Group as a separate company under the continued leadership of Lucas Bols's current CEO Huub van Doorne and CFO Frank Cocx, operating from its existing locations in Amsterdam.

Huub van Doorne, CEO of Lucas Bols: "Since 2006, when we brought back Lucas Bols to Amsterdam, we have been on a journey to grow the Company and its brands in the international cocktail markets. Nolet as a partner is the right next step to continue this journey and accelerate long-term growth. Together we create a Dutch champion in the global spirits and cocktail market with a strong portfolio of brands, the right focus and strengthened brand investments. The Lucas Bols team and passionate, entrepreneurial culture have been pivotal in our success over the past 17 years and can flourish within the new partnership. The strong family values and centuries of Dutch heritage of Nolet are a great fit with the Lucas Bols culture and together we will reinforce this valuable heritage as a Dutch champion for the very long term. Our relationship with Nolet has always been very respectful and constructive and we look forward to an exciting and successful future."

René Hooft Graafland, Chair of the Supervisory Board of Lucas Bols: "Since its listing in 2015, Nolet has been very supportive of Lucas Bols' development. Because Nolet is a solid partner with a long-term vision for the Company that fully supports our strategy, this transaction creates a stable foundation for the future. At the same time, it provides our shareholders the opportunity to monetise their current investment and realise immediate, attractive and certain value for their shares, reflecting Lucas Bols' potential at a fair price and a significant premium. Together with our financial and legal advisors we have carefully evaluated the Offer and run a diligent process, including the consideration of alternative strategic options and a broad set of financial and non-financial criteria. We believe the Offer is beneficial to The Lucas Bols Company and all its stakeholders and therefore the Supervisory Board unanimously supports the Offer."

Carel Nolet, Chair of Nolet Group: "As a family, we are extremely pleased to bring two of the most successful Dutch distilleries together. By combining forces, we are jointly continuing our rich history and thereby preserving valuable heritage under one Dutch flag for the long term. Nolet and Lucas Bols complement each other well in terms of markets, brands, innovation and marketing. For us, the



combination with Lucas Bols is a valuable expansion with a strong portfolio of well-known brands. Lucas Bols is an industry-leading company we know very well. We have been a large shareholder since its listing in 2015 and have been supporting the leadership in delivering their strategy ever since. Through our own history and family culture, we understand what it takes to continuously strengthen spirits and cocktail brands for generations to come. Nolet has been operating in this industry for eleven generations. We have the focus, the resources and the stamina to further accelerate growth for The Lucas Bols Company and provide for a new strong home base for the long term. We are very much looking forward to work together with Huub, Frank and their teams."

Transaction highlights

- Nolet, through its affiliate HollandsGlorie B.V., and Lucas Bols have reached conditional agreement (the "**Merger Agreement**") on an intended recommended public offer by HollandsGlorie B.V. for all issued and outstanding shares in the capital of Lucas Bols of EUR 18 (cum dividend) in cash per Share, representing a total value of approximately EUR 269.5 million for 100% of the Shares.
- The Consideration represents a premium of 76% to Lucas Bols's closing share price on 6 October 2023, 73% premium to the 3-month and 72% premium to the 6-month volume weighted average closing share price prior to this announcement, delivering immediate, attractive and certain value to the shareholders of Lucas Bols.
- The Nolet Group has been a shareholder of Lucas Bols since its listing and already holds approximately 29.9% of the Shares.
- The CEO, CFO and the Chairman of the Supervisory Board of Lucas Bols, who in the aggregate currently hold 5.4% of the Shares, have executed undertakings to tender all those Shares in the Offer, subject to the Offer being made and certain other customary conditions.
- The Offeror will fully finance the transaction from cash resources available within the Nolet Group, providing very high deal certainty.
- Lucas Bols will retain its identity, name and brands. It will be brought into the Nolet Group as a separate company under the continued leadership of Lucas Bols' current CEO and CFO, operating from Amsterdam.
- The current members of the Management Board and Supervisory Board of Lucas Bols will remain in office, strengthened by two additional Supervisory Board members designated by Nolet.
- The Transaction is subject to customary pre-offer conditions and offer conditions.
- Nolet and Lucas Bols have agreed to certain covenants for a prolonged period after Settlement (as defined below).

Strategic rationale

With its offer Nolet creates the opportunity for Nolet and Lucas Bols to jointly enter into a new chapter of the rich history of these two successful Dutch distillers. Together they will become the Dutch champion in the global spirits and cocktails market, strengthening their heritage for the long term.

Nolet is, since its establishment in 1691 by Joannes Nolet, led by the family, from Schiedam. It is one of the oldest family companies in the Netherlands that successfully develops, produces and sells spirits. Nolet's factory and headquarters are in Schiedam, well-known for being the distillers heart of the Netherlands for many centuries. Currently the 10th, 11th and 12th generations are actively involved in the company.



The Lucas Bols Company has been combining heritage with craftsmanship and a creative spirit for almost 450 years, with very strong ties to the city of Amsterdam where its operations and headquarters are located. Lucas Bols has a lot in common with Nolet, such as their core values, originating from their history as family companies. The Lucas Bols company has a rich tradition of innovation and successfully developing and growing cocktail and spirits brands around the globe. That experience together with the heritage and great portfolio of brands are a wealthy source of knowledge and future inspiration.

Nolet and Lucas Bols complement each other well in terms of markets, brands, innovation and marketing, which will enable further international growth. Nolet is the inventor of well-known spirits brands as Ketel One Vodka, KETEL 1 Jenever, NOLET'S Gin, while The Lucas Bols Company markets Bols (The World's First Cocktail Brand), Passoã, Galliano and Tequila Partida, amongst others, as successful brands.

As part of the Nolet Group, Lucas Bols' heritage, craftsmanship and close ties to the city of Amsterdam will be preserved for the very long term. Lucas Bols will have a shareholder who, through its own history and family culture, understands what is needed to continuously strengthen brands for generations to come. This by further investing in brands, innovation and growth.

As a long-term, committed and financially strong strategic partner, the Nolet Group can provide Lucas Bols an opportunity to accelerate its growth strategy. Nolet has the focus, strength and resources to make this possible for The Lucas Bols Company.

In view of Lucas Bols' aim to reduce its leverage, the Offeror has committed to underwrite a share issuance of the Company following and subject to Settlement to a maximum of EUR 20 million in the event that the Lucas Bols Boards determine that such share issuance is beneficial to reducing the leverage.

For Nolet the combination with Lucas Bols is a valuable expansion with a strong portfolio of well-known brands. This is fully in line with the long-term strategy of the Nolet family company.

Nolet fully supports Lucas Bols' strategy. Both parties see potential for acceleration of Lucas Bols' strategy following the Offer, specifically in respect of:

- The further development of Lucas Bols' leading position in the global cocktail markets through innovations and new concepts (including flavour, and packaging innovations) as well as acquisitions.
- The growth of Lucas Bols' cocktail brands by further investing in brand awareness and the route-to-market, including the Company's successful Lucas Bols USA platform.
- Driving the growth of local cocktail and spirits brands and developing some of these brands into 'Global Cocktail Brands'.
- The further development and expansion of the no- & lower-alcohol cocktail proposition.

Transaction process

Following an initial expression of interest from Nolet and, after several rounds of negotiations, a conditional non-binding proposal to acquire the Shares through a public offer for EUR 18 (cum dividend) per Share, Nolet and Lucas Bols engaged in constructive discussions to bring two leading spirits and cocktail players with a rich heritage under one Dutch flag. Consistent with their fiduciary duties, the



Boards, with the assistance of their financial and legal advisors, have carefully reviewed and evaluated all aspects of the proposal, including, amongst others, the strategic merits, deal certainty, financial, non-financial, operational and social aspects. As a result of the discussions, review and evaluation, the Offeror and Lucas Bols have entered into the Merger Agreement subject to terms and conditions set out therein and as summarised in this press release.

Support and unanimous recommendation from the Boards

Lucas Bols' Management Board and Supervisory Board are convinced that the Offer is in the best interest of the Company and the sustainable, long-term success of its business, taking especially into account the interests of all of the Company's stakeholders.

Shareholders have the opportunity to offer their Shares at an attractive price, generating a significant premium. The ability of the Offeror to fully fund the offer through cash resources available within the Nolet Group and the absence of any required merger clearance provide a very high degree of transaction certainty to the Shareholders. The Lucas Bols Company preserves its workforce, route-to-market through its network of distributors and other partnerships and the transaction enables them to flourish. Employees become part of a combination of two successful Dutch distilleries with a great heritage that complement each other well in many areas. This also offers them more opportunities for development and personal growth. Customers, suppliers and other important business partners of Lucas Bols can continue to rely on the existing cooperation and relationship, while also benefitting from further development of innovations and new products.

Taking all these considerations into account, and having followed a diligent process including advice of their financial and legal advisers, the Boards unanimously support the Transaction and recommend that Lucas Bols' shareholders tender their Shares under the Offer (if and when made) and vote in favour of the resolutions relating to the Transaction (the "**Resolutions**") at the upcoming extraordinary general meeting of the Company (the "**EGM**") to be held during the offer period.

Irrevocable undertaking by Board members

The CEO, CFO and the Chairman of the Supervisory Board of Lucas Bols, who in the aggregate currently hold 5.4% of the Shares, have executed undertakings to tender all those Shares in the Offer and to vote such Shares in favour of the Resolutions, subject to the Offer being made and certain other customary conditions. In accordance with applicable public offer rules, any information shared with these persons in relation to the Offer shall be included in the Offer Memorandum (as defined below), to the extent not published before the Offer Memorandum (if and when issued) is made generally available. These persons will tender their Shares on the same terms and conditions as the other Lucas Bols shareholders.

Non-Financial Covenants

Nolet and Lucas Bols have agreed to certain non-financial covenants (the "**Non-Financial Covenants**") for a period of three and five years after Settlement, as well as for the very long term, which can only be deviated from within the first five years with the consent of the Supervisory Board Member specifically tasked with monitoring compliance of the Non-Financial Covenants. The Non-Financial Covenants include the following:

Non-Financial Covenants for the very long term

- Identity and brands
 - The headquarters, day-to-day management and corporate seat of the Lucas Bols group will remain in Amsterdam, the Netherlands, as well as the House of Lucas Bols, the Lucas Bols Cocktail Academy and Lucas Bols distillery.
 - The Offeror shall not change the Lucas Bols trade name and corporate identity, consisting of Lucas Bols' history, heritage, craftsmanship and creative spirit.
 - The Offeror and Lucas Bols shall procure that Lucas Bols' group companies shall maintain and continue to reference to "1575" in their respective trade names and related branding.
 - The use of the name of the Company, the Lucas Bols brand and the Lucas Bols Cocktails brands will be continued.

Non-Financial Covenants for a duration of five years after Settlement

- The use of the Passoã, Galliano and Tequila Partida brands will be continued.
- Organisation and operations:
 - The Offeror will respect the manner in which the Lucas Bols group is set up, including the geographical locations or regions in which the Lucas Bols group is currently active (including in the United States of America and Mexico).
 - The Offeror will respect the existing pension arrangements and the pension rights of current and former employees of the Lucas Bols group.
 - The Offeror agrees that Lucas Bols will, and allows it to, continue to strive to provide an inclusive, safe and diverse working environment to Lucas Bols employees and to stimulate personal development.

Non-Financial Covenants for a duration of three years after Settlement

- Strategy:
 - The Offeror fully supports Lucas Bols in realising, and, where applicable, accelerating its business strategy of growing and developing the cocktail markets and Lucas Bols' cocktail brands and shall assist the Lucas Bols group in the realisation thereof. Specifically, the Offeror intends to provide financial support as and when reasonably required to accelerate the growth of the Lucas Bols group (including through material acquisitions), including by committing capital and assisting with securing optimal debt financing.
 - The Offeror shall not divest the Lucas Bols group or a material part of it.
 - The Offeror shall support Lucas Bols' ESG strategy.
- Growth and synergies:
 - The Offeror commits to support the Lucas Bols group's (accelerated) growth through acquisitions and organic growth, including by investing in brands, marketing, product development and innovation.
 - The Offeror and Lucas Bols shall explore opportunities for synergies between, and benefitting, both groups, provided that any material synergy shall require the approval of the Supervisory Board upon a proposal by the Management Board.

- **Financing and CapEx:**
 - The Offeror and Lucas Bols shall strive to keep the Lucas Bols group prudently capitalised and financed.
 - No dividends or other distributions shall be paid by Lucas Bols that conflicts with the continuity of the business.
 - The Offeror shall respect the Lucas Bols group's capital expenditures in line with past practice.
- **Governance:**
 - The Management Board remains autonomously responsible for managing the Lucas Bols group and its businesses and executing its business strategy.
- **Employees:**
 - The Offeror will not change, unless to the employee's or employees' benefit, the existing rights and benefits of the employees of the Lucas Bols group, including existing rights and benefits under their individual employment agreements, collective labour agreements and social plans.
 - The Offeror agrees that the Company will continue to strive for a culture of excellence, where qualified employees are offered attractive training and career progression.
 - The Offeror will not reduce the total workforce.
- **Protection of minority shareholders:**
 - As long as the Company has minority shareholders, or until the Offeror initiates statutory buy-out proceedings, no member of the Lucas Bols group will (i) issue additional shares for a cash consideration to any person outside the Lucas Bols group without offering pre-emption rights to minority shareholders, (ii) enter into a related party transaction with the Offeror or its affiliates or their related persons which is not at arm's length, and (iii) take any other action which disproportionality prejudices the value or rights relating to the minority's shareholding.

Fully committed financing for the Transaction

The Offeror shall fund the Offer through cash resources available within the Nolet Group. The Offeror and Lucas Bols have received a binding equity commitment letter from Nolet to fund the acquisition of the Shares under the Offer.

Fairness opinion

ABN AMRO Bank N.V. acting as financial adviser to Lucas Bols, has issued a fairness opinion to the Boards as to the fairness, as of such date, and based upon and subject to the factors, assumptions, qualifications and other matters set forth in the fairness opinion, to the effect that (1) the Offer Price is fair to the holders of Shares from a financial point of view, and (2) in relation to any Post-Closing Restructuring Measure (as defined below), if applicable, the value of (i) the purchase price for the share(s) in the capital of Company Sub (as defined below) under the Share Sale (as defined below) pursuant to the Merger Agreement and the share purchase agreement related thereto, if applicable, is fair to Company Holdco (as defined below) from a financial point of view and (ii) the purchase price for the entire business of the Company under the Asset Sale (as defined below) in accordance with the Merger Agreement and the asset sale agreement related thereto, if applicable, is fair to the Company from a financial point of view. The full text of such fairness opinion, which sets forth the assumptions made, procedures followed, matters considered and limitations on the review undertaken in connection with such opinion, will be included in the Boards' position statement. The opinion of ABN AMRO has been given solely to the Boards, and not to the holders of Shares. The opinion does not make any



recommendation to the holders of Shares as to whether they should tender their Shares under the Offer (if and when made) or how they should vote or act with respect to the proposed Resolutions at the EGM or any other matter.

Acquisition of 100%

The Offeror and Lucas Bols believe the sustainable and long-term success of The Lucas Bols Company will be enhanced under private ownership and acknowledge the importance of acquiring 100% of the Shares and achieving a delisting in order to execute Lucas Bols' long-term strategy. The Offeror and Lucas Bols intend to terminate the listing of the Shares on Euronext Amsterdam as soon as possible after Settlement.

If, after Settlement or settlement of the Shares tendered during the post-acceptance period (if applicable), the Nolet group holds at least 95% of the Shares, the Offeror shall commence statutory buy-out proceedings to obtain 100% of the Shares.

If, after Settlement or settlement of the Shares tendered during the post-acceptance period (if applicable), the Nolet group holds at least 80%, but less than 95% of the Shares, the Offeror and Lucas Bols intend to execute a post-closing restructuring measure (a "**Post-Closing Restructuring Measure**"), which may include a post-closing merger (the "**Post-Closing Merger**") or a post-closing asset sale (the "**Post-Closing Asset Sale**"). The Offeror and Lucas Bols may also jointly agree to implement any other post-closing measure.

If the Offeror elects the Post-Closing Merger as the Post-Closing Restructuring Measure, the Offeror and Lucas Bols intend to execute a triangular merger involving the Company and two newly to be incorporated subsidiaries of the Company ("**Company Holdco**" and "**Company Sub**") in which (a) the Company (as disappearing company) merges with and into Company Sub (as acquiring company) and (b) Company Holdco subsequently sells its shares in Company Sub to the Offeror (the "**Share Sale**"), following which (c) Company Holdco is liquidated to deliver such consideration to its shareholders. The advance liquidation distribution to the shareholders of Company Holdco will to the fullest extent possible consist of a payment per share in Company Holdco equal to the Offer Price, without any interest and subject to any applicable withholding taxes and other taxes.

If the Offeror elects the Post-Closing Asset Sale as the Post-Closing Restructuring Measure, Lucas Bols will sell and transfer all of its assets and liabilities to the Offeror at the same price and for the same consideration as the Offer Price whereby an amount equal to the value attributable to the Offeror's shareholding will be paid through a loan note. The Offeror and the Company will subsequently implement the liquidation of the Company and make an advance liquidation distribution to the shareholders of the Company consisting to the fullest extent possible of a payment per Share equal to the Offer Price, without any interest and subject to any applicable withholding taxes and other taxes.

The Post-Closing Merger and the Post-Closing Asset Sale are subject to the adoption of certain shareholder resolutions at the EGM (the "**Post-Closing Restructuring Resolutions**"). Subject to the terms and conditions of the Merger Agreement and the Offer being declared unconditional, Lucas Bols has agreed to procure that the Boards recommend that shareholders vote in favour of the Resolutions, including the Post-Closing Restructuring Resolutions.

Pre-offer and offer conditions

The commencement of the Offer is subject to the satisfaction or waiver of the following pre-offer conditions:

- No material breach of the Merger Agreement;
- No material adverse effect;
- Nolet having received confirmation from the AFM that it has approved the final draft of the Offer Memorandum;
- Compliance with the notification procedures pursuant to the Merger Code (*SER Fusiegedragsregels 2015*);
- No competing or mandatory offer;
- No adverse recommendation change;
- The Board Irrevocables being in full force and effect and not having been breached, terminated or modified;
- No order, stay, judgment or decree having been issued, or any law or regulation having been enacted or enforced, prohibiting or delaying the consummation of the Transaction in any material respect;
- Trading in the Shares not having been permanently suspended or ended by Euronext;
- No notification having been received from the AFM that the Offer has been prepared or announced in conflict with any of the provisions of chapter 5.5 Wft (*Wet op het financieel toezicht*) or the Decree, within the meaning of section 5:80 paragraph 2 Wft, and that investment firms (*beleggingsondernemingen*, as defined in the Wft) would not be permitted to cooperate with the Offer; and
- The Merger Agreement not having been terminated in accordance with its terms.

If and when made, the consummation of the Offer will be subject to the satisfaction or waiver of the following offer conditions:

- Minimum acceptance threshold of at least 70% of the Shares (including the Shares held by Nolet);
- No competing or mandatory offer;
- No adverse recommendation change;
- No material breach of the Merger Agreement;
- No material adverse effect;
- The Board Irrevocables being in full force and effect and not having been breached, terminated or modified;
- No order, stay, judgment or decree having been issued, or any law or regulation having been enacted or enforced, prohibiting or delaying the consummation of the Transaction in any material respect;
- No notification having been received from the AFM that the Offer has been prepared or announced in conflict with any of the provisions of chapter 5.5 Wft (*Wet op het financieel toezicht*) or the Decree, within the meaning of section 5:80 paragraph 2 Wft, and that investment firms (*beleggingsondernemingen*, as defined in the Wft) would not be permitted to cooperate with the Offer; and
- Trading in the Shares not having been permanently suspended or ended by Euronext.

Exclusivity and Competing Offer

As part of the Merger Agreement, Lucas Bols has entered into customary undertakings not to solicit any third party offers. If a bona fide third party makes a cash offer which, in the reasonable opinion of the Boards, is a more beneficial offer and transaction for Lucas Bols than the Transaction and exceeds the Offer Price by at least 12.5% (a "**Competing Offer**"), the Offeror has the opportunity to match such Competing Offer. If it does, and on balance the terms and conditions of such revised offer are, in the reasonable opinion of the Boards, at least equal to those of the Competing Offer, the Merger Agreement will remain in force. However, if a Competing Offer is not matched by the Offeror, the Company shall be entitled to (conditionally) agree to the Competing Offer, after which each party may terminate the Merger Agreement. The same conditions apply to any consecutive Competing Offer.

Termination

If the Merger Agreement is terminated because Lucas Bols made an adverse recommendation change or in connection with a Competing Offer, Lucas Bols shall pay the Offeror a EUR 2.150.000 million termination compensation.

Next steps and additional information

The Offeror intends to launch the Offer as soon as practically possible and in accordance with the applicable statutory timetable.

Lucas Bols will hold an informative EGM at least six business days before the end of the offer period in accordance with Section 18 Paragraph 1 of the Decree. At such EGM, the Company's shareholders will also be asked to approve the Resolutions.

Based on the required steps, the Offeror and Lucas Bols anticipate that the Offer will close in the first half of 2024.

Advisors

AXECO Corporate Finance B.V. is acting as financial advisor to Nolet. De Brauw Blackstone Westbroek N.V. and Coöperatie Forest Flint U.A. are acting as legal advisors to Nolet.

On behalf of Lucas Bols, ABN AMRO Bank N.V. is acting as financial advisor and Loyens & Loeff N.V. as legal advisor.

Confidant Partners is acting as communications advisor.

For more information, please contact:

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About Nolet Group

Since its establishment in 1691, Nolet Family Distillery has been continuously owned by the Nolet family. It is one of the oldest family businesses in the Netherlands, with a rich heritage. The Nolet family business has been making excellent spirits with traditional methods using state-of-the-art technology. His Majesty the King has granted the company the right to use the 'Royal' designation.

Current head of the Nolet family is Carel Nolet (1941), who expanded the family business in the early 1980s to create a modern distillery. In the tradition of his forefathers, Carel Nolet made the distillery a worldwide player in over 90 countries with his super premium brands. In 1977, he presented his smooth and pure KETEL 1 Jenever. In 1983 he introduced the now world-famous Ketel One Vodka in the United States, which is distributed and marketed through a 50-50 joint venture with Diageo since 2008. Today, it is the world's leading bartenders' favourite vodka. Of more recent date are NOLET'S Gin and Ketel One Botanical.

Carel Nolet shares his craftsmanship, his love of the profession and the family recipes with his sons Carel Jr. and Bob, who are the eleventh generation of Nolet. The twelfth generation is already on the way.

About The Lucas Bols Company

The Lucas Bols Company is a leading global cocktail and spirits player in the worldwide cocktail market and one of the oldest Dutch companies still active. Lucas Bols' mission is to create great cocktail experiences around the globe. The Lucas Bols Company is active in over 110 countries worldwide with a portfolio of three global cocktail brands and more than 20 international and regional liqueurs and spirits. Bols, The World's First Cocktail Brand, includes the number-one liqueur range globally (not including the US). Lucas Bols is also the world's largest player in the genever segment, and our portfolio of cocktail brands includes Passoã, the number one passion fruit liqueur, and the ultra-premium Tequila Partida brand.

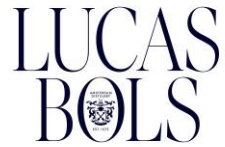
Through the House of Bols Cocktail & Genever Experience and the Bols Cocktail Academy, Lucas Bols showcases and inspires and educates bartenders and consumers a-like. With almost 450 years of experience in the art of distilling and blending spirits and cocktails combined with the creative spirit of Amsterdam, we truly are 'Masters of Taste'.

Lucas Bols has been listed on Euronext Amsterdam (BOLS) since 4 February 2015.

General restrictions

The information in this announcement is not intended to be complete. This announcement is for information purposes only and does not constitute an offer or an invitation to acquire or dispose of any securities or investment advice or an inducement to enter into investment activity. This announcement does not constitute an offer to sell or issue or the solicitation of an offer to buy or acquire the securities of the Company in any jurisdiction.

The distribution of this press release may, in some countries, be restricted by law or regulation. Accordingly, persons who come into possession of this document should inform themselves of and observe these restrictions. To the fullest extent permitted by applicable law, the Offeror and the Company disclaim any responsibility or liability for the violation of any such restrictions by any person. Any failure to comply with these restrictions may constitute a violation of the securities laws of that jurisdiction. Neither the Company, nor the Offeror, nor any of their advisors assume any responsibility for any violation by any person of any of these restrictions. The Company shareholders in any doubt as to their position



should consult an appropriate professional advisor without delay. This announcement is not to be released, published or distributed, in whole or in part, directly or indirectly, in any jurisdiction in which such release, publication or distribution would be unlawful, including in or to the United States.

Forward-looking statements

This press release may include "forward-looking statements" and language that indicates trends, such as "anticipated" and "expected". Although the Company and the Offeror believe that the assumptions upon which their respective financial information and their respective forward-looking statements are based are reasonable, they can give no assurance that these assumptions will prove to be correct. Neither the Company, nor the Offeror, nor any of their advisors accept any responsibility for any financial information contained in this press release relating to the business or operations or results or financial condition of the other or their respective groups.

12.2 Press release four weeks post-announcement



JOINT PRESS RELEASE

This is a joint press release by HollandsGlorie B.V. (the "Offeror"), an affiliate of Nolet Holding B.V. ("Nolet", and together with its affiliates the "Nolet Group") and Lucas Bols N.V. ("Lucas Bols" or the "Company"). This joint press release is issued pursuant to the provisions of Section 7, paragraph 1 sub a of the Dutch Decree in Public Takeover Bids (Besluit openbare biedingen Wft, the "Decree") in connection with the intended recommended public offer by the Offeror for all the issued and outstanding shares in the capital of the Company (the "Offer"). This press release does not constitute an offer, or any solicitation of any offer, to buy or subscribe for any securities in the Company. Any offer will be made only by means of an offer memorandum approved by the Dutch Authority for the Financial Markets (Autoriteit Financiële Markten, the "AFM"). This press release is not for release, publication or distribution, in whole or in part, in or into, directly or indirectly, in any jurisdiction in which such release, publication or distribution would be unlawful, including the United States.

Update on intended public offer by the Nolet Group for Lucas Bols

Schiedam, Amsterdam, the Netherlands, 3 November 2023 – Reference is made to the joint press release issued by the Nolet Group and Lucas Bols on 9 October 2023 in respect of the conditional agreement on a recommended all-cash public offer to be made by the Offeror for all issued and outstanding shares in the capital of the Company (each a "Share") at an offer price of EUR 18 per Share (cum dividend).

Pursuant to the provisions of Section 7, paragraph 1 sub a of the Decree, which requires a public announcement with a status update on an intended public offer within four weeks after the offer is announced, the Nolet Group and Lucas Bols provide this joint update on the Offer.

The Nolet Group and Lucas Bols confirm that they are making good progress on the preparations for the Offer. A request for review and approval of the Offer Memorandum will be filed with the AFM no later than the first half of November 2023.

As communicated in the joint press release dated 9 October 2023, the Nolet Group and Lucas Bols anticipate that the Offer will close in the first half of 2024.



For more information, please contact:

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General restrictions

The information in this announcement is not intended to be complete. This announcement is for information purposes only and does not constitute an offer or an invitation to acquire or dispose of any securities or investment advice or an inducement to enter into investment activity. This announcement does not constitute an offer to sell or issue or the solicitation of an offer to buy or acquire the securities of the Company in any jurisdiction.

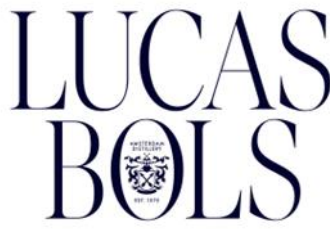


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Forward-looking statements

This press release may include "forward-looking statements" and language that indicates trends, such as "anticipated" and "expected". Although the Company and the Offeror believe that the assumptions upon which their respective financial information and their respective forward-looking statements are based are reasonable, they can give no assurance that these assumptions will prove to be correct. Neither the Company, nor the Offeror, nor any of their advisors accept any responsibility for any financial information contained in this press release relating to the business or operations or results or financial condition of the other or their respective groups.

12.3 Press release Company 2023/2024 half-years results



Half-year results 23/24 (1 April 2023 – 30 September 2023)

16 November 2023

Stable revenue, higher operating profit *Solid improvement in free operating cash flow*

Highlights

- Revenue came in at € 55.7 million, close to the strong H1 22/23 level
- Depletions fell 1%, a solid performance given the challenging environment
- Growth in markets such as the US, Japan and Spain was offset by slower sales in Western European retail markets
- The gross margin improved by 420bps compared to H2 22/23 (to 51.4%) due to sales price increases but was still below H1 22/23 (55.2%) when the impact of input cost inflation was still limited. Gross profit per case shows ongoing growth: +6% vs. the 22/23 financial year
- Normalised operating profit was € 11.6 million, slightly higher than a year ago (€ 11.3 million). The decrease in gross profit was more than offset by lower logistics and other costs
- Free operating cash flow (excluding the Nuvo acquisition) improved significantly, to € 7.5 million (H1 22/23: € 2.8 million), reflecting a 61% cash conversion ratio (H1 22/23: 23%)
- Net debt increased slightly to € 61.0 million following the acquisition of the Nuvo brand (€ 5.3 million) and the 22/23 dividend payment. The leverage ratio came in at 3.49x
- Good progress is made on the preparations for the intended recommended public offer by the Nolet Group for all the issued and outstanding shares in the capital of Lucas Bols for € 18.- per share (cum dividend) jointly announced on 9 October 2023
- In light of that intended public offer no interim dividend will be paid

Huub van Doorne, CEO of the Lucas Bols Company: *"Despite a volatile environment, the top-line performance was solid this first half year with revenue close to the strong level achieved in the same period last year in which we achieved double-digit growth. Our brands showed resilience, especially in view of the economic slowdown in several regions and the continued high levels of inflation. In general we are also observing that customers are reducing their stock levels in response to a rapid increase in the cost of capital. This is expected to lead to destocking in the second half of the financial year.*

We expect the environment to remain challenging but continue to aim for full-year revenue growth. The gross margin should stabilise now that sales price increases are phasing in.

Although we remain vigilant for possible supply chain disruptions, we plan to reduce our inventory levels, paving the way for further free operating cash flow improvements.

We announced our more explicit and integrated ESG strategy in the 22/23 Annual Report. Our teams and business partners are really engaged and already started working on the implementation of the various initiatives.

We are also pleased with the progress on the intended recommended public offer by the Nolet Group."

Key figures

(in € million unless otherwise stated, for the half year ended)	Excluding one-off items			Reported		
	30 September 2023	30 September 2022	% change organic ¹	30 September 2023	30 September 2022	% change reported
Revenue	55.7	56.3	-1%	55.7	56.3	-1%
Gross margin	51.4%	55.2%	-380bps	51.4%	55.2%	-380bps
Operating profit	11.6	11.3	1%	11.2	11.3	-1%
Operating profit margin	20.7%	20.1%	50bps	20.1%	20.1%	0bps
EBIT ²	11.9	11.8	0%	11.6	11.8	-2%
Net profit	7.4	7.9	-7%	7.0	7.9	-11%
Free operating cash flow ³	7.5	2.8	-	7.5	2.8	167%
Earnings per share (in €)	0.49	0.53	-7%	0.47	0.53	-11%
Interim dividend per share (in €)	-	0.21	-	-	0.21	-100%

Intended recommended public offer by the Nolet Group

On 9 October 2023 Lucas Bols and the Nolet Group jointly announced the intended recommended public offer by the Nolet Group for all the issued and outstanding shares in the capital of Lucas Bols for € 18.- per share (cum dividend), resulting in a significant premium of approximately 76% to Lucas Bols' closing price per share on 6 October 2023. The intended transaction would create a Dutch champion in the global spirits and cocktail market and preserve valuable heritage and growth potential for the long term.

On 3 November 2023 Lucas Bols and the Nolet Group provided a joint update, stating that parties are making good progress on the preparations for the offer.

For further information on the intended recommended public offer by the Nolet Group reference is made to the joint press releases issued by the Nolet Group and Lucas Bols on 9 October and 3 November 2023, respectively.

Acquisition of Nuvo brand

The acquisition of Nuvo from the US-based London Group LLC was completed in June. The purchase price of \$ 5.7 million was paid in cash. For the past five years the Nuvo business was already part of the consolidated Lucas Bols reporting. Nuvo fits well in the growing aperitif moment of consumption and with its super premium-positioning the brand contributes to the premiumisation of our portfolio.

Transfer of US production

In the first half of the year we successfully completed a major project in which the production of Bols Liqueurs for the US market was transferred from Kentucky to our new partner Phillips Distilling in Minnesota. In line with our plans we are temporarily carrying higher stock levels to facilitate a smooth transition. We have finalised the transfer without any disruption to our business and production capacity.

Business review

Brands

Global Cocktail Brands

Bols Cocktails

Bols Cocktails (Liqueurs, Vodka, Genever and Ready-to-Enjoy Cocktails) aims to become the leading choice in cocktails for bartenders and consumers. Bols Cocktails posted a solid performance, mainly driven by Bols

¹ At constant currencies

² EBIT is defined as operating profit plus share of profit of joint ventures

³ Free operating cash flow excludes the Nuvo acquisition

Liqueurs due to a focused flavour strategy for each market. Blue Curaçao, Triple Sec and Peach are our top 3 flavours globally. Bols Cocktails' sales in the US recovered strongly from last year's glass shortages, reporting double digit-growth. Recently introduced in the US, Bols Vodka also contributed to the growth on the back of increased momentum for vodka-based cocktails such as the Espresso Martini. The Bols Ready-to-Enjoy Cocktails faced high comparables following last year's launch. Lower consumer spending impacted sales across Europe, while in Southeast Asia and Japan Bols Cocktails continued to show significant growth, confirming the recovery from the pandemic. Successful bartender activations were organised through local Bols Cocktails bartender competitions and other events.

Passoã

Following the launch in China and Korea, Passoã is now available in over 50 markets worldwide. The brand performed strongly in the Netherlands, Japan and Italy, but was adversely impacted by a slowdown in retail markets such as the UK, France and Belux. The popularity of the Pornstar Martini cocktail continues to grow across the globe. Pornstar Martini Week was scaled up this year, with special activations in the US. We also hosted the first Pornstar Martini competition together with Difford's Guide, leading to even higher brand awareness amongst bartenders and consumers.

Galliano

After three years of growth the Galliano brand reported a slowdown in the first half of the year, mainly due to challenging retail circumstances in Australia and Scandinavia. In the US, Galliano Espresso achieved double-digit growth on the back of the popular Espresso Martini cocktail. In Australia and New Zealand the Galliano Vanilla Mule signature cocktail was further activated through successful (social media) campaigns and competitions. It is now served by many on-trade outlets in the region.

Regional Liqueurs & Spirits

Despite the ongoing decline of the jenever/vieux category and the challenging retail environment for Pisang Ambon, revenue for the Regional Liqueurs & Spirits was in line with the first half of last year, showing the brand portfolio's resilience. Pallini performed strongly, with double-digit depletion growth in both the on-trade and retail. Tequila Partida also showed growth and points of distribution were gained following the expansion of distribution to 45 states. The recently acquired non-alcoholic Fluère brand was launched in several markets, including the US, on the back of an innovative no- & lower-alcohol cocktails strategy. This, together with the launch of Pallini Limonzero in the US, considerably strengthens our position in the growing no- & lower-alcohol segment. The domestic portfolio, including our jenever/vieux brands, was able to achieve depletions ahead of the market. With travel picking up further our sales of the KLM miniature houses improved.

Market clusters

Sophisticated Cocktail Markets (US, Canada and Puerto Rico)

During the first half of the year, we regained most of the accounts we lost when the glass shortages emerged a year ago, resulting in a strong recovery of Bols Liqueurs sales in the US. This is reflected in the strong position of the brand in this key growth market and we are confident that we will be able to increase the number of accounts in the year to go. At the same time, we faced high comps: high shipments took place from July to September last year when Bols Ready-to-Enjoy Cocktails was launched, our Tequila Partida distribution transition was completed and the Bols Liqueurs temporarily produced in the Netherlands were shipped to our customers in the US to replenish stock levels. Bols Vodka had an excellent performance, building on last year's successful introduction in the US. Galliano Espresso did well, supported by the increased popularity of the Espresso Martini cocktail. Canada was able to show strong sales, driven by Bols Liqueurs and other brands. Although revenue in Puerto Rico (Passoã only) improved compared to last year, depletions are still lagging due to challenging economic conditions. Overall, revenue for the Sophisticated Cocktail Markets grew ahead of industry levels.

Developed Cocktail Markets (Western Europe, Japan and Australia/New Zealand)

A number of key markets maintained the strong performance achieved last year. Japan, historically an important market for Lucas Bols, achieved ongoing growth as depletions posted a double-digit rise driven by the on-trade market. In Western Europe the performance of retail-focused markets such as the Netherlands, Belux, UK and France was adversely impacted by high inflation and related prudent consumer spending. With Southern Europe being more on-trade focused, markets benefitted from the further recovery of the tourism sector. In the Netherlands Passoã was able to realise high single-digit growth, leveraging the ongoing popularity of the brand's ready-to-drink proposition. In Australia and New Zealand we observed a slowdown in Galliano sales as a result of more cautious consumer spending.

Emerging Cocktail Markets (Eastern Europe, Asia (excl. Japan), Latin America and Africa/Middle East)

In Southeast Asia we reaped the benefits of our route-to-market investments and a strong recovery from the pandemic. We are actively focused on the continuing growth of the cocktail trend. Although better than last year, growth in China was below expectations due to adverse and uncertain economic developments. Most Latin American markets showed similar challenges, resulting in a drop in sales compared to the first half of last year. In Argentina our sales are temporarily impacted by a deliberate shift to another business model (from a royalty contract to direct sales).

Africa and the Middle East region did reasonably well. Bols Brandy was successfully relaunched in South Africa, and the region's performance was also boosted by increased sales of concentrates. Sales in the Emirates (including Dubai) almost doubled, leveraging the partnerships built in recent years.

Depletions

In the Global Cocktail Brands portfolio the Bols Cocktail brand stood out with the Liqueurs, Vodka and Genever showing significant increases in depletions, mainly in the US, Canada and Japan. After years of growth both Passoã and Galliano were down a little in the first half, mainly due to their retail markets. Galliano Espresso was however able to seize the Espresso Martini opportunities. Tequila Partida, Pallini, Vaccari and the KLM miniature houses posted very good results in the Regional Liqueurs & Spirits portfolio. Growth in these brands more than offset the minor decline in the jenever/vieux brands, which was better than the overall market performance in the first half of 23/24.

Depletions for the first half were in line with last year. The Sophisticated Cocktail Markets grew 15%, although the US faced relatively weak comparables due to last year's glass shortage. The Developed Cocktail Markets declined by 7% as a strong performance in Japan and Travel Retail was more than offset by a decline in the more retail-skewed markets. The Emerging Cocktail Markets showed mixed results. Most eastern European markets recorded double-digit growth. In Asia (excluding Japan) the South-East Asian markets did so well that their growth more than offset the macro-challenges encountered in China. Although Mexico continued its growth path, Latin America as a whole suffered. Africa and the Middle East were up strongly, mainly benefiting from the investments made in the Emirates (including Dubai) and South Africa.

Depletions (value)	% change H1 23/24 vs. H1 22/23
Total	-1%
Brands	
Global Cocktail Brands	-1%
Regional Liqueurs & Spirits	0%
Market clusters	
Sophisticated Cocktail Markets	15%
Developed Cocktail Markets	-7%
Emerging Cocktail Markets	-2%

Financial review

Revenue

Lucas Bols' revenue for the first half of the financial year amounted to € 55.7 million, just under last year's revenue for the same six-month period. The comparison basis was tough given last year's distributor inventory replenishments both in Europe and the US. The economic slowdown in a number of markets was more or less compensated by strong results for Bols Cocktails in key markets such the US, Japan and Southeast Asia as well as the ongoing popularity of Passoã in various on-trade markets. To counter the impact of input cost inflation, significant price increases were implemented, often in addition to those already effected in 22/23. Due to phasing, these increases will only come into full effect in the year to go. The impact of foreign exchange results on revenue was € 0.1 million positive, mainly relating to the US dollar, Japanese yen and Australian dollar.

Revenue of the Global Cocktail Brands (€ 39.7 million) was more or less flat. The Regional Liqueurs & Spirits portfolio generated € 16.1 in million revenue, in line with the first half of 22/23 when the launch of for

example Tequila Partida and the Nuvo ready-to-drink proposition took place. Revenue in the Sophisticated Cocktail Markets outperformed last year by 10%, whilst revenue in the Developed Cocktail Markets declined as a consequence of the difficult retail markets and lower consumer spending. In the Emerging Cocktail Markets a 2% increase in revenue was achieved despite a slowdown in China and Latin America. Southeast Asia, Eastern Europe, Africa and the Middle East more than made up for that.

Gross profit

Gross profit for the first half of the 23/24 financial year decreased by € 2.4 million to € 28.7 million. Gross profit as a percentage of revenue was down 380bps. In the first six months of last year the gross margin was not yet impacted by the severe input cost inflation that started when the war in Ukraine broke out because sufficient inventory was held at pre-inflation costs. Although the full effect is yet to phase in, the positive impact of higher sales prices is already evident in the first half of 23/24. The gross margin of 51.4% in the first six months of the year was 420bps higher than the gross margin achieved in the second half of 22/23.

The success of our premiumisation strategy continues to drive higher gross profit per case, which was up 6% versus the 22/23 financial year.

Operating profit

Despite the intensified challenges, normalised operating profit in the first half improved by 2% to € 11.6 million. In line with the progress we made in the first half of last year, 13% of revenue was invested in our brands (including Commercial A&P). Logistics costs came down significantly, driven by lower shipment volumes, a decrease in global container rates and the absence of last year's non-recurring costs when the production of Bols Liqueurs for the US market had to be moved to the Netherlands following a US-wide glass shortage. These cost savings, combined with lower commissions paid and depreciation charges, more than offset the lower gross profit and a 3% increase in overhead costs.

EBIT

Normalised EBIT for the first six months of the 23/24 financial year was € 11.9 million (H1 22/23: € 11.8 million). The € 0.1 million increase was on the back of a € 0.3 million increase in operating profit which was partly offset by a € 0.1 million lower share of profit of joint ventures. The latter reflects a decline in Maxxium's results, mirroring the overall slowdown noted in the Netherlands and Belux.

	Global Cocktail Brands		Regional Liqueurs & Spirits	
(in € million unless otherwise stated, for the full year ended)	30 September 2023	30 September 2022	30 September 2023	30 September 2022
Revenue	39.7	40.0	16.1	16.3
Gross profit	21.8	23.7	6.9	7.4
<i>Gross margin</i>	55.0%	59.3%	42.7%	45.3%
EBIT	14.8	14.3	5.0	5.7
<i>EBIT margin</i>	37.2%	35.9%	31.2%	34.9%

Net finance costs

Net finance costs for the first half of 23/24 came in at € 2.4 million, an increase compared to € 1.3 million in the comparable period last year. This is attributable to the significant increase in EURIBOR, which was almost 340bps higher in the first half of this year than in the same period last year.

Income tax expenses

Income tax expenses amounted to € 2.2 million versus € 2.6 million a year earlier. The decline is due to lower profits before tax.

The effective tax rate was approximately 23.9%, compared to 24.9% a year earlier. The effective tax rate for the first half of this year was below the Netherlands' nominal tax rate because of the non-taxable share of profit of joint ventures.

Net profit

Normalised net profit for the first half of the 23/24 financial year came in at € 7.4 million (H1 22/23: € 7.9 million). Normalised earnings per share amounted to € 0.49 (H1 22/23: € 0.53).

One-off items

The following one-off items were recognised in the first half of the financial year, the normalisation of which has a net positive impact on profit before tax of € 0.4 million:

- € 0.3 million of transportation costs required to transfer our US inventory from Kentucky to Minnesota following the transfer of production (included in distribution and administrative expenses).
- € 0.1 million of costs relating to various projects (included in distribution and administrative expenses).

Including these one-off items, reported net profit came in at € 7.0 million for the first half of 23/24. In the first half of 22/23 no one-off items were recognised.

Cash flow

Free operating cash flow improved significantly, from € 2.8 million last year to € 7.5 million for the first half of this year³. The increase is driven by lower working capital investments and lower income taxes paid in France for Passoã. Inventory levels have come down somewhat but they remain at an elevated level.

Equity

Equity increased by € 5.3 million compared to 31 March 2023 as the recorded net profit for the first half of the year (€ 7.0 million) was partly offset by the dividend for 22/23 paid in July 2023 (€ 1.9 million).

Net debt

During the first half of the 23/24 financial year the net debt position increased to € 61.0 million (31 March 2023: € 59.6 million). Although free operating cash flow was solid, it was more than offset by for example the Nuvo acquisition payment (€ 5.3 million), the final 22/23 dividend payment (€ 1.9 million) and interest payments (€ 1.7 million).

Lucas Bols fully complied with the bank covenants in place.

Dividend

In light of the intended public offer by Nolet the Management Board and Supervisory Board have decided to not pay an interim dividend in 23/24 (22/23 interim dividend: € 0.21 per share).

Outlook

We expect the challenging conditions to persist in the second half of the year. Given the ongoing high interest rates and macro-economic and geopolitical uncertainties, customers and outlets are expected to carry stock at a minimum level, in response to which we anticipate some destocking in the year to go.

For the full 23/24 financial year we still aim to show year-on-year revenue growth, and expect to do so at a stable gross margin. We continue our brand investments (albeit with close market-by-market monitoring) and anticipate logistics costs to remain at the moderated levels.

Operating profit (adjusted for the costs relating to the intended public offer by the Nolet Group) should be ahead of 22/23 levels.

We plan for own inventory levels to come down further in the second half of the year, contributing to our objective of bringing full-year free operating cash flow back to the level achieved in 21/22.

Intended public offer by the Nolet Group

Lucas Bols and the Nolet Group continue to make good progress on the preparations for the recommended offer for all the issued and outstanding shares in the capital of Lucas Bols. A request for review and approval of the Offer Memorandum was filed with the AFM early November 2023. As communicated in the joint press release dated 9 October 2023, the Nolet Group and Lucas Bols anticipate that the Offer will close in the first half of 2024.

Further information

www.lucasbols.com

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About the Lucas Bols Company

The Lucas Bols Company is a leading global cocktail and spirits player in the worldwide cocktail market and one of the oldest Dutch companies still active. Our mission is to create great cocktail experiences around the globe. The Lucas Bols Company is active in over 110 countries worldwide with a portfolio of more than 20 premium and super-premium brands. Bols The World's First Cocktail Brand includes the number-one liqueur range globally (not including the US). We are also the world's largest player in the genever segment, and our portfolio of brands includes Passoã, the number one passion fruit liqueur, and the ultra-premium Tequila Partida brand.

Through the House of Bols Cocktail & Genever Experience and the Bols Cocktail Academy, the company provides inspiration and education to both bartenders and consumers. With almost 450 years of experience in the art of distilling and blending spirits and cocktails combined with the creative spirit of Amsterdam, we truly are 'Masters of Taste'.

The Lucas Bols Company has been listed on Euronext Amsterdam (BOLS) since 4 February 2015.

Annexes

Brand information

Market cluster information

Interim condensed consolidated report for H1 23/24

Disclaimer

Some statements in this press release may be considered 'forward-looking statements'. By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that may occur in the future. These forward-looking statements involve known and unknown risks, uncertainties and other factors that are outside of our control and impossible to predict and may cause actual results to differ materially from any future results expressed or implied. These forward-looking statements are based on current expectations, estimates, forecasts, analyses and projections about the industry in which we operate and management's beliefs and assumptions about possible future events. You are cautioned not to put undue reliance on these forward-looking statements, which only express views as at the date of this press release and are neither predictions nor guarantees of possible future events or circumstances. We do not undertake any obligation to release publicly any revisions to these forward-looking statements to reflect events or circumstances after the date of this press release or to reflect the occurrence of unanticipated events, except as may be required under applicable securities law.

This press release contains inside information within the meaning of Article 7(1) of the EU Market Abuse Regulation.

1. Brand information

Global Cocktail Brands (Bols Cocktails, Passoã and Galliano)

(in € million unless otherwise stated, for the period ended)	30 September 2023	30 September 2022	% change reported	% change organic ¹
Revenue	39.7	40.0	-1%	-1%
Gross profit	21.8	23.7	-8%	-7%
Gross margin	55.0%	59.3%	-430 bps	-410 bps
D&A expenses	7.1	9.4	-25%	-24%
% of revenue	17.9%	23.6%	-570 bps	-540 bps
EBIT	14.8	14.3	2%	3%
EBIT margin	37.2%	35.9%	130 bps	130 bps

Regional Liqueurs & Spirits (all other brands)

(in € million unless otherwise stated, for the period ended)	30 September 2023	30 September 2022	% change reported	% change organic ¹
Revenue	16.1	16.3	-1%	-2%
Gross profit	6.9	7.4	-7%	-9%
Gross margin	42.7%	45.3%	-260 bps	-310 bps
D&A expenses	2.1	2.1	-2%	-2%
% of revenue	12.9%	13.0%	-10 bps	0 bps
EBIT	5.0	5.7	-12%	-14%
EBIT margin	31.2%	34.9%	-370 bps	-430 bps

Total

(in € million unless otherwise stated, for the period ended)	30 September 2023	30 September 2022	% change reported	% change organic ¹
Revenue	55.7	56.3	-1%	-1%
Gross profit	28.7	31.1	-8%	-8%
Gross margin	51.4%	55.2%	-380 bps	-380 bps
D&A expenses (allocated)	9.2	11.6	-21%	-20%
% of revenue	16.4%	20.5%	-410 bps	-390 bps
D&A expenses (unallocated)	7.9	8.2	-4%	-5%
Overhead (excl. depreciation) % of revenue	13.6%	13.1%	50 bps	60 bps
EBIT	11.9	11.8	1%	0%
EBIT margin	21.4%	21.0%	40 bps	20 bps

2. Market cluster information (geographical)

Sophisticated Cocktail Markets (North America)

(in € million unless otherwise stated, for the period ended)	30 September 2023	30 September 2022	% change reported	% change organic ¹
Revenue	15.2	13.8	10%	5%
% of total revenue	27.2%	24.5%		
Gross profit	6.9	7.0	-2%	-11%
% of total gross profit	23.9%	22.6%		
Gross margin	45.3%	50.9%	-560 bps	-790 bps

Developed Cocktail Markets (Western Europe, Japan and Australia/New Zealand)

(in € million unless otherwise stated, for the period ended)	30 September 2023	30 September 2022	% change reported	% change organic ¹
Revenue	31.5	33.6	-6%	-5%
% of total revenue	56.5%	59.7%		
Gross profit	16.6	18.9	-12%	-10%
% of total gross profit	57.9%	60.8%		
Gross margin	52.7%	56.3%	-360 bps	-290 bps

Emerging Cocktail Markets (Eastern Europe, Asia excl. Japan, Latin America and Africa/Middle East)

(in € million unless otherwise stated, for the period ended)	30 September 2023	30 September 2022	% change reported	% change organic ¹
Revenue	9.1	8.9	2%	4%
% of total revenue	16.3%	15.8%		
Gross profit	5.2	5.2	1%	4%
% of total gross profit	18.2%	16.6%		
Gross margin	57.3%	57.9%	-60 bps	20 bps

13 FINANCIAL INFORMATION REGARDING THE COMPANY

13.1 Selected consolidated financial information of the Company

Sections 13.3 – 13.5 contain selected consolidated financial information relating to the Company. The selected consolidated financial information has been derived from the consolidated financial statements for the financial years 2020/2021, 2021/2022 and 2022/2023. Reading the selected consolidated financial information is not a substitute for reading the audited consolidated financial statements of the Company for the financial years 2020/2021, 2021/2022 and 2022/2023.

13.2 Basis for preparation

The selected consolidated financial information of the Company that have been prepared and included in Sections 13.3 – 13.5 comprise the consolidated statement of financial position, consolidated statement of profit or loss and other comprehensive income and the consolidated statement of cash flows for the financial years 2020/2021, 2021/2022 and 2022/2023. This selected consolidated financial information has been derived from:

- (a) the consolidated financial statements of the Company for the financial year ended 31 March 2023, audited by PwC;
- (b) the consolidated financial statements of the Company for the financial year ended 31 March 2022, audited by EY; and
- (c) the consolidated financial statements of the Company for the financial year ended 31 March 2021, audited by EY.

The consolidated financial statements from which the selected consolidated financial information has been derived were prepared in accordance with IFRS and Part 9 of Book 2 DCC.

Reference is made to the notes to the consolidated financial statements for the financial year ended 31 March 2023 included in Section 13.8 (*Annual report for the Company's financial year 2022/2023 including independent auditor's report of PwC*) for a summary of the significant accounting policies of the Company.

The selected consolidated financial information set out in Sections 13.3 – 13.5 excludes related note disclosures and a description of significant accounting policies. For a better understanding of the Company's financial position, income and cash flows, the selected consolidated financial information should be read in conjunction with the audited consolidated financial statements for the financial years 2020/2021, 2021/2022 and 2022/2023, including the related notes and description of significant accounting policies that were applied for each of these years, which are available on the website of the Company (www.lucasbols.com/investors) and the AFM register of financial reporting.

The financial information included in Section 13.9 includes the unaudited interim condensed consolidated financial statements for the six-month period ended 30 September 2023, including the independent auditor's review report of PwC, the Company's independent auditor for the financial year 2023/2024.

13.3 Comparative overview of consolidated statements of financial position as at 31 March 2021, 2022 and 2023

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Amounts in EUR '000)	31.03.2023	31.03.2022	31.03.2021
Assets			
Property, plant and equipment	8,018	8,975	9,786
Intangible assets	284,569	306,864	298,213
Investments in equity-accounted investees	1,652	10,373	9,024
Other investments	408	232	831
Non-current assets	294,647	326,444	317,854
Inventories	24,910	17,624	13,295
Trade and other receivables	16,092	19,323	16,341
Other investments including derivatives	517	162	47
Cash and cash equivalents	17,569	25,588	18,827
Current assets	59,088	62,697	48,510
Total assets	353,735	389,141	366,364
Equity			
Share capital	1,497	1,497	1,248
Share premium	157,787	157,787	129,695
Treasury shares	-	-	-
Currency translation reserve	(486)	(289)	(237)
Hedging reserve	348	(287)	(990)
Other legal reserves	7,630	7,630	7,630
Retained earnings	56,044	47,417	56,014
Result for the year	(16,238)	11,771	(8,558)
Total equity	206,582	225,526	184,802
Liabilities			
Loans and borrowings	67,028	80,370	95,292
Other non-current financial liabilities	4,762	7,847	6,142
Employee benefit	129	-	505
Deferred tax liabilities	50,337	48,659	45,908
Total non-current liabilities	122,256	136,876	147,847
Loans and borrowings	10,044	5,750	15,703
Trade and other payables ²	13,707	18,174	16,457
Corporate income tax payable ²	194	-	-
Other current financial liabilities including derivatives ²	952	2,815	1,555

² The Company restated the comparative numbers of 'Trade and other payables' and 'Other current financial liabilities including derivatives' in the financial statements ended 31 March 2023. 'Corporate income tax payable', EUR 1,308 thousand, is reclassified from 'Trade and other payables' to a separate financial statements caption. 'Accrued interest payable', EUR 314 thousand, is reclassified from 'Trade and other payables' to 'Other current financial liabilities including derivatives'. For the financial statements ended 31 March 2021, 'Corporate income tax payable' amounts to EUR (113) thousand and 'Accrued interest payable', EUR 583 thousand.

Total current liabilities	24,897	26,739	33,715
Total liabilities	147,153	163,615	181,562
Total equity & liabilities	353,735	389,141	366,364

13.4 Comparative overview of consolidated statements of profit or loss and other comprehensive income for the financial years 2020/2021, 2021/2022 and 2022/2023

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

(Amounts in EUR '000) unless otherwise stated	2022/2023	2021/2022	2020/2021
Revenue	100,614	92,030	57,313
Cost of sales	(48,613)	(40,606)	(27,207)
Gross profit	52,001	51,424	30,106
Distribution and administrative expenses	(61,149)	(30,990)	(30,452)
Operating profit/(loss)	(9,148)	20,434	(346)
Share of result of joint ventures	(2,665)	2,175	507
Finance income	56	29	188
Finance costs	(361)	(5,185)	(3,637)
Net finance costs	(305)	(5,156)	(3,449)
Profit/(loss) before tax	(12,118)	17,453	(3,288)
Income tax expense	(4,120)	(5,682)	(5,270)
Net profit/(loss)	(16,238)	11,771	(8,558)
Result attributable to the owners of the Company	(16,238)	11,771	(8,558)
Weighted average number of shares	14,972,756	13,238,276	12,477,298
Earnings per share			
Basic earnings per share (EUR)	(1.08)	0.89	(0.69)
Diluted earnings per share (EUR)	(1.08)	0.89	(0.69)

CONSOLIDATED STATEMENT OF OTHER COMPREHENSIVE INCOME

(Amounts in EUR '000)	2022/2023	2021/2022	2020/2021
Net profit/(loss)	(16,238)	11,771	(8,558)
Other comprehensive income – Items that will never be reclassified to profit or loss			
Remeasurement of net defined benefit liability/(asset)	-	10	(3)
Related tax	-	(3)	1
Equity accounted investees – share of other comprehensive income	-	(46)	(174)
	-	(39)	(176)
Items that are or may be reclassified to profit or loss			
Foreign operations – foreign currency translation differences	(197)	(52)	10

Equity accounted investees – share of other comprehensive income	-	-	-
Net change in hedging reserve	856	937	(233)
Related tax	(221)	(234)	58
	438	651	(165)
Other comprehensive income for the year, net of tax	438	612	(341)
Total comprehensive income for the year, net of tax	(15,800)	12,383	(8,899)
Total comprehensive income attributable to the owners of the Company	(15,800)	12,383	(8,899)

13.5 Comparative overview of consolidated statements of cash flow for the financial years 2020/2021, 2021/2022 and 2022/2023

CONSOLIDATED STATEMENT OF CASH FLOWS

(Amounts in EUR '000)	2022/2023	2021/2022	2020/2021
Cash flows from operating activities			
Net profit/(loss)	(16,238)	11,771	(8,558)
Adjustments for:			
• Depreciation, amortisation and impairment	25,733	1,871	10,828
• Net finance costs	305	5,156	3,449
• Share of result of joint ventures	2,665	(2,175)	(507)
• Income tax expense	4,120	5,682	5,270
• Stock elimination	106	-	-
• Provision for share-based payments	129	-	-
• Provision for employee benefits	-	(505)	68
	16,820	21,800	10,550
Change in:			
• Inventories	(7,197)	(2,802)	(2,736)
• Trade and other receivables	3,380	(2,352)	8,578
• Trade and other payables	(3,380)	(522)	(3,397)
Net changes in working capital	(7,197)	(5,676)	2,445
Dividends from joint ventures	1,150	1,100	900
Interest received	123	151	188
Income tax paid	(3,815)	(1,591)	(2,002)
Net cash from operating activities	7,081	15,784	12,081
Cash flows from Investing activities			
Acquisition of subsidiary, net of cash acquired	(852)	(8,514)	(71,300)
Acquisition of/addition to associates and joint ventures	-	(250)	(850)
Proceeds from sale of joint ventures	5,101	-	-
Acquisition of property, plant and equipment	(300)	(109)	(705)
Acquisition of intangible assets	-	(38)	-
Loans issued and other investments	(176)	-	-
Net cash from (used in) investing activities	3,773	(8,911)	(72,855)
Cash flows from financing activities			
Proceeds from issue of share capital, net of related costs	-	28,341	-
Proceeds from loans and borrowings	-	-	62,000
Repayment of loans and borrowings	(9,000)	(12,500)	(14,000)
Settlement of other financial liabilities	(1,637)	-	-
Cash dividend paid to shareholders	(3,144)	-	-
Payments made in lease contracts	(969)	(870)	(832)
Interest paid	(2,917)	(3,356)	(2,028)

Net cash from (used in) financing activities	(17,667)	11,615	45,140
Net increase/(decrease) in cash and cash equivalents	(6,813)	18,488	(15,634)
Cash and cash equivalents at 1 April	24,838	5,624	21,183
Effect of exchange rate fluctuations	(500)	726	75
Net cash and cash equivalents as at 31 March	17,525	24,838	5,624
Cash and cash equivalents (asset)	17,569	25,588	18,827
Less: bank overdrafts included in current loans and borrowings	(44)	(750)	(13,203)
Net cash and cash equivalents as at 31 March	17,525	24,838	5,624

13.6 Independent auditor's report of PwC on the selected consolidated financial information of the Company for the financial year 2022/2023



Independent auditor's report

To: the shareholders and supervisory board of Lucas Bols N.V.

Report on the selected consolidated financial information for 2022–2023

Our opinion

In our opinion, the accompanying selected consolidated financial information for the financial year ended 31 March 2023 of Lucas Bols N.V., Amsterdam (hereafter: the selected consolidated financial information) as included in Section 13.3, 13.4 and 13.5 of this offer memorandum, are consistent, in all material respects, with the audited consolidated financial statements for the year 2022–2023, in accordance with the basis described in Section 13.2 'Basis for preparation' of this offer memorandum.

The selected consolidated financial information

The selected consolidated financial information, derived from the audited consolidated financial statements for 2022–2023, comprise:

- the overview of consolidated statement of financial position as at 31 March 2023;
- the overview of consolidated statement of profit or loss and other comprehensive income for the financial year ended 31 March 2023; and
- the overview of consolidated statement of cash flow for the financial year ended 31 March 2023.

The selected consolidated financial information does not contain all the disclosures required by International Financial Reporting Standards, as adopted by the European Union and Part 9 of Book 2 of the Dutch Civil Code. Reading the selected consolidated financial information, therefore, is not a substitute for reading the audited financial statements of Lucas Bols N.V. and the auditor's report thereon.

The selected consolidated financial information and the audited consolidated financial statements do not reflect the events that occurred subsequent to the date of our reports on the audited consolidated financial statements.

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'PwC' is the brand under which PricewaterhouseCoopers Accountants N.V. (Chamber of Commerce 34180285), PricewaterhouseCoopers Belastingadviseurs N.V. (Chamber of Commerce 34180284), PricewaterhouseCoopers Advisory N.V. (Chamber of Commerce 34180287), PricewaterhouseCoopers Compliance Services B.V. (Chamber of Commerce 51414406), PricewaterhouseCoopers Pensions, Actuarial & Insurance Services B.V. (Chamber of Commerce 54226368), PricewaterhouseCoopers B.V. (Chamber of Commerce 34180289) and other companies operate and provide services. These services are governed by General Terms and Conditions ('algemene voorwaarden'), which include provisions regarding our liability. Purchases by these companies are governed by General Terms and Conditions of Purchase ('algemene inkoopvoorwaarden'). At www.pwc.nl more detailed information on these companies is available, including these General Terms and Conditions and the General Terms and Conditions of Purchase, which have also been filed at the Amsterdam Chamber of Commerce.



The audited financial statements and our auditor's reports thereon

We expressed an unqualified audit opinion on the audited consolidated financial statements 2022–2023 in our report dated 24 May 2023. This report also includes the communication of key audit matters. Key audit matters are those matters that, in our professional judgement, were most significance in our audit of the audited financial statements of that period.

Responsibilities of the management board for the selected consolidated financial information

The management board is responsible for the preparation of the selected consolidated financial information on the basis as described in Section 13.2 'Basis for preparation' of this offer memorandum.

The supervisory board is responsible for overseeing the company's financial reporting process.

Auditor's responsibility

Our responsibility is to express an opinion on whether the selected consolidated financial information is consistent, in all material respects, with the audited consolidated financial statements based on our procedures, which we conducted in accordance with Dutch Law, including the Dutch Standard on Auditing 810, 'Engagements to report on selected financial statements'.

Amsterdam, 12 December 2023
PricewaterhouseCoopers Accountants N.V.

Original has been signed by B.A.A. Verhoeven RA

13.7 Independent auditor's report of EY on the selected consolidated financial information of the Company for the financial years 2020/2021 and 2021/2022

Independent auditor's report on the selected consolidated financial information for the years ended 31 March 2022 and 2021

To: the shareholders and supervisory board of Lucas Bols N.V.

Our opinion

The selected consolidated financial information of Lucas Bols N.V., based in Amsterdam, for the years ended 31 March 2022 and 2021, included in Section 13.3 to 13.5 "Selected consolidated financial information" of this offer memorandum, is derived from the audited consolidated financial statements of Lucas Bols N.V. for the years ended 31 March 2022 and 2021.

In our opinion, the selected consolidated financial information for the years ended 31 March 2022 and 2021 is consistent, in all material respects, with the audited consolidated financial statements of Lucas Bols N.V. for the years ended 31 March 2022 and 2021, on the basis described in Section 13.2 "Basis for preparation" of this offer memorandum.

The selected consolidated financial information comprises summaries of the:

- Comparative overview of consolidated statements of financial position as at 31 March 2022 and 2021
- Comparative overview of consolidated statements of profit or loss for the financial years ended 31 March 2022 and 2021
- Comparative overview of consolidated statements of other comprehensive income for the financial years ended 31 March 2022 and 2021
- Comparative overview of consolidated statements of cash flow for the financial years ended 31 March 2022 and 2021

Summary financial statements

The selected consolidated financial information does not contain all the disclosures required by International Financial Reporting Standards as adopted by the European Union and Part 9 of Book 2 of the Dutch Civil Code. Reading the selected consolidated financial information and our independent auditor's report thereon, therefore, is not a substitute for reading the audited consolidated financial statements of Lucas Bols N.V. for the years ended 31 March 2022 and 2021 and our independent auditor's reports thereon. The selected consolidated financial information and the audited consolidated financial statements, do not reflect the effects of events that occurred subsequent to the date of our independent auditor's reports on those financial statements of 24 May 2022 and 26 May 2021.

The audited financial statements and our independent auditor's report thereon

We expressed unqualified audit opinions on the consolidated financial statements for the years ended 31 March 2022 and 2021 in our independent auditor's reports dated 24 May 2022 and 26 May 2021. Our independent auditor's reports also includes communication of materiality, scope of the group audit and key audit matters.

Responsibilities of the management board and the supervisory board for selected consolidated financial information

The management board is responsible for the preparation of the selected consolidated financial information for the years ended 31 March 2022 and 2021, on the basis as described in Section 13.2 “Basis for preparation” of this offer memorandum.

The supervisory board is responsible for overseeing the company's financial reporting process.

Our responsibilities

Our responsibility is to express an opinion on whether the selected consolidated financial information for the years ended 31 March 2022 and 2021 is consistent, in all material respects, with the audited consolidated financial statements for the years ended 31 March 2022 and 2021 based on our procedures, which we conducted in accordance with Dutch law, including the Dutch Standard on Auditing 810, “Opdrachten om te rapporteren betreffende samengevatte financiële overzichten” (Engagements to report on summary financial statements).

Amsterdam, 12 December 2023

Ernst & Young Accountants LLP

signed by D.K. Noort

13.8 Annual report for the Company's financial year 2022/2023 including independent auditor's report of PwC

ANNUAL REPORT

LUCAS BOLS



2022 — 2023



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ANNUAL REPORT

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Statement – This copy of the annual report of Lucas Bols N.V. for the year ended 31 March 2023 is not presented in the ESEF-format as specified in the Regulatory Technical Standards on ESEF (Delegated Regulation (EU) 2019/815). The ESEF single reporting package is available at: www.lucasbols.com.

The paragraphs marked with a * are part of the report of the Management Board as defined in Title 9, Dutch Civil Code 2.



The Lucas Bols Company is a leading global cocktail and spirits player with a strong position in the worldwide cocktail market. **Our mission is to create great cocktail experiences around the globe.**

At the Lucas Bols Company it is all about creating great cocktail experiences around the globe. As Masters of Taste we combine over four centuries of craftsmanship and heritage with our creative spirit of Amsterdam to discover new flavours and cocktails. This allows us to build leading cocktail and spirits brands. Our key assets are our three premium Global Cocktail Brands (Bols, the World's First Cocktail Brand, Passoã and Galliano) and our portfolio of Regional Liqueurs & Spirits brands.

The Lucas Bols Company is active in over 110 countries worldwide. The Bols brand includes the number one liqueur range globally (not including the US). We are also the world's largest player in the genever segment, and our portfolio of brands includes the number-one passion fruit liqueur Passoã and the ultra-premium Tequila Partida brand.

Our flexible and asset-light business model enables us to focus fully on innovation and strategic marketing to build the Lucas Bols brands. At the Lucas Bols distillery we create new flavours and adapt old recipes in line with today's cocktail trends. We enthusiastically operate the Lucas Bols experiences such as the House of Bols, the Bols Cocktail Academy, the Bols Around the World competition and the Wynand Fockink tasting tavern, which play a leading role in developing the cocktail market.

Lucas Bols. Masters of Taste

Our heritage and craftsmanship dates back almost four-and-a-half centuries, to 1575 in Amsterdam. Since then, we have been mastering the art of mixing and blending, creating beautiful flavours for our genevers and liqueurs. We invite you to open your senses and experience the past, present and future of the Lucas Bols Company.

1575

The Bols family establishes distillery 't Lootsje in Amsterdam and starts distilling liqueurs.

1700

Grandson Lucas Bols turns the distillery into an international company and creates over 300 liqueur and genever recipes.

20th century

Acquisition of regional brands, such as Dutch genevers, Pisang Ambon and Coebergh.

2006

Return of the Lucas Bols head office to Amsterdam and addition of new bartender brands such as Galliano.

2008

International relaunch of Bols Genever, based on the original recipe from 1820.

2016

The Lucas Bols Company adds Passoã, the world's number 1 passion fruit liqueur to its Global Cocktail Brands portfolio.

2020

Launch of non-alcoholic Damrak Virgin 0.0. and global relaunch of Bols Liqueurs, crafted with natural botanicals.

2022

Acquisition of ultra-premium Tequila Partida brand, world's highest rated tequila brand portfolio.

1664

The Bols family start producing genever which plays an important role in the emergence of the cocktail culture in the US in the 19th century.

1816

The widow of the last male Bols heir sells the Company, on condition that the Lucas Bols name forever be used on all its products.

2004

Launch of the iconic Bols Liqueurs bottle, made by & for bartenders to improve efficiency and ease of use and its distinctiveness.

2007

Opening of the House of Bols Cocktail & Genever Experience and the Bols Cocktail Academy in Amsterdam.

2015

Celebration of 440 years of Lucas Bols history and listing on the Euronext Amsterdam stock exchange.

2019

Addition of Nuvo, the sparkling liqueur, to the Regional Liqueurs & Spirits portfolio.

2021

Launch of innovative Bols Ready-to-Enjoy Cocktail Tubes and multi-serve bottles in 5 cocktail flavours.

2023

The Lucas Bols Company strengthens its no- and lower-alcohol cocktails positioning by acquiring Fluère, a leading non-alcoholic spirits brand.



Financial Highlights

>€100
mln

Revenue
(in € mln)

100.6

2021/22: 92.0

Gross margin
(in % of revenue)

51.7

2021/22: 55.9

Normalised operating profit*
(in € mln)

15.1

2021/22: 20.6

Free operating cash flow*
(in € mln)

6.8

2021/22: 15.6

Normalised net profit*
(in € mln)

10.1

2021/22: 14.7

Dividend per share
(in €)

0.34

2021/22: –

* These items are non-GAAP measures, normalised numbers are excluding one-off items. For further information about these measures, and the reasons why we believe they are important for an understanding of the performance of our company, please refer to our commentary on non-GAAP measures as of page 173.

Company Highlights



**Masters
of Taste
since 1575**



**448 years of
craftsmanship**



**More than
25 brands**



**Sold in over
110 countries
worldwide**





Brand Highlights



**World's No.1
liqueurs range**

Not including the US



**World's No.1
genever**



**World's highest rated
tequila brand portfolio**



**World's No.1
passion fruit liqueur**

Interview with the Management Board

What are your main reflections on the past financial year?

"I think it is fair to say that in the past few years we have operated in the most difficult and challenging context our industry has experienced for quite some time," CEO Huub van Doorne commenced. "I am grateful to the entire Lucas Bols team for their collective drive to weather these storms."

"Zooming in on the first half of the past financial year, the business showed a solid performance, benefiting from the recovery in Japan and travel-related markets as restrictive measures and other effects of COVID-19 faded out in these markets too," CFO Frank Cocx said. "Strategic marketing and premiumisation initiatives enabled us to capitalise on this strong momentum."

"Although global supply chain disruptions had already started during the pandemic, issues got worse when the war broke out in Ukraine," he continued. "The pricing and availability of raw materials heavily impacted this year's performance, most notably in the US where industry-wide glass shortages meant that our brands were out-of-stock in some outlets and we incurred additional costs. In the second half of the financial year the situation intensified even further, mainly as a result of input cost inflation due to the energy crisis. This put additional pressure on our cost base, resulting in a decline in our profit margins."

"In this very challenging environment we continued to leverage our brand equity, as is reflected in the 9% increase in revenue for the full year. We were able to successfully increase prices across our key brands and markets. Compared with the pre-pandemic period,

revenue grew by 20% thanks to our strong cocktail proposition, successful premiumisation strategy and valuable additions to our platform, such as the ultra-premium brand Tequila Partida," Huub van Doorne added.

"Our Fit for Growth strategy, which we implemented two years ago, clearly paid off: the average case rate increased by 27% in three years with gross profit per case going up by 16% in that period. I believe we can truly say that our fundamentals are now stronger than before," he concluded.

What did you find to be the most challenging?

"Just when the on-trade and travel were really getting back on track, supply problems arose due to global shortages of raw materials," Frank Cocx said. "This posed serious challenges for our ability to deliver products

to certain markets. A very clear example was the industry-wide shortage of glass. By taking decisive action, including a temporary move of production to the Netherlands, we managed to maximise the availability of our products. This could not prevent sales of the Bols Liqueurs range in the US from being affected as well as incurring incremental logistics costs and working capital."

"At the same time input costs increased even further from the already high levels we saw during the pandemic," Huub van Doorne continued. "This put considerable pressure on our profit margins. To mitigate part of the impact we took actions including expanding our contingency options, investing in planning capabilities, forward-buying and building safety stock levels."

"Revenue grew by 20% compared to the pre-pandemic period."

"The strong and flexible supply chain partnerships proved yet again to be very important in these circumstances, as was the resilience and problem-solving attitude of the Lucas Bols teams worldwide," Frank Cocx stressed. "I am proud of the fact that we were able to continue to deliver to all our markets worldwide, with the exception of the US."

How was this reflected in the markets worldwide?

"There are big differences in how our markets performed in the past financial year," Huub van Doorne noted. "On the one hand we saw a strong recovery in Japan and in the South-East Asian markets, particularly in Vietnam and Thailand. A large number of European markets – including Italy and Spain – also did very well, as did the Eastern European markets excluding Russia where we ceased all business following the start of the war. On the other hand, as discussed above, our US sales suffered from industry-wide glass shortages. Meanwhile, weakening consumer purchasing power started to impact the US and other markets including France and the UK in the second half of the financial year. By now, most of the accounts temporarily lost in the US as a consequence of the glass shortages are re-gained, with the remaining parts expected to be re-gained in the near future."

What were the brand highlights this past financial year?

"We have signature cocktails in place for all our Global Cocktail Brands and some of our Regional Liqueurs & Spirits," Frank Cocx explained. "They promote brand equity and drive the number of menu listings in the on-trade. A great example is the Espresso Martini, a signature cocktail for our Galliano Espresso. The Espresso Martini is a very popular and growing cocktail that was one of the key drivers behind Galliano's outstanding performance. The Pornstar Martini remains a key growth driver for the Passoã brand. The roll-out to Italy, Spain and Eastern Europe translated into high growth numbers in these markets. Our new ultra-premium brand Tequila Partida also performed well, with a substantial number of additional points of distribution."

"Bols Cocktails showed a good recovery, mainly in Japan and South-East Asia," Huub van Doorne elaborated. "The recovery was also supported by new retail listings in the US, the Netherlands and Belgium for the Bols Ready-to-Enjoy Cocktail Tubes and multi-serve bottles. This year the Tubes will also be available at several outdoor festivals and the Ready-to-Enjoy Espresso Martini is available on KLM flights where we also have a new cocktail listed in business class."

"Another highlight I would like to mention," Frank Cocx added, "is the record number of visitors we welcomed at the House of Bols Cocktail & Genever Experience. It is great to see that after two years of COVID-19 measures so many people found their way back to our unique experience to enjoy a vibrant and innovative outing. Not only a great testament to the strength of our brands but it creates many brand ambassadors around the world. Our authentic Wynand Fockink tasting tavern also reported record-high numbers in the past financial year."

"Furthermore we organised a brand summit in October 2022," Frank Cocx continued. "We welcomed many of our distributors to exchange ideas and share thoughts and insights on the Lucas Bols brands and brand strategies."

Can you elaborate on innovation and new introductions?

"Innovation and creating new experiences is at the heart of our DNA," Huub van Doorne firmly said. "This past year we introduced limited-edition packaging for Passoã, which boosted the brand's visibility in retail and may potentially benefit travel retail at a later stage. This year we introduced a new signature cocktail for Galliano: Galliano Vanilla Mule, a refreshing, lower-alcohol cocktail served in a large spritzer glass. Another great signature cocktail that we started to introduce directly after the acquisition of the Fluère brand in December 2022 is a no-alcohol cocktail crafted with Fluère Smoked Agave and Fluère Bitter, inspired by the Paper Plane cocktail."



“And of course we are constantly expanding existing brands to new markets,” Frank Cocx added, “such as the Passoã brand that we launched in China and South-Korea in March 2023. Another important launch I would like to mention is Bols Vodka in the US. This will boost our position in vodka-based cocktails, one of the largest segments of the cocktail market.”

How are the new additions to the Lucas Bols family of brands doing?

“We see exciting developments with Tequila Partida, which gives us access to the fastest growing spirits category in the US,” Frank Cocx said. “22/23 was the first full year Tequila Partida was part of our portfolio and it reported a solid performance. It is now fully integrated into the Lucas Bols platform and we managed to significantly grow the number of points of distribution. This, together with the potential for further premiumisation, brings many opportunities for Tequila Partida to flourish. In the next financial year we will start to explore bringing the brand to other markets.”

“Fluère became part of the portfolio only recently, in January this year,” Huub van Doorne continued. “This acquisition is strategically very important given the strong trend and focus on no- and lower-alcohol cocktails. Fluère is highly-regarded both by bartenders and consumers and it gives us the opportunity to play

a leading role in this rapidly growing segment of the cocktails market. As such, I strongly believe Fluère will help us in our mission to create great cocktail experiences around the globe. Such experiences should be for everyone and on every occasion,” he stressed, passionately. “We will focus on getting the bartender community acquainted with Fluère and ensuring they fall in love with the numerous beautiful no- and lower-alcohol cocktail creations using the five Fluère products, also in great combinations with our liqueurs range. I really look forward to unlocking the brand’s full potential and exploring synergies between Fluère and our other cocktail brands.”

Can you elaborate on the sale of Avandis?

“In December we completed the sale of Avandis, our production joint venture in Zoetermeer, to Refresco,” Frank Cocx said. “This allows us to fully focus on

what we do best: building brands. As we have a co-manufacturing agreement in place, blending and bottling is fully secured and we expect to leverage Refresco’s strong global position when it comes to sourcing, production and innovation. The transition to new ownership went very smoothly, with few to no hiccups in production. This is a great achievement from the teams on both sides. We are confident that Refresco offers the best environment for Avandis to thrive and we very much look forward to continuing our long-lasting relationship with Avandis.”

How did the Lucas Bols Company shape its ESG (Environmental, Social, Governance) strategy?

“Sustainability is vital to the resilience and growth of our business and critical for attracting the very best people,” Frank Cocx firmly stated. “Responsible consumption has always been an essential element in our strategy to create long-term value – it is our ‘license to operate’. In 22/23 we spent significant time

designing a more explicit, measurable and profound ESG strategy. Although the strategy will and should evolve over time we have started embedding it in the day-to-day operations of the Lucas Bols Company. We look forward to also working together on this with our business partners too as their cooperation is really needed in achieving the ambitions we have set.”

“Amongst other things we have defined three clear strategic ESG pillars,” Huub van Doorne elaborated. “Our first pillar addresses ‘people’ and commits to empowering the Lucas Bols community by further improving diversity, inclusivity, well-being, development and the role we take in the communities we operate in. The second pillar is all about ‘planet’: themes such as packaging, CO₂ reduction and sustainably-sourced ingredients are at the core of our ambitions in this regard and are key to safeguarding sustainable craftsmanship. Our last pillar is called ‘pleasure’ and deals with how we inspire responsible cocktail consumption.”

“I am proud of the steps we have taken to further shape our ESG strategy and we are committed to progressing our sustainability agenda more in the years to come,” Frank Cocx concluded.

What is your take on the future and more specifically the 23/24 financial year?

“The past couple of years our people have spent a lot of time braving the pandemic and tackling supply chain challenges whilst completing many substantial projects to strengthen our operations and grow our global cocktail presence,” Frank Cocx commenced. “With the pandemic behind us and supply chains steadily recovering it is now time to reap the full benefits of these projects. The focus in 23/24 will therefore be on the organic development of our business and on embedding the benefits of projects undertaken over the last three years. Of course we will continue our efforts to mitigate the effects of ongoing inflation by managing input costs and implementing additional sales price increases.”

“The Fluère acquisition is important given the trend on no- and lower-alcohol cocktails.”

“We believe that the further growth and premiumisation of Tequila Partida, the launch of Fluère, the introduction of Bols Vodka and the expansion of retail listings for Bols Ready-to-Enjoy Cocktails will allow our US business to get back to its growth trajectory and consequently also drive overall growth for the Lucas Bols Company. We also expect the ongoing growth in Asian markets to fuel growth in the Emerging Cocktail Markets,” Huub van Doorne added.

“At the Lucas Bols Company, we cherish our great heritage and our long history of craftsmanship. In June 2025 we will reach our 450th anniversary. We look forward to celebrating this special moment with all who have contributed to achieving this milestone. Exciting details of the celebrations will be announced in the next twelve months as part of our 450th anniversary countdown,” he enthusiastically concluded.

Key figures

IN € MILLION UNLESS OTHERWISE STATED
FOR THE YEAR ENDED 31 MARCH

2023

2022

Results

Revenue	100.6	92.0
Gross profit	52.0	51.4
Gross margin	51,7%	55,9%
Normalised operating profit ¹	15.1	20.6
Normalised operating profit margin ¹	15.0%	22.4%
Normalised EBIT ^{1/2}	16.3	22.8
Normalised net profit / (loss) ¹	10.1	14.7
Net profit / (loss)	(16.2)	11.8

Cash flow

Free operating cash flow ²	6.8	15.6
Cash conversion ratio ²	40.9%	70.1%

Balance sheet

Working capital ²	27.3	20.4
Total equity	206.6	225.5
Net debt ²	59.6	60.7

Results

# of shares issued at 31 March	14,972,756	14,972,756
Weighted average # of shares	14,972,756	13,328,276
Normalised earnings per share ¹	0.68	1.11
Net earnings per share	(1.08)	0.89
Total dividend per share	0.34	–

Employees

Number of FTEs	70	66

¹ Excluding one-offs. For further information about the one-offs, please refer to our commentary on non-GAAP measures as of page 173.

² These items are non-GAAP measures. For further information about these measures, and the reasons why we believe they are important for an understanding of the performance of our company, please refer to our commentary on non-GAAP measures as of page 173.



Shareholder information

Share listing

The shares of Lucas Bols N.V. have been listed on the Euronext Amsterdam stock exchange since 4 February 2015. Lucas Bols shares are traded under the symbol BOLS, ISIN code NL0010998878.

The Lucas Bols share

	22/23	21/22
Number of outstanding ordinary shares at 31 March	14,972,756	14,972,756
Share price low	€ 9.52	€ 9.00
Share price high	€ 11.50	€ 12.26
Closing share price on 31 March	€ 11.30	€ 10.74
Proposed total dividend per share	€ 0.34	–
Market capitalisation at 31 March	€ 169,192,143	€ 160,807,399

Share capital

All of the issued shares of the Lucas Bols Company are ordinary shares with a nominal value of € 0.10 each. At 31 March 2023 the share capital consisted of 14,972,756 ordinary shares which have been fully paid-up.

Major shareholders

Pursuant to the Dutch Financial markets Supervision Act (Wet op het financieel toezicht) shareholders are obliged to give notice of interests exceeding or falling below certain thresholds, starting with 3%, to the Dutch Authority for the Financial Markets (Autoriteit Financiële Markten (AFM)). AFM was notified of the following statements of interests of 3% and over in the Lucas Bols Company up to 31 March 2023:

SHAREHOLDER	SHAREHOLDING
Dreamspirit B.V. (controlled by Mr. H.L.M.P. van Doorne)	5.22%
Edelweiss Holdings plc	3.17%
Enix NV	15.01%
John and Marine van Vlissingen Foundation	5.01%
Lazard Frères Gestion SAS	5.01%
Nolet Holding B.V.	25.00%

Dividend policy

Lucas Bols’ dividend policy and practices take account of both the interests of the shareholders and the expected further development of the Company.

The dividend pay out ratio will depend on the Company’s recent financial performance and financial position, organic and acquisitive growth opportunities and macro-circumstances. Under the policy, the intention is to pay a ratio of 40% to 50% of full-year net profit and to pay any such dividend in two semi-annual instalments.

The Lucas Bols Company intends to distribute an interim dividend in the third quarter of each financial year equal to 40% of net profit over the first half year of that respective financial year and to declare a final dividend in the second quarter of the following financial year after adoption of the annual accounts by the Annual General Meeting of Shareholders.

There can be no assurances that a dividend will be proposed or declared in any given year.

Financial calendar

7 July 2023 Annual General Meeting of Shareholders
16 November 2023 Publication half-year results 23/24

Prevention of insider trading

In consequence of its listing on Euronext Amsterdam the Lucas Bols Company is obliged to have regulation in place to prevent the use of insider knowledge by its managers, employees or other ‘insiders’.

The compliance officer sees to it that the legislation relating to insider knowledge is adhered to and other compliance risks are observed. The Lucas Bols Company has an Employee Share Participation Plan (see page 127). Frank Cocx (CFO) is the Company’s compliance officer.

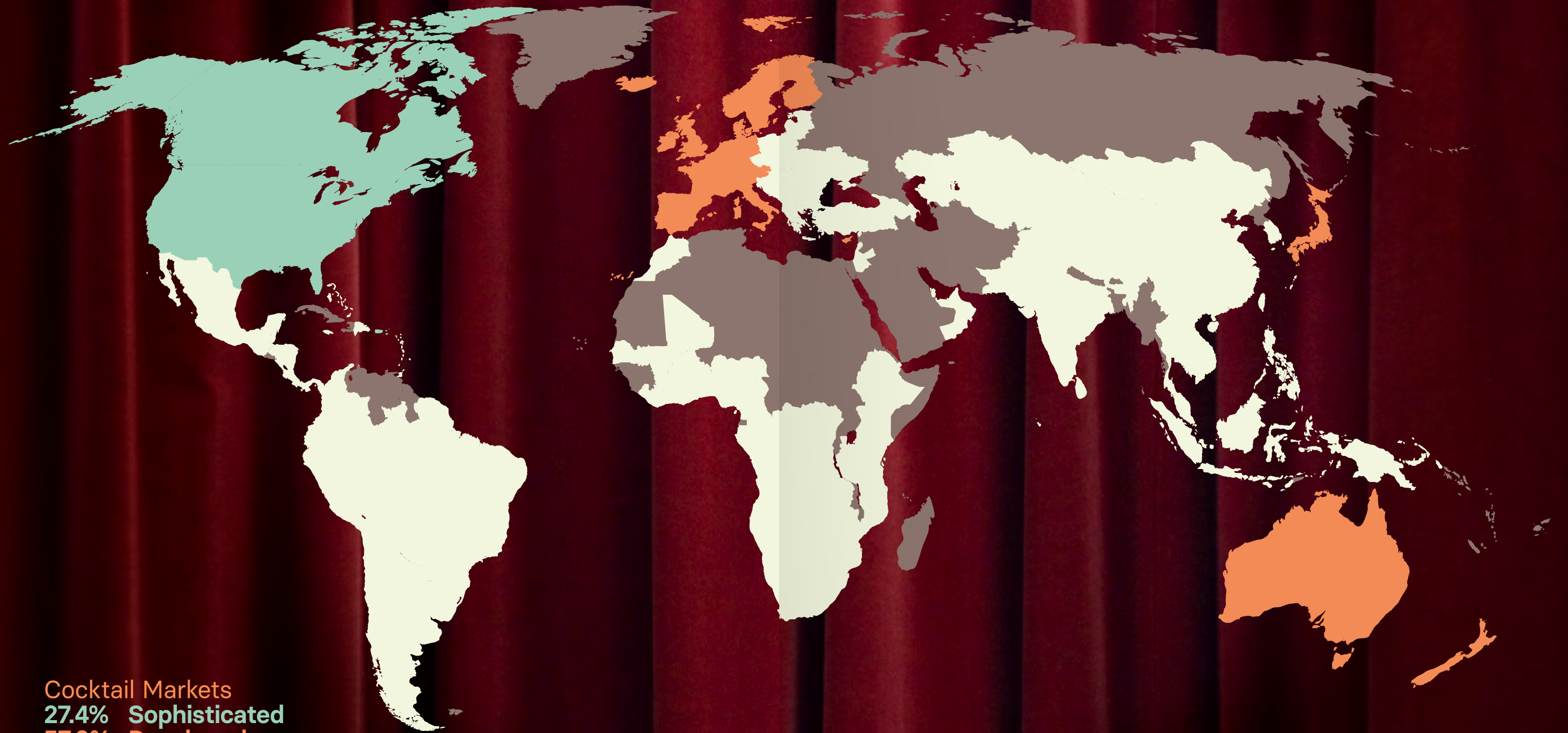
Investor relations

The Lucas Bols Company feels it is of great importance to maintain an active dialogue with its shareholders and other stakeholders. The aim is to give existing and potential shareholders, analysts and the financial press a broader insight into the Company and the sector we operate in. We do this by providing relevant financial and other information in a timely manner and to the best of our ability. To this end, the Lucas Bols Company ensures that relevant information is provided equally and simultaneously to all interested parties.

Analyst presentations regarding the half-year and full-year results publications can be followed by webcast to provide broad and easy access. From time to time the Lucas Bols Company engages in bilateral contacts with existing and potential shareholders and analysts. These contacts can have the form of investor conferences, company visits and one-on-ones. The purpose of these contacts is to explain the strategy and performance of Lucas Bols and thus ensure that correct and adequate information is disseminated about the Company.

Global presence

The world is our stage



Cocktail Markets
27.4% Sophisticated
57.0% Developed
15.6% Emerging



Our **Global Cocktail Brands** portfolio consists of three premium brands, each holding a leading position in the spirits industry: Bols Cocktails, Passoã and Galliano.



Bols. The world's first cocktail brand.

Based in Amsterdam since 1575, Bols' high-quality products blend over four centuries of craftsmanship and experience. Bols has been part of the global cocktail culture since the first wave in 1862 and still actively engages with the international bartender community to create new drinks and experiences for their customers. Bols also inspires consumers to make and drink cocktails at home with its wide variety of products, flavours and innovative cocktail concepts.

Bols Liqueurs

Bols Liqueurs comprises more than forty unique premium liqueurs, widely used by bartenders to create cocktails. Bols Liqueurs are also consumed in mixed drinks and cocktails at home and are crafted with natural botanicals such as herbs, spices and fruits. The key markets for the Bols Liqueurs range include the US, Japan, China, Germany, the Netherlands, the UK and Scandinavia.

Bols Genever

The Bols family first produced genever in 1664. Genever played an important part in the rise of the cocktail in 19th-century America. It is the rich content of our unique Bols malt spirit that makes it perfect for mixing and making cocktails. Nowadays Bols Genever is back in cocktail bars in over thirty countries around the world with the US, the UK and the Netherlands being the most important markets.

Bols Vodka

Tapping into our Lucas Bols craftsmanship and distillation expertise, Bols Vodka was developed to create the best mixable vodka. Its natural wheat distillate base and charcoal filters result in an extraordinary high level of purity, making Bols Vodka perfect for mixing and preparing cocktails. The key markets for Bols Vodka are Scandinavia, the US, Canada and the Netherlands.



Bols Ready-to-Enjoy Cocktails. Magically simple. The launch of the revolutionary Bols Ready-to-Enjoy Cocktails in 21/22 marked a new journey: Bols as a consumer brand. With an industry that is shifting towards quality in-home entertainment, Bols brings home the magic of cocktails with these Ready-to-Enjoy Cocktails in three steps: Chill, Pour & Garnish. Each of the five Bols Ready-to-Enjoy Cocktails feature an expertly-crafted blend of premium Bols spirits and liqueurs, with 100% natural flavours and no preservatives. Bols Ready-to-Enjoy Cocktails are available in truly innovative 200ml Tubes and 375ml and 700ml bottles.

Bols Cocktails Tubes

The Tubes serve one to two cocktails, are sustainable and designed to preserve exceptional taste and quality and boast a premium black design. They create a new, premium segment within the fast-growing category of ready-to-serve cocktails. The Bols Cocktails Tubes are available in retail stores, online and a few airlines and provide a great solution for gifting, festivals, (boutique) hotels and certain on-trade premises.



Bols Cocktails Multi-serve bottle

The Bols Cocktails multi-serve bottles allow for five to seven (700ml) and three to five cocktails (375ml) respectively, and can be poured directly out of the chilled bottle. As restaurants and bars are struggling to recruit, retain and properly train bar staff and mixologists the Bols Cocktails multi-serve bottles help such restaurants and bars to continue their high-quality cocktail service without compromising guest experience.





Passoã. The Passion Drink.

Created in 1985 and now the world's number one passion fruit liqueur, Passoã is perfect for making easy mixes and more sophisticated cocktails such as the original Pornstar Martini. The natural and refreshing flavours of Passoã's unique Brazilian passion fruits shine through in any mix and cocktail and are right on-trend. Passoã is known for its attractive red colour and iconic black bottle with a recognisable sunset logo and fresh passion fruit visuals. The key markets for Passoã are the UK, France, the Netherlands, the US, Puerto Rico and Belux, and new markets are entered every year.

Passoã Pornstar Martini

Originally created with Passoã, the Pornstar Martini is the number one cocktail in the UK, the fastest growing cocktail in many cocktail markets around the world and one of the most searched cocktails online. Often the best-selling cocktail at the bar, this fancy flavourful new classic is a shaken cocktail traditionally served with a shot of champagne. Passoã has become a premium brand for both the professional bartender and consumers with this unique, signature cocktail.

Passoã & Tonic

Passoã & Tonic is a refreshing lower-alcohol cocktail with great colour that is easy to make anytime, anywhere: a fresh fruity light alternative to Gin & Tonic. For a low-sugar alternative, tonic can be replaced with soda water. Passoã & Tonic is also available in a can for on-the-go consumption. Another easy and fresh example is the Passoã Rosé Sangria, a modern exotic spin on the most sharable cocktail.



Galliano. Spirito Italiano.

Galliano traces its roots back to 1896 Tuscany, Italy. It is the true Italian spirit with the iconic shaped bottle, inspired by the columns of the ancient temples of Rome. Galliano offers the finest Italian flavours and lifestyle, to be celebrated with friends and family. The range consists of Galliano L'Autentico, Vanilla, Espresso, L'Aperitivo, Amaretto and Sambuca (white & black), all of which have received the highest quality rating in the Difford's Guide. Galliano is mostly consumed in refreshing apéritifs and after-dinner cocktails. Its key markets are the US, Canada, Australia, New Zealand, Scandinavia and Germany.

Galliano Espresso Martini

A well-known classic cocktail, growing rapidly in popularity. It is currently the no. 4 in Difford's Guide's "the world's top 100 cocktails". If you are looking for the most extravagant Espresso Martini, use Galliano Espresso. It is the only espresso liqueur in the market, with a full-flavoured palate similar to a real espresso. Galliano Espresso is a perfect blend of dark-roasted Arabica and Robusta beans to give this cocktail the length and intensity it deserves. For those who love coffee.



Galliano Hot Shot

Another way to turn your dinner into a party is to serve the rich and incredibly tasty signature Galliano Hot Shot. This surprisingly delicious and great-looking after-dinner treat will surely impress your guests. It is a simple drink to make, consisting of Galliano Vanilla, hot coffee and cream. Started in Scandinavia, but now gaining traction around the world.



Galliano Vanilla Mule

'Aperitivo hour' is there to enjoy refreshing cocktails with friends. Galliano let you enjoy this Italian tradition of pre-dinner drinks with its new signature serve: the Galliano Vanilla Mule. A refreshing summer drink, tapping into the trend of light and refreshing cocktails. By replacing vodka with Galliano Vanilla it provides a lower-alcohol twist to the original Moscow Mule recipe. The Galliano Vanilla Mule is served in a big 'spritzer' glass to showcase the beautiful golden color of the drink.



Our **Regional Liqueurs & Spirits** portfolio consists of more than 20 brands, including Pisang Ambon, Tequila Partida, Nuvo, Henkes, Fluère, Bols Dutch Genevers, Bokma, Coebergh and Hartevelt.

These brands are important cash generators, and some have the potential to develop to a new Global Cocktail Brand. The brands are categorised into International Liqueurs & Spirits and Domestic Liqueurs & Spirits.



International Liqueurs & Spirits brands.

The international portfolio includes well-known brands such as Pisang Ambon, Tequila Partida, Nuvo, Henkes, Vaccari, Damrak and the non-alcoholic spirits brand Fluère. Most brands are “local heroes” and have a strong position in specific markets. Investments are made to drive regional brand development, with the objective for certain brands to become a Global Cocktail Brand.

Pisang Ambon Banana Liqueur

Founded in 1948 based on an original Indonesian recipe, Pisang Ambon is thé banana liqueur. It has an emerald-green colour and comes in a legendary square bottle. The brand is a tribute to its Indonesian roots (Ambon island near Bali) and ‘pisang’ (Indonesian for banana). In 2021 Pisang Ambon was re-vamped with a 100% natural and even smoother banana flavour and a new eye-catching, premium packaging. Pisang Ambon’s key markets are the Benelux, France and Scandinavia, where the brand’s 75th birthday will be celebrated this year.

Pisang Ambon. Break free from the ordinary!



Nuvo Sparkling Liqueur

Nuvo Sparkling Liqueur defines luxury and is the ultimate accessory when celebrating life. It is crafted with ultra-premium French vodka, a touch of sparkling wine and infused with a proprietary blend of fruit nectars. Nuvo’s ultra-premium bottle stands out on any table, is the perfect gift and can be enjoyed over ice or in a mix with tequila, vodka or champagne. In 2022 the Nuvo Rose Vodka Spritzer was launched. This premium canned cocktail extends the brand’s presence in the growing ready-to-drink category. The brand is currently sold in the US and selected markets in Latin America.

Nuvo. L’esprit de Paris





Henkes Gin

Henkes is a brand with a fascinating and proud history dating back to 1824. The brand was first exported as early as in the mid-19th century and gained global recognition and notable awards since.

Henkes Gin is a juniper-berry gin with sweet and citrus notes and is best served with tonic. Henkes has been successfully positioned as a value-for-money brand: high-quality spirits at an affordable price. This makes the brand very accessible in its current markets (mainly Africa and the Netherlands) with several opportunities to grow the brand in new markets.

When it's time for tradition, it's time for Henkes

Damrak Gin

Made in our distillery near Damrak square (in the heart of Amsterdam), Damrak Gin combines seventeen botanicals (including juniper berry, Valencia orange peel and coriander) and is distilled five times to provide an exquisite smooth taste. In 2020, Damrak was the world's first gin brand to launch a 0.0 gin as a non-alcohol alternative: Damrak Virgin 0.0. Although at 0% alcohol, the spirit contains 100% of the recognisable Damrak Gin botanicals flavour and is used in a wide variety of cocktails. Exceptionally smooth with a twist of orange, Damrak Gin and Virgin 0.0 are widely appreciated and easily mixed to create a sophisticated drink – with or without alcohol. The US, the Netherlands and BeLux are currently the most important markets.

Damrak. The Best DAM Gin



Tequila Partida.

Tequila Partida (founded in 2005) is inspired by its namesake, Enrique Partida, a third-generation agave farmer and considered a master in his community. The liquid is made from only blue agave grown in the Tequila Valley (near a dormant volcano) applying unique harvesting, cooking and distillation techniques. Tequila Partida is world's highest rated tequila brand portfolio, and tequila remains the ultimate ingredient to the US no. 1 cocktail the Margarita. In addition the brand is right-on-trend when it comes to ultra-premium tequilas being enjoyed neat more often.

Tequila Partida La Familia

Considered by experts as simply 'the best line of tequilas money can buy' it is widely used to create great tasting cocktails such as the Margarita. Part of the La Familia product range is aged in ex-bourbon, American white oak casks to enhance the fresh natural agave flavour and colour.



Tequila Partida Roble Fino

The Roble Fino product range is considered 'the single malt of tequila'. These unique tequilas are first aged in ex-bourbon casks and they additionally spend time in the finest ex-single malt, sherry-seasoned casks. This releases unique flavours which is why Roble Fino is best savoured neat in a tequila sipping glass.



New! Fluère.

Fluère, a leading non-alcoholic spirits brand created in 2018, lives its brand values: mindful, cosmopolitan, intriguing and adventurous. Its premium products are highly regarded and consequently the brand takes pride in the first-rate reviews and many medals and awards won. Fluère is made with the same complex distilling techniques used for spirits and high-end perfume houses, applying superior distillation methods and using best-in-class ingredients, including the finest botanicals. Fluère is available in over 20 countries, including Europe and the US. Fluère's range comprises five products in a stunning bottle design: Original, Spiced Cane, Raspberry, Smoked Agave and the new Bitter apéritif. The no- and lower-alcohol market is a rapidly growing category: health consciousness and mindful drinking continue to be on the rise and social occasions become increasingly diverse.

No-alcohol cocktails

Fluère is the perfect answer to no-alcohol cocktail demand because of its mature taste and unique 'after bite'. The Fluère range enables the crafting of exciting no-alcohol alternatives to well-known cocktails such as the Paper Plane, Gin & Tonic, Espresso Martini and many more. Fluère's signature no-alcohol cocktail is the Paper Train crafted with both Fluère Smoked Agave and Fluère Bitter. The original Paper Plane is rapidly growing in popularity and entering the top 20 of the Difford's Guide 'the world's top 100 cocktails'.



Lower-alcohol cocktails

Fluère also addresses the increasing demand for lower-alcohol variants of well-known cocktails such as the Margarita, Dry Martini, Old Fashioned, Espresso Martini and Negroni. By using the Fluère range these cocktails can be crafted with equal alcoholic units as beer without compromising the flavour and experience. Specifically interesting to try is Fluère's variant of the Margarita. By replacing the base spirit tequila with Fluère Agave, this all-time favourite can now be prepared at only 6.1% ABV strength, resulting in a smoother variant with subtle smokiness.



New



Domestic Liqueurs & Spirits.

Our domestic brands have a strong sense of heritage and are important cash generators. They include premium Dutch Genever brands and the exclusive Bols KLM Delft Blue miniature houses. Other Domestic brands such as Coebergh, Zwarte Kip Advocaat and Wynand Fockink (with its range of artisanal genevers and liqueurs) demonstrate our entrepreneurial spirit and leading market position.

Bols & Bokma Dutch Genever & Vieux

Genever is the centuries-old local Dutch spirit, and one of the largest spirit categories in the Netherlands. The Lucas Bols Company is the market leader in genever by operating a range of iconic brands such as Bols, Bokma, Hartevelt, Hoppe, Floryn and Legner. The premium Bols and Bokma genevers have distinctive packaging and a rich heritage, each with a wide range of products varying from the traditional unaged young and old genevers to specialty and aged genevers such as Corenwyn oak cask blends, Bourbon cask blends and Rye genever.

Vierkant achter Bokma



Coebergh Wild Berries

Founded in 1877, Coebergh is a traditional flavoured genever brand with black berries. The Coebergh portfolio consists of Coebergh Classic (a fruity liqueur with red fruits and black berries as a base), a Coebergh Red Fruit liqueur (which has additional cranberries and is lower in ABV) and the soft and fresh taste Coebergh 0.0 (launched in 2021, containing no-alcohol). Coebergh is traditionally enjoyed with orange juice, but also tastes great on the rocks, with sparkling wine and/or soda water.

De traditionele wilde bessenlikeur



Mission & strategy

Our Mission at the Lucas Bols Company is to create great cocktail experiences around the globe. We combine almost four-and-a-half centuries of craftsmanship with the creative spirit of Amsterdam to discover new flavours and cocktails. Every day. Allowing us to build leading cocktail and spirits brands for today's bartenders and consumers.

This is how we create long-term value at the Lucas Bols Company.
Lucas Bols. Masters of Taste.



Lead the development of the cocktail market



Develop our regional liqueurs & spirits



Worldwide growth of our cocktail brand



Leverage operational excellence

Our four strategic pillars

Our strategic objective as Masters of Taste, is to grow and develop the cocktail markets and our cocktail brands. To accomplish this we focus on the following strategic pillars, which are anchored in our overarching view on ESG responsibilities as addressed on pages 72-79:



Lead the development of the cocktail market

As market leader it is important for the Lucas Bols Company to drive cocktail innovation and trends in order to grow the cocktail market around the globe. We have an active innovation programme, continuously updating and launching new flavours and packaging as well as introducing new-to-market concepts, which allow for great new cocktail experiences. We closely engage with the global bartending community, creating new trends in the cocktail market together. We work with retailers and engage directly with influencers and consumers to support and inspire cocktail consumption at home. Initiatives – increasingly online – such as the Bols Cocktail Academy and the Bols Around the World global competition capture the interest of the bartending community and consumers alike – we take pride in training new Masters of Taste!



Worldwide growth of our cocktail brands

To grow the equity of our Global Cocktail Brands (Bols Cocktails, Passoã and Galliano) we focus on growing the global and local cocktail markets. We aim to increase our market share in current cocktail markets by increasing distribution penetration, investing in brand awareness and opening up (digital) direct-to-consumer sales. Besides building our existing cocktail markets we enter into (and expand in) Emerging Cocktail Markets with our brands.



Develop our Regional Liqueurs & Spirits

Within our portfolio of Regional Liqueurs & Spirits brands we drive regional brand growth for our local heroes. We develop clear roles and strategies for the various brands, also within our domestic genever & vieux portfolio. This helps to increase competitiveness and protect the contribution of these brands. We also optimise profitability and cash generation throughout the chain by constantly challenging pricing and costs. The ultimate objective for this portfolio is to develop certain existing brands into new Global Cocktail Brands by investing in brand-strategy development and awareness.



Leverage operational excellence

Our asset-light business model with a mix of in-house and outsourced activities provides optimal flexibility and creates a strong, scalable platform for brand development. We successfully further leverage this platform by adding selected brands through distribution agreements (e.g. regarding our distribution platform in the US), through strategic partnerships with brand owners and by acquiring new brands such as Tequila Partida and Fluère. At the foundation of our asset-light business model are the long-term partnerships with distributors, production and supply chain partners.



Value creation model

Creating great cocktail experiences around the globe



Creating value

Value Creation at the Lucas Bols Company is attained through three unique and strong assets: craftsmanship, brand building and long-term partnerships.



We build value through our brands using our rich heritage and strong brand identity. We use our extensive experience of extracting and devising flavours to create great recipes. In our distillery (and in close cooperation with our blending and bottling partners) we use the finest raw materials to make the high-quality products for which the Lucas Bols Company is renowned. Our global distribution partnerships are essential in making sure our drinks are available around the world. Together with our employees and brand ambassadors we work hard every day to fulfil our mission – to create great cocktail experiences around the globe.

Craftsmanship

At the Lucas Bols Company we are Masters of Taste. Extracting and creating flavours and spirits is what our company is all about. Building on our heritage dating back to 1575, the Lucas Bols Company has mastered the art of distilling, mixing and blending natural ingredients into a wide range of exciting flavours and cocktails.

Best in class quality

Our motto, *semper idem* (always the same high quality), is upheld by the Lucas Bols Master Distiller and her team. The team combines the art of selecting the right ingredients with their expertise and curiosity to create hundreds of recipes suited to modern-day consumers and bartenders. The art of mixing and blending has been passed down through generations of master distillers and continues to be an internally trained craft. At our Lucas Bols distillery in the center of Amsterdam, our team of distillers produces the essential flavour distillates for the various Bols Genevers, Bols Liqueurs, Damrak Gin and other brands.

Innovation

Innovation has been key to the success of the Lucas Bols Company over the past four centuries. This is a continuous process, meaning that the Company's pipeline is always filled with new flavours, spirits, cocktails and products to be launched at the appropriate time and in relevant markets. This creative spirit is embodied throughout the Lucas Bols Company and is guided by our experienced Research & Development team. The agile team acts quickly with relevant innovations, tapping into the needs of bartenders and consumers. Our latest innovations include Bols Ready-to-Enjoy Cocktails (premium cocktails in multi-serve bottles as well as innovative, recycled PET Tubes) and the launch of a Passoã limited edition.

Brand building

Our strong and well-known Global Cocktail Brands are number one brands for bartenders and consumers alike. Our unique brand marketing is key to achieving this, through a mix of inspiration, education and experiences and new consumer campaigns.

Experiences & Consumer campaigns

The House of Bols in Amsterdam plays a key role in marketing the Bols Cocktails brand and helps create Bols Cocktails fans and brand ambassadors all over the world. The House of Bols provides a journey into the history of the Lucas Bols Company and its brands and initiates visitors into the world of cocktails and the Dutch spirit of genever. This year we welcomed 60.000 cocktail enthusiasts at the House of Bols – a record number in line with the growth experienced at Wynand Fockink.

Following global trends and other indicators that social media usage among the target group of our Global Cocktail Brands continues to increase we have greatly intensified our social media efforts. Key objectives were to increase our social presence, enrich our digital assets to connect deeper with our followers, to adopt a test-and-learn approach to continually improve our global investments and to synchronise global and local digital efforts to reach our target group at multiple touch points. By doing so, combined with much more responsive and humanised community management, we have reached more people than ever before in our key markets, improved brand awareness and increased the followers base for all our Global Cocktail Brands.

Education & inspiration

Bartenders globally are trained at our Bols Cocktail Academy in Amsterdam and by our Bols Global Brand Ambassadors on tour around the world to make the best cocktails and create the best cocktail experiences. These programmes reinforce Bols Cocktails as the world's first cocktail brand.

Through the Bols Cocktail Academy we continued to stay in constant touch with the bartending scene and bartenders globally. We educated, engaged and committed this important group by sharing information on new products and innovative drink recipes, amongst which via live and online seminars. The Bols Cocktail Academy in Amsterdam operates 12 cocktail stations and we can host up to 36 students accordingly to physically teach them how to make the perfect serve, maintaining our position as leading cocktail brand.

Another exciting highlight is the re-launch of our global cocktail competition. We challenge bartenders from all over the world to create the new Bols Cocktails icon cocktail. This culminates in a three-day cocktail celebration in Amsterdam with the Bols Cocktail Academy at the heart of it. We inspire bartenders with cocktail seminars by world cocktail authorities and bartender lifestyle seminars by experts in their trade.

Long-term partnerships

The Lucas Bols Company operates an asset-light business model. Under this operating model, the only activities performed in-house are those which are unique to Lucas Bols or those which must be undertaken in-house. As such, a crucial role is assigned to long-term partnerships. Distillation, innovation and product development, strategic marketing, brand development and distribution in the US are considered core in-house activities. There are three areas where partnerships are particularly essential to achieve our business objectives: the blending and bottling of our products, logistics and the in-market distribution and marketing of our brands globally.

Blending and bottling partners

The creation of new products and recipes as well as the selection and extraction of ingredients are the responsibility of the Lucas Bols distillery under the leadership of our Master Distiller. The final blending and bottling of our products is outsourced to strategic partners in various countries around the globe, including the US, Argentina, South Africa, Canada, and France. The vast majority of our products will (also after the sale of Avandis to Refresco) be blended and bottled at Avandis in the Netherlands. The blending and bottling process takes place under the auspices of, and is subject to, quality control by the Lucas Bols Master Distiller and the product development and quality teams.

Logistics

The Lucas Bols Company works with long-term partnerships to ensure efficient and reliable logistical services globally. Most notably the Company has an active relationship with our key logistics provider in the Netherlands for warehousing and transportation.

Distribution partners

The Lucas Bols Company has a distribution model tailored to the specific needs of its brands in each market where the Company is present.

In the Netherlands, Belgium and Luxembourg the distribution of our brands is handled by our 50-50 joint venture with Edrington (Maxxium), while the Lucas Bols brands in the key US market are distributed through our wholly-owned subsidiary Lucas Bols USA, Inc. In other markets we have strong, longstanding relationships with distribution partners to ensure the route-to-market for our products, including local sales and marketing. Such distributors are carefully selected and evaluated on a market-by-market and brand-by-brand basis.

Stakeholder dialogue

The Lucas Bols Company has a global reach, which means that we impact people around the world. As part of our asset-light business model we also have numerous strategic partnerships in various areas, and we consider these to be important stakeholders. Engaging with our stakeholders is therefore essential to build and maintain trust, develop an understanding of our business challenges, establish goal alignment and develop solutions jointly. An open and constructive dialogue with these stakeholders is crucial to optimising our ability to create value. Such dialogue helps us recognise important trends and developments in society and our markets at an early stage, in order for us to take this information into account when making decisions. Embracing open dialogue makes it possible to identify opportunities and risks early on and it ensures that the Lucas Bols Company remains responsive to the wants and needs of its various stakeholders.

The stakeholder matrix on the following page lists our most important stakeholders and why they are relevant to us. It also describes what their expectations are, the intended outcome of dialogue and how we engage with them.

The Company frequently interacts with all key stakeholders, both periodically and ad hoc. The Management Board is often involved in these interactions. The relevance and type of dialogue differs per stakeholder. Sometimes direct one-on-one contact is most appropriate (for example with employees and business partners), while indirect communications might be more effective where other stakeholders are involved (for example consumers). On other occasions a combination is preferred: we interact with many bartenders and bar owners around the world both through our distribution partners and our own Bols Cocktail Academy.

Stakeholder matrix

	Relevance to the Lucas Bols Company	Relevance to stakeholders / Important expectations	Intended outcome of dialogue	Means of communication
Employees	Bring the Lucas Bols brands to life, really make the difference and add to the Company's value creation	Inspiring, inclusive and safe working environment, where sufficient attention is paid to employee well-being	Motivated and dedicated people that are true ambassadors for our brands and the Company	One-on-ones, team sessions, Management Drives, ways of working cycle, Code of Conduct
Consumers	Buy and enjoy our products responsibly. Define and accelerate trends that are relevant to us	High-quality products and cocktail inspiration to enjoy at special moments	Loyal consumers who are part of our community, both through on-trade and in-home cocktail consumption	Campaigns and brand activation programmes online and offline, messaging on the package
Bartenders and bar owners	Work with our products to create and serve drinks and cocktails. Promote our products. Co-creation of new products and initiation and detection of trends	High-quality products That deliver bartender and customer satisfaction and are a source of education and inspiration	Loyal customers and brand ambassadors and sources of inspiration to develop new drinks and products	Social media, marketing tools and the Bols Cocktail Academy (physically and virtually). Through Bols Around the World and our distributors
Retailers and wholesalers	Promote our products and make them available to consumers and outlets	Provide their customers with unique and high-quality products at a fair price	Product positioning in line with brand strategies, a clear commercial strategy	Marketing, business contacts mainly through distributors, online (including social media)
Blending and bottling partners/suppliers	Blend and bottle our products according to Lucas Bols recipe to make them available throughout the world. Reliable and consistent quality. Timely delivery of finished products	Loyal partners that operate in a long-term setting based on fair business principles. Products and services that their employees and stakeholders are proud to work with	Value-based, long-term reliable and transparent partnerships contributing to delivering high-quality products on time	Monthly and/or quarterly reviews, periodic reporting and information supply, business contracts, quality standards, projects, Code of Conduct
Partners in logistics	Ship and deliver our products according to Lucas Bols demand & supply planning, i.e. the correct volumes in the right state of quality, at the right time and at the right place	Loyal partners that operate in a long-term setting based on fair business principles. Products and services that help the partners in logistics grow their business strategically	Value-based, long-term reliable and transparent partnerships contributing to delivering high-quality products on time and at the right place	Monthly and/or quarterly reviews, periodic reporting and information supply, business contracts, quality standards, projects, Code of Conduct
Distribution partners	Make our brands available and promote them according to Lucas Bols centrally-defined strategies. Tailor-made local in-market sales and marketing approach	Loyal partners that operate in a long-term setting, providing customers with unique and high-quality products that complement their portfolio at a fair price	Value-based, long-term reliable and transparent partnership contributing to the development of our brands in global markets	Monthly and/or quarterly reviews, periodic reporting and information supply, business contracts, quality standards, projects, brand, sales and marketing plans, Code of Conduct
Shareholders	Provide the trust and capital we need to maximise returns and to develop our Company and brands in the long term	Receive a long-term return on investment, in a transparent setting	Maintain confidence and long-term commitment	Corporate website, press releases, financial reporting, investor presentations and gatherings, AGMs, roadshows, cocktail markets days
Banks	Provide the trust and funding we need to develop our Company and brands in the long term	Creditworthy company with a balanced and consistent risk/reward profile	Long-term relationship and fair terms, consistent with our risk profile	Corporate website, periodic meetings and reporting, press releases, financial reporting
Government bodies	Responsible for setting the laws and regulations relating to excise duties, responsible consumption of alcohol (including drinking age regulation), import restrictions, etc.	Trade and income from excise duties; partner in programmes regarding responsible consumption of alcohol	Fair and balanced laws and regulations, effective programmes regarding responsible consumption of alcohol	Contact is primarily driven by our local distributors
NGOs	Responsible for giving input into laws and regulations relating to responsible consumption of alcohol (including drinking age regulation, alcohol tax/excise) and other sustainability topics, etc.	Partner in programmes regarding responsible consumption of alcohol and other sustainability topics	Fair and balanced laws and regulations, effective programmes regarding responsible consumption of alcohol and other sustainability topics	Overall contact is coordinated centrally with most of detailed contact driven by our local distributors



Composition of the Management Board

Chief Executive Officer (CEO) Mr. H.L.M.P. (Huub) van Doorne

(current term expires in 2026)

Huub van Doorne (1958) initiated a buy-out of Lucas Bols in 2005, as a result of which the Lucas Bols Company became independent and returned to Amsterdam in April 2006.

Huub is vice-chairman of Spirits NL, the Dutch spirits industry organisation. Huub also holds Board positions within the Lucas Bols joint ventures: he is chairman of the Supervisory Board of Maxxium Nederland, chairman of the Supervisory Board of Maxxium BeLux and member of the Board of BolsKyndal. Until the completion of the sale of Avandis to Refresco (December 2022) he was member of the Supervisory Board of Avandis. Furthermore, Huub is member of the Supervisory Board of Het Aambeeld N.V.

Chief Financial Officer (CFO) Mr. F.J. (Frank) Cocx

(current term expires in 2024)

Frank Cocx (1981) joined the Lucas Bols Company on 1 April 2020 and teamed up with Huub to navigate the Lucas Bols Company through the COVID-19 pandemic and supply challenges whilst implementing the Fit for Growth operating model and undertaking strategic acquisitions. He is also actively involved in the development and implementation of the Company's ESG strategy.

Frank is member of the Supervisory Board of Maxxium Nederland, member of the Supervisory Board of Maxxium BeLux and member of the Board of BolsKyndal. Until the completion of the sale of Avandis to Refresco (December 2022) he was member of the Supervisory Board of Avandis. In addition, Frank is member of the Supervisory Board of Stichting Kinderfeest.

Report of the Management Board

22/23 was a milestone year for the Lucas Bols Company with revenue breaking through the € 100 million barrier. Robust recovery in Japan and South-East Asia as well as a strong performance in Southern and Eastern Europe boosted sales. Revenue also benefited from the acquisition of Tequila Partida, our effective premiumisation strategy, sales price increases and exchange rate fluctuations. The € 100.6 million of revenue achieved in 22/23 means we have grown revenue 20% compared to the pre-pandemic 19/20 year, notably driven by sales growth on our Lucas Bols USA distribution platform and a renewed focus on the Global Cocktail Brands under the Fit for Growth strategy.

The year under review was, however, also marked by substantial adverse impacts of global supply disruptions. Unprecedented input cost inflation phased in over the year significantly reduced gross margins despite our ability to successfully effectuate sales price increases. Even though the gross margin came in 420bps lower than the year before we were able to realise a 4% increase in gross profit per case sold thanks to our strong brand positioning and premiumisation strategy.

Global supply disruptions also interrupted the accelerated US growth trajectory. Sales in the US were held back materially by industry-wide glass shortages, particularly in the first half of the financial year. The majority of accounts lost at the time has since been restored, with Tequila Partida also paving the path for

further growth in the US in 23/24 and beyond. The glass shortage in the US also resulted in € 1.4 million of one-time logistics costs and a very high stock build at year end, putting additional pressure on 22/23 cash generation.

These challenges and overall macro-economic and geopolitical turbulence did not keep us from stepping up our brand investments, aimed at both the immediate and medium term. These investments combined with lower gross margins and increased logistics costs (partly non-recurring) have temporarily softened our operating profit. Supported by further revenue growth, expected gross margin improvements (mainly in the second half of the year) and container rates that are coming down we aim for 23/24 operating profit to approach 21/22 levels.

Although cash generation was not as high as in previous years we were able to further reduce net debt. The even healthier balance sheet resulting from this and the comfort brought by successfully extending

our financing arrangements to November 2025 allow us to propose a full-year dividend pay-out of 50% of normalised net profit, i.e. at the upper end of our dividend policy.

In addition to the implementation of Fit for Growth and the acquisition of Tequila Partida (funded by a successful equity raise in December 2021) last year, the 22/23 financial year of the Lucas Bols Company was

“Revenue broke through the € 100 million barrier.”

also marked by important strategic milestones. Firstly, to fully focus on our core activity of creating great cocktail experiences around the globe we sold our 50% share in Avandis to Refresco. The associated long-term manufacturing contract entered into ensures we will reap the benefits of Refresco's size, scale and expertise. Secondly, we formalised the sustainability objectives that have always been part of our DNA into an ESG strategy with KPIs and targets. Embedding this strategy and the required governance is an important topic for the 23/24 financial year. Lastly, effective 1 January 2023 we acquired Fluère, a leading non-alcoholic spirits brand: right at the heart of our third strategic ESG pillar ('Inspire responsible cocktail enjoyment').

Business review

Supply chain

After the war in Ukraine broke out the global disruptions in the supply chain that started during the COVID-19 pandemic intensified, adversely impacting performance in the 22/23 financial year. Shortages of raw materials (for example glass) imposed serious challenges in terms of material requirements and production planning as well as product availability. In the US, the industry-wide glass shortage also resulted in out-of-stocks in the August to October 2022 period. To minimise that impact substantial volumes of Bols Liqueurs for the US market were produced in the Netherlands, leading to € 1.4 million of incremental logistic costs and significant additional working capital investments.

At the same time input costs increased dramatically – adding to the already high cost levels experienced during COVID-19. Cost increases were mainly noted for alcohol, glass, aluminium, sugar and paper, further increasing pressure on our margins and profit. In addition, headwinds on logistics costs intensified during the first three quarters of the year, only to come down on certain shipping lines in the last quarter. Combined with a more expensive shipments mix (mainly driven by the US, Japan and Australia) and the incidental logistic costs for US Bols Liqueurs this resulted in much higher overall logistics costs levels compared to previous years.

We continued our decisive actions to mitigate the impact. We expanded our contingency options (in relation to sourcing, production and logistics), invested in planning capabilities (both at the Lucas Bols Company and our sourcing and production partner Avandis (now called Refresco), planned and allowed for extended lead times (raw material purchasing,

production and shipping), built safety stock levels if and when deemed necessary and agreed price increases with our customers. Prices for key raw materials were increasingly hedged or locked in otherwise – in certain instances also a requirement to ensure availability.

Thanks to these measures and our strong and flexible supply chain partnerships we were able to minimise raw material shortages, production disruptions or logistical issues. As a result we were generally able to deliver our products to markets around the world, even under these challenging circumstances. The exceptions to that are the notable out-of-stock situation in the US (August to October 2022) and Passoã in a number of European markets (June to August 2022), both instances leading to missed sales. Our 22/23 costs also suffered from the global supply disruption: significantly-increased input costs put pressure on our profit margins whilst the logistics headwinds substantially increased our logistical costs, further reducing operating and net profit.

Route to market

After creating Maxxium BeLux and entering into an exclusive distribution agreement with Maverick Drinks (distribution of the Bols and Galliano brands in the UK market) last year we appointed a new distributor in Portugal, Turkey and Indonesia.

Commercial initiatives

All our Global Cocktail Brands operate with a clear focus on one or more signature cocktails to grow the number of menu listings in the on-trade accounts and strengthen rotation. For Passoã this signature-cocktail focus means we put the Pornstar Martini at the heart of what we do, whilst the Galliano Hot Shot and the Galliano Espresso Martini play a crucial role in growing the Galliano brand. For Bols Cocktails, signature drinks build around the ever-popular Margarita cocktail, for example. For all signature cocktails we have prepared and actively communicated toolkits to our on-trade partners, and are simultaneously accelerating in-home consumption. In that regard consumer communication is increasingly important: this is our way to explain – with a little help from our bartender community – how to make these cocktails. We also reach our consumers directly by expanding our in-home portfolio with the Bols Ready-to-Enjoy Cocktails: a true premium innovation in the growing ready-to-drink category. The Bols Ready-to-Enjoy Tubes and multi-serve bottles are currently listed at retailers in the US, the Netherlands and Belgium, amongst others.

In certain markets we have tailored our brand and product portfolio. Examples are the launch of Passoã in China and the introduction of Bols Vodka in the US, to complement our cocktail offering and more effectively market our overall Bols Cocktails proposition. This will further build Bols Cocktails' brand position as the world's first cocktail brand. We continued to develop our wide product range whilst tailoring our portfolio to each individual market.

This year was also marked by the introduction of a limited edition packaging for Passoã in six markets, which created great visibility and excitement about the brand in retail. For the occasion, targeted PR and influencer launch events took place in US, the Netherlands and Belgium, generating great coverage.

Our brands were also starring at a number of relevant trade events such as large on-trade fairs. Consumers were made aware of our brands at festivals and dedicated parties and celebrations. To improve direct-to-consumer communication we hired a dedicated social media manager. Digital marketing plans are now continuously optimised, with a strong focus on growing the follower base on social media platforms and driving consumers to stores.

In October 2023 we organized a brand summit for most of our distribution partners. We took this opportunity to align with our global community to ensure excellent execution of our brand the strategies in the various market places. We spent significant time engaging with bartenders around the world, both virtually and physically. The Bols Cocktail Academy is supported by an e-learning platform and we have started Bols Around The World competitions in multiple markets locally.

Brands Global Cocktail Brands

Bols Cocktails

Bols Cocktails – the world's first cocktail brand – is truly about cocktails and is positioned accordingly across our markets. The cocktail range includes Bols Liqueurs, Bols Vodka, Bols Genever and our latest innovation: Bols Ready-to-Enjoy Cocktails.

Excluding the US, the Bols Cocktails portfolio showed solid growth across its key markets. The brand is predominantly positioned in the on-trade channel,

so the gradual lifting of COVID-19 measures (mainly the re-opening of the on-trade) positively impacted 22/23 performance, mainly in Europe, Japan and other Asia markets expect for China.

The Bols Liqueurs range performed above expectations (excluding the US), partly on the back of the re-opening of the on-trade. More particularly, high double-digit growth was achieved in Japan and across Scandinavia. Bols Vodka also showed double-digit growth, driven by its launch in the US and a promising recovery in the Netherlands.

In North America, the Bols Cocktails brand was heavily impacted by glass shortages on the Bols Liqueurs for the US market. However, in the past year we successfully gained listings in both the on-trade and off-trade across key markets with key cocktail liqueur flavours. We also launched Bols Vodka in the second quarter perfectly integrating it into our signature cocktail strategy with vodka-based cocktails still growing in popularity.

The Developed Cocktail Markets reported double-digit growth in depletions on the Bols Cocktails brand. Growth versus last year was primarily driven by Japan where on-trade has fully opened up after a long period of strong COVID-19 restrictions. Also Scandinavia shows a good performance, mainly driven by the Nordic free zone, that is in full recovery of the COVID-19 restrictions, next to that the Swedish on-trade is growing due to a focused drink strategy with digital support. Switzerland has seen higher brand investments in the on-trade with dedicated partnerships, resulting into increased sales and listings. In Italy the growth is mainly due to the expansion of our flavour portfolio within existing customer base.

The Emerging Cocktail Markets showed mid single-digit growth in overall depletions, but high single-digit growth if China (which was hampered by COVID-19 issues during 22/23 still) is excluded. Growth mainly took place in South Korea and through the recovery of South-East Asia. With China opening up slowly-but-surely we expect to leverage the strong positioning of our Bols Cocktails brand in 23/24.

With last year's introduction of the Bols Ready-to-Enjoy Cocktails range in the US and the Netherlands we continue to increase focus on the consumer and sales to the off-trade – fully in line with our long-term cocktail strategy. Our first consumer communication

campaign was well received and particularly appreciated by our trade partners for our geo-targeted approach in both markets.

We are still experiencing the strong effect of the new packaging design for Bols Liqueurs with natural botanicals. We will continue to focus on a clear signature drinks strategy for each market, selecting which cocktails are most likely to appeal to local consumers and focusing our communication primarily on these drinks.

Passoã

Passoã consolidated the strong gains achieved last year, with single-digit growth in both volume and revenue. Strong performance in several key markets were partially offset by a slow-down in growth in the UK. The brand had a difficult year in the UK with a challenging economic and competitive environment, mainly in retail and e-commerce. The Netherlands, Italy, Spain and Scandinavia were the main growth engines in 22/23.

The continuation of the growth trajectory in the Netherlands, historically a more mature market, is a testament to the success of the strategic shift towards a more premium, cocktail-oriented brand. It also underlines the brand's perfect fit with current consumer trends: the popularity of passion fruit, lower-alcohol cocktails (e.g. easy-mixes with Passoã & premium tonic). It is exciting to see the growing appeal of the Pornstar Martini cocktail outside the UK. In Italy and Spain Passoã benefited from the return to full on-trade capacity and a great tourist season.

Consistent investments were made to increase brand awareness and consideration and attracting new consumers. This included the launch of the Passoã Sunset limited edition in six markets, creating great visibility in retail. For that occasion PR- and influencer-launch events took place in the US, the Netherlands and Belgium, which generated great coverage. By an increasing number and more effective social media campaigns in the UK, France, Belgium, the Netherlands and Australia we strongly grew our presence on social media, including our Instagram

followers base. Brand-building investments were also focused towards presence at summer events and bars as well as a strong festive-season presence in retail (e.g. folders, store displays).

Galliano

Galliano broke through the 100,000 standard cases depletions barrier, clearly outperforming performance in earlier years and showing continuing strong growth across the brand's key markets. Galliano's solid performance in Australia and New Zealand was driven by retail sales as consumers kept socialising at home with Galliano Sambuca. Recently Galliano launched a refreshing summer drink called the Galliano Vanilla Mule, an easy mix of Galliano Vanilla topped with ginger beer (or ginger ale) and fresh lime juice. This taps into the trend of light and refreshing drinks and further strengthens the vanilla flavour along with Sambuca in the Pacific region.

The Galliano brand achieved outstanding results in Scandinavia in the past years, leveraging the original Galliano Hot Shot signature serving ritual. Before the pandemic the Galliano Hot Shot was mainly focused on the on-trade, but the retail share in total volumes has now doubled and this momentum continued when lockdown measures were lifted. We successfully drove in-home consumption via newly-created online videos aimed to increase awareness and consideration among consumers (at-home, after-dinner) and boost sell-out, particularly in Sweden. The on-trade channel is also getting back on track with strong initiatives. An appealing example of that is the

National Galliano Hot Shot Day, with over 89 bars in Scandinavia taking part and a total of more than two million consumers reached via an online campaign and influencer events.

In the US the Galliano brand saw double-digit year-on-year growth supported by an increase in the number of distribution points for Galliano L'Autentico. We also realised a significant step-up in distribution and rotation for Galliano Espresso, activating the Espresso Martini,

one of the most popular cocktails at the moment. This was backed by social media campaigns to support the Galliano Espresso rebranding (formerly known as Galiano Ristretto). Furthermore, increasing awareness was achieved through an impactful cocktail competition surrounding coffee cocktails in cooperation with StarChefs, an essential resource within the restaurant and bar industry.

From a global perspective the use of social media is embedded in the key countries to further increase awareness and consideration for the brand and is centered around the three leading cocktails: the Galliano Vanilla Mule, the Galliano Espresso Martini and the Galliano Hot Shot.

Regional Liqueurs & Spirits brands

The Regional Liqueurs & Spirits portfolio combines the International Liqueurs & Spirits and the Domestic Liqueurs & Spirits (including our traditional Dutch Genever & Vieux brands) sub-portfolios. It also comprises the business-to-business concentrate offering, our Experiences (e.g. the House of Bols and Wynand Fockink) and the exclusive Bols KLM Delft Blue miniature houses.

Overall the Regional Liqueurs & Spirits portfolio performed well: growth was achieved even adjusted for the addition of Tequila Partida. The strong organic increase in International Liqueurs & Spirits sales was driven by Vaccari, Pallini, Nuvo and Damrak Gin, amongst other brands. The Domestic Liqueurs & Spirits showed a more or less stable performance, with the impact of the ongoing decline in the Genever & Vieux segment being offset by Henkes sales in Africa, strong growth of the Bols KLM Delft Blue miniature houses, and other factors.

Tequila Partida

The Company acquired the Tequila Partida brand effective 1 January 2022 and took over the distribution

in the US market from 1 April 2022 onwards. During the first months of the year under review we focused on distributor transition matters and supply issues as well as repositioning the brand's pricing to ultra-premium levels. After these challenges were addressed and the integration was successfully completed we grew the number of distribution points and rotation. With an ongoing focus on product and brand quality Tequila Partida was able to further expand its outstanding position, as evidenced for example by the many awards and medals won during the year. Distribution in Mexico was reactivated at top retailers and on-trade accounts.

Although the transition and global supply issues have delayed reaping the benefits of the acquisition, the Company's positive medium and longer-term outlook for the brand's performance remains unchanged.

Pisang Ambon

Historically, Pisang Ambon has a strong retail presence in markets such as France, the Netherlands and Belgium. The retail channel witnessed a spike in sales during the pandemic, which partially reversed in 22/23 resulting in a small decline of the brand's overall performance. The post-pandemic retail decline was almost fully offset by the impact of increased promotional activities as well as the communication plan regarding the relaunch in 2021, positioning the brand as the world's leading banana liqueur and leveraging an improved liquid and upgraded packaging design. By communicating a stronger link to cocktails (including easy-mix recipes) the brand now also has a growing base in the on-trade channel and in-home cocktail consumption.

Nuvo

Nuvo's performance in 22/23 exceeded that of the year prior. In the US, where the brand is retail-oriented, growth was achieved on the back of both the original sparkling liqueur and the introduction of the Rosé Vodka Spritzer RTD. This growth was supported by e-commerce and direct-to-consumer activation programmes across various key US states. Despite difficult macro-economic and political circumstances

“Our Global
Cocktail Brands
operate with a clear
focus on signature
cocktails.”

“Tequila Partida's
pricing is
re-positioned to
ultra-premium
levels.”

in key markets the brand was also able to increase revenue in Latin America.

Vaccari

Before the pandemic Vaccari was primarily an on-trade brand. With a change in focus, building on the brand's solid brand awareness, significant off-trade business was gained during the pandemic. With the on-trade reopening in 22/23 Vaccari's performance benefited from strong results in both channels, continuing the growth trajectory started in 21/22. New social media campaigns and a strong on-trade plan in Mexico further strengthened the brand and its trade performance in that market. Dedicated on-trade efforts also paid off in Ireland and the Netherlands.

Henkes

The strength of Henkes' brand equity continued into 22/23. Overall revenue increased year-on-year and mainly West Africa performed very well with double-digit growth. In South Africa we changed our distribution partner. This resulted in a temporary slow-down of sales. In 23/24 we invest in the brand, amongst others through a new communication campaign, the launch of a recycled carton gift pack and new consumer propositions.

Damrak

Damrak Gin is a predominantly on-trade-driven brand. With bars and restaurants fully re-opened in 22/23 after the lockdown measures were lifted the brand was able to show growth compared to 21/22. Damrak Virgin 0.0 saw positive momentum following intensified communications and activations surrounding Sober October and Dry January but also faced a rapid increase in competition in the growing non-alcoholic spirits category. We continue to increase overall Damrak brand awareness, for example by claiming the unique 'power of two' combination: Damrak Gin & Damrak Virgin 0.0.

Genever & Vieux brands

In the year under review we noted an acceleration of the ongoing decline of the Genever & Vieux category in the Netherlands. In addition, 22/23 was adversely impacted by the full-year effect of the Dutch National Prevention Agreement (implemented in July 2021, limiting promotional discounts to 25%, amongst other consequences) whilst increased price competitiveness – mainly from private labels – and the effect of severe input cost inflation impacted business profitability in this category. By continuing our strategy to effectively

differentiate the various sub-categories (young, old, aged/specialties and vieux) and our brands in those sub-categories we were able to minimise the volume decline in our brands and remain the market leader in this category. Hoppe Vieux also kept its leading position in the vieux category.

While the Dutch National Prevention Agreement reduced the price competitiveness of our brands in the short term, there could be opportunities for higher-equity brands such as ours in the medium term. Our brands could for example act as category captains, strengthening our position in a very competitive landscape. Such opportunities are supported by extensive consumer research and could lead to us gaining market share in the medium term whilst exploring opportunities for future growth.

Other

The Bols KLM Delft Blue miniature houses grew to beyond pre-pandemic levels as (business) travel picked up. When international restrictions on travel and tourism were eased or cancelled and on-trade measures in the Netherlands were lifted we intensified our campaigns to attract visitors to our House of Bols Cocktail & Genever Experience and to Wynand Fockink. This resulted in record revenue and visitors, ahead of pre-pandemic levels.

Market clusters

Sophisticated Cocktail Markets (US, Canada and Puerto Rico)

Bols Liqueurs sales in the US were seriously impacted by the industry-wide glass shortage, particularly in the first half of the financial year. The supply issues that followed were mitigated to quite an extent by a temporary shift in production to the Netherlands but nevertheless resulted in the loss of a number of accounts. Thanks to the strong position of our Bols Liqueurs in the on-trade, however, we were able to take back important accounts in H2 and are confident that most accounts will be re-gained. Revenue in Puerto Rico (Passoã only) decreased due to high comps and the devastating hurricane Fiona that hit the country in September 2022. The addition of Tequila Partida, the expansion of Bols Ready-to-Enjoy Cocktails, the introduction of Bols Vodka together with the continued strong momentum of Galliano more than off-set the decline in Bols Liqueurs, resulting in modest

revenue growth in North America over last year. Notwithstanding the temporary impact of the glass shortage, the US market continues to be Lucas Bols' key growth driver, as is also evidenced by the 64% revenue growth compared to pre-pandemic 19/20. Excluding Tequila Partida and Pallini, revenue has increased by 20% over this period.

Developed Cocktail Markets (Western Europe, Japan and Australia/New Zealand)

Almost all key markets of the Developed Cocktail Markets cluster showed strong performance. Japan reported strong growth on the back of the recovery from the pandemic. In addition, many Western European markets, including but not limited to Spain, Germany and Italy, reported significant growth leveraging the strong position of the Bols Cocktails and Passoã brands. Scandinavia also continued to deliver an excellent performance across all Global Cocktail Brands. The UK market saw sales of Passoã soften in a more challenging and competitive post-pandemic retail market. Overall the Netherlands posted stable performance: the impact of the ongoing Dutch Genever & Vieux category decline was offset by growth in other brands and a record year for our Experiences. The House of Bols Cocktail & Genever Experience hit a record 60,000 visitors whilst the Wynand Fockink Tasting Tavern reported its highest ever revenue. Australia/New Zealand, mainly driven by Galliano Sambuca and the Galliano Vanilla Mule, continued its solid performance, also benefitting from travel retail in the region recovering post-pandemic.

Emerging Cocktail Markets (Eastern Europe, Asia (excl. Japan), Latin America and Africa/Middle East)

The Emerging Cocktail Markets segment posted excellent performance in almost all key markets despite having ceased all business with Russia as soon as the war in Ukraine started (1-2% impact on total revenue). Revenue growth was driven by rapid recovery in South-East Asia, excellent growth in South Korea and a strong business in Eastern Europe. China faced a turbulent year as COVID-19 adversely impacted sales and operations, with business slowly rebounding towards the end of the fiscal year. Africa/Middle East saw revenue decrease due to a tough comparable base and a planned distributor change in South Africa. Although Latin America continues to face uncertainties and challenges this region did well.

Other

Sale of Avandis to Refresco

In December 2022 the sale of Avandis (previously a 50/50 joint venture of Lucas Bols and De Kuyper) to Refresco was completed, allowing the Company to fully focus on its core activity: creating great cocktail experiences around the globe. At the same time the transaction provides Avandis the best environment to thrive – under the wings of Refresco, a leading global independent beverage solutions provider.

In addition, Lucas Bols entered into a long-term contract manufacturing agreement with Refresco.

Acquisition of the non-alcoholic spirits brand Fluère

Effective 1 January 2023, Fluère, a leading non-alcoholic spirits brand, is part of the Lucas Bols portfolio of brands. The acquisition is strategically important: it offers a unique opportunity to broaden the portfolio to leverage changing consumer trends. Health consciousness and mindful drinking continuing to be on the rise and social occasions become increasingly diverse, further driving consumer demand in the rapidly-growing market for no- and lower-alcohol drinks and cocktails. Focus will be on raising Fluère's profile among the bartender community and increasing the brand's on-trade presence whilst strengthening its position in retail.

Fluère's high-quality products are sold in over 20 countries, including many European markets and a limited number of US states. The premium products are highly regarded by both industry and consumers, as evidenced by top-notch reviews and the many medals and awards won.



IN € MILLION UNLESS OTHERWISE STATED FOR THE YEAR ENDED 31 MARCH	2023	2022	% CHANGE ORGANIC	2023	2022	% CHANGE REPORTED
KEY FIGURES	EXCLUDING ONE-OFF ITEMS*			REPORTED		
Revenue	100.6	92.0	7%	100.6	92.0	9%
Gross margin	51.7%	55.9%	(430) bps	51.7%	55.9%	(420) bps
Operating profit/(loss)	15.1	20.6	(26)%	(9.1)	20.4	(145)%
Operating profit/(loss) margin	15.0%	22.4%	(690) bps	(9.1)%	22.2%	(3130) bps
EBIT ¹	16.3	22.8	(28)%	(11.8)	22.6	(152)%
Net profit/(loss)	10.1	14.7	(30)%	(16.2)	11.8	(238)%
Earnings per share (in €)	0.68	1.11	n/a	(1.08)	0.89	(221)%
Free operating cash flow ²	6.8	15.6	n/a	6.8	15.6	(57)%
Net debt	59.6	60.7	n/a	59.6	60.7	(2)%

¹ EBIT is net profit before net finance costs and income tax expense. Thus, EBIT is defined as operating profit plus share of profit of joint ventures.

² Free operating cash flow is net cash from operating activities minus cash used for the acquisition of property, plant and equipment and intangible assets.

Financial review

Revenue

For the 22/23 financial year, Lucas Bols’ revenue came in at € 100.6 million, up 9% compared to last year. This growth was driven by the addition of Tequila Partida, increased sales prices, premiumisation, a more favourable mix and positive foreign exchange rate developments (€ 1.8 million).

Revenue of the Global Cocktail Brands was up 6%, to € 69.9 million. Despite the impact of the US glass shortage on Bols Liqueurs, sales growth was achieved on all three Global Cocktail Brands. The Regional Liqueurs & Spirits reported € 30.7 million in revenue: an improvement of 19% year-on-year. The growth of this portfolio is largely driven by the addition of Tequila Partida and the strong performance of Vaccari, Pallini and Nuvo.

All three market clusters reported revenue growth, with the Developed and Emerging Cocktail Markets showing the strongest growth (10% and 11%, respectively). Markets that improved notably include Japan, Australia/New Zealand, Western Europe, South-East Asia and South Korea. Although performance in the Sophisticated Cocktail Markets cluster was held back by the US glass shortage at Bols Liqueurs and lower shipments to Puerto Rico a growth of 7% could be achieved still.

Gross profit

Gross profit for the full year 22/23 increased to € 52.0 million, from € 51.4 million a year earlier. Gross profit as a percentage of revenue came down 420bps versus the same period last year to 51.7%. Increased

input costs were partially offset by global sales price increases, the successful premiumisation strategy and beneficial foreign exchange developments. Although gross margin came down, gross profit per case increased by 4%.

Gross margin for the Global Cocktail Brands was down 420bps, mainly reflecting increased cost of goods and a negative mix. For the Regional Liqueurs & Spirits there was a decrease of 300bps, mainly driven by increased input costs.

Operating profit

Normalised operating profit came in at € 15.1 million, down € 5.5 million compared to last year (€ 20.6 million). The € 0.6 million better gross profit was more than offset by intensified brand investments (up € 1.6 million, or 20%, also aimed at the mid term), € 2.7 million higher logistics costs and an increase of € 2.1 million in overhead costs.

€ 1.4 million of the rise in logistics costs relates to the one-time production of Bols Liqueurs for the US market at Avandis rather than at our production partner in the US which was necessary to partially mitigate the impact of the US glass shortages. The overall increase also relates to higher shipping rates, which started to stabilise and even come down towards the end of the year under review.

Overhead costs (excluding commissions and depreciation & amortisation) rose in line with management’s expectations. To facilitate and plan for further growth we (prudently) expanded our team in the US and we indexed salaries globally.

In addition, the acquisition of Tequila Partida led to an increase of seven employees (all based in Mexico) and more business travel expenses were incurred after travel restrictions were lifted. Structural reductions in overhead costs realised during the pandemic remain in place: overhead costs (excluding government grants) as a percentage of revenue remained more or less stable compared to last year.

Share of profit of joint ventures

Our normalised share of profit of joint ventures came in at € 1.2 million versus € 2.2 million last year. Last year’s joint-venture results were boosted by Avandis’ net profit and by Maxxium benefiting from the favourable impact of the pandemic on retail sales in the Netherlands.

Sale of Avandis to Refresco

In October 2022 Lucas Bols and De Kuyper signed an agreement with Refresco for the sale of their 50/50 joint venture Avandis. In addition, Lucas Bols entered into a long-term manufacturing agreement with Refresco. The gross purchase price for 100% of the shares amounted to € 25.0 million. Adjusted for Avandis’ net debt position and working capital, this resulted in a net purchase price of € 10 million (of which approx. € 5 million was paid to Lucas Bols). The carrying value of Lucas Bols’ 50% share in Avandis amounted to € 8.8 million, and consequently a non-cash, one-off book loss of € 3.9 million was required to be accounted for. Part of this book loss (€ 1.7 million) relates to the non-cash, one-off ‘badwill’ that had to be recognised when Lucas Bols acquired half of Herman Jansen’s share in Avandis in 20/21.

EBIT

Normalised EBIT for the 22/23 financial year was € 16.3 million (21/22: € 22.8 million).

Net finance costs

Normalised net finance costs came in at € 2.7 million in 22/23. This is well below last year’s net finance costs (€ 3.3 million), reflecting the improved net debt position which more than offsets the significant increase in EURIBOR during the year.

Income tax expenses

Income tax expenses amounted to € 3.5 million versus € 4.8 million a year earlier (normalised), mainly as a result of lower profit before tax. The effective tax rate (normalised) was approximately 26.0%, compared to 24.6% a year earlier. The effective tax rate is slightly above the Dutch nominal tax rate due to temporary tax differences and an adjustment for prior years.

Net profit

Normalised net profit came in at € 10.1 million for the 22/23 financial year (21/22: € 14.7 million). Normalised earnings per share amounted to € 0.68 (21/22: € 1.11).

One-off items

In 22/23 the following four one-off items were recognised with a net negative impact on profit before tax of € 25.7 million (i.e. an expense):

- € 0.1 million in costs relating to projects such as the sale of Avandis and the acquisition of Fluère (included in distribution and administrative expenses).
- A non-cash book loss of € 3.9 million following the sale of Lucas Bols’ 50% stake in Avandis (included in share of profit of joint ventures).
- A non-cash impairment charge of € 24.1 million on the Dutch brands accounted for in the second half of the financial year (included in distribution and administrative expenses). This impairment mainly reflects a substantial increase in the applicable discount rates as a consequence of rising global interest rates. Moreover, the Dutch brands primarily consist of genever & vieux brands: a price competitive category that has been in decline for years and has faced above-average increases in input costs.
- A non-cash gain of € 2.4 million included in net finance costs pertaining to a reduction in expected earn-out payments on the Tequila Partida acquisition. Although our mid-term plans for the brand are unchanged the distributor transition and supply issues in the US are expected to result in a delay in the realisation of those plans.

Including these one-off items the reported 22/23 net result came in at a loss of € 16.2 million.

	GLOBAL COCKTAIL BRANDS		REGIONAL LIQUEURS & SPIRITS	
(IN € MILLION UNLESS OTHERWISE STATED, FOR THE YEAR ENDED 31 MARCH)	2023	2022	2023	2022
Revenue	69.9	66.2	30.7	25.8
Gross profit	39.2	39.9	12.8	11.6
Gross margin	56.0%	60.2%	41.7%	44.7%
EBIT	20.7	27.7	8.0	9.3
EBIT margin	29.7%	41.8%	26.0%	35.8%

Cash flow

The free operating cash flow decreased from € 15.6 million last year to € 6.8 million this year. Our cash generation was adversely impacted by reduced operating profits, higher income tax paid (mainly payments relating to Passoã's high profits last year) and significant investments in inventory to counter global supply disruptions and to support the integration of Tequila Partida and new product introductions. Although certain investments will sustain we expect to bring down inventory levels in 23/24.

Equity

Equity decreased by € 18.9 million to € 206.6 million at the end of the 22/23, mainly as a result of the recorded net loss of € 16.2 million and the € 3.1 million interim dividend distribution.

Net debt

During the 22/23 financial year our net debt reduced to € 59.6 million (31 March 2022: € 60.7 million). Even with a lower EBITDA this resulted in a solid leverage ratio of 3.36x. Lucas Bols fully complied with the bank covenants in place.

Extension of the financing arrangements

The Company's financing arrangements returned to their original conditions after the temporary COVID-19 amendments expired on 31 March 2023. The original financing arrangements were in place until November 2023. During the second half of the year, management agreed a two-year extension of the financing arrangements with the banks under comparable conditions. This reflects the banks' ongoing support, commitment and confidence to Lucas Bols in challenging macro-economic and banking times.

Dividend

Lucas Bols will propose to the Annual General Meeting of Shareholders on 7 July 2023 that a final dividend of € 0.13 per share in cash be distributed for the 22/23 financial year. Following the distribution of an interim dividend of € 0.21 in November 2022, the total dividend for the financial year would then amount to € 0.34 per share. This represents a dividend pay-out ratio of 50% of the normalised net profit and is at the upper end of our dividend policy (a pay-out of 40 to 50% of net profit) and is underpinned by a healthy balance sheet, the cash generated from the sale of Avandis and the ongoing strong cash generating capabilities.

Outlook

In recent years, despite the pandemic and global supply chain issues, we have implemented many considerable projects to strengthen our operations and enhance our global cocktail proposition. Now that the pandemic is behind us and global supply chains are recovering, it is time to reap the full benefits of these projects. As the global political and economic climate remains volatile and costs are expected to remain inflated, we will continue our mitigating efforts to control input costs and implement additional sales price increases.

In a still challenging environment we aim for a revenue growth of our Global Cocktail Brands ahead of our medium-term target of 4-5%, amongst others driven by the return to growth of Bols Cocktails in the US and the growth potential of our cocktail brands in the Developed and Emerging Cocktail Markets. Furthermore, our Regional Liqueurs & Spirits are expected to grow based on the expansion of Tequila Partida and the addition of Fluère, amongst others. We believe in the fundamental strength of our portfolio of brands, the worldwide growth of cocktails and further premiumisation supported by continued investments in marketing and brand building.

We expect gross margin to improve (mainly in the second half of the year) based on further price increases and continue to grow the gross profit per case as a result of premiumisation. We aim for operating profit to return closely to the 21/22 level whilst brand investments remain elevated and logistics costs are expected to moderate now that container rates are coming down and manufacturing of Bols Liqueurs in the US has been restored. As a result of lower working capital investments and a reduction in inventory levels we expect free operating cashflow to improve, allowing a further reduction in net debt.

If the current put or call option in place is executed in June 2023, we would acquire full ownership and control of the Nuvo brand by 1 July 2023.

In line with our policy, we have hedged more than 60% of our expected 23/24 net cashflows in foreign currencies to minimise the impact of foreign currency development.





ESG. For almost four and a half centuries the Lucas Bols Company has been developing its craft of extracting flavour from natural ingredients to create high-quality drinks – from its humble beginnings in 1575 in the little distillery called ‘t Lootsje to its leading position in the world of cocktails today. The craft and management have been handed down through generations of family members and employees for the purpose of continuing the legacy of the Company and the brand.

Today our purpose must reach further than our own company, customers and employees: we need to contribute to society and the planet we inhabit. In the past year we therefore further developed, specified and documented the ESG strategy that shapes our Company's purpose and contribution to the world around us. This was done bottom-up – with a diverse internal team – and through extensive external stakeholder engagement. All in all we believe that the Lucas Bols Company has the responsibility and capability to continue to *craft sustainable cocktail history*: today, tomorrow and for the next four and a half centuries to come.

The Management Board promotes a culture in which the Company's ESG efforts are not primarily driven by compliance and reporting requirements. Instead, ESG must be part of our day-to-day work, motivation and inspiration. Although this has always been embedded in our ways of working, it has now been formalised. This is also why we decided to present our ESG strategy in the 22/23 Annual Report and started pursuing the

formal targets we set on relevant KPIs ahead of the applicable compliance and reporting requirements which are expected to become effective for the Lucas Bols Company as of the 25/26 financial year. Inherently this means our KPIs and strategic programmes are still being fine-tuned, both to ascertain compliance and to include new insights as they are presented going forward.

The Lucas Bols ESG strategy: crafting sustainable cocktail history

Our mission at the Lucas Bols Company is to create great cocktail experiences around the globe. We combine almost four and a half centuries of craftsmanship with the creative spirit of Amsterdam to discover new flavours and cocktails. This enables us to build leading cocktail and spirits brands for today's bartenders and consumers. Heading towards the Company's 450th anniversary we want to continue to *craft sustainable cocktail history* by:

- empowering the Lucas Bols Community;
- respecting our planet and craftsmanship; and
- inspiring responsible cocktail enjoyment.

Within these three strategic ESG pillars we have formulated a set of 13 KPIs and corresponding targets that we aim to achieve in the coming years. They feed into our Company strategy and will weave through all relevant aspects of our business and activities. Projects are set up and initiated to make our strategy come to life and embed the ESG KPIs and targets into our day-to-day business practices.

One of the challenges in making progress towards achieving, measuring and reporting on the ESG targets is our dependency on third-party partners. In certain areas – for example with regard to the objectives we have set on our environmental footprint, CO₂ emissions and sustainable sourcing – this dependency is very high. This presents a significant risk that we aim to address by intensifying our relationship with key partners and aligning objectives, amongst others.



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Empower the Lucas Bols Community We provide an inclusive & diverse working environment to our people and stimulate personal development Material themes: <i>diversity, inclusivity & employee well-being</i> Stimulate well being & development • Continue personalized training, development and well being programs for all Lucas Bols Company staff at 1% of total overhead expenses • Contribute up to 16 hours of volunteer work during working days in 2025 per Lucas Bols Company employee (on average) Promote diversity & inclusiveness: • 40-60% gender balance by 2025 • Inclusivity training program in practice by 2025 • 5% of our annual bartending courses are awarded through a scholarship to less advantaged & minority students by 2025	Respect the planet & craftsmanship We limit the impact of our craft on the environment and on the people involved Material themes: <i>emissions, packaging, sourcing</i> Reduce our footprint & emissions • 20% CO₂ reduction by 2035, net zero by 2050 • Maximum recyclable glass bottles and maximum usage of recycled packaging materials by 2030* Use of sustainable key ingredients • Ensure that 100% of our key sourcing partners respect our principles: product quality standards, Code of Conduct, fair working principles and good land stewardship by 2035 * This is under validation to be realistically quantified	Inspire responsible cocktail enjoyment We promote responsible hosting and a mindful lifestyle Material theme: <i>responsible consumption</i> Support a mindful lifestyle • A no- or lower-alcohol cocktail alternative in 25 core markets by 2025 • 25% no- or lower-cocktail recipes on all our cocktail brand websites by 2025 • 100% label transparency on all products by 2030 (main ingredients, ABV%, alcohol per standard serve) Educate responsible hosting • All participants to the Bols Cocktail Academy are trained on responsible hosting from 2024 onwards • Educate 50,000 consumers annually on responsible hosting in the House of Bols Experience per 2025

Our commitments

1. Empower the Lucas Bols Community We provide an inclusive and diverse working environment to our people and stimulate personal development.



We believe that our teams and people are the core assets of the Company and that it is our responsibility to provide them with the means to develop and grow. We encourage our people to create personalised training programmes that satisfy their individual needs and goals. We make an annual budget of 1% of total overhead expenses available to facilitate such training, development and well-being programmes.

The Lucas Bols Company also focuses on the local communities in which we operate – not least Amsterdam, the place where our story began. We take pride in being a part of the Amsterdam community. Accordingly, we support an expanding portfolio of local initiatives that address specific issues within the community, such as loneliness among the elderly. Our staff can volunteer to lend a hand with local initiatives like these (and are incentivised to do so) for up to 16 hours a year during working hours.

The individuality of every person in the Lucas Bols Community is embraced, valued and nurtured. Although we target to maintain a 40-60% gender balance, being a diverse company goes much further than achieving this gender balance. It also concerns working with an

international and culturally diverse staff. This view enhances our recruitment strategy and intensifies our commitment to creating an even more inclusive culture.

To ensure that all employees can function in a safe, open and respectful environment we will provide inclusivity training sessions to all staff members no later than 2025. Leveraging external expertise on the matter, this training will be created based on insights into how our staff experience the inclusive culture at the Lucas Bols Company today. The training sessions will address behavioural aspects, language/tone-of-voice and facilities for current and future employees. They will also focus on how we can be better aware of our own biases.

Another means of empowering the Lucas Bols Community is aimed at bartenders, an important group of stakeholders with whom we interact around the globe directly and/or through our distribution partners. We will set up an international scholarship programme to award bartending training to disadvantaged and minority students across our markets in order to improve equal opportunities in all walks of life by 2025.

2. Respect the planet and craftsmanship

We limit the impact of our craft on the environment and on the people involved.



The fundamentals of our craftsmanship have not changed in the past four and a half centuries. Our distilling, macerating and percolation techniques have only been adjusted to modern technology. By further optimising our processes, production and logistics footprint while working together closely with our key supply chain partners we aim to reduce our CO₂ emissions by 20% by 2035 as we head towards a net zero footprint for all scopes combined by 2050.

Working with recyclable packaging has always been an important focus area for us. We have intensified the dialogue with our key glass suppliers to reach the maximum recyclability for our glass bottles by 2030. Glass is a very durable packaging material because it is 100% recyclable and inert, and does not contain or emit any microplastics and minimises waste as the quality of the product is guaranteed for many years. However, glass is energy-intensive to produce and the recycling process can also be energy-intensive. Where possible we will therefore reduce the glass weight per bottle, thus further contributing to the reduction of our CO₂ emissions.

We believe we can also limit our impact by increasing the amount of recycled material we use in our packaging. We will develop rigorous eco-design guidelines to achieve this step-up in recyclability and to guide the design (and re-design) of our packaging. This applies to primary packaging, outer-case packaging, gift packs and point-of-sale materials. Overall it is the Lucas Bols Company's ambition to contribute to the circular economy and design for a sustainable world.

Extracting flavour from natural ingredients has been at the core of who we are and what we do since 1575. It is therefore crucial for us to ensure that all key ingredient sourcing partners respect our principles on product quality as well as those on good land stewardship to safeguard the ecological future of the earth's soil. We also demand that our key sourcing partners provide fair working conditions and respect our Code of Conduct to help ensure that all people and communities involved in our craft are treated fairly and equally. We will incorporate our principles in contracts with key sourcing partners, monitor local practices during our visits and conversations and work together with these partners to make progress in those areas that may not be fully aligned with these principles yet.

We recognise that we are strongly dependent on our key supply chain and sourcing partners to deliver on all of these goals. Nevertheless we believe that our objectives are aligned and that we should and can work together to have a broad, meaningful impact. Our key supply and sourcing partners and key ingredients have been specifically identified and pertain to those sourcing partners and ingredients that contribute the most to our value chain.

3. Inspire responsible cocktail enjoyment

We promote responsible hosting and a mindful lifestyle.



Cocktail enjoyment is at the core of our mission to create great cocktail experiences around the globe. This means mindful and responsible consumption, accommodated by responsible hosts.

A mindful lifestyle is crucial to enjoying life. We have set three specific targets to further support a mindful lifestyle. First, it is our ambition to offer a no- or lower-cocktail alternative in 25 core markets by 2025. In addition, at least 25% of the cocktail recipes on our brand websites will be for no- or lower-alcohol cocktails by that same year. These two objectives are an inspirational

manner of promoting no- and lower-alcohol cocktails both to bartenders and consumers. Last, we set up a programme to achieve 100% label transparency on our products by 2030. This transparency pertains at the very least to key ingredients, ABV% and alcohol per standard serve.

Responsible hosting is a skill that we teach bartenders and consumers at the Bols Cocktail Academy and through the House of Bols Experience. We help

bartenders to prepare their bar offering and hosting strategy, urge them to always include no- and lower-alcohol alternatives and insist they help guests make responsible choices to ensure the most enjoyable experience. Our diverse and growing portfolio of no- and lower-alcohol products and transparent labelling, the House of Bols Experience and the Bols Cocktail Academy enable us to reach, inspire and help our communities host responsibly to ensure the most enjoyable cocktail experience.

Contribution of the Lucas Bols Company to the UN Social Development Goals (SDGs)



Educate on responsible hosting through targeted programmes in our Bols Cocktail Academy and House of Bols Experience for our Lucas Bols Company employees, distributors, the bartending community and consumers.

Support a mindful lifestyle by providing no- and lower-alcohol cocktail alternatives and transparent labelling.

Stimulate well-being & development within the Lucas Bols Community with training, development and well-being programmes for employees and volunteering in local communities.



Remain a gender-balanced company **with a 40-60% male/female gender balance** and continue to offer equal opportunities to people regardless of gender profile – an important aspect in our Code of Conduct.



Work with **sustainable sourcing partners**: key sourcing partners are required to respect our principles with regard to product quality standards, our Code of Conduct, fair working conditions and good land stewardship, and work with us to improve in areas that may not be fully up to our standards yet.



Promote **diversity and inclusion** through equal opportunity policies, communication and evaluation of our staff values, pursuit of gender balance objectives and inclusivity training, as well as focusing on bias awareness.



Reduction of footprint and emissions by maximising the use of recyclable glass bottles and using recycled materials as much as possible, for example by following eco-design guidelines for our packaging. Working together with our suppliers of glass and other packaging materials will be crucial to ensure we achieve future targets.



Reduction of CO₂ through rigorous production, logistics and packaging optimisation programmes. To reach this goal we are to a large extent dependent on the efforts of our key partners and we will therefore continue to invest in our partnerships.

Materiality and stakeholder perspectives

To gain insights into the key ESG themes for the Lucas Bols Company we have actively engaged with our employees, strategic partners and a diverse group of other external stakeholders and will continue to do so. Stakeholder and partner engagement is essential to crafting a sustainable cocktail history as our impact is only maximised by working together.

During an interactive and iterative process we gathered insights from the stakeholders mentioned on page 56. Most interviews were held in a one-on-one setting, although we also engaged in live-panel discussions to obtain relevant insights from bartenders, consumers and others. Input was obtained from suppliers and logistics partners through interviews and questionnaires.

Internal stakeholder engagement (i.e. employee engagement) was achieved following a bottom-up strategy-setting approach. Interactive workshops were hosted with staff across the departments and from various geographical locations and levels of seniority.

By carefully bringing together the insights obtained we identified the relevant ESG themes and plotted them in a materiality matrix (see the diagram below). This matrix applies the double-materiality concept as it considers the potential impact on society ('outward') and the potential financial impact ('inward') whilst assessing the stakeholder relevance dimension. The double-materiality concept is still relatively new. Consequently this model continues to be refined as more market practice and further guidance become available.



The size of the bubble reflects stakeholder relevance: the larger the bubble, the greater the relevance. Material themes are denoted by a white circle.

The Company gained an understanding of the impact on society and the financial impact through an extensive evaluation process. The severity (i.e. the scale, scope and irremediable character) and the likelihood of negative and positive impacts were considered when gauging the impact on society. External perspectives (e.g. benchmark analyses, international policy and regulatory developments on ESG and media controversies) were considered and an internal evaluation of risks and opportunities was undertaken to gauge the financial impact. Both the impact on society and financial impact were evaluated using the principles as included in the draft European Sustainability Reporting Standard 2 (ESRS 2) that was recently published by the European Financial Reporting Advisory Group (EFRAG).

The material themes that were carefully selected for the Lucas Bols Company are:

1. Business ethics;
2. Inclusion & Employee well-being;
3. Emissions;
4. Packaging;
5. Sourcing; and
6. Responsible consumption.

These themes were then translated into the three pillars of our ESG strategy:

- Empower the Lucas Bols Community;
- Respect the planet and craftsmanship; and
- Inspire responsible cocktail enjoyment.

Potentially emerging themes will be closely monitored over time. Against this background the Management Board considers 'water', for example, to be an emerging theme that will be closely monitored if or when it becomes material to the Lucas Bols Company.

We recognise that obtaining stakeholder perspectives and validating material themes is a constant process as stakeholder views evolve over time and themes can become more pressing due to internal or external developments. ESG is therefore deeply embedded in our stakeholder analysis and is validated as part of our annual strategic cycle and at other moments.

Risk management and control

There are inherent risks related to Lucas Bols' business activities and organisation. Because sound risk management is an integral element of good business practice and effective operations, the Management Board promotes a transparent, company-wide approach to risk management and internal controls. This approach focuses on finding the right balance between maximising business opportunities and managing the risks involved. The Management Board considers this to be one of its most important tasks.

Risk management approach and appetite

Our risk management framework is designed to identify and analyse the risks the Lucas Bols Company faces, including fraud risks, to set appropriate risk limits and controls, and to monitor any developments in the Company's risk environment.

In general the Lucas Bols Company has a low risk appetite, particularly with regard to operational, financial and compliance risks. We carefully and continuously assess the areas in which we allow for some risk. This is limited to a number of strategic areas, and only where there is an appropriate balance between risk and reward.

The implemented risk management framework is the foundation for identifying and mitigating corporate business risks and has been developed to provide reasonable assurance that the risks we face are properly evaluated and addressed. It assures that management is provided with the information it

needs to make informed and timely decisions. While the framework is designed to manage risks it cannot prevent human error, fraud or infringements of laws and regulations with absolute certainty. Lucas Bols' risk management practices are not static: the way we manage risks is constantly monitored and adapted to reflect changes in internal and external circumstances if and when necessary.

Risk supervision

Supervising risks and monitoring the risk management function is the responsibility of the Supervisory Board and the Management Board. Risk management is a topic that is frequently discussed in Supervisory Board meetings.

Risk management

The Lucas Bols Company enforces minimum control standards and has three lines of defence in place to manage risks. The Company's people (mainly management who are frequently briefed on their risk-related roles and responsibilities) play a crucial role in the first line of defence comprising day-to-day risk management and the operating effectiveness of

Risk Management Framework



controls. Central monitoring by key people in the organisation is the second line of defence. All critical business processes are covered, including but not limited to finance (including tax, treasury and legal), brands, commerce, supply chain, IT, HR and, increasingly, ESG-related matters. The Risk Management Committee forms the third line of defence. The committee is headed by the CFO who is complemented by the Director of Accounting, Reporting & Control and the Corporate Legal Counsel. The independent external auditor gains an understanding of internal controls relevant to the audit but does not express an opinion on the effectiveness of the Company's internal control environment.

Risk ownership

Our strong belief that risk ownership is part of everyday operations – across all departments and processes – is embedded in the risk management framework. Key in identifying, monitoring and addressing risks are the management information reports the Management Board receives on a weekly, monthly, quarterly, yearly and ad hoc basis. These reports are compiled by the respective directors and managers and provide an in-depth analysis of the performance of brands, markets and critical business processes as well as the relevant risks and opportunities. In addition, deep dives are performed to address specific topics. Controls are widely embedded in the Company's information systems.

We promote certain ways of working to ensure that management information is relevant, accurate and complete. To do so, the input for reports is drawn from various sources (including our distributors, actual shipment information and publicly available market performance data) and is complemented by macro-economic data and information on relevant developments. The periodic evaluation of distributor performance is also considered a key source of input.

Lucas Bols' Brand Market Unit (BMU) set-up is essential to management reporting. Actual performance is reported on separately for each brand in each market (most often a specific country), resulting in a matrix of BMUs. Monthly monitoring is performed diligently and in a detailed manner, with brand and commercial management, finance and the Management Board involved. The reporting cycle includes responding to foreign currency effects arising from our worldwide business activities.

Our forecasting cycles – mid-term plans, annual budgeting and intermediate, continuous forecasting (latest estimates and the monthly opportunities & risk assessment) – also start at BMU level. The annual budget is the result of a diligent process. Our distributors provide forecasts based on their views on their respective market and brands. These are then critically reviewed and challenged by Lucas Bols' management and eventually agreed upon, including the amount and nature of marketing and promotional expenditure required to achieve the forecasts.

Corporate culture and Code of Conduct

The Lucas Bols Company has a culture of clearly defined responsibilities, open and honest communication and limited hierarchy, which supports the effectiveness of the group's risk management. Both our own communication and business practices and those of our partners across the globe are characterised by integrity and a focus on advocating responsible consumption. We keep track of all marketing and promotional activities of our brands, including those of our distribution and other partners. This includes social media activities undertaken by the Company.

To promote and maintain these high standards the Management Board designed and implemented a Code of Conduct which is updated on a regular basis. This code describes how all Lucas Bols employees should behave and do business in various circumstances and situations, and how inappropriate behaviour can be reported (including to the Company's external confidential counsellor) and/or addressed otherwise. The code is published on the corporate website and is updated and communicated to all employees on a regular basis. One incident related to transgressive behaviour was reported in the year under review and acted upon immediately. No other breaches of the Code of Conduct were reported in the 22/23 financial year.

Furthermore, the Lucas Bols Company has a speak up policy in place to ensure that any violation of existing policies and procedures can be reported freely and without adverse consequences for the person making the allegation. The speak up policy can also be found on the corporate website. No incidents were reported in 22/23.

Brand protection, product development and quality control

The single most important asset we have is our portfolio of brands. To protect the value of the brand portfolio the Lucas Bols Company registers its brands and trademarks across the globe. Potential infringements are constantly monitored and appropriate action (legal or otherwise) is taken if and when necessary. The central marketing communication plans regarding our brands are carefully prepared and reviewed to protect brand value and the Company's strong reputation, and distribution partners are educated and required to operate within the guidelines of these plans.

The value of our portfolio of brands is also protected and grown through product development and quality control. Bringing excellent and innovative products to market at a consistent, high level of quality is at the core of what we do. Our innovation, R&D and quality teams (with an important role for the Master Distiller) develop and innovate our products, create our recipes and carefully decide what ingredients and suppliers to use. Recipes and production methods are only handed over to our bottling partners once they have been finalised and thoroughly tested. The bottling partners then blend and bottle our products as stipulated. We place high standards on the quality-assurance procedures of our partners and ensure these are subject to constant screening. Product samples from bottling locations around the world are routinely tested for compliance with our recipes and quality standards. This process includes numerous quality checks to ensure all products meet the highest standards every single time.

22/23 focus areas and other developments in risk management and control systems

In the year under review we improved our IT governance framework, further increased our focus on cybersecurity and placed additional emphasis on risks and controls relating to human capital.

IT governance framework & Cybersecurity

To keep up with the ever-increasing pace and impact of external cyber threats the Company revised its IT governance framework substantially during 22/23, also further leveraging the Oracle ERP system that was implemented in 20/21. To support the process of revising the IT governance framework management engaged external specialists, after which the design of the framework was delivered. The policies, processes and key controls resulting from the design were

successfully implemented into day-to-day activities. The IT governance framework ensures that risks are continuously evaluated and requires a detailed evaluation of IT governance at least once a year. This provides further comfort that any mitigating measures taken are sufficient and appropriate. The successful implementation of the revised IT governance framework has resulted in a further decline in the overall risk level.

In addition to designing and implementing a revised IT governance framework the Company continued the intensified cybersecurity programmes it launched in 21/22. For example, various training and awareness sessions on cybersecurity threats and prevention measures were organised for our teams and at certain key business partners. Their respective roles in the prevention of cyber-attacks is now also embedded in the annual training cycle. Moreover, the Company continued with the implementation of mitigating measures (for example regarding access controls) and ongoing evaluation practices.

Human capital

Human capital was identified as a focus area for 22/23 due to unprecedented global employee turnover rates during and after the pandemic. People appeared to feel less motivated and connected as they worked from home more often, and demand for certain skills and expertise has grown rapidly in many areas of the job market. In light of this and particularly in the context of the Company's asset-light business model, human capital was identified as a 22/23 focus area despite the fact that the impact of these factors on the Lucas Bols Company has been limited thus far.

Management started with a thorough evaluation of the Fit for Growth model that was implemented effective 1 April 2021. The model was assessed to be a strong improvement at all levels of the organisation, with only a limited number of further improvement areas identified.

To continue building employee motivation, commitment and retention, management deployed various soft tools including but not limited to sports activities, summer and Christmas functions, brand events and team gatherings focused on the individual, teamwork and social aspects. The company also introduced a long-term incentive plan for senior management aimed at aligning and incentivising long-term stakeholder value creation whilst enhancing competitive remuneration to help attract and retain talent.

Individual and team-wide assessments were undertaken to draw up a more detailed plan for talent identification, development and retention. Such assessments were often followed up by one-on-one conversations to better understand the respective individual's state of mind, drive, ambition, motivation and energy drains. Remuneration packages were also evaluated for key personnel, whilst knowledge sharing and being part of multi-disciplinary (project) teams was encouraged. Management also increased the training, development and well-being budget, challenging managers to spark talent in their teams and incentivise individuals to develop.

Focus for 23/24

Management has identified two focus areas for the 23/24 financial year: ESG-related risk analysis & risks and the asset-light business & operating model.

ESG-related risk analysis & risks

In the year under review the Lucas Bols Company invested significantly in designing and embedding a more explicit and integrated medium and long-term ESG strategy. Further details on ESG can be found in the chapter on ESG (pages 72-79). As part of this process management started undertaking ESG-related risk analyses. In 23/24 we will continue and intensify this effort to better understand the impact of ESG-related risks and the mitigating actions and controls required to address these. We will focus on two 'levels' of ESG-related risks. On the one hand an evaluation will be performed on a strategic level, which should lead to more detailed risk guidance and enhanced transparency and value in reporting. Risk analyses will also be undertaken on a tactical level to set up and implement a governance framework. This should enable the Lucas Bols Company to measure and report reliably on (non-financial) components of our ESG strategy. To demonstrate ongoing progress a preliminary, high-level view on ESG-related risks is already documented on page 86.

The asset-light business & operating model

The Company's asset-light business & operating model is unique and at the core of the corporate strategy. The Management Board recognises, however, that both external factors (including macroeconomic and geopolitical circumstances, technology, societal factors, stakeholders) and internal factors (including the Company's operating model and operations) have changed significantly in recent years. To assess the ongoing fit of the current model and identify focus and improvement areas if and where needed, management

will assess the various aspects of being asset-light (capital expenditure and working capital employed, route-to-market, supply chain, number of people employed).

In addition to these two focus areas the Company will spend additional time on its sourcing, blending and bottling activities in 23/24. By selling Avandis to Refresco the Lucas Bols Company has outsourced most of these activities to parties in which it has no equity interest. Consequently it has to rely even more on contracts, service-level agreements, controls, reviews and strict ways of working, amongst other things.

Key risk factors

Risks and uncertainties in 22/23

A bottom-up and top-down approach is integrated in the Company's overall management reporting, allowing business and other risks as well as mitigating actions to be reported on formally on both an ad-hoc and quarterly basis. That reporting is then consolidated into the Quarterly Risk Report which serves as a basis for the quarterly Risk Management Committee meeting.

The 22/23 financial year was severely impacted by the war in Ukraine that broke out just before the start of our financial year, adversely affecting macroeconomic and geopolitical circumstances. Although the global scale of the pandemic declined further, it still had a material impact on our operations and performance in the year under review.

The war in Ukraine

When the war in Ukraine broke out our first priority was the people affected, including our local partners. We immediately ceased all business with Russia, ensured we complied with all sanctions, and closely monitored demand in the bordering regions. The combined contribution of Russia and Ukraine to total revenue was growing but still limited to around 1%. Therefore, the direct impact of the war in Ukraine has been relatively limited. The indirect impact on the Lucas Bols Company operations and performance has been substantial, however.

Firstly, prices of raw materials that had already increased to high levels during the pandemic continued to grow exponentially in 22/23, often driven by scarcity. The combined impact of price increases on alcohol (which is made from grain), glass (heavily dependent on the volatile energy prices), sugar, aluminium and paper,



This diagram illustrates the principal risks grouped by category – the closer to the nucleus the higher the likelihood and the impact.

amongst other ingredients, drove our total costs of goods up by a double-digit percentage. Because some raw materials were hedged for certain periods and we started the year with inventory at a relatively low cost of goods, global input cost inflation impacted the second half of the year much more than the first.

Secondly, global and industry-wide shortages (mainly glass) resulted in temporary out-of-stock situations (predominantly in the US and with regard to the 1.0 litre Passoã bottle for Europe) and consequently caused missed sales and – in some instances – a loss of listings. To minimise the duration and impact of the US out-of-stock situation we produced a large batch of Bols Liqueurs for the US market at Avandis (the Netherlands) rather than in the US, triggering material additional logistics costs and working capital investments. More generally the combination of input cost inflation and longer, more uncertain production and logistic lead times required the Company to gear up working capital investments.

Thirdly, container and other shipping rates increased further in the first half of the year and did not come down until the end of 22/23, leading to a further increase in the Company's logistics costs.

Lastly, macroeconomic and geopolitical circumstances (most notably energy prices and the high levels of overall inflation) started to adversely impact consumer behaviour. Purchasing power and consumer confidence dropped, inevitably also leading to lower demand for some of our brands. Management continuously ran various 'downside' scenarios to model and anticipate any such potential effects and identified mitigating actions that could be undertaken to minimise the impact on the Company's performance and financial position. Management is of the view that the Company's performance, positioning, financial health and suite of identified mitigating actions are sufficient to navigate these downside scenarios.

COVID-19

The 20/21 and 21/22 financial years were heavily impacted by the global COVID-19 pandemic, mainly due to (on-trade) lockdown measures and severe limitations affecting travel and tourism. The impact of the pandemic on the year under review decreased significantly but has not disappeared altogether. It still affected our business and performance in certain key markets, most notably China. China faced strict local lockdowns, leading to stop-and-go deliveries and reduced consumer demand, particularly in the on-trade. Where possible, management continued mitigating actions and leveraged experiences gained during earlier stages of the pandemic.

In the year under review the Management Board invested to promote the return of a physical presence at our offices in the Netherlands, the US, France and Mexico. Meaningful on-site events and gatherings were held, office lunches were provided and team-building activities were encouraged, while keeping a constant eye on health and safety. Externally the Company focused on re-establishing relationships with strategic partners such as distributors. This resulted in increased travel movements, which are expected to return to pre-pandemic levels in 23/24. A hybrid approach, combining connecting virtually and physically, will be used going forward. This approach also matches the Company's ESG ambition to reduce CO₂ emissions.

ESG

The Lucas Bols Company's focus on ESG is becoming more apparent every day. In the year under review the Company developed a more integrated and comprehensive ESG strategy and prepared an action plan to expand the risk management and governance framework. A detailed review of the associated risks will take place in 23/24 but management has already acknowledged the expected impact of ESG-related risks on other risks within the current risk diagram and reporting.

A distinction is made between risks associated with compliance & reporting (for example the Corporate Sustainability Reporting Directive (CSRD) expected to become effective as of 2024 with mandatory reporting by the Lucas Bols Company from 25/26 financial year onwards) and risks associated with the impact of ESG-related matters on business continuity and performance.

Compliance & Reporting risks

The Management Board recognises the need to address CSRD requirements in a timely manner and therefore started a company-wide project to develop a more integrated and comprehensive ESG strategy whilst addressing CSRD reporting and other requirements. In the first phase of the project the ESG strategy was developed, documented and validated with a wide group of internal and external stakeholders. This strategy is reported on in the chapter on ESG (pages 72-79). Management also closely monitors relevant developments such as the European Sustainability Reporting Standards (ESRS) that were recently published by the European Financial Reporting Advisory Group (EFRAG). These standards outline amongst others the expected requirements with regard to CSRD governance and disclosures. In 22/23 significant steps were taken in terms of understanding what these requirements mean for the Lucas Bols Company and what measures are to be put into place to make sure the Company is ready in time. As part of these measures we have temporarily hired an ESG Manager responsible for the implementation of the ESG Governance framework.

The impact of ESG-related matters on business continuity and performance: people

Employees are one of the core assets of the Lucas Bols Company and we believe that a diverse and inclusive workplace can foster further growth. This topic has come under increased scrutiny within society and employees also stress its importance. The Management Board is committed to promoting a diverse workforce, for example by maintaining and improving the level of diversity and enhancing company-wide awareness of the importance of inclusiveness to the overall success of the Company.

The impact of ESG-related matters on business continuity and performance: planet

The Management Board anticipates that the adverse impact of global warming on the raw materials needed for alcohol and sugar, amongst other things, could increase further due to natural disasters such as drought, flooding and forest fires. Although no significant impact has been observed to date, in 21/22 the Management Board started to invest in robust contingency sourcing plans to address any raw material and production capacity shortages. These developments also reiterate the need to lower CO₂ emissions – inevitably an essential part of our

ESG ambition. This will also impact our sourcing, logistics, business travel and packaging operations in the years ahead.

The impact of ESG-related matters on business continuity and performance: responsible consumption

The Management Board recognises that due to the nature of the business and the industry, the Company comes across regulatory developments and debates regarding responsible consumption, the adverse effect of alcohol on health, required label transparency and regulatory restrictions on the sale and marketing of alcoholic products. We firmly believe in (and contribute towards) responsible consumption and our ESG strategy actively addresses these risks accordingly. For example, we invest in growing our no- and lower-alcohol footprint, improve label transparency and work with various partners (including bartenders) to promote responsible consumption.

Data availability

To report on progress towards the realisation of our ESG targets and CSRD-compliant reporting on material themes in the future it is crucial that relevant data is collected in a timely and reliable manner. The Lucas Bols Company recognises that its high dependency on third parties for the collection of data on certain ESG topics (e.g. emissions) is a significant risk. The Company is aware that third parties may be hesitant to share information or be willing to share information but be unable to do so timely and/or ascertain reliability of that information. To address this risk the Company is in the process of identifying who its key partners are in this respect (e.g. key suppliers, key distributors) and has also started to pursue an alignment of objectives and set preliminary expectations with these partners by leveraging the existing relationship. These are important first steps in working towards reliable data collection processes which will result in reliable, auditable and meaningful reporting.

Supply chain and raw materials

The global supply chain disruptions started in 20/21 following the COVID-19 outbreak and intensified when the war in Ukraine broke out.

In Western Europe the impact of the war in Ukraine was predominantly marked by dramatic price input cost inflation, mainly in regard to alcohol, glass, sugar, aluminium and paper. This put further pressure on our margins, profit and cash generation.

In the US, industry-wide glass shortages also resulted in temporary out-of-stock situations at the end of the summer of 2022. We took decisive action to mitigate the impact to the maximum extent possible by temporarily moving the blending and bottling of Bols Liqueurs for the US market from the US to the Netherlands. As a result we were able to limit the duration of the out-of-stock situations, albeit at significant additional logistics costs and working capital investments. Throughout the remainder of 22/23 the Company was able to secure sufficient levels of glass and production capacity in the US.

The contingency sourcing and production plans invested in in 21/22 and expanded in 22/23 proved very beneficial for Passoã, where increased demand would have resulted in material out-of-stock situations had we not been able to secure sourcing and production at multiple partners in Europe. More specifically, dual sourcing of Passoã bottles was implemented in 2022 and two production sites can now blend and bottle the growing brand. On top of this, in-house research started to research the use of other materials to cope in the event of any future glass shortages.

Our long-time production and warehousing partner in the US has terminated all third-party co-manufacturing agreements to secure production capacity for their own brands. Following a thorough tender process in 22/23 the Company signed a co-manufacturing and warehousing agreement with a new partner effective 1 June 2023. Given the size and importance of the US market, and hence the scale of production, preparations for the transition commenced directly after signing the contract. During the year under review important steps were taken to ensure an effective handover of production, including the validation of recipes, setting up bottling lines and appropriate IT structures, and the temporary build-up of contingency inventory at the old and new site.

Most global supply chain challenges are expected to persist in the short term and to a certain extent also in the medium term. Input costs for key raw materials remain inflated and although container rates have recently started to come down, overland shipping rates are still very high. The Lucas Bols Company is exposed to this and continues to monitor developments closely. The measures taken will remain in place, as will the intensified day-to-day flexible working relationship with our partners. New additional measures will be implemented if and when applicable.



Dependency on key products, markets and channels

During the pandemic the Company implemented strategic initiatives to reduce our reliance on and exposure to key products, markets and channels, including an active shift towards direct consumer engagement and sales leveraging the growing trend towards in-home cocktail consumption.

Management further reduced our exposure to and dependency on key products, markets and channels in 22/23, for example by increasing the Company's footprint in the no- and lower-alcohol segment. Demand for no- and lower-alcohol and low-calorie drinks continues to grow – a development at the core of our newly-developed ESG strategy. The Lucas Bols Company responded actively by expanding its brand portfolio with Fluère, the non-alcoholic spirits brand acquired in December 2022. Fluère offers a range of premium no- and lower-alcohol alternatives to existing drinks and cocktails. The Company also increased investments in Damrak Virgin (a no-alcohol gin), leading to expansion to the Belgian market, amongst other things.

To further grow and diversify the Company had already added Pallini Limoncello (distribution partnership in the US) and Tequila Partida (acquisition) to its portfolio, both of which were successfully launched and are growing.

Reliance on distribution contracts

Our reliance on distribution contracts was reduced in 21/22 by setting up Maxxium BeLux, a 50/50 joint venture between the Lucas Bols Company and Edrington, responsible for distributing both partners' brand portfolios in Belgium and Luxembourg. Through Maxxium the Netherlands, Maxxium BeLux and our wholly owned distribution platform in the US (Lucas Bols USA, Inc.) the Company controls the distribution of almost 40% of its global sales. We appointed new distributors in Portugal, Turkey and Indonesia.

Acquisitions & Investments

Building on our strong record of successfully integrating brands into the Company and growing them, the Lucas Bols Company acquired Fluère effective 1 January 2023. Fluère is an important player in the fast-growing no- and lower-alcohol drinks segment, tying directly into the Company's ESG ambition to promote responsible and inclusive cocktail enjoyment. The brand is currently sold in more than 20 markets, including the US.

Management is confident that it can leverage the Lucas Bols Company's existing business model, operations and route-to-market to grow the brand both in existing and new markets.

Thorough due diligence was performed as part of the acquisition process, whilst the integration and transition were successfully completed in the fourth quarter of 22/23.

Human capital

Human capital is of great importance to the Lucas Bols Company. In keeping with our asset-light business model only a relatively small number of people are employed, which is why each of them plays a key role in making the operating model work effectively.

By undertaking the initiatives described above at 22/23 focus areas and other developments in risk management and control systems' the Company has effectively worked on further reducing the impact and likelihood of this risk. Maintaining the Company's strong track record in attracting, recruiting, motivating and retaining knowledgeable, experienced and driven employees and investing in post-pandemic social cohesiveness remain key focus areas.

Financing & Interest rate risk

The Company's financing and interest rate risks were previously reported separately. Given the interconnectedness, likelihood and impact of these risks they are now presented together.

In recent years the Company prioritised strengthening its financial position, even during the pandemic and in times of unprecedented macroeconomic and geopolitical circumstances. Cost, cash and working capital measures and processes were intensified heavily, no dividends were paid during the pandemic and part of the equity raised in December 2021 was used to deleverage further. As a consequence both business and other cash generation was maximised, resulting in very healthy net debt and leverage metrics with significant undrawn committed bank facilities still being available. Required working capital investments, settling the Company's part of the BolsKyndal financing, resuming dividend payments in November 2022 and the acquisition of Fluère in the year under review did not impact the overall strength of the Company's financial position on 31 March 2023.



The Company’s much healthier balance sheet combined with its strong and constructive relationship with financial institutions also enabled management to successfully extend the senior facility agreement in challenging times and at competitive conditions and unchanged covenants. The senior facility agreement now expires in November 2025.

The reduced levels of debt, improved leverage ratio and extension of the senior facility agreement also reduce our exposure to interest rate risks. That being said, general interest rates such as EURIBOR have increased significantly in the past months, partially affecting the overall interest rate applicable under the senior facility agreement.

Joint ventures

To further reduce our reliance on joint ventures and volatile joint venture results, a focus in 22/23 was on the sale of the Company’s 50% share in Avandis to Refresco. Moreover, the Company’s exposure to the BolsKyndal (India) joint venture was de-risked in recent years, for example by settling the Company’s part of BolsKyndal’s high-interest financing, scaling down its business activities and writing off the carrying value of the joint venture on the Company’s balance sheet.

In December 2022 Avandis was sold to Refresco, allowing the Company to fully focus on its core business of creating great cocktail experiences around the globe. Blending and bottling is secured through a competitive long-term co-manufacturing agreement with Refresco. The sale lowers the associated joint-venture risks.

BolsKyndal’s performance and position had been deteriorating for years and became increasingly unpredictable and non-transparent. In addition, economic and market circumstances gave rise to even more challenges in response to which management decided to unwind the joint venture by demerging it. Progress was made by settling Lucas Bols’ share in BolsKyndal’s financing (the expense was accounted for in 21/22 whilst the related cash-out took place in 22/23) and initiating a detailed legal demerger plan. This again reduced the joint venture’s risk, both financially and legally.

Impact and likelihood of risks in 22/23

The likelihood and impact of the various risks, adjusted based on insights and developments in 22/23, are illustrated in the diagram on page 85. For the sensitivity analysis of certain risks we refer to note 27 to the consolidated financial statements.

Key risk overview

The key risks as perceived by the Management Board are outlined below, along with an overview of how these risks are mitigated. The order in which the risks are presented is in no way a reflection of their importance, likelihood or materiality. The actual occurrence of any of the following risks could have a material adverse effect on the Company’s business, prospects, financial state or results of operations. The overview also lists the risk appetite of the Lucas Bols Company for each of the main risk categories.

Although the Management Board deems these risks to be the most material, they cannot be considered the only potential risks facing the Lucas Bols Company. All risks are contingencies which may or may not occur and impact the Lucas Bols Company. Additional risks and uncertainties which are not presently known to management or which are currently deemed immaterial may also have a material adverse impact on the Lucas Bols Company.

Strategic
Risk appetite – moderate

Strategic risks for the Lucas Bols Company are primarily related to the risk that investments in markets (mainly through advertising & promotion and working capital) will ultimately not result in adequate returns. The Lucas Bols Company has a moderate appetite for strategic risk: we allow some risk in this area, but there must be an appropriate balance between anticipated risk and reward.

Risk	Mitigation
Regulatory changes related to alcohol Alcohol is under increased scrutiny in a number of markets around the world with some countries having a more negative regulatory approach towards it. The Company is subject to extensive regulations regarding advertising, promotions and access to its products. These regulations or any changes therein could limit our business activities, increase costs and decrease demand for our products.	The Lucas Bols Company supports a responsible approach to alcohol and considers this a core element of its strategy to grow a sustainable, long-term business. We advocate responsible consumption, encourage socially responsible hosting as part of our sustainability strategy and have introduced various no- or lower-alcohol products. Moreover, by acquiring Fluère we added premium no- and lower-alcohol alternatives to our portfolio. In our home country of the Netherlands the Lucas Bols Company is actively involved in various relevant industry bodies including STIVA, the foundation that actively promotes and controls responsible marketing and consumption of alcoholic products.
Economic and political conditions Lucas Bols’ global business is inherently subject to commercial, political and financial risks. The Company also operates in emerging markets, where such risks (including economic and regulatory risks) are even more present. Geopolitical issues and trade and import restrictions may also have negative consequences for our business. Lucas Bols’ results are dependent on general economic conditions and are therefore exposed to the risk of economic decline, both globally and in the markets in which we operate.	The Lucas Bols Company aims to diversify its activities in terms of product categories and geographies. The Lucas Bols Company sells over twenty-five brands in more than 110 countries. In addition, Lucas Bols’ financial performance is sound with strong operating margins and cash generation and a health balance sheet, each of which can act as a cushion in the event of economic downturn.
Dependency on key products, markets and channels A few key products and markets provide a significant portion of the Company’s revenue and net contribution. Lucas Bols’ performance is highly reliant on the on-trade channel. Specific and/or local factors and developments can directly affect the performance of these key products, markets and channels, and potentially have a material adverse impact on the Company’s business, results of operations, financial state and prospects.	The Lucas Bols Company diversifies its business across product offerings, markets and channels. We are specifically increasing our presence in the off-trade channel, for example by focusing more on retail and direct-to-consumer channels such as online sales, and in the no- and lower-alcohol segment.



Risk	Mitigation
Changes in consumer preferences Demand for the Company's spirits products can be significantly adversely impacted by changes in customer and consumer preferences.	Lucas Bols' close ties both with its distributors and the bartending community means that the Company is proactively alerted to changes in consumer preferences at an early stage. The innovative nature of the Company enables it to respond swiftly to any such changes with new flavours and product offerings.

Operational

Risk appetite – low

Our appetite for operational risks is low: we allow little to no risk as the continuity and quality of our operations and products is paramount and cannot be jeopardised in any way.

Risk	Mitigation
Quality Inconsistent quality or contamination of the Company's products or similar products in the same categories as Lucas Bols' products can harm the integrity of, or customer support for, the Lucas Bols brands and adversely affect the sales of those brands.	The recipes in which the ingredients and procedures are defined are fully controlled and protected by the Lucas Bols Company. The Company only partners with certified bottlers and suppliers, and the same generally applies to our joint-venture partners. The Company samples and tests all its products thoroughly, and sound quality control policies, procedures and processes (both preventative and detective) are in place and subject to constant monitoring. This includes audits at co-packers.
Joint ventures The financial performance of joint ventures (over which the Lucas Bols Company does not have full control) can affect the financial performance of the Lucas Bols Company, either directly or indirectly.	The Company is used to managing and monitoring joint ventures and other partnerships. These collaborations are closely monitored and governed, for example through direct board involvement (focusing on achieving long-term objectives) and involvement in day-to-day operations if needed.
Reliance on distribution agreements The Lucas Bols Company is reliant on the performance of its distribution partners. Lucas Bols' operations can be adversely affected by the poor performance of its distributors or by its own inability to enter into or maintain distribution agreements on favourable terms or at all.	The Company applies very strict criteria for selecting distribution partners. Each distributor and agreement is subject to frequent evaluation (at least annually) by the commercial and financial teams. If improvement areas are identified action will be taken within the contractual terms agreed.

Risk	Mitigation
Environmental, Social, Governance The Lucas Bols Company is highly dependent on third parties for the timely collection of reliable data relating to certain ESG matters. Such data is required to report on progress towards the realisation of targets for the KPIs relating to our ESG strategy as well as future CSRD-compliant reporting on material themes. The risks associated with a high dependency on third parties for the availability of relevant data is that the Company cannot measure and report on ESG performance a timely and reliable manner. This could lead to non-compliance, the inability to meet rapidly increasing stakeholder expectations or the inability to successfully execute the ESG strategy, amongst other repercussions.	The Company has revisited and documented its detailed understanding of the value chain and identified key partners (e.g. key suppliers, key distributors). Management has involved these partners in the design of the Lucas Bols Company ESG strategy and will continue to do so as the strategy evolves. Preliminary expectations have also been discussed with key partners, for example by aligning goals and actively addressing expected data requirements and incorporating these in contracts and other agreements if and when possible. With the ESG strategy now being embedded in day-to-day business practice the Company closely monitors progress on data collection at key partners in order to address potential risks if and when they arise. The Lucas Bols Company continues to closely monitor regulatory and societal developments. Regulatory frameworks are reviewed and discussed to identify and respond to emerging regulations. Moreover, most material themes are incorporated in the Company's ESG strategy and (emerging) regulations are embedded in the internal governance framework. Furthermore, stakeholder interviews and benchmark analyses are performed constantly to effectively capture views within society in a timely manner.
Acquisitions & Investments Acquisitions or investments in joint ventures and associates that the Company engages in might not deliver the expected returns.	Potential acquisitions and investments are aligned with our strategy. Decisions to acquire or invest are based on thorough processes, and expert external support is obtained where necessary. The brands that we invest in are integrated in our management information and reporting systems. Lucas Bols' management and employees are also involved in acquisitions and investments, for example by virtue of Board positions or monthly business review meetings.
Human capital The Lucas Bols Company operates an asset-light business model and consequently employs a relatively small number of people. The Company's success depends on attracting and recruiting highly skilled individuals and retaining key personnel.	The Lucas Bols Company has a strong track record in attracting, recruiting, motivating and retaining knowledgeable, experienced and driven employees. The Company's reputation and market position, strategic partnerships and thriving entrepreneurial and international corporate culture are key success factors in this regard.



Risk	Mitigation
IT IT security threats, the level of sophistication in digital crime and other cybersecurity risks continue to increase globally, posing a risk to the protection, confidentiality, availability and integrity of data and information. Such risks can affect any Company process, including the order-to-cash cycle.	We invest in hardware, software and people to mitigate the risk of cyberattacks. This enables us to continuously update our defence mechanisms to be effective in a rapidly changing environment. Furthermore, the internal controls we operate are focused on IT and data, including general IT controls and IT application controls (for example regarding outgoing payments).

Financial

Risk appetite – low

We take a prudent stance on financial risk, hedging part of our exposure in order to reduce and limit our risk.

Risk	Mitigation
Foreign exchange rate fluctuations Foreign exchange rate fluctuations can have a material impact on the Company's business, its financial position and the results of operations.	Each year the Company seeks to mitigate the short-term impact of fluctuations in foreign exchange rates on its cash flow and earnings by entering into hedging agreements. It is our practice to enter into hedging agreements for approximately 60% to 80% of our total foreign exchange rate exposure at the start of each financial year. Foreign exchange rate risks are generally hedged through the application of standard forward contracts.
Financing & Interest rate risk There is a risk that the Company will encounter difficulties meeting the commitments associated with its financing facilities. This can result in liquidity risks and/or not being able to settle financial liabilities by paying in cash or by settling by means of other financial assets. Moreover, changes in interest rates affect the Company's results and cash flow.	The Company's approach to managing liquidity through its treasury process is aimed at ensuring, to the maximum extent possible, that it will meet its financing facility obligations and have sufficient liquidity to settle its financial liabilities when they are due, without incurring unacceptable losses or damaging the Company's reputation. Management invests a great deal of its time managing relationships with banks and other capital market parties and stakeholders.
Credit risk Credit risk pertains to liquid assets, derivative instruments and bank balances. The Lucas Bols Company works with distributors globally, negotiating payment terms as part of the overall agreement. This exposes the Company to customer credit risks, including those relating to outstanding receivables and agreed transactions.	The Company operates a credit policy and monitors its exposure to credit risk on an ongoing basis. Furthermore, the Lucas Bols Company has a treasury policy in place and only engages with banks with high-credit ratings. Credit checks are performed when negotiations with distributors take place.

Compliance

Risk appetite – low

The Lucas Bols Company operates in a market that is strongly regulated worldwide. Compliance with laws and regulations is a fundamental condition for the production, distribution and marketing of our high-quality products. Accordingly, we allow only minimal risk in this area.

Risk	Mitigation
Non-compliance Lucas Bols' production and distribution as well as its business and the industry in general are subject to significant government regulations. Moreover, as a publicly listed company the Lucas Bols Company is subject to additional laws and regulations. Failure to comply with relevant regulations (or any changes therein) can result in business disruptions, for example on the supply side, increased costs and potentially legal action.	Lucas Bols closely monitors legal developments in every market in which it is active. Legal compliance is embedded in its risk and control systems. The Company also makes use of external legal counsel. Furthermore, the Lucas Bols Company is an agile organisation that can easily adapt products, packaging, etc. to remain compliant with all regulations. Management monitors legal compliance at head office-level and requires all employees to contribute by adhering to the Code of Conduct, which includes prevention of fraudulent transactions, reporting and corruption.
Taxes Increases in taxes, particularly excise tax rates, can have an adverse effect on demand for – and the financial contribution of – the Company's products.	Significant excise tax increases in a market tend to have a negative impact for a period of 12 months, after which the business often stabilises and recovers. The consequences of tax changes and resulting changes in buying behaviour are constantly monitored in close cooperation with our distributors. Our market positioning is adjusted if and when necessary.

In control statement

The Management Board is responsible for the design and operation of the internal risk management and control systems. Management has assessed whether the risk management and control systems provide reasonable assurance that the financial reporting does not contain any material misstatements. In accordance with best practice 1.4.3 of the Dutch corporate governance code and with reference to the risk management and control chapter and the financial review on pages 68-70, the Management Board is of the opinion that, to the best of its knowledge:

- the report provides sufficient insights into any deficiencies in the effectiveness of the internal risk and control systems; no deficiencies in the effectiveness of the internal risk and control systems have been identified, as reported on pages 80-96;
- the internal risk management and control systems of the Company, as reported on pages 80-96, provide reasonable assurance that the financial reporting does not contain any material inaccuracies;
- there is a reasonable expectation that the Lucas Bols Company will be able to continue its operations and meet its liabilities for at least twelve months; therefore, it is appropriate to adopt the going-concern basis in preparing the financial reporting, as reported on page 70 under net debt and liquidity and as referred to in notes 22 and 23 of the financial statements; and
- there are no material risks or uncertainties that could reasonably be expected to have a material adverse effect on the continuity of Lucas Bols' operations in the coming twelve months, as reported on pages 84-96.

Management Board Statement

The Management Board of Lucas Bols N.V. declares that, to the best of its knowledge, the financial statements give a true and fair view of the assets, liabilities, financial position and result of the Lucas Bols Company and its subsidiaries, and that the report of the Management Board provides a true and fair view of the situation as at 31 March 2023 and of the state of affairs for the 22/23 financial year of the Lucas Bols Company and its subsidiaries, as well as a description of the principal risks and uncertainties the Lucas Bols Company faces.

Amsterdam, 24 May 2023

Management Board
Huub van Doorne and Frank Cocx

Corporate governance

The Lucas Bols Company acknowledges the importance of good governance and its vital role in ensuring integrity and maintaining open and transparent communications with stakeholders and other parties interested in the Lucas Bols Company. Our corporate governance is based on principles of integrity, transparency and clear and timely communication. The Management Board and the Supervisory Board are jointly responsible for the corporate governance structure at the Lucas Bols Company, thereby adhering to the Dutch Corporate Governance Code (hereinafter 'the Code') as available on the website of the Dutch Monitoring Commission (www.mccg.nl).

Corporate governance declaration

The Lucas Bols Company fully endorses the core principles of the Code and is committed to following the best practices of the Code to the furthest extent possible. However, considering our interests and the interests of our stakeholders, we deviate from a limited number of best practice provisions, which will be specified and explained later in this chapter under the paragraph 'Appointment and dismissal Management Board and Supervisory Board' (best practice provision 4.3.3) and the 'Diversity' paragraph (best practice provisions 2.1.5 and 2.1.6).

General

The Lucas Bols Company is a public limited company (NV) incorporated and based in the Netherlands and is therefore subject to Dutch legislation as well as its own Articles of Association, internal policies and procedures. The Lucas Bols Company is not subject to the Dutch large company regime. Reference is made to note 28 of the consolidated financial statements for an overview of the Company's subsidiaries. Responsibility for the management of the Lucas Bols Company lies with the Management Board, under supervision of the Supervisory Board.

Long-term value creation, culture and sustainability

Lucas Bols' strategy and culture are aimed at long-term value creation. To the Lucas Bols Company, long-term value creation is all about building brands and leveraging our strategic platform in a sustainable manner. To create value, Lucas Bols constantly and consciously invests in its brands, through investments in A&P, product development, quality and long-term partnerships.

Strategic endeavours are undertaken bearing in mind of the rapidly changing environment the Company operates in. This environment is impacted by macroeconomic and societal developments, including new technologies and changing business models. To ensure the creation of sustainable long-term, value in accordance with our value creation model outlined on pages 50-51 input is actively gathered from interactions with stakeholders and a continuous evaluation of risks, amongst other sources.

In the year under review the Company developed a more specific and detailed vision on how value creation can be maximised by explicitly incorporating ESG elements into its overall corporate strategy. These elements focus on empowering employees, limiting the Company's impact on the planet and further investing

in responsible consumption of the Lucas Bols Company products. The overall strategy reflects the Company's values and ambition to contribute to sustainable long-term value creation. In developing a more specific and detailed ESG vision the Company engaged with a diverse set of internal and external stakeholders. The perspectives gained contributed significantly to determining the actual or potential impact of the Company on the environment and society, taking into account the double materiality concept.

A further elaboration on creating long-term value can be found in the value creation model included in the Strategy chapter, the interview with the Management Board, the relevant chapter on ESG and the reports of the Management Board and the Supervisory Board.

Risk management and control framework

The Lucas Bols Company promotes a transparent, company-wide approach to risk management and control, enabling it to operate effectively. This approach is aimed at finding the right balance between maximising business opportunities and managing the risks involved.

The Management Board adopts a bottom-up approach which involves risk ownership further down the organisation. The risk management and control framework is outlined in more detail in the 'Risk management and control' paragraph starting on page 80 of this Annual Report.

Shares – voting rights

The authorised share capital of the Lucas Bols Company comprises a single class of registered shares. All issued shares are fully paid up and each share confers the right to cast a single vote at the General Meeting. At the end of the 22/23 financial year, the Lucas Bols Company held no shares in its own capital.

General meeting

Important matters that require the approval of the General Meeting include:

- adoption of the annual accounts;
- declaration of dividends;
- remuneration policy;
- discharge from liability of the members of the Management Board in respect of their management activities for the Lucas Bols Company;
- discharge from liability of the members of the Supervisory Board in respect of their supervision of the management of the Lucas Bols Company;
- appointment of the external auditor;

- appointment, suspension or dismissal of members of the Management Board and Supervisory Board;
- remuneration of the Supervisory Board;
- any Management Board resolution regarding a significant change in the identity or nature of the Lucas Bols Company or its enterprise;
- issuance of shares, whereby the Management Board is authorised, subject to prior approval by the Supervisory Board, to issue shares up to a maximum of 10% of the issued share capital as at the date of issue and an additional 10% as at that date in connection with or on occasion of mergers, acquisitions and strategic alliances and to restrict or exclude the pre-emptive rights in relation to any issuance referred to above. This authorisation is granted until 7 January 2024;
- acquisition and redemption of shares, whereby the Management Board is authorised, subject to the approval by the Supervisory Board, to acquire up to a maximum of 10% of the shares in the capital of the Company at a price not higher than 10% above the average closing price of the shares on Euronext Amsterdam over the five days preceding the date on which the purchase is made. This authorisation is granted until 7 January 2024; and
- adoption of amendments to the Articles of Association.

Further details can be found in the Articles of Association, which are published on the corporate website www.lucasbols.com.

This year the Annual General Meeting is scheduled to take place on 7 July 2023. Each shareholder may attend the General Meeting, address the General Meeting and exercise voting rights pro rata to their shareholding, either in person or by proxy. Shareholders may exercise these rights provided they are holders of shares on the record date, which is twenty-eight days before the date of the General Meeting, and they or their proxy have notified the Lucas Bols Company of their intention to attend the General Meeting. Draft minutes of the meeting will be released within three months of the meeting and will be available for comments for three months thereafter. The final version of the minutes will be published on the corporate website.

In accordance with provision 4.2.3 of the Code, the Lucas Bols Company announces analyst meetings, presentations to (institutional) investors and press conferences in advance on the corporate website. The presentations are made available on the corporate website after the meetings. The analyst presentations are webcast.

Management board

Responsibilities

The Management Board is collectively responsible for the management of the Lucas Bols Company. This includes the day-to-day management and general affairs of the Company as well as formulating the long-term value creation strategy, execution and policies, as well as setting and achieving the corporate objectives. The Management Board is also responsible for identifying and managing the risks associated with Lucas Bols' activities, and for the financial performance and corporate social responsibility issues relevant to the business. The Management Board consists of two members, each having duties related to their specific responsibilities and area of expertise. The members of the Management Board are individually authorised to represent the Lucas Bols Company.

Appointment and dismissal

The General Meeting appoints the members of the Management Board, with the Supervisory Board permitted to make non-binding nominations for such appointments. In the event the Supervisory Board makes a nomination, the resolution of the General Meeting to appoint the nominee must be adopted by an absolute majority of the votes cast. In the event the nomination was not made by the Supervisory Board, the resolution of the General Meeting to appoint a member of the Management Board must be passed by a two-thirds majority of the votes cast, representing over 50% of the issued share capital. This is stricter than prescribed in best practice provision 4.3.3 of the Code. The Lucas Bols Company believes it is important that a diligent process be safeguarded, which is why we deviate from the Code in this respect.

The Supervisory Board may suspend a member of the Management Board at any time. The General Meeting may suspend or dismiss a member of the Management Board at any time. The General Meeting may only adopt a resolution to dismiss a member of the Management Board by an absolute majority of the votes cast and at the proposal of the Supervisory Board. If no such proposal is made, the resolution to suspend or dismiss a member of the Management Board must be passed by a two-thirds majority of the votes cast, representing over 50% of the issued share capital. This is stricter than prescribed in best practice provision 4.3.3 of the Code. The Lucas Bols Company believes it is important that a diligent process be safeguarded, which is why we deviate from the Code in this respect.

Remuneration

The remuneration policy is aimed at attracting, motivating and retaining highly qualified executives and rewarding members of the Management Board with a balanced and competitive remuneration package that is focused on sustainable results and is consistent with the long-term value creation strategy of the Lucas Bols Company. The performance criteria on which the variable remuneration is based are aligned with the Company's objectives to create long-term value. Pursuant to the remuneration policy, the remuneration package of the Management Board members consists of fixed and variable components.

The remuneration policy of the Company, previously adopted by the General Meeting in 2019, has been replaced by a new remuneration policy for the financial years 22/23-25/26. The new policy continues existing policy principles, the new policy is updated where necessary and introduces a new policy element. This new element concerns a long-term incentive plan (LTIP) for the members of the Management Board (and is also available to a select group of other senior management members), the objective of which is to drive and reward sound business decisions for the long-term health of the Company, to stimulate retention and to improve market competitiveness. The LTIP is performance and time-based with annual rolling grants, a three-year performance period with cliff vesting and the use of phantom shares to create a direct link to the share price of the Lucas Bols Company. The at-target pay-out is 25% of the fixed base remuneration contingent on full achievement of the objectives with a cap of 50% of the fixed base remuneration in the event of above-target performance. If the performance achieved is below a certain threshold level, no LTIP amount will be paid out. At the beginning of each performance period the Supervisory Board establishes the performance measures, the weighting and the corresponding targets. In addition to the performance conditions, vesting is subject to continued employment with the Company. The performance measures consist of three financial targets compromising 75% of the LTIP award whilst 25% of the award is based on non-financial targets.

The three financial targets for the LTIP granted at the start of the 22/23 financial year relate to Global Cocktail Brands revenue (three-year average growth rate in %), earnings per share (three-year average growth rate in %) and free operating cash flows (three-year cumulative in EUR), each of which is to be assessed organically. The targets are based on a three-year medium-term

plan. The non-financial target for the 22/23 LTIP relates to the determination, documentation and implementation of an integrated ESG strategy for the Lucas Bols Company.

The remuneration report can be found starting on page 110 of this Annual Report and on the corporate website.

In compliance with the Code, the management agreements of the Management Board members contain a provision relating to severance arrangements to compensate for the loss of income resulting from a non-voluntary termination of the service agreement, up to a maximum of the fixed base remuneration of the respective Management Board member. In line with applicable legislation and good governance, the management agreements of the members of the Management Board include a clawback clause which allows for a test of reasonableness.

Supervisory board

Responsibilities

The Supervisory Board supervises the Management Board and the general course of business of the Lucas Bols Company.

The Supervisory Board also provides advice to the Management Board. In performing their duties, the members of the Supervisory Board must be guided by the interests of the Lucas Bols Company and take into account the relevant interests of all of the Company's stakeholders (including its shareholders) as well as the corporate social responsibility issues that are relevant to the business of the Lucas Bols Company.

The Supervisory Board is responsible for the quality of its own performance. The Supervisory Board consists of four members, Mr. René Hooft Graafland (chair), Mr. Ralph Wisbrun (vice-chair), Mrs. Alex Oldroyd and Mrs. Marie-Pauline Lauret.

All members of the Supervisory Board are independent as defined in best practice provisions 2.1.7 to 2.1.9 of the Code. In view of its size, the Supervisory Board has decided not to appoint any committees in the interest of efficiency. However, audit-related discussions are chaired by Mrs. Marie-Pauline Lauret and discussions on remuneration are chaired by Mr. Ralph Wisbrun. Specific duties that are part of the audit committee's legal responsibility such as the monitoring of the financial reporting process and the effectiveness of the internal control systems are the responsibility

of the Supervisory Board as a whole. The Supervisory Board has adopted a profile for its size and composition, taking into account the nature of the Lucas Bols business and activities and defining the desired background and expertise of members.

Members of the Supervisory Board are appointed for a term of four years and may be reappointed for another four-year period and subsequently for a maximum of two terms of two years.

Appointment and dismissal

The members of the Supervisory Board are appointed by the General Meeting. The Supervisory Board is permitted to make a non-binding nomination for the appointment of a member of the Supervisory Board. The resolution of the General Meeting to appoint the nominee upon a nomination by the Supervisory Board must be adopted by an absolute majority of the votes cast. If the Supervisory Board has not made a nomination, a resolution of the General Meeting for the appointment of a member of the Supervisory Board must be passed by a two-thirds majority of the votes cast, representing over 50% of the issued share capital. This is stricter than prescribed in best practice provision 4.3.3 of the Code. The Lucas Bols Company believes it is important that a diligent process can be safeguarded, that is why we deviate from the Code in this respect.

The General Meeting may suspend or dismiss a member of the Supervisory Board at any time. In the event the Supervisory Board proposes the dismissal of one of its members, the resolution of the General Meeting to dismiss such a member must be adopted by an absolute majority of votes cast. In the absence of a proposal from the Supervisory Board to dismiss one of its members the General Meeting resolution to make such a dismissal must be passed by a two-thirds majority of the votes cast, representing over 50% of the issued share capital. This is again stricter than prescribed in best practice provision 4.3.3 of the Code. The Lucas Bols Company believes it is important that a diligent process be safeguarded, which is why we deviate from the Code in this respect. The Lucas Bols Company ensures structured reporting lines to its Supervisory Board. The Supervisory Board meets regularly throughout the year, with a minimum of four meetings a year taking place. The chair of the Supervisory Board ensures the proper functioning of the Supervisory Board and acts as the main contact for the Management Board.

The Supervisory Board has adopted its own regulations with regard to objectives, composition, duties, responsibilities and working methods, as well as a profile and a retirement and resignation schedule. The regulations and other documents are available on the corporate website.

Diversity

In order to achieve a desired balance, the Supervisory Board aims for a diverse composition of both the Management Board and the Supervisory Board, for example in terms of gender and age, but does not yet follow best practice provision 2.1.5 of the Code to formulate an explicit policy on diversity and inclusion, neither was a specific target set in these areas. The Supervisory Board's overriding principle is for both boards to be composed of members who can make a valuable contribution in terms of experience and knowledge of the industry the Lucas Bols Company operates in. In determining profiles for new members of the boards, the Company will pay close attention to the aforementioned best practice provision.

The Lucas Bols Company complies with Dutch legislation on diversity which requires companies to have at least one third of the seats on the Supervisory Board held by women or men.

Overall we believe as well in a diverse workforce. We constantly seek to create a positive corporate culture, in which all employees have equal rights and opportunities, regardless of their gender, age, sexual orientation or background. We continue to be fairly balanced from a gender perspective – 43 of our employees are male and 35 are female (in 21/22: 43 male and 28 female). Furthermore, Lucas Bols employees represent a great number of nationalities and the age composition within the organisation is quite balanced.

As part of the Company's ESG strategy KPIs will be set on diversity and inclusion, underpinned by a feasible plan to achieve specific goals as further outlined in the chapter on ESG (pages 72-79).

Conflict of interest

Any potential or actual conflict of interest between the Lucas Bols Company and a member of the Management Board or Supervisory Board should be reported to the chair of the Supervisory Board and the other respective board members.

Any board member holding shares in the Lucas Bols Company must do so for the purpose of a long-term investment. Board members must at all times comply with the provisions set out in the insider trading rules of the Lucas Bols Company. Both Management Board members hold shares in the Company. None of the Supervisory Board members holds shares in the Company, except for Mr. René Hooft Graafland, who holds 8,500 shares in the Company (0.06% of all shares outstanding). There were no conflicts of interest between the Lucas Bols Company and any board member during the financial year.

Auditor

At the Annual General Meeting held on 7 July 2022 PricewaterhouseCoopers Accountants N.V. (PwC) was appointed as the Company's external auditor for a period of four years, starting with the audit of the 22/23 financial year (i.e. the period ending 31 March 2023) and ending with the audit of the financial statements for the period ending 31 March 2026.

The Management Board ensures that the external auditor can properly perform its audit task. The Management Board reports to the Supervisory Board on PwC's functioning as external auditor and its fee. The Supervisory Board evaluates PwC's functioning taking into consideration the input of the Management Board. For the year under review PwC confirmed its independence from the Lucas Bols Company in accordance with the professional standards applicable to PwC. The external auditor meets with Mrs. Marie-Pauline Lauret (who chairs meetings on audit-related matters) at least once a year without the Management Board being present.

Amendment of the Articles of Association

The General Meeting may resolve to amend the Articles of Association at the proposal of the Management Board and subject to the prior approval of the Supervisory Board. If a proposal to amend the Articles of Association is to be made at a General Meeting, the notice of such meeting must state the proposal, a copy of which shall be deposited and kept available at the Company's office for inspection by, and must be made available free of charge to, the shareholders until the conclusion of the meeting. An amendment of the Articles of Association shall be laid down in a notarial deed.

Statement in light of article 10 of the EU Takeover Directive

In accordance with Article 10 of the EU Takeover Directive, companies with securities that trading on a regulated market are obliged to disclose certain information in their Annual Report. Accordingly, the Lucas Bols Company is required to disclose the following information and make the following statements:

- a. An overview of Lucas Bols' capital structure is included on page 98 of this Annual Report. Shares in the capital of the Lucas Bols Company are freely transferable, there are no special control or voting rights attached to its shares, nor are voting rights limited in any manner. The Lucas Bols Company is not aware of any agreements that might result in a limitation of the transferability of the voting rights on shares in its capital. Substantial shareholdings of shares in the capital of Lucas Bols are included on page 20 of this Annual Report.
- b) The Lucas Bols Company has an Employee Share Participation Plan in place, which is described on page 127 of this Annual Report.
- c) The credit facility of the Lucas Bols Company incorporates what is known as a change of control provision. If a party acquires more than 50% of Lucas Bols' issued share capital or voting rights, the Lucas Bols Company is subject to a repayment commitment.
- d) The provisions regarding the appointment and dismissal of Management Board and Supervisory Board members are set out on pages 99-101 of this Annual Report.

Closing statement

The information required to be included in the Management Board report pursuant to article 2a of the Decree for the contents of board reports (Besluit inhoud bestuursverslag) is included in this Corporate governance chapter as well as in the Risk Management and Control chapter of this Annual Report.



Chair

Mr. D.R. (René) Hooft Graafland
1955, Dutch nationality

Current (first) term commenced
on 10 July 2019 and expires in 2023.

Other positions:

Supervisory Board member of Royal Ahold Delhaize N.V.
Chairman of Stichting African Parks Foundation
Chairman of Royal Theater Carré Fund



Member

Mrs. A.L. (Alexandra) Oldroyd
1967, British nationality

Current (second) term commenced
on 9 July 2020 and expires in 2024.
First term commenced on 1 September 2016.

Other positions:

Managing Director of Fluxion Advisors
Non-Executive Director of Brockmans Gin



Composition of the Supervisory Board

Member

Mrs. M.P. (Marie-Pauline) Lauret
1979, Dutch nationality

Current (first) term commenced
on 7 July 2022 and expires in 2026.

Other positions:

Vice President Risk & Assurance of Philip Morris
International



Vice-Chair

Mr. R. (Ralph) Wisbrun
1957, Dutch nationality

Current (second) term commenced
on 8 July 2021 and expires in 2025.
First term commenced on 7 September 2017.

Other positions:

Founder of Wisbrun Eastwood
Member of the Strategic Board of ACE



Report of the Supervisory Board

Whilst the Company benefitted from strong business recovery following the pandemic, accelerated growth in the US and the completion of key strategic initiatives, the 22/23 financial year was heavily impacted by macroeconomic and geopolitical factors that intensified when the war in Ukraine broke out. Limited availability of key raw materials (mainly glass) and longer production and logistic lead times resulted in a disrupted supply chain and required higher working capital investments, whilst the inflationary environment put pressure on profit margins. Sales in the US specifically suffered from industry-wide glass shortages, and early signs of deteriorating consumer purchasing power started to materialise there and in other markets in the second half of the financial year. Moreover, the Company ceased all business with Russia while local COVID-19 circumstances in China prevented further recovery and growth in that important growth market.

Despite these challenges the Lucas Bols team realised revenue growth of 9%, successfully completed the

integration of Tequila Partida and launched various cocktail innovations in key markets. Working capital investments were required to support the ongoing business and did not stop a further strengthening of the Company's balance sheet. In addition, a major strategic step was realised this year with the sale of Avandis. Knowing that an attractive long-term co-manufacturing agreement is in place, this will enable management to further increase its focus on the cocktail-driven mission, brand development and the Company's route-to-market. Another milestone was the acquisition of the Fluère brand, adding a leading and high-quality non-alcoholic spirits brand to the portfolio. This positions the Lucas Bols Company very well to leverage the rapidly growing no- and lower-alcohol category. Important progress was also made on designing and implementing the Lucas Bols Company ESG strategy.

The Supervisory Board enjoyed supervising and advising the Management Board in managing current challenges and driving strategic progress to focus on the sustainable long-term future of the Company.

Composition of the Supervisory Board

On 31 March 2023 the Supervisory Board of the Lucas Bols Company consisted of four members: Mr. René Hooft Graafland (chair), Mr. Ralph Wisbrun (vice-chair), Mrs. Alex Oldroyd and Mrs. Marie-Pauline Lauret.

The appointment of Mrs. Marie-Pauline Lauret was approved by the shareholders at the Annual General Meeting of 7 July 2022. Mrs. Marina Wyatt stepped down at that Annual General Meeting after having served as a member of the Supervisory Board for eight years.

The re-election of Mr. René Hooft Graafland will be proposed to shareholders at the Annual General Meeting scheduled to take place on 7 July 2023.

The composition of the Supervisory Board is in line with the Supervisory Board profile as drawn up by the Supervisory Board and published on the Lucas Bols corporate website. Currently the gender ratio of the Supervisory Board is balanced at 50-50. All members of the Supervisory Board will continue to be selected based not solely on their expertise and independence, but also on their background and the diversity aspects outlined in the Supervisory Board profile. For more information on diversity at the Lucas Bols Company please refer to the Corporate Governance chapter in this Annual Report.

The Supervisory Board confirms that all members are independent as defined in best practice provisions 2.1.7 to 2.1.9 of the Dutch Corporate Governance Code. No member of the Supervisory Board holds more than five directorships at Dutch large companies, in accordance with section 2:142a of the Dutch Civil Code.

As the Supervisory Board consists of only four members, it has decided not to appoint separate committees among its members. The Supervisory Board as a whole carries out the duties of an audit committee as well as other committees. Matters regarding remuneration are chaired by Mr. Ralph Wisbrun and matters related to financial reporting and the external audit are chaired by Mrs. Marie-Pauline Lauret, who has extensive financial and accounting experience.

Evaluation

The Supervisory Board reviewed and discussed its own functioning during the 22/23 financial year. The assessment included reviews of the composition of the Supervisory Board, the Supervisory Board's

profile (including its competence and expertise), the effectiveness of the Supervisory Board meetings, the lessons learned from this year's experiences, the adequacy of the information supplied to the Supervisory Board and the training of the Supervisory Board. This assessment was conducted through questionnaires completed by the individual Supervisory Board and Management Board members and a subsequent evaluation and discussion.

During the previous evaluation the Supervisory Board expressed a desire to spend more time on the Company's ESG strategy and reporting. This was adequately addressed in the year under review. A dedicated Lucas Bols team assisted by external experts carried out an extensive ESG project, defining the Lucas Bols Company's ESG strategy and identifying relevant KPIs, as further described on pages 72-79 of this Annual Report. The team benefited from Mrs. Marie-Pauline Lauret's thorough experience on the matter. Furthermore, the Supervisory Board expressed the desire to develop a better view on talent and management development. These topics were extensively discussed during one of the meetings of the Supervisory Board in the year under review. The outcome of this year's evaluation was positive with perceived strong board dynamics, an excellent relationship between the Supervisory Board and the Management Board and sufficient and high-quality information sharing. Areas for improvement identified during this year's assessment relate to increasing the Supervisory Board's exposure to key management personnel and key stakeholders and the Company's organisational operating model in relation to its strategic ambitions.

In addition the composition, functioning and succession planning of the Management Board and the performance of its individual members were assessed using input from each individual Supervisory Board member. This input was discussed in a meeting of the Supervisory Board without the Management Board present, and subsequently discussed with both Management Board members individually.

Meetings and attendance in 22/23

The Supervisory Board held five ordinary meetings during the year under review. All members were present at every meeting. The Management Board attended every meeting with the exception of part of the one meeting in which the Supervisory Board discussed the performance and remuneration of the individual Management Board members.



All meetings were held in person. In between the meetings Mr. René Hooft Graafland, as chair of the Supervisory Board, maintained contact with both Management Board members on a regular basis, while Mrs. Marina Wyatt (before stepping down as member of the Supervisory Board) and Mrs. Marie-Pauline Lauret (after her appointment at the Annual General Meeting) were in regular contact with the CFO to discuss topics including financial reporting, ESG and audit-related matters.

Major topics discussed at the meetings included the ongoing impact of macroeconomic and geopolitical circumstances (mainly with regard to the impact of the war in Ukraine), global supply chain disruptions, the inflationary environment and the pandemic on the Company's performance, financial position and strategy. Ongoing discussions were also held on the capital structure and the operating model. Furthermore, the development of the Lucas Bols ESG strategy was on the agenda of various Supervisory Board meetings. The Supervisory Board provided management with their views on the envisaged strategy, KPIs and related targets as well as on the implementation of and reporting on the strategy. The roll-out of Bols Ready-to-Enjoy Cocktails and the integration and performance of Tequila Partida were also amongst the key topics discussed at the meetings during the year. In the first half of the year significant attention was paid to the sale of the Company's share in Avandis to Refresco, including the new co-manufacturing agreement that is now in place for the production of a vast majority of Lucas Bols' products. In the second half of the year the new bank facilities (extending the finance facilities for a period of two years at competitive conditions) were also discussed with the Supervisory Board. Recurring topics of discussion included the financial performance and brand, market and distribution developments in the various areas where the Lucas Bols Company operates, compliance, investor relations and risk management (including actions taken to mitigate risks and further strengthen the Company's internal control framework).

In general, the Supervisory Board focused on the strategy and long-term value creation with the Management Board, with discussions including the objectives, execution and progress achieved. During these discussions the Supervisory Board challenged the Management Board on its strategic agenda and milestone planning. In order to better align the Company's senior management incentives with long-term value creation, the Supervisory Board finalised

the project of reviewing the feasibility of a long-term incentive plan (LTIP). After the new remuneration policy was approved by the Annual General Meeting, the LTIP for senior management (including the Management Board) was implemented effective 1 April 2022.

In the 22/23 financial year the external auditor (Ernst & Young Accountants LLP, followed by PricewaterhouseCoopers Accountants N.V. as of the Annual General Meeting) attended two Supervisory Board meetings. At the May 2022 Supervisory Board meeting, EY presented the independent auditor's report and long-form auditor's report along with the findings of the audit of the 21/22 financial statements. The key matters pertaining to the 22/23 financial statements as well as the procedures and findings with regard to the 22/23 interim financial information were subsequently presented by the newly appointed external auditor, PricewaterhouseCoopers Accountants N.V., at the November 2022 Supervisory Board meeting.

Report of the Annual General Meeting of Shareholders

In view of the pandemic the 2022 Annual General Meeting of Shareholders was held virtually. In order to keep shareholders, employees and other stakeholders safe, the Company decided in accordance with the temporary Dutch COVID-19 Act that the Annual General Meeting would only be accessible to shareholders via a live webcast. Shareholders were given the opportunity to submit questions prior to the meeting, and those who did were also permitted to ask follow-up questions during the meeting itself. The answers to pre-submitted questions were published on the Company's website prior to the meeting and addressed during the meeting.

At the Annual General Meeting the Management Board gave an account of the general state of affairs at the Lucas Bols Company and of the Company's financial performance in the 21/22 financial year. The meeting adopted the 21/22 financial statements. The members of the Management Board were discharged from liability for their management and the members of the Supervisory Board were similarly discharged for their supervision thereof.

The meeting appointed Mrs. Marie-Pauline Lauret as a Supervisory Board member for a term of four years and the meeting reappointed Mr. Huub van Doorne as a member of the Management Board for a four-year term, both from the date of their appointment.

The meeting approved the amendment to the remuneration policy of the Company adopted by the General Meeting in 2019. The amended policy shall be applicable to the financial years 22/23-25/26.

A continuation of existing policy principles, this new policy was updated where necessary and introduced an LTIP for the members of the Management Board aimed at driving and rewarding sound business decisions for long-term value creation for the Lucas Bols Company, stimulating retention and improving market competitiveness.

The meeting approved the amendment to the remuneration policy of the Company adopted by the General Meeting in 2019. The amended policy shall be applicable to the financial years 22/23-25/26. A continuation of existing policy principles, this new policy was updated where necessary and introduced an LTIP for the members of the Management Board aimed at driving and rewarding sound business decisions for long-term value creation for the Lucas Bols Company, stimulating retention and improving market competitiveness.

PricewaterhouseCoopers Accountants N.V. was appointed by the General Meeting as the Company's external auditor for a period of four years, starting with the audit of the 22/23 financial year (i.e. the year ending 31 March 2023) and ending with the audit of the financial statements for the financial year ending 31 March 2026.

Internal audit function

Based on the Management Board's evaluation of Lucas Bols' internal control system and the discussions of the Supervisory Board with the Management Board, it is the opinion of the Supervisory Board that internal control elements are effectively integrated into the Company's operations, also taking into account the size of the Company and its relatively simple and centralised structure. Furthermore, the Lucas Bols Company performs periodical audits at its distributors, focusing mainly on A&P spend and how this is accounted for.

In accordance with best practice provision 1.3.6 of the Dutch Corporate Governance Code and based on these observations it is the opinion of the Supervisory Board that there is currently no reason to recommend the installation of a dedicated internal audit function. The Supervisory Board reviews this decision annually.

22/23 financial statements and dividend

The Supervisory Board has reviewed and discussed the 22/23 Annual Report. The 22/23 financial statements as prepared by the Management Board have been audited by PricewaterhouseCoopers, whose auditor's report is included in this Annual Report, and were extensively discussed by the Supervisory Board and the external auditor in the presence of the Management Board in May 2023. The Supervisory Board believes the 22/23 financial statements of the Lucas Bols Company meet all requirements for correctness and transparency. All members of the Supervisory Board and the Management Board have signed the 22/23 financial statements pursuant to the statutory obligations under article 2:101 (2) of the Dutch Civil Code.

The Management Board will present the financial statements for 22/23 and its report at the Annual General Meeting of shareholders on 7 July 2023. The Supervisory Board recommends that the Annual General Meeting adopt the 22/23 financial statements and discharge the Management Board and the Supervisory Board from liability for their management and supervision, respectively, in the year under review. Dividend distribution was resumed in the financial year with an interim cash dividend paid out in November 2022 of € 0.21 per share and proposed final dividend of € 0.13 per share which would put the total full-year dividend at € 0.34.

The members of the Supervisory Board would like to thank both the Lucas Bols shareholders and business partners for their ongoing commitment to our Company. In particular, we wish to thank all Lucas Bols employees and the Management Board for their unwavering commitment and hard work. In these volatile and uncertain times they have proven to be flexible, willing to adjust and focused on the long-term strategy. Financially the Company is currently in a better position than before the pandemic and the strategic initiatives undertaken provide strong business fundamentals for the years ahead.

Amsterdam, 24 May 2023

On behalf of the Supervisory Board

René Hooft Graafland
Chair

The **remuneration report** stems from the remuneration policy of the Lucas Bols Company which is drawn up in accordance with the Dutch Corporate Governance Code and the revised Shareholder Rights Directive of the European Parliament, the European Council (2017/828/EU) and article 2:135a and 2:135b of the Dutch Civil Code. The current remuneration policy was adopted at the Annual General Meeting of Shareholders of 7 July 2022. Pursuant to the requirements in the Dutch Civil Code, the changes to and implementation of the remuneration policy in the 21/22 financial year were discussed and put to an advisory vote at the Annual General Meeting of Shareholders on 7 July 2022. Changes in the remuneration policy were supported by 97.12% of the votes cast by the shareholders and the implementation of the remuneration policy was supported by 97.13% of the votes.

Remuneration policy

The remuneration policy is aimed at attracting, motivating and retaining highly qualified executives and rewarding members of the Management Board with a balanced and competitive remuneration package. This package focuses on sustainable results and is aligned with the Company's long-term strategy. The qualitative KPIs for variable remuneration are linked to the long-term strategy aimed at leading the development of the cocktail market, worldwide growth of our cocktail brands, developing our Regional Liqueurs & Spirits and leveraging the Company's operational excellence with a sustainable approach. Within the scope of the remuneration policy as adopted by the General Meeting of the Lucas Bols Company, the remuneration and other terms of employment of the Management Board are determined by the Supervisory Board.

The annual remuneration of the members of the Management Board consists of the following components:

- fixed base remuneration;
- allowance for pension and other benefits;
- short-term variable remuneration (paid in cash); and
- long-term variable remuneration (paid in cash).

The remuneration policy does not provide for incentives by way of remuneration that is awarded in shares of the capital of the Lucas Bols Company. Awards under the long-term incentive plan are made in phantom shares. Furthermore the members of the Management Board are allowed to participate in the Company's Employee Share Participation Plan, the specifics of which are described on page 127 of the Annual Report.

Scenario analyses are considered in setting the remuneration policy.

Benchmark group

The remuneration of the Management Board members is set around the median of remuneration levels paid within relevant markets and a peer group of comparable companies. The total reference group consists of 16 companies. The group consists of Dutch listed companies similar to the Company in size (market cap, FTE, revenue) but does not include companies in the financial, real estate and pharmaceutical industries. Furthermore, Dutch companies operating in the branded consumer goods sector or retail industry that fall outside the scope guideline were added to the reference group. Several direct competitors from within the industry were also added.

Positioning within the Company

In setting the remuneration levels for the Management Board, the Supervisory Board considers factors including the level of remuneration within the Company for positions below the Management Board. The Supervisory Board also takes the pay ratio into account, which provides a reflection of the total average compensation of all employees of the Company globally relative to the total average remuneration package of the Management Board members. The internal pay ratio is a factor in the determination of changes in the remuneration level of the Management Board, whereby any such changes should be in line with the average salary adjustment throughout the Company.

Fixed base remuneration

The members of the Management Board receive an annual fixed base remuneration. Any adjustment is subject to the approval of the Supervisory Board and should be in line with the principles of the remuneration policy.

Pension and other benefits

The members of the Management Board are entitled to an allowance in the form of a gross amount or a percentage of their base salary for the purpose of contributing to a Company pension scheme or arranging their pension in any other way. The members of the Management Board are furthermore entitled to customary other benefits, such as a fixed expense allowance (including for the use of a private car) and the reimbursement of costs.

Short-term variable remuneration

The members of the Management Board are entitled to a short-term variable remuneration (which is paid in cash). The maximum short-term annual variable remuneration amounts to 50% of the fixed base remuneration and is paid out if predefined criteria are realised (the threshold performance level).

The quantitative and qualitative KPI's are set by the Supervisory Board annually at the start of the relevant financial year in accordance with the remuneration policy.

Long-term variable remuneration

Management Board members are eligible for awards under the long-term variable remuneration plan (LTIP). The objective of the LTIP is to drive and reward sound business decisions for the long-term health of the Lucas Bols Company, stimulate retention and improve market competitiveness. The LTIP supports the effective execution of the Company's strategy and



aligns the interests of Management Board members with those of the Lucas Bols Company stakeholders. Awards under the LTIP are made in phantom shares. The LTIP amount is paid out in cash if predefined targets above a certain threshold level are realised, while the maximum amount may be paid out only in the event of outperformance. Target pay-out amounts to 25% of the annual base salary, with a cap of 50% of the annual base salary in the event of above target performance.

Reasonableness test and clawback clause

For any variable remuneration component awarded to a member of the Management Board in a previous financial year which would, in the opinion of the Supervisory Board, produce an unfair result due to extraordinary circumstances during the period in which the predetermined performance criteria were or should have been met, the Supervisory Board has the power to adjust the value downwards or upwards (reasonableness test). In addition, under Dutch law the Supervisory Board has the authority to recover from a member of the Management Board any variable remuneration awarded on the basis of incorrect financial or other data (clawback clause).

Severance pay

In line with the Dutch Civil Code the management agreements between the Lucas Bols Company and members of the Management Board contain severance provisions. The maximum amount of any compensation is equal to the fixed base remuneration of the Management Board member, provided the cause for termination is not deemed to be an urgent reason within the meaning of article 7:787 of the Dutch Civil Code.

Management agreements and appointment term

Members of the Management Board are appointed for a period of four years and may be reappointed for four-year terms. Both members of the Management Board have a management agreement with the Company. The management agreements are entered into for an indefinite period of time, with a notice period of three months for Mr. Cocx and six months for Mr. Van Doorne and the Company. The agreements with the Management Board do not contain a change of control clause. Furthermore, the Company does not grant any personal loans or advances to, or guarantees on behalf of, the members of the Management Board.

In the financial year ending 31 March 2023 Mr. Van Doorne served the Lucas Bols Company via a management agreement with a management company controlled by Mr. Van Doorne. Mr. Cocx served the Company via a management agreement with him as a natural person.

Deviation from remuneration policy

At the discretion of the Supervisory Board the various components of the remuneration policy may be deviated from in the event of extraordinary circumstances, in which case any such deviation is deemed necessary to serve the Company’s long-term interests, sustainability or vitality. The Supervisory Board will inform the General Meeting of Shareholders of any decision to deviate from the remuneration policy by substantiating the extraordinary circumstances that have led to any such decision.

Remuneration of the Management Board in 22/23

The remuneration costs for the Management Board members in 22/23 were as follows:

REMUNERATION OF THE MANAGEMENT BOARD IN 2022/23						
(IN € THOUSANDS UNLESS OTHERWISE STATED, FOR THE YEAR ENDED 31 MARCH)	HUUB L.M.P. VAN DOORNE		FRANK J. COCX		TOTAL MANAGEMENT BOARD	
	2023	2022	2023	2022	2023	2022
Salary	492	482	313	290	805	772
Variable remuneration – short-term	77	224	69	138	146	362
Variable remuneration – long-term ¹	29	–	19	–	48	–
Pension	–	–	31	29	31	29
Other ²	109	95	28	20	137	115
Total	707	801	460	477	1,167	1,278
Proportion of variable remuneration	15.0%	28.0%	19.1%	28.9%		

- 1 The variable remuneration long-term has not been paid out as the phantom shares have not yet vested. Final pay-out is dependent on performance on predefined targets. This means the total remuneration awarded or due to Mr. van Doorne and Mr. Cocx in 22/23 amounts to € 678 thousand and € 441 thousand, respectively.
- 2 Other benefits for both Mr. Van Doorne and Mr. Cocx include a 2% one-off payment of their 21/22 fixed based remuneration. Additionally other benefits for Mr. Cocx include insurances and the use of a car. For Mr. Van Doorne the other benefits include an expense allowance to cover all costs incurred by the management BV (including the costs of insurance, tax, car, pension scheme contributions).

Fixed base remuneration

To compensate for inflation the fixed base remuneration of Mr. Van Doorne and Mr. Cocx for the 22/23 financial year was increased to € 491,750 and € 312,500, respectively. The members of the Management Board and all other employees also received a one-off payment of 2% of their 21/22 fixed base remuneration, which is included in Other.

Short-term variable remuneration

The performance targets and objectives for the short-term variable remuneration were set by the Supervisory Board for each member of the Management Board at the start of the 22/23 financial year.

These performance targets and objectives constitute a balanced mix of financial, qualitative and personal performance criteria. During the 22/23 financial year the financial targets were aimed at revenue and operating profit (both of which have an equal weighting). The financial targets made up 50% of the total performance criteria. Achieving these targets contributes to the Lucas Bols strategy of building brand equity and accelerating the growth of the Global Cocktail Brands whilst leveraging operational excellence.

The table below provides an overview of the threshold, on target and maximum pay-out for these financial performance targets, the weighting and the actual performance rating, which is the same for both members of the Management Board.

REMUNERATION OF THE MANAGEMENT BOARD IN 2022/23						
(IN € MILLION UNLESS OTHERWISE STATED, FOR THE YEAR ENDED 31 MARCH)	PERFORMANCE PERIOD	THRESHOLD 50%	ON TARGET 75%	MAXIMUM PAY-OUT 100%	WEIGHTING	RESULT
Net revenue	FY22/23	↑ € 100.6			25%	Below Threshold
Operating profit (normalised)	FY22/23	↑ € 15.1			25%	Below Threshold



The qualitative and personal performance measures accounted for 50% of the total criteria for each of the members of the Management Board. For the CEO these included growth of the Global Cocktail Brands (including achieving certain revenue targets regarding the Bols Ready-to-Enjoy Cocktails), further expansion of the US market (including Tequila Partida) and specific targets in relation to the Lucas Bols Company strategy as a whole, such as the sale of Avandis and ESG-related topics. The achievements assessed by the Supervisory Board varied from 'achieved' to 'maximum performance level', resulting in a pay-out of 61.8% of the maximum possible for this part of the variable remuneration.

For the CFO the qualitative and personal performance measures included the performance and successful integration of Tequila Partida, the realisation of Regional Liqueurs & Spirits performance targets and the achievement of specific milestones on strategic topics and projects such as ESG, the sale of Avandis, transitioning to a new blending & bottling facility in the US and the design and implementation of an IT governance framework. The achievements assessed by the Supervisory Board varied from 'achieved' to 'maximum performance level', resulting in a pay-out of 86.7% of the maximum possible for this part of the variable remuneration.

As a result, total variable remuneration over 22/23 amounted to 30.9% of the maximum achievable bonus for Mr. Van Doorne, and 43.3% for Mr. Cocx.

Long-term variable remuneration

Since the approval of the new remuneration policy by the Annual General Meeting on 7 July 2022, the members of the Management Board are eligible to participate in the first LTIP that runs from 1 April 2022 to 31 March 2025. The Management Board members will be awarded a certain amount of phantom shares subject to the achievement of certain performance targets and their continued employment over this three-year period. The performance criteria for the current LTIP relate to (i) three-year average Global Cocktail Brands revenue growth, (ii) three year average EPS growth, (iii) three-year cumulative free operating cash flow, all to be assessed organically, and (iv) certain quantitative strategic objectives relating to the development, implementation and reporting on the ESG strategy of the Lucas Bols Company. The performance criteria are equally weighed.

Pay ratio

The Corporate Governance Code requires the Lucas Bols Company to report on the pay ratio within the Company. The pay ratio used by the Lucas Bols Company reflects the average total compensation of all Lucas Bols employees globally, excluding the CEO and CFO (€ 127,162 in 22/23) (€ 125,325 in 21/22) relative to the total average remuneration package (fixed and variable) of both the CEO and CFO (as included in this report). This resulted in a pay ratio for the CEO of 5.6 (6.4 for 21/22) and for the CFO of 3.5 (3.8 for 21/22).

Shareholding

Both members of the Management Board hold shares in the capital of the Company directly or indirectly, which provides for further alignment of the Management Board's interests with the long-term strategy of the Company.

REMUNERATION IN LAST FIVE FINANCIAL YEARS										
COMPENSATION (IN € '000)	% 2019 CHANGE		% 2020 CHANGE		% 2021 CHANGE		% 2022 CHANGE		% 2023 CHANGE	
Total remuneration CEO	659,000	(7)%	574,000	(13)%	577,000	1%	801,000	39%	713,000	(11)%
Total remuneration CFO	439,000	(6)%	380,000	(13)%	339,000	(11)%	477,000	41%	451,000	(5)%

COMPANY PERFORMANCE IN LAST FIVE FINANCIAL YEARS					
LUCAS BOLS PERFORMANCE (ALL IN € MILLION) ¹	2019	2020	2021	2022	2023
EBIT	19.6	17.7	0.2	22.6	(11.8)
Normalised net profit	12.8	11.3	3.3	14.7	10.1
Free operating cash flow	11.8	15.8	11.4	15.6	6.8

PAY RATIO	2019	2020	2021	2022	2023
Pay ratio CEO	5.3	4.3	4.5	6.4	5.6
Pay ratio CFO	3.5	2.8	2.6	3.8	3.5
Average total remuneration of Lucas Bols employees ²	123,940	134,134	129,351	125,325	127,162

¹ These items are non-GAAP measures; normalised figures are excluding one-off items. For further information about these measures, and the reasons why we believe they are important for understanding the performance of our company, please refer to our commentary on non-GAAP measures as of page 173.

² The average total remuneration of employees is based on the IFRS personnel costs as included in the annual accounts to allow for external comparison. Historical numbers and pay ratios have therefore been adjusted slightly.

Remuneration of the Supervisory Board

The Annual General Meeting determines the remuneration of the members of the Supervisory Board. On 7 September 2017 the General Meeting approved a proposal by the Supervisory Board to apply annual fixed fee levels for the individual Supervisory Board members in line with the Supervisory Board remuneration levels payable at comparable companies. The remuneration of the Supervisory Board is not dependent on Lucas Bols' results.

The annual fee for the Supervisory Board members is set as follows:

REMUNERATION OF THE SUPERVISORY BOARD MEMBERS	
Chair of the Supervisory Board	45,000
Vice-chair of the Supervisory Board	40,000
Other members of the Supervisory Board	35,000

REMUNERATION SUPERVISORY BOARD IN LAST FIVE FINANCIAL YEARS					
(IN €)	2019	2020	2021	2022	2023
Mrs. M.M. Wyatt	35,000	35,000	35,000	35,000	8,750
Mrs. A.L. Oldroyd	35,000	35,000	35,000	35,000	35,000
Mr. R. Wisbrun	38,000	40,000	40,000	40,000	40,000
Mr. D.R. Hooft Graafland		26,250	42,500	45,000	45,000
Mrs. M.P. Lauret					26,250

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Consolidated statement of profit or loss

AMOUNTS IN EUR '000 FOR THE YEAR ENDED 31 MARCH	NOTE	2023	2022
Revenue	6	100,614	92,030
Cost of sales	6	(48,613)	(40,606)
Gross profit		52,001	51,424
Distribution and administrative expenses	7	(61,149)	(30,990)
Operating profit/(loss)		(9,148)	20,434
Share of result of joint ventures	19	(2,665)	2,175
Finance income		56	29
Finance costs		(361)	(5,185)
Net finance costs	10	(305)	(5,156)
Profit/(loss) before tax		(12,118)	17,453
Income tax expense	13	(4,120)	(5,682)
Net profit/(loss)		(16,238)	11,771
Result attributable to the owners of the Company		(16,238)	11,771
Weighted average number of shares	11	14,972,756	13,238,276
Earnings per share			
Basic earnings per share (EUR)	11	(1.08)	0.89
Diluted earnings per share (EUR)	11	(1.08)	0.89

Consolidated statement of other comprehensive income

AMOUNTS IN EUR '000 FOR THE YEAR ENDED 31 MARCH	NOTE	2023	2022
Net profit/(loss)		(16,238)	11,771
Other comprehensive income – Items that will never be reclassified to profit or loss			
Remeasurement of net defined benefit liability/(asset)	12	–	10
Related tax	13	–	(3)
Equity accounted investees – share of other comprehensive income	19	–	(46)
		–	(39)
Items that are or may be reclassified to profit or loss			
Foreign operations – foreign currency translation differences*		(197)	(52)
Equity accounted investees – share of other comprehensive income	19	–	–
Net change in hedging reserve	27	856	937
Related tax	13	(221)	(234)
		438	651
Other comprehensive income for the year, net of tax		438	612
Total comprehensive income for the year, net of tax		(15,800)	12,383
Total comprehensive income attributable to the owners of the Company		(15,800)	12,383

* Refer to note 3 of the company financial statements.

Consolidated statement of changes in equity

AMOUNTS IN EUR '000	NOTE	SHARE CAPITAL	SHARE PREMIUM	TREASURY SHARES	CURRENCY TRANS-LATION RESERVE	HEDGING RESERVE	OTHER LEGAL RESERVES	RETAINED EARNINGS	RESULT FOR THE YEAR	TOTAL EQUITY
Balance as at 1 April 2022		1,497	157,787	–	(289)	(287)	7,630	47,417	11,771	225,526
Transfer result prior period		–	–	–	–	–	–	11,771	(11,771)	–
Total comprehensive income										
Profit (loss) for the year		–	–	–	–	–	–	–	(16,238)	(16,238)
Other comprehensive income		–	–	–	(197)	635	–	–	–	438
Total comprehensive income		–	–	–	(197)	635	–	–	(16,238)	(15,800)
Issue of share capital	21	–	–	–	–	–	–	–	–	–
Transaction costs, net of tax	21	–	–	–	–	–	–	–	–	–
Dividend paid		–	–	–	–	–	–	(3,144)	–	(3,144)
Purchase own shares (ESPP)		–	–	(4)	–	–	–	–	–	(4)
Own shares delivered (ESPP)		–	–	4	–	–	–	–	–	4
Transfer from legal reserves		–	–	–	–	–	0	(0)	–	–
Balance as at 31 March 2023		1,497	157,787	–	(486)	348	7,630	56,044	(16,238)	206,582

AMOUNTS IN EUR '000	NOTE	SHARE CAPITAL	SHARE PREMIUM	TREASURY SHARES	CURRENCY TRANS-LATION RESERVE	HEDGING RESERVE	OTHER LEGAL RESERVES	RETAINED EARNINGS	RESULT FOR THE YEAR	TOTAL EQUITY
Balance as at 1 April 2021		1,248	129,695	–	(237)	(990)	7,630	56,014	(8,558)	184,802
Transfer result prior period		–	–	–	–	–	–	(8,558)	8,558	–
Total comprehensive income										
Profit (loss) for the year		–	–	–	–	–	–	–	11,771	11,771
Other comprehensive income		–	–	–	(52)	703	–	(39)	–	612
Total comprehensive income		–	–	–	(52)	703	–	(39)	11,771	12,383
Issue of share capital	21	249	28,648	–	–	–	–	–	–	28,897
Transaction costs, net of tax	21	–	(556)	–	–	–	–	–	–	(556)
Dividend paid		–	–	–	–	–	–	–	–	–
Purchase own shares (ESPP)		–	–	(54)	–	–	–	–	–	(54)
Own shares delivered (ESPP)		–	–	54	–	–	–	–	–	54
Transfer to legal reserves		–	–	–	–	–	0	(0)	–	–
Balance as at 31 March 2022		1,497	157,787	–	(289)	(287)	7,630	47,417	11,771	225,526

Consolidated statement of financial position

AMOUNTS IN EUR '000 AS AT 31 MARCH	NOTE	2023	2022
Assets			
Property, plant and equipment	17	8,018	8,975
Intangible assets	18	284,569	306,864
Investments in equity-accounted investees	19	1,652	10,373
Other investments	20	408	232
Non-current assets		294,647	326,444
Inventories	14	24,910	17,624
Trade and other receivables	15	16,092	19,323
Other investments including derivatives	26	517	162
Cash and cash equivalents	16	17,569	25,588
Current assets		59,088	62,697
Total assets		353,735	389,141
Equity			
Share capital		1,497	1,497
Share premium		157,787	157,787
Treasury shares		–	–
Currency translation reserve		(486)	(289)
Hedging reserve		348	(287)
Other legal reserves		7,630	7,630
Retained earnings		56,044	47,417
Result for the year		(16,238)	11,771
Total equity	21	206,582	225,526
Liabilities			
Loans and borrowings	23	67,028	80,370
Other non-current financial liabilities	24	4,762	7,847
Employee benefits	12	129	–
Deferred tax liabilities	13	50,337	48,659
Total non-current liabilities		122,256	136,876
Loans and borrowings	23	10,044	5,750
Trade and other payables*	25	13,707	16,552
Corporate income tax payable*		194	1,308
Other current financial liabilities including derivatives*	26	952	3,129
Total current liabilities		24,897	26,739
Total liabilities		147,153	163,615
Total equity and liabilities		353,735	389,141

* The Company restated the comparative numbers of 'Trade and other payables' and 'Other current financial liabilities including derivatives' to better reflect the Company's working capital position. 'Corporate income tax payable' is reclassified from 'Trade and other payables' to a separate financial statement caption. 'Accrued interest payable' is reclassified from 'Trade and other payables' to 'Other current financial liabilities including derivatives'.

The right-of-use assets are included in *Property, plant and equipment* and the related lease liability is included in *Other (non-)current financial liabilities*.

Consolidated statement of cash flows

AMOUNTS IN EUR '000 FOR THE YEAR ENDED 31 MARCH		NOTE	2023	2022
Cash flows from operating activities				
Net profit/(loss)			(16,238)	11,771
Adjustments for:				
• Depreciation, amortisation and impairment	7		25,733	1,871
• Net finance costs	10		305	5,156
• Share of result of joint ventures	19		2,665	(2,175)
• Income tax expense	13		4,120	5,682
• Stock elimination			106	–
• Provision for share-based payments	12		129	–
• Provision for employee benefits	12		–	(505)
			16,820	21,800
Change in:				
• Inventories			(7,197)	(2,802)
• Trade and other receivables			3,380	(2,352)
• Trade and other payables			(3,380)	(522)
Net changes in working capital			(7,197)	(5,676)
Dividends from joint ventures	19		1,150	1,100
Interest received			123	151
Income tax paid			(3,815)	(1,591)
Net cash from operating activities			7,081	15,784
Cash flows from investing activities				
Acquisition of subsidiary, net of cash acquired	5		(852)	(8,514)
Acquisition of/additions to associates and joint ventures	19		–	(250)
Proceeds from sale of joint ventures	19		5,101	–
Acquisition of property, plant and equipment	17		(300)	(109)
Acquisition of intangible assets	18		–	(38)
Loans issued and other investments			(176)	–
Net cash from (used in) investing activities			3,773	(8,911)
Cash flows from financing activities				
Proceeds from issue of share capital, net of related cost			–	28,341
Proceeds from loans and borrowings	23		–	–
Repayment of loans and borrowings	23		(9,000)	(12,500)
Settlement of other financial liabilities	26		(1,637)	–
Cash dividend paid to shareholders	21		(3,144)	–
Payments made in lease contracts	24		(969)	(870)
Interest paid			(2,917)	(3,356)
Net cash from (used in) financing activities			(17,667)	11,615
Net increase/(decrease) in cash and cash equivalents			(6,813)	18,488
Cash and cash equivalents at 1 April			24,838	5,624
Effect of exchange rate fluctuations			(500)	726
Net cash and cash equivalents as at 31 March	16		17,525	24,838
Cash and cash equivalents (asset)			17,569	25,588
Less: bank overdrafts included in current loans and borrowings			(44)	(750)
Net cash and cash equivalents as at 31 March			17,525	24,838

Notes to the consolidated financial statements

1. Reporting entity

Lucas Bols N.V. (the 'Company') is a limited company (Naamloze Vennootschap (N.V.)) domiciled in the Netherlands. The address of the Company's registered office is Paulus Potterstraat 14, 1071 CZ in Amsterdam. The consolidated financial statements of the Company comprise the Company, its subsidiaries (together referred to as 'the Group') and the Group's interest in jointly-controlled entities. A list of subsidiaries is included in note 28.

Lucas Bols N.V. is primarily involved in managing the product development, bottling, distribution, sales and marketing of the brands Bols, Passoã, Galliano, Vaccari, Damrak, Pisang Ambon, Tequila Partida, Henkes, Nuvo, Bokma, Hartevelt, Coebergh, Fluère and a large portfolio of Dutch jenever, vieux and liqueur brands.

Lucas Bols N.V. was incorporated on 27 February 2006 in the Netherlands.

On 11 April 2006 the Company acquired, through its subsidiary Lucas Bols Amsterdam B.V., 100% of the global Bols brand as well as the shares of Galliano B.V., Pisang Ambon B.V., and Bokma Distillateurs B.V. Through its subsidiary Lucas Bols Amsterdam B.V., the Company acquired 100% of the shares of Lucas Bols USA Inc. on 21 May 2008 and 100% of the shares of Pijlsteeg B.V. on 3 September 2013, respectively. On 2 December 2020 Lucas Bols Amsterdam B.V. acquired 100% of the shares of Passoã SAS from Rémy Cointreau Group. On 31 December 2021 the Company acquired 100% of the membership interests of Tequila Partida LLC. 100% of the shares of Fluère Drinks B.V. was acquired on 29 December 2022.

As from 4 February 2015 the shares of the Company have been listed on Euronext Amsterdam.

2. Basis of preparation

(a) Statement of compliance

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

Consequently, the consolidated financial statements have been prepared on the going concern assumption.

The consolidated financial statements were authorised for issue by all members of the Management Board and the Supervisory Board on 24 May 2023 and will be submitted for adoption to the Annual General Meeting of Shareholders on 7 July 2023.

(b) Basis of measurement

The consolidated financial statements have been prepared on each reporting date on a historical cost basis, except for the following material items in the consolidated statement of financial position:

- Derivative financial instruments are measured at fair value;
- Interests in joint ventures are accounted for using the equity method; and
- The defined benefit obligation is recognised at the present value of the defined benefit obligation less the fair value of the plan assets and is as explained in note 3(d).

(c) Functional and presentation currency

These consolidated financial statements are presented in euro, which is the Company's functional currency. All financial information presented in euros has been rounded to the nearest thousand (€ 000) unless stated otherwise.

(d) Impact of global geopolitical and macroeconomic developments

The 2022/23 financial year started just after the war in Ukraine broke out and was consequently impacted by intensified adverse global geo-political and macro-economical circumstances, some already initiated when COVID-19 struck. In some markets, especially China where stringent restrictions were still in place in the 2022/23 financial year, the impact of the pandemic on public life and the global industry continued to affect the demand for Lucas Bols' products. In those markets still affected by COVID-19 during the 2022/23 financial year mitigating actions such as reductions in Advertising & Promotional expenses continued to be in place.

In addition, global supply disruptions intensified, substantially impacting pricing and availability of raw materials and logistics and hence our profit margins and working capital levels.

To offset parts of the adverse global supply disruption effects various measures were taken to maximise product availability (including contingency plans, anticipation of longer lead times and safety stock building) and limit the impact on profit margins (for example through agreeing price increases with customers). Moreover, to minimise the impact of the industry-wide glass shortages in the US, a substantial single production run of Bols Liqueurs of the US market was undertaken in the Netherlands rather than at our production partner in the US.

The Company assessed the impact of COVID-19 and the war in Ukraine on its financial estimates and judgements during its financial reporting process as well on its liquidity position. The impact on financial estimates and judgements is mainly reflected in assumptions applied to impairment testing of intangible assets. Notes containing the most significant estimates and judgements are referred to in note 2(e).

(e) Use of estimates and judgements

In preparing these consolidated financial statements, management is required to make estimates and judgments that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. The application of accounting policies required judgements that impact the amounts recognised. Additionally, amounts recognised are based on factors that are by default associated with uncertainty. Therefore actual results may differ from estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

(I) Estimates and judgements

The below matters contain the most significant estimates and judgments.

Information about judgements made in applying accounting policies that have the most significant effect on the amounts recognised in the consolidated financial statements are included in the following note:

- Note 19 – classification of joint arrangements.

(II) Assumptions and estimation uncertainty

Information about assumptions and estimation uncertainty that have a significant risk of resulting in a material adjustment are included in the following notes:

- Note 5: key assumptions underlying the recognition of a brand name and assumed contingent consideration in a business combination;
- Note 11: measurement of defined benefit obligations: key actuarial assumptions;
- Note 12: recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used; and
- Note 17: impairment test: key assumptions underlying recoverable amounts of intangible assets.

(III) Measurement of fair value

A number of the Group's accounting policies and disclosures require the measurement of fair value for both financial and non-financial assets and liabilities.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair value is categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability are categorised into different levels of the fair value hierarchy, the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred. Further information about the assumptions made in measuring fair value is included note 26 – financial instruments.

(f) Changes in accounting policies

The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

No new standards and amendments to existing standards, effective in 2022/2023, had a significant impact on the Group's consolidated financial statements.

3. General accounting policies

The Group has consistently applied the following accounting policies to all periods presented in these consolidated financial statements, except if mentioned otherwise (see also note 2(f)).

(a) Basis of consolidation

(I) Business combinations

The Group accounts for business combinations using the acquisition method when control is transferred to the Group. The consideration transferred in the acquisition is measured at fair value, as are the identifiable net assets acquired. Any goodwill that arises is tested annually for impairment or when a trigger is identified. Any gain on a bargain purchase is recognised immediately in profit or loss. Transaction costs are recognised in profit or loss when incurred, except if related to the issue of debt or equity securities.

The consideration transferred does not include amounts related to the settlement of pre-existing relationships. Such amounts are generally recognised in profit or loss.

Any contingent consideration payable is measured at fair value at the acquisition date. If the contingent consideration is classified as equity it is not re-measured and settlement is accounted for within equity. Otherwise, subsequent changes in the fair value of the contingent consideration are recognised in profit or loss.

The Group measures goodwill at the acquisition date as:

- the fair value of the consideration transferred; plus
- the recognised amount of any non-controlling interest in the acquiree; plus
- if the business combination is achieved in stages, the fair value of the pre-existing equity interest in the acquiree;
- less the net recognised amount of the identifiable assets acquired and liabilities assumed.

(II) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it has power over the investee, is exposed or has the rights to variable returns from its involvement with that entity and has the ability to affect those returns through its power over the entity.

Control is generally obtained by ownership of more than 50% of the voting rights.

To validate this presumption, and in case the Group has less than 50% of the voting or similar rights of an entity, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including but not limited to:

- The contractual arrangement(s) with the other holders of voting rights of that entity;
- Any rights arising from other contractual arrangements; and
- The Group's potential voting rights.

The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. If the Group loses control over a subsidiary it derecognises the assets and liabilities of the subsidiary, and any non-controlling interests and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value if control is lost.

(III) Interests in equity-accounted investees

The Group's interests in equity-accounted investees comprise interests in joint ventures, amongst others.

A joint venture is an arrangement under which the Group has joint control, whereby the Group has rights to the net assets of the arrangement rather than rights to its assets and obligations for its liabilities.

Interests in joint ventures are accounted for using the equity method. Such interests are initially recognised at cost (including transaction costs). Subsequent to initial recognition the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income (OCI) of equity-accounted investees.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investments in equity-accounted investees. At each reporting date, the Group determines whether there is objective evidence that the investment in the equity-accounted investee is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the equity-accounted investee and its carrying value, and then recognises the loss as 'Share of result of joint ventures' in the consolidated statement of profit or loss.

(IV) Transactions eliminated on consolidation

On consolidation, intra-group balances and transactions, and any unrealised gains and losses or income and expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(b) Revenue

Revenue predominantly comprises the sale of goods. In addition, a non-significant amount of revenue relates to royalty income and services rendered.

Revenue from contracts with customers is recognised when control of the goods and services is 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.

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods.

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). In determining the transaction price for the sale of goods, the Group considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer (if any).

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to the customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

(c) Foreign currency

(I) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at the exchange rate on the transaction date.

Receivables, payables and other monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rates on balance sheet date. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary assets and liabilities denominated in a foreign currency that are measured at cost are translated into the functional currency at the exchange rate at transaction date. Foreign currency differences are generally recognised in profit or loss.

However, foreign currency differences arising from the translation of the following items are recognised in OCI:

- a financial liability designated as a hedge of the net investment in a foreign operation to the extent that the hedge is effective; or
- qualifying cash-flow hedges to the extent the hedge is effective.

(II) Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to euro at exchange rates at the reporting date. The income and expenses of foreign operations are translated to euro at the exchange rates on the transaction date.

Foreign currency differences are recognised in OCI and accumulated in the translation reserve.

If the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely to occur in the foreseeable future, foreign currency differences arising from such item form part of the net investment in the foreign operation. Accordingly, such differences are recognised in OCI and accumulated in the translation reserve.

If a foreign operation is disposed of in its entirety or in part such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, the relevant proportion of the cumulative amount is reattributed to non-controlling interest. If the Group disposes of only part of a joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

(d) Employee benefits

(I) Short-term employee benefits

Short-term employee benefit obligations are expensed as the related service is provided. A liability is recognised for the amount expected to be paid under any short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

(II) Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

(III) Defined benefit plans

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, which comprises actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling, are recognised immediately in OCI.

The Group determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

If the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

(IV) Other long-term employee benefits

The Group's net obligation in respect of long-term employee benefits is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. Re-measurements are recognised in profit or loss in the period in which they arise.

(e) Share-based arrangements

(I) Employee Share Purchase Plan

In 2015 the Group set up an Employee Share Purchase Plan (ESPP). Under the ESPP, employees are entitled to buy shares of the Company with their own funds twice a year (i.e. following publication of the half-year and full-year results) for a yearly maximum of 33.33% of their gross base salary. Eligible employees are entitled to buy at a discount of 13.5% of the share price at that time. A three-year lock-up period is applicable, during which the employees cannot sell the shares bought under the ESPP. No other vesting or performance conditions are applicable.

The ESPP qualifies as share-based arrangement (equity settled) under IFRS 2. No share-based payment costs are recognised in profit and loss as the fair value of the share-based payment is zero.

(II) Long-term incentive plan

Effective 1 April 2022, the Group established a share-based payment plan. This long-term incentive plan ('LTIP') grants key management and senior employees phantom shares which entitle them to a cash payment after three years of service. Whether there is any cash payment, and if so, the amount of such cash payment, depends on the extent to which three-year performance targets are met and the development of the Group's share price between grant date and the vesting date.

The fair value of the phantom shares at grant date is based on the Group's share price per that date. The fair value of the liability is remeasured at each reporting date and at settlement date based on the Group's share price per that date and the likelihood of achieving various performance targets and recognised as an expense over the three-year vesting period and accounted for in accordance with IFRS 2.

(f) Government grants

Government grants are recognised when there is reasonable assurance that the grant will be received and all relevant conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. Pending a final decision from the government an uncertainty exists and actual grants may differ from amounts recognised.

(g) Income tax

The income tax expense comprises current and deferred tax. It is recognised in profit or loss, except to the extent that it relates to a business combination or items recognised directly in equity or in OCI.

(I) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax also includes any tax arising from dividends. Current tax assets and liabilities are only offset if certain criteria are met.

(II) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss. In accordance with the Initial Recognition Exemption (IRE) of IAS12 a part of the deferred tax asset is not recognised. For subsequent transactions where the Initial Recognition Exemption has been applied, deferred taxes will be recognised when temporary differences arise;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group can control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted, or substantively enacted, at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the way in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and deferred tax liabilities can only be offset in the statement of financial position if the entity has the legal right to settle current tax amounts on a net basis and the deferred tax amounts are levied by the same taxing authority on the same entity or different entities that intend to realise the asset and settle the liability at the same time.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate. These uncertain tax provisions are presented either as current tax receivable/payable or as part of deferred tax in the balance sheet as appropriate.

(h) Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the first-in first-out principle and includes expenditure incurred in acquiring the inventories and bringing them to their existing location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

(i) Property, plant and equipment

(I) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses.

(II) Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The costs of the day-to-day servicing of property, plant and equipment are recognised in the profit or loss as incurred.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

(III) Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful life of each part of an item of property, plant and equipment.

The estimated useful life is as follows:

• Fixtures and leasehold improvements	10 years
• Furniture	10 years
• Equipment	5 years
• Computers	3 years

The depreciation methods, residual value and useful life are reviewed annually and adjusted if appropriate.

(j) Intangible assets

(I) Brands

Brands acquired are capitalised either individually or as part of a brand portfolio if the brand or the brand portfolio meets the definition of an intangible asset and the recognition criteria are satisfied. Brands and brand portfolios can have either an indefinite life or a finite life. The brands and brand portfolios have an indefinite useful life when the period during which it is expected

that the brands contribute to net cash inflows is indefinite. These brands are not amortised but tested for impairment annually and whenever there is an indication that the brand may be impaired. The brand and brand portfolio with an indefinite life are measured at cost less accumulated impairment losses when applicable. The brands and brand portfolios with a finite life are measured at cost and amortised on a straight-line basis over their estimated useful lives from the date they are available for use.

(II) Goodwill

Goodwill arising on the acquisition of subsidiaries represents the difference between the fair value of the net assets acquired and the transaction price of the acquisition and is measured at cost less accumulated impairment losses. Goodwill is allocated to an individual cash-generating unit (CGU) for the purpose of impairment testing and is tested annually for impairment. Negative goodwill is recognised directly in profit or loss. An impairment loss in respect of goodwill cannot be reversed.

(III) Other intangible assets

Other intangible assets with a finite life are measured at cost and amortised on a straight-line basis over their estimated useful lives from the date they are available for use.

(k) Financial instruments

Financial instruments

Financial assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (OCI), and fair value through profit or loss.

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient, the Group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component or for which the Group has applied the practical expedient are measured at the transaction price determined under IFRS 15. Refer to the accounting policies in section (b) Revenue from contracts with customers.

For a financial asset to be classified and measured at amortised cost or fair value through OCI, it needs to give rise to cash flows that are 'solely payments of principal and interest (SPPI)' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Group's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in four categories:

- Financial assets at amortised cost (debt instruments);
- Financial assets at fair value through OCI with recycling of cumulative gains and losses (debt instruments);
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments); and
- Financial assets at fair value through profit or loss.

Financial assets at amortised cost (debt instruments)

The Group measures financial assets at amortised cost if both of the following conditions are met:

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

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

The Group's financial assets at amortised cost includes trade receivables and a loan to a joint venture included under other investments (non-current assets).

Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss include financial assets held for trading, financial assets designated upon initial recognition at fair value through profit or loss, or financial assets mandatorily required to be measured at fair value. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Derivatives, including separated embedded derivatives, are also classified as held for trading unless they are designated as effective hedging instruments. Financial assets with cash flows that are not solely payments of principal and interest are classified and measured at fair value through profit or loss, irrespective of the business model. Notwithstanding the criteria for debt instruments to be classified at amortised cost or at fair value through OCI, as described above, debt instruments may be designated at fair value through profit or loss at initial recognition if doing so eliminates, or significantly reduces, an accounting mismatch. Financial assets at fair value through profit or loss are carried in the statement of financial position at fair value with net changes in fair value recognised in the statement of profit or loss. This category includes derivative instruments.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e., removed from the Group's consolidated statement of financial position) when:

- The rights to receive cash flows from the asset have expired; or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if, and to what extent, it has retained the risks and rewards of ownership. When it has neither transferred nor retained

substantially all the risks and rewards of the asset, nor transferred control of the asset, the Group continues to recognise the transferred asset to the extent of its continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

Impairment of financial assets

The Group recognises an allowance for expected credit losses (ECLs) for all debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Group expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures in regard to which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is required for credit losses expected over the remaining life of the exposure, irrespective of the timing of the default (a lifetime ECL).

For trade receivables and contract assets, the Group applies a simplified approach in calculating ECLs. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Group has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, and derivative financial instruments.

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss;
- Financial liabilities at amortised cost (loans and borrowings).

Financial liabilities at fair value through profit or loss

A financial liability is classified as at fair value through profit or loss if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at fair value through profit or loss are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

Financial liabilities at amortised cost (loans and borrowings)

This is the category most relevant to the Group. After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss. This category generally applies to interest-bearing loans and borrowings. For more information, refer to note 22.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Derivative financial instruments and hedge accounting

The Group continues to apply the existing hedge accounting requirements under IAS 39.

Derivatives are initially recognised at fair value; attributable transaction costs are recognised in profit or loss as incurred.

Cash flow hedges

When a derivative is designated as the hedging instrument in a hedge, the effective portion of changes in the fair value of the derivative is recognised in other comprehensive income and presented in the hedging reserve in equity. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in profit or loss.

The amount accumulated in equity is retained in OCI and reclassified to profit or loss in the same period or periods during which the hedged item affects profit or loss.

If the hedging instrument no longer meets the criteria for hedge accounting, or if it expires or is sold, terminated or exercised, or the designation is revoked, then hedge accounting is discontinued prospectively. If the forecast transaction is no longer expected to occur, then the balance in equity is reclassified to profit or loss.

(I) Impairment

(I) Non-financial assets

At each reporting date, the Group reviews the carrying amounts of its non-financial assets (other than inventories and deferred tax assets) to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill and other non-financial assets with an indefinite life are tested annually for impairment or when a triggering event is identified.

For impairment testing, assets are grouped together into the smallest group of assets that generate cash inflows from continuing use that are largely independent of the cash inflows of other assets or CGUs. Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination. The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs of disposal. Value in use is based on the estimated future cash flows, discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its recoverable amount.

Impairment losses are recognised in profit or loss. They are allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets in the CGU on a pro rata basis. An impairment loss in respect of goodwill is not reversed. For other assets an impairment loss is reversed only to the extent that the carrying amount of the asset does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

Equity-accounted investees

At each reporting date, the Group determines whether there is objective evidence that the investment in the equity-accounted investee is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the equity-accounted investee and its carrying value. An impairment loss is recognised in profit or loss and is reversed if there has been a favourable change in the estimates used to determine the recoverable amount.

(II) Non-derivative financial assets

Non-derivative financial instruments comprise trade and other receivables and cash and cash equivalents. The Group has no significant concentrations of credit risk. The concentration of credit risk with respect to receivables is limited, as the Group's customer base and vendor base are large and unrelated. The Group applies the IFRS 9 simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The expected loss rate is calculated based on delinquency status and actual historical credit loss experience adjusted for forward-looking factors specific to the debtors and the economic environment. As a result, management believes there is no further credit risk provision required in excess of the normal individual and collective impairment, based on amongst others an aging analysis performed as of 31 March 2022.

(m) Leases

(I) Right-of-use assets

The Group recognises 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 recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term, as follows:

- Buildings 2 to 20 years
- Motor vehicles and other equipment 3 to 5 years

Right-of-use assets are subject to impairment.

(II) Lease liabilities

At the commencement date of the lease, the Group recognises 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 a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. 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 in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

(III) Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases (i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

4. New standards and interpretations not yet adopted

Several new standards, amendments to standards and interpretations are effective for annual periods beginning after 1 January 2023 and have not been applied in preparing these consolidated financial statements. These new standards, amendments and interpretations are not expected to have a material impact on our consolidated financial statements.

5. Business combinations

Acquisitions in 2022/23

Acquisition of Fluère Drinks B.V.

On 29 December 2022 the Group acquired 100% of the shares in Fluère Drinks B.V., a non-listed company based in the Netherlands, effective 1 January 2023. The purchase price consists of a fixed cash consideration of EUR 1,107 thousand and a contingent consideration, currently estimated to be nil.

Fluère is a leading non-alcoholic spirits brand. The brand's high-quality products are sold in over 20 markets, including many European countries and a limited number of US states. The acquisition of Fluère broadens the Company's brand portfolio and enables leveraging the increasing consumer demand for no- & lower-alcohol drinks and cocktails.

For the three months period ended 31 March 2023, Fluère contributed EUR 76 thousand to revenue and had a negative impact on net result of EUR 12 thousand. In addition, the associated one-off transaction costs amount to EUR 20 thousand. Had the transaction occurred on 1 April 2022 and Fluère would have been consolidated for the full year ended 31 March 2023, the estimated contribution to revenue would have been EUR 381 thousand and the net result a loss of EUR 82 thousand.

Fixed cash consideration

On 2 February 2023, the Group paid the first instalment of the fixed cash consideration of EUR 857 thousand with the second and final instalment (EUR 250 thousand) due in January 2024.

The following table summarises the acquisition date fair value of each major class of the total consideration.

AMOUNTS IN EUR '000	NOTE	2023
First instalment	16	857
Second and final instalment		250
Total fixed cash consideration		1,107

Contingent cash consideration

In addition to the fixed cash consideration a contingent cash consideration ('earn-out') was agreed. This contingent consideration depends on Fluère's performance over the calendar years 2023, 2024 and 2025 and is capped at EUR 2,700 thousand over the three years together. Performance with respect to the contingent consideration is determined by the net revenue and EBITDA. The contingent consideration is currently estimated to be nil.

Identifiable assets acquired and liabilities assumed

The fair value of the net identifiable assets and liabilities of Fluère Drinks B.V as at the date of acquisition were:

AMOUNTS IN EUR '000 AS AT 1 JANUARY 2023	NOTE	FAIR VALUE RECOGNISED ON ACQUISITION
Assets		
Property, plant and equipment	17	30
Intangible assets	18	1,620
Investments in equity-accounted investees	19	–
Other investments	20	–
Inventories	14	89
Trade and other receivables	15	149
Other investments including derivatives	27	–
Cash and cash equivalents	16	5
Total assets acquired		1,893

AMOUNTS IN EUR '000 AS AT 1 JANUARY 2023	NOTE	FAIR VALUE RECOGNISED ON ACQUISITION
Liabilities		
Loans and borrowings	23	580
Other non-current financial liabilities	24	–
Employee benefits	12	–
Deferred tax liabilities	13	71
Trade and other payables	25	535
Other current financial liabilities including derivatives	26	–
Total liabilities assumed		1,186
Total identifiable net assets at fair value		707
Goodwill arising on acquisition		400
Total purchase consideration		1,107

For the temporary difference between the tax base of the brand and it's carrying amount, a deferred tax liability of EUR 400 thousand was recognised at reporting date. In addition goodwill, related to the deferred tax liability, was recognised for the amount of EUR 400 thousand as well.

Acquisition-related costs

The Group incurred acquisition-related costs of EUR 20 thousand on legal fees and due-diligence costs. These costs have been included in 'Other administrative expenses' and are considered one-off expenses.

Cash flows on acquisition

Analysis of cash flows on acquisition

AMOUNTS IN EUR '000	2023
Cash consideration paid (included in cash flows from investing activities)	(857)
Transaction costs of the acquisiton (included in cash flows from operating activities)	(20)
Net cash acquired with the subsidiary (included in cash flows from investing activities)	5
Total cash flows on acquisition	(872)

6. Operating segments

The Group develops, produces, sells and markets products which can be divided in two reportable segments: Global Cocktail Brands and Regional Liqueurs & Spirits.

This segmentation is also the structure in which the brands are managed within the Group, as they require different marketing and sales strategies, amongst others. Separate financial information is available internally within the Group and used by the main operational decision-makers for matters such as resource allocation.

Brand information

The Group identifies the reportable segments Global Cocktail Brands and Regional Liqueurs & Spirits.

(I) Global Cocktail Brands

The Global Cocktail Brands reportable segment generally comprises of the brands that (i) have a strong link to cocktails and/or the cocktail culture, (ii) are sold on more than one continent and (iii) generate a relatively high gross margin. The Global Cocktail Brands reportable segment consists of Bols Cocktails (i.e. the Bols Liqueurs range, Bols Genever, Bols Vodka and Bols Cocktails Ready-to-Enjoy Cocktails), Passoã and Galliano.

(II) Regional Liqueurs & Spirits

The Regional Liqueurs & Spirits reportable segment generally comprises of the brands that (i) (currently) have a less obvious link to cocktails and/or the cocktail culture and/or (ii) are (predominantly) sold on one continent. The Regional Liqueurs & Spirits reportable segment consists of all brands other than those allocated to the Global Cocktail Brands reportable segment, mainly Vaccari, Tequila Partida, Damrak, Pisang Ambon, Henkes, Nuvo, Bokma, Hartevelt, Coebergh, Fluère and a large portfolio of Dutch jenever, vieux and liqueur brands.

Management reviews, analyses and discusses internal reports of each reportable segment. Key information regarding each reportable segment is set out in the table below.

Allocation to the reportable segments takes place on specific brand contribution level. Items managed on a Group basis (e.g. overheads, finance and tax items) are not allocated to the individual reportable segments. Only those assets and liabilities that are directly linked to a brand are allocated to the reportable segments accordingly. All other assets and liabilities are managed on a Group basis and therefore not allocated to the individual reportable segments.

AMOUNTS IN EUR '000 FOR THE YEAR ENDED 31 MARCH	GLOBAL COCKTAIL BRANDS		REGIONAL LIQUEURS & SPIRITS		UNALLOCATED			TOTAL
	2023	2022	2023	2022	2023	2022	2023	2022
Revenue	69,907	66,186	30,707	25,844	–	–	100,614	92,030
Cost of sales	(30,726)	(26,317)	(17,887)	(14,289)	–	–	(48,613)	(40,606)
Gross profit	39,181	39,869	12,820	11,555	–	–	52,001	51,424
A&P and distribution expenses	(15,953)	(12,793)	(4,663)	(3,587)	–	–	(20,616)	(16,380)
Personnel and other expenses	–	–	(24,081)	–	(16,452)	(14,610)	(40,533)	(14,610)
Total result from operating activities	23,228	27,076	(15,924)	7,968	(16,452)	(14,610)	(9,148)	20,434
Share of profits of joint ventures	(2,484)	665	(182)	1,510	–	–	(2,665)	2,175
EBIT	20,744	27,741	(16,106)	9,478	(16,452)	(14,610)	(11,813)	22,609

AMOUNTS IN EUR '000 AS AT 31 MARCH	GLOBAL COCKTAIL BRANDS		REGIONAL LIQUEURS & SPIRITS		UNALLOCATED			TOTAL
	2023	2022	2023	2022	2023	2022	2023	2022
Intangible assets	213,013	213,013	71,556	93,851	–	–	284,569	306,864
Inventories	17,044	13,484	7,866	4,140	–	–	24,910	17,624
Other assets	–	–	–	–	44,256	64,653	44,256	64,653
Total segment assets	230,057	226,497	79,422	97,991	44,256	64,653	353,735	389,141
Total segment liabilities	–	–	–	–	(147,152)	(163,615)	(147,152)	(163,615)

Market cluster information (Regions)

Markets are grouped into market clusters mainly based on the relative maturity of the cocktail culture in that specific market (rather than on geographical location). Three market clusters are now identified:

- Sophisticated Cocktail Markets (North America);
- Developed Cocktail Markets (Western Europe, Japan and Australia/New Zealand); and
- Emerging Cocktail Markets (Eastern Europe, Asia (excluding Japan), Africa, Middle East and Latin America).

AMOUNTS IN EUR '000 FOR THE YEAR ENDED 31 MARCH	REVENUE BY MARKET CLUSTER	
	2023	2022
Sophisticated Cocktail Markets*	27,540	25,716
Developed Cocktail Markets**	57,424	52,258
Emerging Cocktail Markets	15,650	14,056
Consolidated totals	100,614	92,030

* of which revenue attributed to the USA: EUR 24,779 thousand (2021/22: EUR 21,839 thousand).

** of which revenue attributed to the Netherlands EUR 13,021 thousand (2021/22: EUR 15,520).

AMOUNTS IN EUR '000 FOR THE YEAR ENDED 31 MARCH	GROSS MARGIN BY MARKET CLUSTER	
	2023	2022
Sophisticated Cocktail Markets	14,040	13,749
Developed Cocktail Markets	29,672	29,910
Emerging Cocktail Markets	8,289	7,765
Consolidated totals	52,001	51,424

7. Distribution and administrative expenses

AMOUNTS IN EUR '000 FOR THE YEAR ENDED 31 MARCH	NOTE	2023	2022
Advertising and promotional expenses		(9,605)	(8,020)
Distribution expenses		(11,011)	(8,360)
Personnel expenses	8	(11,158)	(9,512)
Other administrative expenses		(3,641)	(3,227)
Amortisation	17	(234)	(263)
Impairment	17	(24,081)	–
Depreciation	16	(1,419)	(1,608)
		(61,149)	(30,990)

8. Personnel expenses

AMOUNTS IN EUR '000 FOR THE YEAR ENDED 31 MARCH	2023	2022
Wages and salaries	(8,395)	(7,817)
Fringe benefits (including social premiums)	(1,502)	(1,266)
Expenses related to share-based payment plan	(129)	–
Contributions to defined contribution plans	(362)	119
Expenses related to post-employment defined benefit plans	–	(12)
Temporary staff	(770)	(536)
	(11,158)	(9,512)

At 31 March 2023 the Group had 37.3 FTEs in the Netherlands (31 March 2022: 34.5 FTEs) and 32.9 FTEs abroad (31 March 2022: 31.9 FTE).

No government grants were applied and received for the year ended 31 March 2023 (31 March 2022: EUR 314 thousand in the USA and the Netherlands).

Included in 'contributions to defined contribution plans' comparative amounts is a one-off gain of EUR 461 thousand on the curtailment of the defined benefit plan in the year ended 31 March 2022 following the Company entering into a new pension arrangement. Reference is made to note 12.

For the disclosure on key management personnel remuneration reference is made to note 30.

9. Share-based payments

The Company has a performance-based long-term incentive plan ('LTIP'). This LTIP grants key management and senior employees phantom shares which entitle them to a cash payment after three years of service. Whether there is any cash payment, and if so, the amount of such cash payment, depends on the extent to which three-year performance targets are met and the development of the Group's share price between grant date and the vesting date.

The performance conditions for LTIP are average revenue growth, earnings per share growth, free operating cash flow and strategic objectives. The performance conditions are equally weighted.

At target performance, 100% of the awarded phantom shares vest. At threshold performance, between 60% and 75% of the awarded phantom shares vest and at maximum performance, between 150% and 200% of the awarded phantom shares vest.

The number of outstanding phantom shares and the movement over the year is as follows:

NUMBER OF PHANTOM SHARES AS AT 31 MARCH	2023	2022
Opening balance	–	–
Granted during the year	49,087	–
Forfeited during the year	–	–
Cancelled during the year	–	–
Vested previous year	–	–
Performance adjustment	–	–
	49,087	–

The LTIP 2022-2025 with grant date 1 April 2022 has an award share price of EUR 11.14. The share price as per 31 March 2023 was EUR 11.30.

The total share-based payment expense that is recognised during the year ended 31 March 2023 amounts to EUR 129 thousand (2021/22: nil). Also refer to note 8. The total carrying amount at the end of the period amounts to EUR 129 thousand (2021/22: nil). Also refer to note 12.

AMOUNTS IN EUR '000 FOR THE YEAR ENDED 31 MARCH	2023	2022
Share rights granted in 2022/23	129	–
	129	–

10. Net finance costs

AMOUNTS IN EUR '000 FOR THE YEAR ENDED 31 MARCH	2023	2022
Total interest income arising from financial assets measured at amortised cost	56	29
Finance income	56	29
Interest expenses on loans and borrowings	(2,083)	(2,780)
Interest expense on lease liabilities	(127)	(151)
Other finance gains/(losses)	1,849	(1,904)
Finance costs	(361)	(5,185)
Net finance costs recognised in profit or loss	(305)	(5,156)

11. Earnings per share

Total weighted average number of shares has changed compared to the number in the consolidated financial statements as at and for the year ended 31 March 2022. Per 31 March 2023 the total weighted average number of shares amounts to 14,972,756, which is equal to the total number of shares issued as at that date. In December 2021 the Company issued 2,495,458 new shares, which resulted in a weighted average number of shares per 31 March 2022 of 13,238,276.

Basic and diluted earnings per share for the year ended 31 March 2023 amount to EUR 1.08 negative (2021/22: EUR 0.89 positive).

12. Employee benefits

AMOUNTS IN EUR '000 FOR THE YEAR ENDED 31 MARCH	NOTE	2023	2022
Net defined benefit liability		–	–
Cash-settled share-based payment liability	9	129	–
		129	–

Until 31 May 2021 the Group had two pension schemes in place for its qualifying members of staff in the Netherlands. One of them qualified as defined benefit plan with an average pay pension scheme. The other qualified as a defined contribution plan, which is applicable for any remuneration exceeding the threshold of the defined benefit plan up until a maximum as per applicable laws and regulations. Because both these pension schemes had a termination date of 31 May 2023 and in anticipation of the new pension law (the 'Nieuwe Pensioenwet') that is expected to become effective 1 July 2023, the Company entered into a new pension arrangement for its Dutch employees. Under that new arrangement the Company changed its pension scheme from a partly defined benefit, partly defined contribution pension scheme into one overall defined

contribution pension scheme. The provision for employee benefits was curtailed during the year ended 31 March 2022, positively impacting the statement of profit or loss in that year with EUR 461 thousand and OCI with EUR 10 thousand.

Movement in net defined benefit (asset) liability

AMOUNTS IN EUR '000	DEFINED BENEFIT OBLIGATION		FAIR VALUE OF PLAN ASSETS		NET DEFINED BENEFIT LIABILITY (ASSET)	
	2023	2022	2023	2022	2023	2022
Balance at 1 April	4,176	5,524	(4,176)	(5,019)	–	505
Included in profit or loss						
Current service cost	–	57	–	–	–	57
Curtailement	–	(461)	–	–	–	(464)
Past service cost and (gain)	–	(45)	–	–	–	(42)
Interest cost/(income)	69	51	(69)	(56)	–	(5)
	69	(398)	(69)	(56)	–	(454)
Included in OCI						
Effect of changes in economic assumptions	(1,575)	(860)	–	–	(1,575)	(860)
Effect of changes in demographic assumptions	42	–	–	–	42	–
Effect of experience adjustments	30	(66)	–	–	30	(66)
Costs of asset management	–	–	–	25	–	25
Premium correction	–	–	–	(47)	–	(47)
Return on plan assets (excluding interest)	–	–	1,503	938	1,503	938
	(1,503)	(926)	1,503	916	–	(10)
Other						
Contributions paid by employee	–	8	–	(8)	–	(39)
Contributions paid by the employer	–	–	–	(47)	–	(8)
Benefits paid	(33)	(32)	33	32	–	–
Administration costs	–	–	–	6	–	6
	(33)	(24)	33	(17)	–	(41)
Balance at 31 March	2,709	4,176	(2,709)	(4,176)	–	–

Plan assets

Plan assets comprise qualifying insurance policies.

Defined benefit obligation

Actuarial assumptions

At the reporting date (except for the future salary growth, which is the curtailment date) the principal actuarial assumptions (expressed as weighted averages) were as follows:

AS AT 31 MARCH	2023	2022
Discount rate	3.44%	1.65%
Future salary growth	2.30%	2.10%
Future pension growth	0.00%	0.00%
Price inflation	2.30%	2.10%

Assumptions regarding future mortality are based on published statistics and mortality tables. For financial year 2022/23 table *Prognosetafel AG 2020* is used (2021/22: *Prognosetafel AG 2020*).

The duration of the defined benefit obligation is 24.4 years (2021/22: 28.2 years).

The Group expects no contributions to be paid to its defined benefit plan in the 2023/24 financial year (31 March 2022: nil). The defined benefit obligation does remain subject to indexation.

Sensitivity analysis

Reasonably possible changes to one of the relevant actuarial assumptions at the reporting date, while holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Defined benefit obligation as at 31 March 2023

AMOUNTS IN EUR '000	INCREASE	DECREASE
Discount rate (+/- 1%)	(636)	688
Future salary growth (+/- 1%)	–	–
Future price inflation (+/- 1%)	–	–
Future pension growth (+ 1%)	112	–

13. Income taxes

Income tax recognised in profit or loss

AMOUNTS IN EUR '000 FOR THE YEAR ENDED 31 MARCH	2023	2022
Current tax expense	(2,734)	(2,992)
Deferred tax expense		
Tax loss and tax credit carry forward/(reduction of)	(586)	(1,465)
Origination and reversal of temporary differences	(318)	(330)
Adjustment for prior years (incl. tax credits carry forward)	(482)	(35)
Remeasurement DTA and DTL due to rate changes	–	(860)
	(1,386)	(2,690)
Income tax expense	(4,120)	(5,682)

Income tax expense excludes the Group's share of tax expense of the Group's equity-accounted investees of EUR 436 thousand (2021/22: EUR 394 thousand), which has been included in 'share of result of joint ventures'.

No one-off tax results were included in the 2022/23 tax expenses. The 2021/22 income tax expense included a one-off loss of EUR 860 thousand, due to the negative impact resulting from the increase of the Dutch corporate income tax rate, which changed from 25.0% to 25.8%, on the Company's deferred tax liabilities.

The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax laws and prior experience.

Reconciliation of effective tax rate

FOR THE YEAR ENDED 31 MARCH	2023		2022	
	%	EUR 1,000	%	EUR 1,000
Profit/(loss) before tax		(12,118)		17,453
Tax at the Company's domestic tax rate	25.8	3,126	25.8	(4,503)
Effect of tax rates in foreign jurisdictions	2.0	241	1.4	(236)
Non-deductible expenses	(53.3)	(6,460)	4.3	(754)
Effect of share of profits of equity-accounted investees	(5.0)	(610)	(3.2)	560
Changes in estimates related to prior years	(5.4)	(654)	(0.6)	111
R&D tax incentive	–	–	–	–
Other (incl. tax credits carry forward)	2.0	237	–	–
Remeasurement DTA and DTL due to rate changes	–	–	4.9	(860)
	(33.9)	(4,120)	32.6	(5,682)

Included in the 2022/23 non-deductible expenses is the impairment of EUR 24,081 thousand, amongst others (2021/22: nil). The remeasurement of the DTA and DTL in 2021/22 is related to the rate change of Dutch income taxes from 25% to 25.8% and is therefore nihil for 2022/23.

Tax

Movement in deferred tax balances

RELATED TO 2022/23 AMOUNTS IN EUR '000	NET BALANCE AT 1 APRIL 2022	ADDITION THROUGH ACQUISITION	RECOGNISED IN PROFIT OR LOSS	RECOGNISED IN OCI/EQUITY	RECLASSIFI- CATION/OTHER	NET BALANCE AT 31 MARCH 2023	DEFERRED TAX ASSETS	DEFERRED TAX LIABILITIES
Intangible assets	(32,339)	(400)	(318)	–	–	(33,057)	–	(33,057)
Acquisition								
related deferred								
taxes	(18,155)	–	–	–	–	(18,155)	–	(18,155)
Derivative								
financial liability	(41)	–	–	(93)	–	(134)	–	(134)
Derivative								
financial asset	140	–	–	(128)	–	12	12	–
Employee								
benefits	–	–	–	–	–	–	–	–
Tax loss carry								
forward	992	329	(992)	–	–	329	329	–
Tax credits carry								
forward	744	–	(76)	–	–	668	668	–
Tax assets								
(liabilities)	(48,659)	(71)	(1,386)	(221)	–	(50,337)	1,009	(51,346)

RELATED TO 2021/22 AMOUNTS IN EUR '000	NET BALANCE AT 1 APRIL 2021	ADDITION THROUGH ACQUISITION	RECOGNISED IN PROFIT OR LOSS	RECOGNISED IN OCI/EQUITY	RECLASSIFI- CATION/OTHER	NET BALANCE AT 31 MARCH 2022	DEFERRED TAX ASSETS	DEFERRED TAX LIABILITIES
Intangible assets	(31,121)	–	(1,218)	–	–	(32,339)	–	(32,339)
Acquisition								
related deferred								
taxes	(18,155)	–	–	–	–	(18,155)	–	(18,155)
Derivative								
financial liability	(8)	–	–	(33)	–	(41)	–	(41)
Derivative								
financial asset	342	–	4	(206)	–	140	140	–
Employee								
benefits	118	–	(115)	(3)	–	–	–	–
Tax loss carry								
forward	2,351	–	(1,359)	–	–	992	992	–
Tax credits carry								
forward	565	–	(2)	181	–	744	744	–
Tax assets								
(liabilities)	(45,908)	–	(2,690)	(61)	–	(48,659)	1,876	(50,535)

On 31 March 2023 the total tax-loss carry-forward amount of EUR 1.7 million has been capitalised as deferred tax asset (31 March 2022: EUR 3.8 million). The tax-credits carry-forward of EUR 2.6 million has been recognised and will not expire (31 March 2022: 2.9 million). The deferred tax asset for capitalised tax losses solely relates to Fluère and is expected to be gradually realised in the coming years.

Uncertain tax positions

Because the Company operates in a number of countries, its income is subject to taxation in different jurisdictions and at different tax rates. The authorities in the Dutch tax jurisdiction have reviewed the Company's tax returns from 2016/17 through 2018/19 and have taken the view that the interest expense related to the Passoã call/put option is not deductible.

The Company's legal counsel advised that it is not probable, but only possible, that the Dutch tax authorities' question will result in an amended tax payment. Accordingly, no provision (or any other form of liability) is accounted for in these financial statements.

14. Inventories

AMOUNTS IN EUR '000 AS AT 31 MARCH	2023	2022
Finished goods	21,868	15,373
Raw materials	3,042	2,251
	24,910	17,624

During 2022/23 inventories of EUR 666 thousand were written down to net realisable value (2021/22: EUR 381 thousand). The write-down is included in 'Cost of sales'.

15. Trade and other receivables

AMOUNTS IN EUR '000 AS AT 31 MARCH	2023	2022
Trade receivables	14,491	16,943
Prepaid expenses and accrued income	790	1,955
Other receivables	811	425
	16,092	19,323

The entire balance of trade and other receivables is classified as current. The allowance for doubtful trade receivables per 31 March 2023 did not change significantly compared to 31 March 2022.

Trade and other receivables denominated in currencies other than the functional currency amounted to EUR 10,763 thousand at 31 March 2023 (31 March 2022: EUR 11,245 thousand).

Information about the Group's exposure to credit and currency risks as well as impairment losses, if any, for trade and other receivables is included in note 27.

16. Cash and cash equivalents

AMOUNTS IN EUR '000 AS AT 31 MARCH	2023	2022
Bank balances	17,553	25,572
Cash balances	16	16
Cash and cash equivalents in the statement of financial position	17,569	25,588
Bank overdrafts	(44)	(750)
Cash and cash equivalents in the statement of cash flows	17,525	24,838

All cash and cash equivalents are available on demand.

17. Property, plant and equipment

AMOUNTS IN EUR '000	RIGHT-OF-USE ASSETS	EQUIPMENT	FIXTURES AND FITTINGS	FURNITURE	TOTAL
Cost					
Balance at 1 April 2022	8,799	3,008	3,956	189	15,952
Additions	–	191	98	11	300
Additions through acquisitions	–	–	65	–	65
Lease modifications and remeasurements	84	–	–	–	84
Disposals	–	–	–	–	–
Reclassification	–	–	–	–	–
Effect of movement in exchange rates	12	(56)	1	–	(43)
Balance at 31 March 2023	8,895	3,143	4,120	200	16,358
Accumulated depreciation					
Balance at 1 April 2022	(2,857)	(1,762)	(2,231)	(127)	(6,977)
Depreciation for the year	(786)	(223)	(404)	(6)	(1,419)
Additions through acquisitions	–	–	(35)	–	(35)
Disposals	–	–	–	–	–
Reclassification	–	–	–	–	–
Effect of movement in exchange rates	4	57	48	(18)	91
Balance at 31 March 2023	(3,639)	(1,928)	(2,622)	(151)	(8,340)
Carrying amounts					
At 1 April 2022	5,942	1,246	1,725	62	8,975
At 31 March 2023	5,256	1,215	1,498	49	8,018

AMOUNTS IN EUR '000	RIGHT-OF-USE ASSETS	EQUIPMENT	FIXTURES AND FITTINGS	FURNITURE	TOTAL
Cost					
Balance at 1 April 2021	8,139	2,843	3,921	183	15,086
Additions	–	77	26	6	109
Additions through acquisitions	5	86	8	–	99
Lease modifications and remeasurements	615	–	–	–	615
Disposals	–	–	–	–	–
Reclassification	–	–	–	–	–
Effect of movement in exchange rates	40	2	1	–	43
Balance at 31 March 2022	8,799	3,008	3,956	189	15,952
Accumulated depreciation					
Balance at 1 April 2021	(2,038)	(1,294)	(1,852)	(116)	(5,300)
Depreciation for the year	(787)	(413)	(403)	(5)	(1,608)
Additions through acquisitions	(4)	(54)	(2)	–	(60)
Disposals	–	–	–	–	–
Reclassification	–	–	–	–	–
Effect of movement in exchange rates	(28)	(1)	26	(6)	(9)
Balance at 31 March 2022	(2,857)	(1,762)	(2,231)	(127)	(6,977)
Carrying amounts					
At 1 April 2021	6,101	1,549	2,069	67	9,786
At 31 March 2022	5,942	1,246	1,725	62	8,975

The carrying value of right-of-use assets mainly consists of buildings and includes an amount of EUR 17 thousand relating to office equipment (31 March 2022: EUR 37 thousand) and EUR 34 thousand relating to lease cars (31 March 2022: EUR 46 thousand). Short-term lease expenses and low-value lease expenses of EUR 104 thousand (31 March 2022: EUR 54 thousand) are included in 'Other administrative expenses'. Refer to note 24 and note 27 for further details on the lease liability.

Security

At 31 March 2023 properties with a carrying amount of EUR 2,762 thousand (31 March 2022: EUR 3,033 thousand) were subject to a registered debenture that serves as security for bank loans (see note 23).

18. Intangible assets

AMOUNTS IN EUR '000	BRANDS	GOODWILL	OTHER	TOTAL
Cost				
Balance at 1 April 2022	295,195	20,643	593	316,431
Additions	–	–	–	–
Additions through acquisitions	1,620	400	–	2,020
Balance at 31 March 2023	296,815	21,043	593	318,451
Accumulated amortisation				
Balance at 1 April 2022	(338)	–	(318)	(656)
Reclassification	62	–	(62)	–
Amortisation	(36)	–	(198)	(234)
Balance at 31 March 2023	(312)	–	(578)	(890)
Accumulated impairment				
Balance at 1 April 2022	(8,911)	–	–	(8,911)
Impairment	(23,881)	(200)	–	(24,081)
Balance at 31 March 2023	(32,792)	(200)	–	(32,992)
Carrying amounts				
At 1 April 2022	285,946	20,643	275	306,864
At 31 March 2023	263,711	20,843	15	284,569

AMOUNTS IN EUR '000	BRANDS	GOODWILL	OTHER	TOTAL
Cost				
Balance at 1 April 2021	286,760	20,202	555	307,517
Additions	–	–	38	38
Additions through acquisitions	8,435	441	–	8,876
Balance at 31 March 2022	295,195	20,643	593	316,431
Accumulated amortisation				
Balance at 1 April 2021	(209)	–	(184)	(393)
Amortisation	(129)	–	(134)	(263)
Balance at 31 March 2022	(338)	–	(318)	(656)
Accumulated impairment				
Balance at 1 April 2021	(8,911)	–	–	(8,911)
Impairment	–	–	–	–
Balance at 31 March 2022	(8,911)	–	–	(8,911)
Carrying amounts				
At 1 April 2021	277,640	20,202	371	298,213
At 31 March 2022	285,946	20,643	275	306,864

Goodwill

Goodwill was recognised as a result of the acquisition of Pijlsteeg B.V. in September 2013, Passoã in December 2016 and Tequila Partida in December 2021. The difference between the purchase price and the fair value was recognised as goodwill, which is subject to an annual impairment test.

AMOUNTS IN EUR '000	2023	2022
Balance at 1 April	20,643	20,202
Additions through acquisition	400	441
Impairment	(200)	–
Balance at 31 March	20,843	20,643

Impairment testing for cash-generating units (CGUs) containing brand value and goodwill

The total brand value per the Group's CGUs is as follows:

AMOUNTS IN EUR '000 AS AT 31 MARCH	2023	2022
Bols	102,138	102,138
Passoã	70,300	70,300
Galliano	39,076	39,076
Dutch brands	17,041	40,922
Other brands	35,156	33,510
	263,711	285,946

All capitalised brands with an indefinite useful economic life are not amortised. Such brands are protected by trademarks, which are renewable indefinitely in all the major markets in which they are sold. The Company is not aware of any legal, regulatory or contractual provisions that limit the useful life of these brands. The nature of the premium drinks industry is that obsolescence is not a common issue, with indefinite brand lives being commonplace.

The recoverable amount of the CGUs was determined based on a value in use analysis and estimated using discounted cash flows as per the end of the financial year. When estimating the recoverable amount based on the value in use, the forecasted cash flows reflect management's best estimate of the economic conditions that will exist over the indefinite useful life of the asset.

Key assumptions applied to the impairment test are as follows:

- Cash-flow projections for the first four years are based on the net contribution margin as per next financial year's budget and the mid-term business plan for the three years thereafter, both recently endorsed by the Management Board and Supervisory Board. These projections are evaluated in the light of historical performance, amongst others, and take into account expected revenue growth based on actual experience, an analysis of volume growth and expected market-share developments as well as expected pricing and margin developments. The revenue and volume growth rates and margins used to estimate future performance are mainly based on past performance, our experience of growth rates and margins achievable in the Company's main markets and the expected brand value-enhancing propositions in the markets.
- Using a similar approach, the projections are extended to years five through eight. This extension is applied to all CGUs except for the Dutch Brands CGU.
- Cash flows after the eight-year period (Dutch Brands CGU: four-year period) are extrapolated using an average terminal value growth rate of 2.4 percent (Dutch Brands CGU: 1.0 percent negative). The growth rates are in line with long-term expected growth rates in the markets in which the Group operates, also considering demographic developments and expected inflation rates.
- The discount rate was determined based on external sources:

PERCENTAGE AS AT 31 MARCH	2023	2022
Discount rate	8.6	6.8
Pre-tax WACC	10.32-13.14	8.46-9.44
Terminal value growth rate	-1.00-2.40	0.00-2.00

During the year an impairment loss of EUR 24,081 thousand was recorded in relation to the CGU Dutch brands, included in the Regional Liqueurs & Spirits operating segment. No impairment loss was recorded in 2021/22. The driver of the impairment is mainly a substantial increase in the applicable discount rates as a consequence of rising global interest rates. Moreover, the Dutch brands mainly consist of genever & vieux brands: a price competitive category that has been in decline for years and has faced above-average increases in input costs.

Given the Dutch Brands CGU was impaired during the year under review, an adverse change in one or more assumptions applied in calculating the recoverable amount would directly cause the (impaired) carrying amount to exceed the recoverable amount. The key assumptions used for the impairment test of this CGU are a terminal growth rate of -1%, a discount rate of 8.6% and a flat net contribution margin.

In addition, management performed a sensitivity analysis on (i) a revenue decrease of 5%, (ii) a discount rate increase of 100bps, or (iii) a decrease of terminal growth rate by 2% for each CGU. The recoverable amounts of the CGUs would still be in excess of the carrying amounts with sufficient and reasonable headroom, except for the Dutch Brands CGU because it is already subject to an impairment in the year under review.

19. Equity-accounted investees

AMOUNTS IN EUR '000	2023	2022
Opening balance	10,373	9,024
Share in profit	(2,665)	2,175
Dividend received	(1,150)	(1,100)
Additions to joint ventures	–	–
Investments/(divestments) in joint ventures	(4,800)	250
Actuarial result through OCI	–	(46)
Adjustments from currency translation through OCI	–	–
Other adjustments	(106)	70
Balance as at 31 March	1,652	10,373

AMOUNTS IN EUR '000	2023	2022
Avandis (CV & BV) (50.0%)	–	8,750
Maxxium Nederland BV (50.0%)	1,006	1,027
Maxxium BeLux NV (50.0%)	346	296
BolsKyndal India Pvt Ltd (50.0%)	–	–
Other	300	300
Balance as at 31 March	1,652	10,373

Avandis

Effective 1 January 2023 the Company sold its 50 percent share in the net assets of Avandis to Refresco Group B.V. As at 31 December 2022 the Company's 50 percent share in Avandis had a carrying value of EUR 8.8 million. This included the non-cash, one-off gain of EUR 1.7 million that was capitalised when the Company purchased an additional 16.67 percent share in Avandis from Herman Jansen. The net adjusted purchase price attributable to the Company amounted to approximately EUR 5 million, resulting in a book loss for the Company of EUR 3.9 million, which is recognised in 'share of result of joint ventures'.



The following is a summary of the financial information of Avandis (CV & BV combined), based on its financial statements adjusted for fair value adjustments on acquisition and differences in the Group's accounting policies.

AMOUNTS IN EUR '000 FOR THE YEAR ENDED 31 MARCH	2023	2022
Revenue	45,933	53,735
Profit from continuing operations	34	819
Other comprehensive income	–	–
Total comprehensive income	34	819

AMOUNTS IN EUR '000 AS AT 31 MARCH	2023	2022
Current assets	–	16,296
Non-current assets	–	26,504
Current liabilities	–	(14,682)
Non-current liabilities	–	(10,618)
Net assets (100%)	–	17,500

AMOUNTS IN EUR '000 AS AT 31 MARCH	2023	2022
Group interest in net assets of investee at beginning of year	8,750	8,138
Share of total comprehensive income	8	612
Changes during the year (including gain from bargain purchase price)	(8,758)	–
Group interest in net assets of investee at year-end	–	8,750
Elimination of unrealised profit on intercompany sales	–	–
Carrying amount of interest in investee at year-end	–	8,750

Maxxium Nederland B.V.

Maxxium Nederland B.V. is structured as a separate entity and the Group has a 50 percent interest in the net assets of Maxxium Nederland B.V. The Group has classified its interest in Maxxium Nederland B.V. as a joint venture. The principal activity of Maxxium Nederland B.V. is the distribution of distilled products.

The following is a summary of the financial information for Maxxium Nederland B.V., based on its financial statements adjusted for fair value adjustments on acquisition and differences in the Group's accounting policies.

AMOUNTS IN EUR '000 FOR THE YEAR ENDED 31 MARCH	2023	2022
Revenue	72,302	71,503
Profit from continuing operations	2,470	2,385
Other comprehensive income	–	549
Total comprehensive income	2,470	2,934

AMOUNTS IN EUR '000 AS AT 31 MARCH	2023	2022
Current assets	24,933	20,754
Non-current assets	2,807	3,301
Current liabilities	(23,458)	(19,623)
Non-current liabilities	(1,585)	(1,911)
Net assets (100%)	2,697	2,521

AMOUNTS IN EUR '000 AS AT 31 MARCH	2023	2022
Group interest in net assets of investee at beginning of year	1,027	586
Share of total comprehensive income	1,235	1,467
Dividends received during the year	(1,150)	(1,100)
Group's interest in net assets of investee at year-end	1,112	953
Elimination of unrealised profit on intercompany sales	(106)	74
Carrying amount of interest in investee at year-end	1,006	1,027

Maxxium BeLux N.V.

In 2021/22 the Group together with Edrington incorporated Maxxium BeLux N.V., which became operational on 1 October 2021. Maxxium BeLux N.V. is structured as a separate entity and the Group has a 50 percent interest in the net assets of Maxxium BeLux N.V. The Group has classified its interest in Maxxium BeLux N.V. as a joint venture. The principal activity of Maxxium BeLux N.V. is the distribution of distilled products in Belgium and Luxembourg.

BolsKyndal India Pvt Ltd

BolsKyndal India Pvt. Ltd. is structured as a separate entity and the Group has a 50 percent interest in the net assets of BolsKyndal India Pvt. Ltd. The Group has classified its interest in BolsKyndal India Pvt. Ltd. as a joint venture. The principal activity of BolsKyndal India Pvt. Ltd. is the blending, bottling and distribution of distilled products.

20. Other investments

AMOUNTS IN EUR '000 AS AT 31 MARCH	2023	2022
Loans issued	176	–
Other related party loans	232	232
	408	232

Information about the Group's exposure to credit and market risks and fair value measurement is included in note 27.

21. Capital and reserves

At 31 March 2023 the authorised share capital comprised 21.0 million ordinary shares of EUR 0.10 each. A total of 14.97 million of these shares was issued and fully paid at the balance sheet date.

AMOUNTS IN EUR '000	2023	2022
In issue at 1 April	1,497	1,248
Issue of share capital	–	249
In issue at 31 March – fully paid	1,497	1,497
Authorised – par value in EUR	0.10	0.10

Ordinary shares

Holders of ordinary shares are entitled to dividends as declared from time to time and are entitled to one vote per share in the General Meeting of Shareholders of the Company. All rights attached to the Company's shares held by the Group are suspended until those shares are reissued.

NUMBER OF SHARES IN THOUSANDS	2023	2022
Balance at 1 April	14,973	12,477
Issue of share capital	–	2,495
Balance at 31 March	14,973	14,973

Treasury shares

In 2022/23 and 2021/22 the Group purchased own shares under the Employee Share Purchase Plan (see note 3(e)). All purchased own shares have been delivered to employees.

Share premium

AMOUNTS IN EUR '000	2023	2022
Balance at 1 April	157,787	129,695
Issue of share capital	–	28,648
Transaction costs, net of tax	–	(556)
Balance at 31 March	157,787	157,787

In 2021/22 the Group issued new shares in order to finance the acquisition of Tequila Partida LLC and to strengthen its balance sheet. No new shares were issued in 2022/23.

Nature and purpose of legal reserves

Currency translation reserve

The currency translation reserve comprises all foreign currency differences arising from the translation of the financial statements of foreign operations, as well as the effective portion of any foreign currency differences arising from hedges of a net investment in a foreign operation (see note 3(c)).

Hedging reserve

The hedging reserve comprises the effective portion of the cumulative net change in the fair value, net of tax, of hedging instruments used in cash flow hedges pending subsequent recognition in profit or loss as the hedged cash flows affect profit or loss (see note 3(c)).

Other legal reserve

French legislation requires the Company to form a legal reserve, amounting to 10% of the Company's investment in Passoã SAS, for an amount of EUR 7.6 million (31 March 2022: EUR 7.6 million).

Dividends on common shares

The Management Board, with the approval of the Supervisory Board, has resumed the payment of dividend to the Company's shareholders in 2022/23. In December 2022 the Company paid an interim dividend of EUR 3,144 thousand (or EUR 0.21 per share) to its shareholders. This amount equals 40% of the net profit for the six-month period ended 30 September 2022.

The net loss shall be allocated to retained earnings, subject to the approval of Supervisory Board and the Annual General Meeting of Shareholders.

22. Capital management

The Board's policy is to maintain a strong capital base to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital as well as the level of dividends to ordinary shareholders, also taking into account economic conditions and the requirements of the financial covenants. The Group monitors capital using net debt, amongst others.

- Net debt is the net of (i) the sum of bank loans drawn (at face value) and (ii) cash and cash equivalents.

The Group's net debt at 31 March was as follows:

AMOUNTS IN EUR '000 AS AT 31 MARCH	NOTE	2023	2022
Bank loans drawn (at face value)		76,500	85,500
Loans from third parties (at face value)		580	–
Interest-bearing debt		77,080	85,500
Less: cash and cash equivalents	15	(17,569)	(25,588)
Plus: bank overdrafts	15	44	750
Net debt		59,555	60,662

23. Loans and borrowings

Non-current liabilities

AMOUNTS IN EUR '000 AS AT 31 MARCH	2023	2022
Secured bank loans	66,448	80,370
Loans from third parties	580	–
Cumulative preference shares	–	–
	67,028	80,370

At 31 March 2023 the facility arrangement in place consists of EUR 30 million term loan facilities (31 March 2022: EUR 30 million), EUR 30 million revolving credit facilities (31 March 2022: EUR 40 million) and EUR 42.5 million acquisition facility (31 March 2022: EUR 47.5 million) which was used for the funding of Passoã transaction. These committed facilities were extended effective 31 March 2023, now maturing November 2025 instead of November 2023. There is no FX impact on the loans. The Group is obliged to meet the covenants required by the senior credit facilities.

Under the facility agreement, the Group is required to comply with an interest cover ratio covenant and a leverage ratio covenant, calculated as per the definitions included in that agreement. Per each of the half-year testing periods, the interest cover ratio shall be or shall exceed 3.00, whilst the leverage ratio shall not exceed 4.00. In case of an acquisition, the maximum leverage ratio permitted is increased to 4.50 for two consecutive testing periods after that acquisition (the 'acquisition spike').

COVID-19 impacted both the Group's profitability (e.g. EBITDA) and the magnitude by which the Group can reduce net debt. Consequently, the Group agreed temporary amendments to the facility agreement with the lender group to facilitate further execution of the growth strategy whilst complying with covenants (also throughout the COVID-19 crisis).

- In April 2021, when the impact (magnitude and duration) of the initially unanticipated additional COVID-19 waves became clearer, the Group agreed amendments with the lender group.
 - In regard to the testing periods ended 30 September 2021, 31 March 2022 and 30 September 2022, it was agreed that the interest cover ratio covenant and the leverage ratio covenant would not be tested. Instead, a minimum liquidity level covenant (set at EUR 12.5 million on the last day of each month for

the periods ending 30 September 2021 and 31 March 2022, and at EUR 15.0 million on the last day of each month for the testing period ended 30 September 2022, respectively) and an EBITDA ‘floor’ covenant (set at EUR 4.5 million, EUR 8.0 million and EUR 11.0 million for the testing periods ended 30 September 2021, 31 March 2022 and 30 September 2022, respectively) were agreed.

- In regard to the testing period ended 31 March 2023, it was agreed that the interest cover ratio shall be or shall exceed 2.76, whilst the leverage ratio shall not exceed 4.50.
- From 1 April 2023 onwards the temporary COVID-19 amendments are no longer applicable: the covenants under the facility agreement described above apply from that date onwards.

Based on the definitions in the facility agreement and the (extended) amendments thereto, the interest cover per 31 March 2023 was 6.85x (31 March 2022: 6.44x), whilst the leverage ratio for the year ended on that date was 3.36x (31 March 2022: 2.74x).

Information about the Group’s exposure to interest rate and liquidity risks is included in note 28.

Current liabilities

AMOUNTS IN EUR '000 AS AT 31 MARCH	2023	2022
Current portion of secured bank loans	10,000	5,000
Bank overdrafts	44	750
	10,044	5,750

Movement schedule

AMOUNTS IN EUR '000	TERM LOAN	REVOLVING CREDIT FACILITY	ACQUISITION FACILITY	LOANS FROM THIRD PARTIES	TOTAL SECURED BANK LOANS (FACE VALUE)	UNAMORTISED REFINANCE FEES	CARRYING AMOUNT	TOTAL REPAYMENT
As at 1 April 2022	30,000	8,000	47,500	–	85,500	(130)	85,370	–
Amortisation	–	–	–	–	–	78	78	–
Additions through acquisition	–	–	–	580	580	–	580	–
Proceeds	–	–	–	–	–	–	–	–
Repayments	–	(4,000)	(5,000)	–	(9,000)	–	(9,000)	(9,000)
As at 31 March 2023	30,000	4,000	42,500	580	77,080	(52)	77,028	(9,000)

Movement schedule

AMOUNTS IN EUR '000	TERM LOAN	REVOLVING CREDIT FACILITY	ACQUISITION FACILITY	LOANS FROM THIRD PARTIES	TOTAL BANK SECURED LOANS (FACE VALUE)	UNAMORTISED REFINANCE FEES	CARRYING AMOUNT	TOTAL REPAYMENT
As at 1 April 2021	30,000	18,000	50,000	–	98,000	(208)	97,792	–
Amortisation	–	–	–	–	–	78	78	–
Proceeds	–	–	–	–	–	–	–	–
Repayments	–	(10,000)	(2,500)	–	(12,500)	–	(12,500)	(12,500)
As at 31 March 2022	30,000	8,000	47,500	–	85,500	(130)	85,370	(12,500)

Terms and repayment schedule

The terms and conditions of outstanding loans are as follows:

AMOUNTS IN EUR '000 AS AT 31 MARCH	CURRENCY	NOMINAL INTEREST RATE	YEAR OF MATURITY	UNUSED FACILITY*	FACE VALUE	CARRYING AMOUNT	FACE VALUE	CARRYING AMOUNT
		% P.A.		2023	2023	2023	2022	2022
Secured bank loan – Term loan	EUR	Euribor + 2.20 %	2025	–	30,000	29,980	30,000	29,954
Secured bank loan – Revolving Credit Facility	EUR	Euribor + 2.20 %	2025	26,000	4,000	3,997	8,000	7,988
Secured bank loan – Acquisition Facility	EUR	Euribor + 2.20 %	2025	–	42,500	42,471	47,500	47,428
Loans from third parties	EUR	5 %	2025	–	580	551	–	–
Total interest-bearing liabilities				26,000	77,080	76,999	85,500	85,370

* In addition, the Group had a revolving credit facility of EUR 10.0 million in place, which is mainly used for guarantees. As at 31 March 2023 a total of EUR 0.1 million (31 March 2022: EUR 1.7 million) was used for guarantees, leaving an extra amount of EUR 9.9 million of the facility unused at 31 March 2023 (31 March 2022: EUR 8.3 million).

The repayment schedule of current outstanding loans is as follows:

AMOUNTS IN EUR '000	CURRENCY	YEAR OF MATURITY	FACE VALUE 31 MARCH 2023	LESS THAN 1 YEAR	1-2 YEARS	2-4 YEARS	5 YEARS
Secured bank loan – Term loan	EUR	2025	30,000	–	–	(30,000)	–
Secured bank loan – Revolving Credit Facility	EUR	2025	4,000	–	–	(4,000)	–
Secured bank loan – Acquisition Facility	EUR	2025	42,500	(10,000)	(5,000)	(27,500)	–
Loans from third parties	EUR	2025	580	–	(580)	–	–
Total interest-bearing liabilities			77,080	(10,000)	(5,580)	(61,500)	–

Floating rates were hedged for a substantial part by means of interest-rate swap agreements. The bank loans are secured for approximately EUR 100 million (31 March 2022: EUR 117.5 million) by a pledge on most non-current assets and material intellectual property of the Group, as well as trade receivables and stock.

24. Other non-current financial liabilities

AMOUNTS IN EUR '000 AS AT 31 MARCH	2023	2022
Lease liabilities	4,762	5,408
Contingent consideration	–	2,360
Other financial liabilities	–	–
Fair value of derivatives	–	79
	4,762	7,847

As part of the total consideration for the acquisition of Tequila Partida LLC the Group recognised a contingent consideration of EUR 2,360 thousand in 2021/22 relating to targets set for the 2022/23 and 2023/24 financial years. This contingent consideration is de-recognised in the year under review as the targets for 2022/23 were not met and are not expected to be met for 2023/24. The gain is included in finance costs.

Derivative financial instruments are used to hedge exposure to fluctuations in foreign exchange rates and interest rates. The model used under hedge accounting is the cash-flow hedge model. Also refer to note 27.

The movement in the lease liability is as follows:

AMOUNTS IN EUR '000 AS AT 31 MARCH	2023	2022
Opening balance	6,186	6,330
Additions	–	–
Lease modification	84	615
Accretion of interest	127	151
Payments	(969)	(870)
Exchange rate results	6	(40)
	5,434	6,186
Current portion of lease liabilities (note 24)	672	778
Non-current portion of lease liabilities	4,762	5,408

Included in 'Finance costs' is an amount of EUR 127 thousand (2021/22: EUR 151 thousand) related to interest expenses on lease liabilities; refer to note 10. A maturity analysis of lease liabilities is included in note 28. The assets related to leases are included in note 17.

25. Trade and other payables

AMOUNTS IN EUR '000 AS AT 31 MARCH	2023	2022
Trade payables	7,966	8,993
Accrued expenses	5,614	7,462
Wage tax payable	127	97
	13,707	16,552

At 31 March 2023 trade payables denominated in currencies other than the functional currency amounted to EUR 3,294 thousand (31 March 2022: EUR 4,437 thousand).

26. Other current financial liabilities, including derivatives

AMOUNTS IN EUR '000 AS AT 31 MARCH	2023	2022
Lease liabilities	672	778
Fixed cash consideration	250	–
Fair value of derivatives	48	467
Accrued interest payable	(18)	314
Other financial liabilities	–	1,570
	952	3,129

An amount of EUR 250 thousand relating to the fixed cash consideration for the acquisition of Fluère Drinks B.V. is deferred and payable in January 2024.

Derivative financial instruments of in total EUR 48 thousand (31 March 2022: EUR 467 thousand) consist of hedged foreign exchange contracts and interest rate swaps, both valued at 31 March 2023. The duration of these foreign exchange contracts and interest contracts is less than one year.

In September 2022 the Group made a payment to the local bank in India of EUR 1,637 thousand to settle the outstanding loan with BolsKyndal. Only an insignificant amount of expenses was recognised in 2022/23 as the Group already recognised a EUR 1,570 thousand liability under 'Other financial liabilities' per 31 March 2022. See note 27 for disclosure on financial instruments. Information about the Group's exposure to currency and liquidity risks is also included in note 27.

27. Financial instruments

Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

AMOUNTS IN EUR '000 AS AT 31 MARCH 2023	NOTE	FAIR VALUE -HEDGING INSTRUMENTS	LOANS AND RECEIVABLES	OTHER FINANCIAL LIABILITIES	TOTAL	LEVEL 1	LEVEL 2	LEVEL 3
Financial assets measured at fair value								
Interest rate swaps used for hedging		6	–	–	6	–	6	–
Forward exchange contracts used for hedging		511	–	–	511	–	511	–
		517	–	–	517	–	517	–
Financial assets not measured at fair value								
Loan issued		–	176	–	176	–	176	–
Other related party loans	20	–	232	–	232	–	232	–
Trade and other receivables	14	–	16,092	–	16,092	–	16,092	–
Cash and cash equivalents	15	–	17,569	–	17,569	–	17,569	–
		–	34,069	–	34,069	–	34,069	–
Financial liabilities measured at fair value								
Fixed cash consideration		–	–	(250)	(250)	–	–	(250)
Employee benefits		–	–	(129)	(129)	(129)	–	–
Interest rate swaps used for hedging		–	–	–	–	–	–	–
Forward exchange contracts used for hedging		(48)	–	–	(48)	–	(48)	–
		(48)	–	(379)	(427)	(129)	(48)	(250)
Financial liabilities not measured at fair value								
Loans and borrowings	23	–	–	(76,999)	(76,999)	–	(76,999)	–
Lease liabilities (non-current)	24	–	–	(4,762)	(4,762)	–	(4,762)	–
Lease liabilities (current)	26	–	–	(672)	(672)	–	(672)	–
Other financial liabilities (current)	26	–	–	–	–	–	–	–
Trade and other payables	25	–	–	(13,707)	(13,707)	–	(13,707)	–
Accrued interest payable	26	–	–	18	18	–	18	–
Corporate income tax payable		–	–	(193)	(193)	–	(193)	–
Bank overdrafts	16	–	–	(44)	(44)	–	(44)	–
		–	–	(96,359)	(96,359)	–	(96,359)	–

AMOUNTS IN EUR '000 AS AT 31 MARCH 2022		NOTE	FAIR VALUE -HEDGING INSTRUMENTS	LOANS AND RECEIVABLES	OTHER FINANCIAL LIABILITIES	TOTAL	LEVEL 1	LEVEL 2	LEVEL 3
Financial assets measured at fair value									
Interest rate swaps used for hedging			-	-	-	-	-	-	-
Forward exchange contracts used for hedging			162	-	-	162	-	162	-
			162	-	-	162	-	162	-
Financial assets not measured at fair value									
Loan issued			-	-	-	-	-	-	-
Other related party loans	20		-	232	-	232	-	232	-
Trade and other receivables	14		-	19,323	-	19,323	-	19,323	-
Cash and cash equivalents	15		-	25,588	-	25,588	-	25,588	-
			-	45,143	-	45,143	-	45,143	-
Financial liabilities measured at fair value									
Contingent consideration			-	-	(2,360)	(2,360)	-	-	(2,360)
Interest rate swaps used for hedging			(233)	-	-	(233)	-	(233)	-
Forward exchange contracts used for hedging			(312)	-	-	(312)	-	(312)	-
			(545)	-	(2,360)	(2,905)	-	(545)	(2,360)
Financial liabilities not measured at fair value									
Loans and borrowings	23		-	-	(85,370)	(85,370)	-	(85,370)	-
Lease liabilities (non-current)	24		-	-	(5,408)	(5,408)	-	(5,408)	-
Lease liabilities (current)	26		-	-	(778)	(778)	-	(778)	-
Other financial liabilities (current)	26		-	-	(1,570)	(1,570)	-	(1,570)	-
Trade and other payables	25		-	-	(16,552)	(16,552)	-	(16,552)	-
Accrued interest payable	26		-	-	(314)	(314)	-	(314)	-
Corporatie income tax payable			-	-	(1,308)	(1,308)	-	(1,308)	-
Bank overdrafts	16		-	-	(750)	(750)	-	(750)	-
			-	-	(112,050)	(112,050)	-	(112,050)	-

Measurement of fair values

Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used.

Financial instruments measured at fair value:

TYPE	VALUATION TECHNIQUE	SIGNIFICANT UNOBSERVABLE INPUTS	INTERRELATIONSHIP BETWEEN SIGNIFICANT UNOBSERVABLE INPUTS AND FAIR VALUE MEASUREMENT
Forward exchange contracts and interest rate swaps	Market comparison technique: the fair values are based on broker quotes. Similar contracts are traded in an active market and the quotes reflect the actual transactions in similar instruments.	n/a	n/a

Financial instruments not measured at fair value:

TYPE	VALUATION TECHNIQUE	SIGNIFICANT UNOBSERVABLE INPUTS
Financial assets	Discounted cash flows	n/a
Financial liabilities	Discounted cash flows	n/a

Financial assets include trade and other receivables, loans provided and cash and cash equivalents. Financial liabilities include bank loans, lease liabilities, short-term financial liabilities and trade and other payables. The book values of the secured bank loans are the best approximation of their fair value. For all other financial instruments the fair value is consistent with the book value.

Financial risk management

The Group has exposure to the following risks arising from financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk.

Risk management framework

There are inherent risks related to Lucas Bols' business activities and organisation. Sound risk management is an integral element of good business practice and effective operations, so the Management Board promotes a transparent, company-wide approach to risk management and internal controls. This approach focuses on finding the right balance between maximising business opportunities and managing risks involved. The Management Board considers this to be one of its most important tasks.

The risk management framework is the foundation for the identification and mitigation of corporate business risks and has been developed to provide reasonable assurance that the risks we face are properly evaluated and mitigated. It assures that management is provided with the information it needs to make informed and timely decisions. While the framework is designed to manage risks it cannot prevent human error, fraud or infringements of laws and regulations with absolute certainty. Lucas Bols' risk management is not static: the way we manage risks is constantly monitored and adapted to reflect changes in internal and external circumstances if and when necessary.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from the Group's receivables from customers and investments in debt securities.

Trade receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

The concentration of credit risk with respect to receivables is limited, as the Group's customer base and vendor base are large and unrelated. The Group applies the IFRS 9 simplified approach to measuring expected credit losses, which uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

The Group has established a credit policy under which each new customer is analysed individually for creditworthiness before the Group's standard payment and delivery terms and conditions are offered.

Almost all the customers have been doing business transactions with the Group for several years, and no significant impairment loss has been recognised against these customers.

The Group closely monitors the economic environment and is taking actions to limit its exposure to customers in countries experiencing specific economic volatility.

At year-end, the maximum exposure to credit risk for trade receivables by geographic region was as follows:

AMOUNTS IN EUR '000 AS AT 31 MARCH	CARRYING AMOUNT 2023	CARRYING AMOUNT 2022
Sophisticated Cocktail Markets	5,356	4,821
Developed Cocktail Markets	6,109	7,786
Emerging Cocktail Markets	3,026	4,336
	14,491	16,943

At year-end, the aging of trade receivables is as follows:

AMOUNTS IN EUR '000 AS AT 31 MARCH	2023	2022
Not past due	13,114	15,325
1 – 30 days past due	977	1,016
31 – 90 days past due	229	318
90 days and more past due	171	284
	14,491	16,943

Management believes that the unimpaired amounts that are more than 30 days past due are still collectible in full based on historic payment behaviour and extensive analysis of customer credit risk, including the underlying customers' credit ratings, if available.

An insignificant impairment loss on trade receivables was recognised in 2022/23 and 2021/22.

Cash and cash equivalents

The Group held cash and cash equivalents of EUR 17,525 thousand as at 31 March 2023 (31 March 2022: EUR 24,838 thousand). The cash and cash equivalents are held with bank and financial institution counterparties which are at least A-rated based on ratings assigned by rating agencies.

Derivatives

Derivatives are entered into with bank and financial institution counterparties which are rated AA- to AA+ based on ratings assigned by rating agencies. The carrying amount of financial assets of EUR 516 thousand represents the maximum credit risk exposure (2021/22: EUR 162 thousand).

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Typically, the Group ensures that it generally has sufficient cash on demand to meet the expected operational expenses for the next few months, including the servicing of financial obligations.

This excludes the potential impact of extreme circumstances that cannot be reasonably predicted, such as natural disasters.

The Group maintains an additional line of credit in the form of a EUR 10 million revolving credit facility. This facility is mainly used for guarantees. One guarantee has been issued:

- A guarantee for one of our lessors (EUR 0.1 million).

In 2021/22 the Group recognised a financial liability in relation to the financing of the BolsKyndal joint venture in regard to which a guarantee was issued under 'Other current financial liabilities, including derivatives'. Upon settlement of this financial liability in September 2022 the guarantee was cancelled. Refer to note 26.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments:

AMOUNTS IN EUR '000 31 MARCH 2023	CONTRACTUAL CASH FLOWS					
	CARRYING AMOUNT	TOTAL	LESS THAN 1 YEAR	1-2 YEARS	2-4 YEARS	MORE THAN 4 YEARS
Derivative financial liabilities						
Interest rate swap contracts	–	–	–	–	–	–
Forward exchange contracts	(48)	(48)	(48)	–	–	–
Non-derivative financial liabilities						
Secured bank loans	(76,999)	(77,080)	(10,000)	(5,580)	(61,500)	–
Interest related to secured bank loans	–	(11,000)	(4,176)	(4,165)	(2,659)	–
Lease liabilities	(5,434)	(5,646)	(687)	(516)	(1,048)	(3,395)
Bank overdrafts	(44)	(44)	(44)	–	–	–
Trade payables	(13,707)	(13,707)	(13,707)	–	–	–
Accrued interest payable	18	18	18	–	–	–
Corporate income tax payable	(193)	(193)	(193)	–	–	–
	(96,407)	(107,701)	(28,838)	(10,261)	(65,207)	(3,395)

AMOUNTS IN EUR '000 31 MARCH 2022		CONTRACTUAL CASH FLOWS				
	CARRYING AMOUNT	TOTAL	LESS THAN 1 YEAR	1-2 YEARS	2-4 YEARS	MORE THAN 4 YEARS
Derivative financial liabilities						
Interest rate swap contracts	(233)	(233)	(232)	(1)	–	–
Forward exchange contracts	(312)	(312)	(312)	–	–	–
Non-derivative financial liabilities						
Secured bank loans	(85,370)	(85,500)	(5,000)	(80,500)	–	–
Interest related to secured bank loans	–	(2,784)	(1,699)	(1,085)	–	–
Contingent consideration	(2,360)	(2,360)	–	(1,231)	(1,129)	–
Lease liabilities	(6,186)	(6,359)	(778)	(621)	(1,039)	(3,920)
Bank overdrafts	(750)	(750)	(750)	–	–	–
Trade payables	(16,552)	(16,552)	(16,552)	–	–	–
Accrued interest payable	(314)	(314)	(314)	–	–	–
Corporate income tax payable	(1,308)	(1,308)	(1,308)	–	–	–
	(113,385)	(116,472)	(29,945)	(83,438)	(2,168)	(3,920)

The Group has a secured bank loan that contains a loan covenant. A breach of this covenant may require the Group to repay the loan earlier than indicated in the above table. It is not expected that the cash flows included in the maturity analysis could occur significantly earlier or be significantly different amounts. See note 23 for disclosure on covenants.

Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates and interest rates – will affect the Group's income or the value of its holdings of financial instruments.

The objective of market risk management is to manage and control market risk exposures within acceptable parameters while optimising the return. The Group uses derivatives to manage market risks. All such transactions are carried out within the guidelines set by management. Generally, the Group seeks to apply hedge accounting to manage volatility in profit or loss.

Currency risk

The Group is exposed to currency risk, mainly on sales that are denominated in a currency other than the euro. The currencies in which these transactions are primarily denominated are JPY, USD, AUD and GBP.

At the start of the financial year the Group hedges 60 to 80% of its estimated foreign currency exposure in respect of forecast sales for that year. The Group uses forward exchange contracts to hedge its currency risk, most with a maturity of less than one year from the reporting date. Such contracts are generally designated as cash flow hedges.

The Group's investment in its US subsidiary and its joint venture in India are not hedged.

Exposure to currency risk

The summary of quantitative data about the Group's exposure to currency risk as reported to management is as follows:

Trade and other receivables

AMOUNTS IN EUR '000 AS AT 31 MARCH	2023	2022
EUR	5,329	8,078
USD	6,862	5,732
JPY	635	556
AUD	962	1,607
GBP	55	55
Other currencies	2,249	3,295
	16,092	19,323

Trade and other payables

AMOUNTS IN EUR '000 AS AT 31 MARCH	2023	2022
EUR	10,414	12,137
USD	3,329	3,545
JPY	(10)	98
AUD	107	131
GBP	119	540
Other currencies	(252)	123
	13,707	16,552

In accordance with external market sources, not taking into account the hedge rates, the following significant exchange rates were applied during the year:

FOR THE YEAR ENDED 31 MARCH	AVERAGE RATE AGAINST EURO		YEAR END SPOT RATE AGAINST EURO	
	2023	2022	2023	2022
USD	1.0413	1.1623	1.0875	1.1101
JPY	140.90	130.53	144.83	135.17
AUD	1.5221	1.5723	1.6268	1.4829
GBP	0.8644	0.8504	0.8792	0.8460

Sensitivity analysis

A strengthening of the JPY, USD, AUD and GBP against the euro at 31 March 2023 would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. A weakening would have the same, but opposite effect. The analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. Currencies other than JPY, USD, AUD and GBP are considered not material.



AMOUNTS IN EUR '000		PROFIT OR LOSS, NET OF TAX IMPACT
31 March 2023		
JPY (1% movement)		18
USD (1% movement)		113
AUD (1% movement)		35
GBP (1% movement)		42
31 March 2022		
JPY (1% movement)		11
USD (1% movement)		8
AUD (1% movement)		39
GBP (1% movement)		29

Interest rate risk
Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group adopts a policy of ensuring that at least 80% of its interest rate risk exposure is at a fixed rate. To achieve this the Group enters into and designates interest rate swaps as hedges of the variability in cash flows attributable to interest rate risk.

Cash flow sensitivity analysis for variable rate instruments
As a result of the Group's hedging policy for changes in interest rates, the impact of a change of 100 basis points in interest rates would be limited.

28. List of subsidiaries

A list of material subsidiaries of the Group is set out below.

AS AT 31 MARCH	PLACE AND COUNTRY OF INCORPORATION	OWNERSHIP INTEREST	
		2023	2022
Lucas Bols Amsterdam B.V.*	Amsterdam, The Netherlands	100%	100%
DELB B.V.*	Amsterdam, The Netherlands	100%	100%
Galliano B.V.*	Amsterdam, The Netherlands	100%	100%
Vaccari B.V.*	Amsterdam, The Netherlands	100%	100%
Pisang Ambon B.V.*	Amsterdam, The Netherlands	100%	100%
Bokma Distillateurs B.V.*	Amsterdam, The Netherlands	100%	100%
Beleggingsmaatschappij Honthorst II B.V.	Amsterdam, The Netherlands	100%	100%
Pijlsteeg B.V.*	Amsterdam, The Netherlands	100%	100%
Lucas Bols USA Inc.	Wilmington, U.S.A.	100%	100%
Passoã SAS	Paris, France	100%	100%
Tequila Partida LLC	Oakland, U.S.A.	100%	100%
Fluère Drinks B.V.	Kamperland, The Netherlands	100%	0%

* For these subsidiaries the Company has issued a guarantee as mentioned in Article 403, Part 9, Book 2 of the Netherlands Civil Code.

29. Commitments and contingencies

Commitments
Nuvo
In December 2017, Lucas Bols and London Group entered into strategic partnership regarding liqueur brand Nuvo. Under that partnership Lucas Bols obtained the global distribution rights for Nuvo and works with London Group to further build and distribute the brand. Lucas Bols is responsible for buying, sourcing and commercial activities, as well as defining the appropriate distribution channels for the brand. London Group, controlled by spirit entrepreneur Mr. Raphael Yakoby, is responsible for strategic marketing, including social media and product development.

Under the partnership, Lucas Bols made an upfront payment of USD 0.5 million and is required to pay London Group yearly royalties. The upfront payment was capitalised in intangible assets and is amortised over 6.5 years. The partnership agreement also includes a put and call option structure that enables London Group to sell, and Lucas Bols to acquire, the brand in June 2023. The put and call option has an exercise price based on the brand's financial performance of the Group's financial year ending 31 March 2023.

Contingencies
The credit facility of Lucas Bols incorporates what is known as a 'change of control' provision. If a party acquires more than 50% of the company's issued share capital or voting rights, the company is subject to a repayment commitment.

The Company forms part of a Dutch fiscal unit with its consolidated subsidiaries in respect of corporate income tax and value added tax. Consequently, the Company is jointly and severally liable for all debt arising from the fiscal unit. The Company is fully liable for all obligations in relation to bank loans of its subsidiaries. The Company has issued a guarantee as mentioned in Article 403, Part 9, Book 2 of the Netherlands Civil Code for its subsidiary Lucas Bols Amsterdam B.V. and for the subsidiaries of Lucas Bols Amsterdam B.V., namely Bokma Distillateurs B.V., Galliano B.V., Vaccari B.V., Pisang Ambon B.V., DELB B.V., Pijlsteeg B.V., Tequila Partida B.V. and Fluère Drinks B.V. respectively.

30. Related parties

Transactions with key management personnel
The members of the Management Board and the Supervisory Board are considered key management personnel as defined in IAS 24 'Related party disclosures'. For details on their remuneration, reference is made to the remuneration report in the annual report.

The Management Board and the Supervisory Board member's compensation (including the pension obligations as referred to in Section 2:383(b) of the Netherlands Civil Code) that was charged to the Company and Group companies in 2022/23 is as follows:

AMOUNTS IN EUR '000 FOR THE YEAR ENDED 31 MARCH	MANAGEMENT BOARD		SUPERVISORY BOARD		TOTAL	
	2023	2022	2023	2022	2023	2022
Compensation of the Management Board and the Supervisory Board						
Salary	805	772	155	155	960	927
Variable remuneration short-term	146	362	–	–	146	362
Variable remuneration long-term	48	–	–	–	48	–
Pension	31	29	–	–	31	29
Other	137	115	–	–	136	115
Total	1,167	1,278	155	155	1,321	1,433

The variable remuneration long-term has not been paid out as the phantom shares have not yet vested. Final pay-out is dependent on performance on predefined targets. This means the total remuneration awarded or due to the Management Board in 2022/23 amounts to EUR 1,119 thousand respectively.

The Management Board of the Company controls 5.28% of the voting shares of the Company.

Other related party transactions

AMOUNTS IN EUR '000 AS AT 31 MARCH	TRANSACTION VALUES FOR THE YEAR ENDED		BALANCE OUTSTANDING AS AT	
	2023	2022	2023	2022
Sale of goods and services				
Joint ventures	18,628	16,471	1,210	1,429
Purchase of goods, services and brands				
Joint ventures	(27,059)	(29,401)	89	(1,717)
Others				
Joint ventures dividends received	1,150	1,100	–	–
Joint ventures loan and related interest	12	24	–	–
Other related party loans	–	–	232	232

Balances are expected to be settled in cash within two months after the end of the reporting period except for the 'Other related party loans'.

None of the balances is secured. An insignificant expense was recognised in the current year in respect of amounts owed by related parties. Refer to note 27.

31. Subsequent events

There were no material events after 31 March 2023.

Company financial statements 2022/23

Company balance sheet of Lucas Bols N.V.

Before profit appropriation

AMOUNTS IN EUR '000 AS AT 31 MARCH	NOTE	2023	2022
Assets			
Investments in subsidiaries	3	152,733	171,677
Deferred tax assets	4	2,670	2,670
Total non-current assets		155,403	174,347
Receivables from group companies	5	51,179	51,179
Cash and cash equivalents		–	–
Total current assets		51,179	51,179
Total assets		206,582	225,526
Equity			
Share capital		1,497	1,497
Share premium		157,787	157,787
Treasury shares		–	–
Currency translation reserve		(486)	(289)
Hedging reserve		348	(287)
Other legal reserves		7,630	7,630
Retained earnings		56,044	47,417
Result for the year		(16,238)	11,771
Total equity	6	206,582	225,526
Liabilities			
Other non-current liabilities		–	–
Total non-current liabilities		–	–
Trade and other payables		–	–
Total current liabilities		–	–
Total liabilities		–	–
Total equity and liabilities		206,582	225,526

Company profit and loss account of Lucas Bols N.V.

AMOUNTS IN EUR '000 FOR THE YEAR ENDED 31 MARCH	NOTE	2023	2022
Revenue*		1,321	1,433
Cost of sales		–	–
Gross profit		1,321	1,433
Distribution and administrative expenses*		(1,321)	(1,433)
Operating profit		–	–
Finance income		–	–
Finance costs		–	–
Net finance costs		–	–
Profit before tax		–	–
Income tax expense		–	–
Other profit after income tax		–	–
Share of result of participating interests, after income tax	3	(16,238)	11,771
Net profit/(loss)		(16,238)	11,771

* The amounts represent the compensation of the Management Board and Supervisory Board members, recharged to Lucas Bols Amsterdam B.V.

Notes to the Company financial statements ended 31 March 2023 and 2022

1. Basis of preparation

The Company's financial statements are prepared in accordance with the provisions of Part 9, Book 2, of the Netherlands Civil Code. The Company uses the option of Article 362.8 of Part 9, Book 2, of the Netherlands Civil Code to prepare the Company financial statements, using the same accounting policies as those used for the consolidated financial statements. Valuation is based on recognition and measurement requirements of IFRS as adopted by the EU, as explained further in the notes to the consolidated financial statements.

For the principles of valuation of assets and liabilities and for the determination of the result, reference is made to the notes to the consolidated financial statements.

2. Significant accounting policies

Financial fixed assets

Investments in subsidiaries are accounted for in the Company financial statements according to the equity method. They are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Reference is made to the basis of consolidation accounting policy in the consolidated financial statements.

Profit of participating interests

The share in the result of participating interests consists of the share of the Company in the results of these participating interests. In so far as gains or losses on transactions involving the transfer of assets and liabilities between the Company and its participating interests or between participating interests themselves can be considered unrealised, they have not been recognised.

Amounts due from group companies

Amounts due from group companies are stated initially at fair value and subsequently at amortised cost. Amortised cost is determined using the effective interest rate. The company recognise a credit loss for financial assets (such as a loan) based on an expected credit loss (ECL) which will occur in the coming twelve months or – after a significant decrease in credit quality or when the simplified model can be used – based on the entire remaining loan term. For intercompany receivables the ECL would be applicable as well, however this could cause differences between equity in the consolidated and separate financial statements. For this reason, the company elected to eliminate these differences through the respective receivable account in the separate financial statements.



3. Investments in subsidiaries

AMOUNTS IN EUR '000	2023	2022
Balance at 1 April	171,677	130,953
Dividend paid to shareholders	(3,144)	28,341
Effective portion of changes in fair value of cash flow hedges, net of tax	635	703
Currency translation of foreign interests	(197)	(52)
Actuarial gains/(losses) through equity	–	(39)
Profit/(loss) of subsidiaries	(16,238)	11,771
Balance at 31 March	152,733	171,677

The Company only holds a direct interest in Lucas Bols Amsterdam B.V. A list of other (indirect) participating interests is disclosed in note 29 of the consolidated financial statements.

4. Deferred tax assets

Deferred tax assets in regard to carry-forward tax losses that have been recognised are expected to be utilised in the coming years.

5. Receivables from Group companies

The balance is a receivable from a Group company. The receivable is classified as current if it is expected to be recovered within twelve months. The amount is not due yet, nor is there any impairment risk.

6. Equity

For a specification of shareholders' equity, see note 21 of the consolidated financial statements. The retained earnings at 31 March 2023 amount to EUR 56.0 million (31 March 2022: EUR 47.4 million). French legislation requires the Company to form a legal reserve, amounting to of 10% of the Company's investment in Passoã SAS, for an amount of EUR 7.6 million (31 March 2022: EUR 7.6 million).

The Management Board, with the approval of the Supervisory Board, has resumed the payment of dividend to the Company's shareholders in 2022/23. In December 2022 the Company paid an interim dividend of EUR 3,144 thousand (or EUR 0.21 per share) to its shareholders. This amount equals 40% of the net profit for the six-month period ended 30 September 2022.

The net loss shall be allocated to retained earnings, subject to the approval of Supervisory Board and the Annual General Meeting of Shareholders.

7. Compensation of the Management Board and the Supervisory Board

The members of the Management Board and the Supervisory Board are considered key management personnel as defined in IAS 24 'Related party disclosures'. For details on their remuneration, reference is made to note 31 of the consolidated financial statements.

At 31 March 2023 Lucas Bols N.V. had zero persons employed (31 March 2022: zero).

8. Fees for audit and other services

In accordance with article 382.a of Part 9, Book 2, of the Netherlands Civil Code, the total audit cost can be specified as follows:

AMOUNTS IN EUR '000 FOR THE YEAR ENDED 31 MARCH	PRICEWATERHOUSECOOPERS ACCOUNTANTS N.V.		OTHER PWC FIRMS		TOTAL	
	2023	2022	2023	2022	2023	2022
Fees for audit of financial statements and other services						
Audit of financial statements	290	–	–	–	290	–
Other assurance services	3	–	–	–	3	–
Total	293	–	–	–	293	–

PricewaterhouseCoopers was appointed group auditor in the Annual General Meeting of Shareholders on 7 July 2022 effective 1 April 2022.

In 2021/22 PricewaterhouseCoopers' predecessor Ernst & Young Accountants LLP provided audit services for the amount of EUR 287 thousand. No other assurance services or non-audit services were rendered by Ernst & Young Accountants LLP during 2021/22. Other Ernst & Young Accountants firms solely provided audit services for the amount of EUR 27 thousand during 2021/22.

9. Contingent liabilities

The Company forms part of a Dutch fiscal unit with its consolidated subsidiaries in respect of corporate income tax and value added tax. Consequently, the Company is jointly and severally liable for all debt arising from the fiscal unit. The Company is fully liable for all obligations in relation to bank loans of its subsidiaries. The Company has issued a guarantee as mentioned in Article 403, Part 9, Book 2 of the Netherlands Civil Code for its subsidiary Lucas Bols Amsterdam B.V. and for the subsidiaries of Lucas Bols Amsterdam B.V., namely Bokma Distillateurs B.V., Galliano B.V., Vaccari B.V., Pisang Ambon B.V., DELB B.V., Pijlsteeg B.V., Tequila Partida B.V. and Fluère Drinks B.V. respectively.

10. Subsequent events

There were no material events after 31 March 2023.

Amsterdam, 24 May 2023

Management Board:

Huub L.M.P. van Doorne (CEO)
Frank J. Cocx (CFO)

Supervisory Board:

D. René Hooft Graafland (Chairman)
Ralph Wisbrun
Alexandra L. Oldroyd
Marie-Pauline Lauret

Address:

Lucas Bols N.V.
Paulus Potterstraat 14
1071 CZ Amsterdam
The Netherlands

Trade register Amsterdam: 34242707

Other information

Statutory provision with respect to appropriation of result

Appropriation of profits according to the provisions of the articles of association

Pursuant to article 31 of the Articles of Association, the Management Board may, subject to the prior approval of the Supervisory Board, determine which part of the profits shall be reserved. The General Meeting may resolve to distribute any part of the profits remaining after reservation in accordance with the above. If the General Meeting does not resolve to distribute these profits in whole or in part, such profits (or any profits remaining after distribution) shall also be reserved.

The Management Board may, subject to the prior approval of the Supervisory Board, resolve to distribute interim dividend on Shares.

Any distributions on Shares shall be made in such a way that on each Share an equal amount or value will be distributed.

Non-GAAP measures

Certain discussions and analyses set out in this Annual Report include measures which are not defined by generally accepted accounting principles (GAAP) such as IFRS. We believe this information, along with comparable GAAP measurements, is useful to investors and other stakeholders because it provides a basis for measuring our operating performance, and our ability to reduce net debt and invest in new business opportunities. Management also uses these measures, along with the most directly comparable GAAP financial measures, in evaluating operating performance.

Non-GAAP financial measures should not be considered in isolation from, or as a substitute for, financial information presented in compliance with GAAP. Wherever appropriate and practical, we provide reconciliations to relevant GAAP measures.

Earnings before interest and taxes (EBIT)

EBIT is net profit before net finance costs and the income tax expense. Thus, EBIT is defined as operating profit plus share of result of joint ventures. We believe this measure provides valuable additional information because it includes our share in profit of joint ventures, and we are of the view that our joint ventures are an integral part of Lucas Bols' operations. In addition, EBIT is a key measure used internally.

The reconciliation of EBIT to net profit is as follows:

AMOUNTS IN EUR '000 FOR THE YEAR ENDED 31 MARCH	2023	2022
Net profit/(loss)	(16,238)	11,771
Add back:		
- Income tax expense	4,120	5,682
- Net finance costs	305	5,156
EBIT	(11,813)	22,609

Earnings before interest, taxes, depreciation and amortisation (EBITDA)

EBITDA is net profit before net finance costs, the income tax expense, depreciation and amortisation. Thus, EBITDA is defined as EBIT (refer above) excluding depreciation and amortisation. We believe this measure provides valuable additional information because it allows investors and other stakeholders to analyse the profitability between companies and industries by eliminating the effects of non-operating decisions like interest expenses, tax rates and non-cash items like depreciation and amortisation, hence facilitating focus on operating performance. In addition, EBITDA is a key measure used internally.

The reconciliation of EBITDA to net profit is as follows:

AMOUNTS IN EUR '000 FOR THE YEAR ENDED 31 MARCH	2023	2022
Net profit/(loss)	(16,238)	11,771
Add back:		
- Income tax expense	4,120	5,682
- Net finance costs	305	5,156
- Depreciation	1,419	1,608
- Amortisation	234	263
- Impairment	24,081	-
EBITDA	13,921	24,480

Free operating cash flow (FOCF)

FOCF is net cash from operating activities minus cash used for the acquisition of property, plant and equipment and intangible assets. FOCF reflects an additional way of viewing our liquidity that we believe is useful to investors and other stakeholders because it represents cash flows that could be used for distribution of dividends, repayment of debt or to fund our strategic initiatives, including acquisitions, if any.

The reconciliation of FOCF to net cash from operating activities is as follows:

AMOUNTS IN EUR '000 FOR THE YEAR ENDED 31 MARCH	2023	2022
Net cash from operating activities	7,081	15,784
-/- Acquisition of property, plant and equipment	(300)	(109)
-/- Acquisition of intangible assets	–	(38)
Free operating cash flow	6,781	15,637

Cash conversion ratio

Cash conversion ratio is defined as (i) FOCF divided by (ii) operating profit excluding depreciation, amortisation and impairment expenses. We believe this measure is an important financial health indicator, providing valuable information on the actual liquidity of Lucas Bols, and more specifically on its ability to convert operating profits (excluding depreciation, amortisation and impairment expenses) into cash. It helps investors and other stakeholders to assess the quality of Lucas Bols' earnings.

- 2022/23: EUR 6,781 thousand / (-/- EUR 9,148 thousand + EUR 25,734 thousand) = 40.9%; and
- 2021/22: EUR 15,637 thousand / (EUR 20,434 thousand + EUR 1,871 thousand) = 70.1%

Net debt

Net debt is the net of (i) the sum of bank loans drawn (at face value) and bank overdrafts and (ii) cash and cash equivalents. Net debt is a measure that provides valuable additional information on the Group's net debt position and leverage, and is a measure in common use elsewhere. Moreover, it is a key measure to banks, investors and analysts, amongst others.

Net debt is calculated as follows:

AMOUNTS IN EUR '000 FOR THE YEAR ENDED 31 MARCH	2023	2022
Bank loans drawn (at face value)	77,080	85,500
Bank overdrafts	44	750
Less: cash and cash equivalents	(17,569)	(25,588)
Net debt	59,555	60,662

Working capital

In the consolidated statement of cash flows, reference is made to net changes in working capital. Working capital is defined as inventories plus trade and other receivables minus trade and other payables. Compared to previous year trade and other payables excludes accrued interest payable and corporate income tax payable. The comparative number has been restated to reflect this change.

AMOUNTS IN EUR '000 FOR THE YEAR ENDED 31 MARCH	2023	2022
Inventories	24,910	17,624
Trade and other receivables	16,092	19,323
Trade and other payables	(13,707)	(16,552)
Working capital	27,295	20,395

Net changes in working capital in the consolidated statement of cash flows is the movement in working capital from the table aforementioned adjusted for trade and other payables and trade and other receivables that do not relate to operating activities. The adjustments for 2022/23 amount to EUR 297 thousand negative (2021/22: EUR 1,540 thousand).

Measures at constant currency

Certain measures, both GAAP and non-GAAP measures (including but not limited to revenue, gross profit and EBIT), are also stated, compared and/or analysed at constant currency. This means that the impact of fluctuations in foreign currency exchange rates is excluded. We calculate constant currency values by translating both the current and the prior period local currency amounts using same exchange rate. Lucas Bols' management believes measures in constant currencies provide additional insights into the underlying operating performance of the Company. This approach is in common use elsewhere.

Refer to note 27 of the consolidated financial statement for further information on primary foreign currencies and significant exchange rates applied during the year.

One-off items/Normalisations

Several non-GAAP measures are adjusted to exclude items defined as one-off due to their nature and/or frequency of occurrence. Adjusting a measure for such one-off items results in a normalised measure. We believe normalised measures provide valuable additional information on underlying performance, which allows investors and other stakeholders to better analyse performance between companies and industries by eliminating non-recurring effects (both gains and losses). Normalised measures are also used for internal decision making.

2022/23 one-offs are:

- EUR 0.1 million in costs relating to projects such as the sale of Avandis and the acquisition of Fluère (included in distribution and administrative expenses);
- A non-cash book loss of EUR 3.9 million following the sale of Lucas Bols' 50% stake in Avandis (included in share of result of joint ventures);
- A non-cash impairment charge of EUR 24.1 million on the Dutch brands accounted for in the second half of the financial year (included in distribution and administrative expenses). This impairment mainly reflects a substantial increase in the applicable discount rates as a consequence of rising global interest rates. Moreover, the Dutch brands mainly consist of genever & vieux brands: a price competitive category that has been in decline for years and has faced above-average increases in input costs; and
- A non-cash gain of EUR 2.4 million included in net finance costs pertaining to a reduction in expected earn-out payments on the Tequila Partida acquisition. Although our mid-term plans for the brand are unchanged the distributor transition and supply issues in the US are expected to result in a delay in the realisation of those plans.

2021/22 one-offs are:

- Setup costs of Maxxium BeLux N.V. of EUR 78 thousand (in distribution and administrative expenses, hence affecting operating profit, EBIT, net profit and (net) earnings per share). Refer to note 19;
- Costs relating to the Fit-for-Growth operating model of EUR 248 thousand (in distribution and administrative expenses, hence affecting operating profit, EBIT, net profit and (net) earnings per share). Refer to note 7;
- Acquisition costs relating to the acquisition of Tequila Partida LLC of EUR 288 thousand (in distribution and administrative expenses, hence affecting operating profit, EBIT, net profit and (net) earnings per share). Refer to note 5;
- Gain relating to the curtailment of our defined benefit pension plan due to the change in pension scheme of EUR 461 thousand (in distribution and administrative expenses, hence affecting operating profit, EBIT, net profit and (net) earnings per share). Refer to note 12;
- Expenses of EUR 1,904 thousand relating to the financing of the BolsKyndal joint venture in India (included in net finance costs, hence affecting net profit and (net) earnings per share). The local bank in India providing part of BolsKyndal's financing will cease business. Consequently, and to prevent a significant interest cash drain in case of re-financing, the joint-venture partners agreed to settle all outstanding loans pro rata and account for a corresponding loan to the partners in BolsKyndal's local accounts. Because COVID-19



- recovery is taking place too slowly whilst complexity, costs and unpredictability of doing business in India have increased further, the loan (EUR 1,570 thousand) and interest pre-paid on behalf of BolsKyndal (EUR 334 thousand) are not considered recoverable and hence expensed. Refer to note 27 and 28; and
- Income tax expense following the remeasurement of deferred tax liabilities as a consequence of a change in the future Netherlands tax rate of EUR 860 thousand (in income tax expense, hence affecting net profit and (net) earnings per share). Refer to note 13.

All 2021/22 one-offs are non-cash items.

Organic change percentages for measures

For certain measures, both GAAP and non-GAAP measures (including but not limited to revenue, gross profit and EBIT), an organic change percentage is provided and/or analyses. Organic change percentages compare measures at constant currencies (refer above) and exclusive of one-off items (refer above).

Five-year overview

AMOUNTS IN EUR MILLION FOR THE YEAR ENDED 31 MARCH	2023	2022	2021	2020	2019
Results					
Revenue	100.6	92.0	57.3	84.0	87.0
Gross profit	52.0	51.4	30.1	47.7	49.3
Gross margin	51.7%	55.9%	52.5%	56.7%	56.6%
Normalised operating profit	15.1	20.6	8.6	17.6	19.9
Normalised operating profit margin	15.0%	22.4%	14.9%	20.9%	22.8%
Normalised EBIT	16.3	22.8	8.1	18.6	20.8
Normalised net profit/(loss)	10.1	14.7	3.3	11.3	12.8
Net profit/(loss)	(16.2)	11.8	(8.6)	9.2	16.5
Cash flow					
Free operating cash flow	6.8	15.6	11.4	15.8	11.8
Cash conversion ratio	40.9%	70.1%	108.5%	82.2%	58.9%
Balance sheet					
Working capital	27.3	20.4	13.8	18.3	18.8
Total equity	206.6	225.5	184.8	193.7	192.2
Net debt	59.6	60.7	92.4	99.3	103.6
Results					
# of shares issued at 31 March	14,972,756	14,972,756	12,477,298	12,477,298	12,477,298
Weighted average # of shares	14,972,756	13,238,276	12,477,298	12,477,298	12,477,298
Normalised earnings per share	0.68	1.11	0.26	0.90	1.02
Net earnings per share	(1.08)	0.89	(0.69)	0.74	1.32
Total dividend per share	0.34	–	–	0.35	0.60
Employees					
Number of FTEs	70	66	62	71	74

Independent auditor's report

To: the general meeting and the supervisory board of Lucas Bols N.V.

Report on the financial statements 2022/2023

Our opinion

In our opinion:

- the consolidated financial statements of Lucas Bols N.V. together with its subsidiaries ('the Group') give a true and fair view of the financial position of the Group as at 31 March 2023 and of its result and cash flows for the year then ended 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 of Lucas Bols N.V. ('the Company') give a true and fair view of the financial position of the Company as at 31 March 2023 and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

What we have audited

We have audited the accompanying financial statements 2022/2023 of Lucas Bols N.V., Amsterdam. The financial statements comprise the consolidated financial statements of the Group and the company financial statements.

The consolidated financial statements comprise:

- the consolidated statement of financial position as at 31 March 2023;
- the following statements for 2022/2023: the consolidated statement of profit or loss, the consolidated statements of other comprehensive income, changes in equity and cash flows; and
- the notes, comprising a summary of the significant accounting policies and other explanatory information.

The company financial statements comprise:

- the company balance sheet of Lucas Bols N.V. as at 31 March 2023;
- the company profit and loss account of Lucas Bols N.V. for the year then ended; and
- the notes, comprising a summary of the accounting policies applied and other explanatory information.

The financial reporting framework applied in the preparation of the financial statements is EU-IFRS and the relevant provisions of Part 9 of Book 2 of the Dutch Civil Code for the consolidated financial statements and Part 9 of Book 2 of the Dutch Civil Code for the company financial statements.

The basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. We have further described our responsibilities under those standards in the section 'Our responsibilities for the audit of the financial statements' of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of Lucas Bols N.V. in accordance with the European Union 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 assuranceopdrachten' (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).

Our audit approach

We designed our audit procedures with respect to the key audit matters, fraud risks and going concern, and the matters resulting from that, in the context of our audit of the financial statements as a whole and in forming our opinion thereon. The information in support of our opinion, such as our findings and observations related to individual key audit matters, the audit approach fraud risks and the audit approach going concern was addressed in this context, and we do not provide a separate opinion or conclusion on these matters.

Overview and context

Lucas Bols N.V. is a Dutch public company, having its statutory seat in Amsterdam. The Company is focussed on building leading cocktail and spirit brands and creating cocktail experiences around the globe. They sell a variety of cocktail brands such as Bols, Passoã and Galliano. The Group is comprised of several components and therefore we considered our group audit scope and approach as set out in the section ‘The scope of our group audit’. We paid specific attention to the areas of focus driven by the operations of the Group, as set out below.

The impairment of the Dutch Brands and the sale of the Avandis joint venture characterised the financial year 2022/2023 resulting in an impairment of EUR 24.1 million and a book loss of EUR 3.9 million, respectively. This affected the scope of our group audit and our audit procedures as described in the section ‘The scope of our audit’ and ‘Key audit matters’.

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements. In particular, we considered where the management board made important judgements, for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. In these considerations, we paid attention to, amongst others, the assumptions underlying the physical and transition risk related to climate change. In paragraph ‘Use of estimates and judgements’ in note 2 of the financial statements, the Company describes the areas of judgement in applying accounting policies and the key sources of estimation uncertainty. Given the significant estimation uncertainty and the related higher inherent risk of material misstatement in the valuation of intangible assets, we considered this matter as a key audit matter as set out in the section ‘Key audit matters’ of this report. Furthermore, we identified the sale of the Avandis joint venture as a key audit matter because of the material significance of this matter on the statement of profit or loss.

Another area of focus, that was not considered as a key audit matter, was the acquisition of Fluère.

Lucas Bols N.V. assessed the possible effects of climate change on its financial position, refer to the Risk Management and Control chapter in the annual report. We discussed Lucas Bols N.V.’s assessment and governance thereof with the management board and evaluated the possible impact on the financial position including underlying assumptions and estimates e.g. underlying the valuation of the brands. The possible effects of climate change are not considered a key audit matter.

We ensured that the audit teams at both group and component level included the appropriate skills and competences which are needed for the audit of a group company operating in the consumer industry. We therefore included experts and specialists in the areas of amongst others IT audit, income tax, valuation and share-based payments in our team.

The outline of our audit approach was as follows:

Materiality	• Overall materiality: €1,000,000
Audit scope	• We conducted audit work at 3 significant components and two joint-ventures. • We fulfilled our oversight obligations through frequent virtual meetings with our component auditors, as well as virtual meetings with group and local management. • Audit coverage: 97% of consolidated revenue, 99% of consolidated total assets and 97% of consolidated profit before tax.
Key audit matters	• Valuation of Intangible Assets • Sale of the joint venture Avandis

First-year audit consideration

After our appointment as the Group’s auditors, we developed and executed a comprehensive transition plan. As part of this transition plan, we carried out a process of understanding the strategy of the Group, its business, its internal control environment and IT systems. We examined where and how this affected the Company’s and the Group’s financial statements and internal control framework. Additionally, we read the prior year financial statements and we reviewed the predecessor auditor’s files and discussed and evaluated the outcome of the audit procedures included therein. We attended the closing meeting and the Supervisory Board meeting related to the 2021/2022 audit. Based on these procedures, we obtained sufficient and appropriate audit evidence regarding the opening balances. Furthermore, we prepared our risk assessment, our audit strategy and our audit plan, which we discussed with the management board and the supervisory board.

Materiality

The scope of our audit was influenced by the application of materiality, which is further explained in the section ‘Our responsibilities for the audit of the financial statements’.

Based on our professional judgement we determined certain quantitative thresholds for materiality, including the overall materiality for the financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and to evaluate the effect of identified misstatements, both individually and in aggregate, on the financial statements as a whole and on our opinion.

Overall group materiality	€1,000,000.
Basis for determining materiality	We used our professional judgement to determine overall materiality. As a basis for our judgement, we used 1.0% of total revenue.
Rationale for benchmark applied	Considering the focus on revenue growth and the volatility of profit before tax, we used total revenue as the primary benchmark, a generally accepted auditing practice, based on our analysis of the common information needs of the users of the financial statements. On this basis, we believe that revenue is the most relevant metric for the financial performance of the Group.
Component materiality	Based on our judgement, we allocate materiality to each component in our audit scope that is less than our overall group materiality. The range of materiality allocated across components was between €650,000 and €900,000.

We also take misstatements and/or possible misstatements into account that, in our judgement, are material for qualitative reasons.

We agreed with the supervisory board that we would report to them any misstatement identified during our audit above €50,000 as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

The scope of our group audit

Lucas Bols N.V. is the parent company of a group of entities. The financial information of this group is included in the consolidated financial statements of Lucas Bols N.V.

We tailored the scope of our audit to ensure that we, in aggregate, provide sufficient coverage of the financial statements for us to be able to give an opinion on the financial statements as a whole, taking into account the management structure of the Group, the nature of operations of its components, the accounting processes and controls, and the markets in which the components of the Group operate. In establishing the overall group audit strategy and plan, we determined the type of work required to be performed at component level by the group engagement team and by each component auditor.

Our audit primarily focussed on the significant components of the Group: Lucas Bols Amsterdam B.V., Lucas Bols USA Inc. and Passoa SAS in France.

We subjected these 3 components to audits of their complete financial information, as those components are individually financially significant to the Group. Additionally, we selected two joint ventures for audit procedures to achieve appropriate coverage on financial line items in the consolidated financial statements and disclosure requirements. The sale of Avandis during the year has been subject to audit procedures by the Group team, whereas the Maxxium joint venture has been in scope for reporting by the component auditor.

In total, in performing these procedures, we achieved the following coverage on the financial line items:

Revenue	97%
Total assets	99%
Profit before tax	97%

None of the remaining components represented more than 3% of total group revenue or total group assets. For those remaining components we performed, among other things, analytical procedures to corroborate our assessment that there were no significant risks of material misstatements within those components.

The group engagement team performed the audit work for group entities Lucas Bols Amsterdam and Lucas Bols USA. For component Passoa and the audit of the joint venture of Maxxium we used component auditors who are familiar with the local laws and regulations to perform the audit work.

Where component auditors performed the work, we determined the level of involvement we needed to have in their work to be able to conclude whether we had obtained sufficient and appropriate audit evidence as a basis for our opinion on the consolidated financial statements as a whole.

We issued instructions to the component audit teams in our audit scope. These instructions included amongst others our risk analysis, materiality and the scope of the work. We explained to the component audit teams the structure of the Group, the main developments that were relevant for the component auditors, the risks identified, the materiality levels to be applied and our global audit approach. We had individual calls with each of the in-scope component audit teams both during the year and upon conclusion of their work. During these calls, we discussed the significant accounting and audit issues identified by the component auditors, their reports, the findings of their procedures and other matters, that could be of relevance for the consolidated financial statements.

The group engagement team performed the audit work on the group consolidation, financial statements and a number of more complex items at the head office. These included the valuation of the intangible assets and share-based payments.

By performing the procedures outlined above at the components, combined with additional procedures exercised at group level, we have been able to obtain sufficient and appropriate audit evidence on the Group's financial information, to provide a basis for our opinion on the financial statements

Audit approach fraud risks

We identified and assessed the risks of material misstatements of the financial statements due to fraud. During our audit we obtained an understanding of Lucas Bols N.V. and its environment and the components of the internal control system. This included the management board's risk assessment process, the management board's process for responding to the risks of fraud and monitoring the internal control system and how the supervisory board exercised oversight, as well as the outcomes.

We evaluated the design and relevant aspects of the internal control system with respect to the risks of material misstatements due to fraud and in particular the fraud risk assessment, as well as amongst others the code of conduct, speak-up procedures, incident registration and investigation protocols. We evaluated the design and the implementation and, where considered appropriate, tested the operating effectiveness of internal controls designed to mitigate fraud risks.

We asked members of the management board as well as legal affairs, and the supervisory board whether they are aware of any actual or suspected fraud. This did not result in signals of actual or suspected fraud that may lead to a material misstatement.

As part of our process of identifying fraud risks, we evaluated, in close co-operation with our forensic specialists, 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:

IDENTIFIED FRAUD RISKS	OUR AUDIT WORK AND OBSERVATIONS
Risk of fraud through management override of controls Management is in a unique position to perpetrate fraud because of management's ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. That is why, in all our audits, we pay attention to the risk of management override of controls in: • The appropriateness of journal entries and other adjustments made in the preparation of the financial statements. • Estimates • Significant transactions, if any, outside the normal course of business for the entity.	We evaluated the design and implementation of the internal control system in the processes of generating and processing journal entries, making estimates, and monitoring projects. We also paid specific attention to the access safeguards in the IT system and the possibility that these lead to violations of the segregation of duties. We have performed our audit procedures primarily substantive based. We selected journal entries based on risk criteria and conducted specific audit procedures for these entries. These procedures include, amongst others, inspection of the entries to source information. We performed substantive audit procedures on significant transactions outside the normal course of business. We also performed specific audit procedures related to important estimates of management, including the valuation of intangible assets. We refer to the key audit matter 'valuation of intangible fixed assets. We specifically paid attention to the inherent risk of bias of management in estimates. Our audit procedures did not lead to specific indications of fraud or suspicions of fraud with respect to management override of controls.

IDENTIFIED FRAUD RISKS	OUR AUDIT WORK AND OBSERVATIONS
Risk of fraud in revenue recognition As part of our risk assessment and based on a presumption that there are risks of fraud in revenue recognition, we addressed the risk of fraud in revenue recognition. This relates to the presumed incentive that exists to overstate revenue. As the majority of the company's revenue is recorded at the time of sale (with regular delivery terms and high volume of sales) there is limited risk of management manipulation. Rather, the risk of fraud in revenue recognition relates to the occurrence of inappropriate non-routine transactions.	Where relevant to our audit, we have evaluated the design of the internal control measures that are intended to mitigate the risk of fraud and error in revenue recognition and assessed the effectiveness of those measures. We performed our audit procedures primarily substantive based. We performed data analyses to identify potential notable revenue entries in the fiscal year and performed specific substantive audit procedures on these entries. We tested, on a sample basis, the delivered performance and transaction prices of the revenue transactions based on sales agreements, delivery documents, sales invoices and cash receipts. We did not identify any specific indications of fraud or suspicion of fraud in respect of revenue recognition.

We incorporated an element of unpredictability in our audit. We reviewed lawyer's letters and correspondence with regulators. During the audit, we remained alert to indications of fraud. We also considered the outcome of our other audit procedures and evaluated whether any findings were indicative of fraud or non-compliance of laws and regulations. Whenever we identify any indications of fraud, we re-evaluate our fraud risk assessment and its impact on our audit procedures.

Audit approach going concern

The management board prepared the financial statements on the assumption that the entity is a going concern and that it will continue all its operations for at least 12 months from the date of preparation of the financial statements. Our procedures to evaluate the management board's going concern assessment included, amongst others:

- considering whether the management board identified events or conditions that may cast significant doubt on the entity's ability to continue as a going concern (hereafter: going concern risks);
- considering whether the management board's going concern assessment includes all relevant information of which we are aware as a result of our audit by inquiring with the management board regarding the management board's most important assumptions underlying its going concern assessment. Amongst others, we took into consideration the developments of the brands and market trends;
- evaluating the management board's current budget including cash flows for at least 12 months from the date of preparation of the financial statements taken into account current developments in the industry such as the supply chain constraints and recovery, cocktail market developments and all relevant information of which we are aware as a result of our audit;
- analysing whether the current and the required financing has been secured to enable the continuation of the entirety of the entity's operations, including compliance with relevant covenants;
- performing inquiries of the management board as to its knowledge of going concern risks beyond the period of the management board's assessment.

We concluded that the management board's use of the going concern basis of accounting is appropriate, and based on the audit evidence obtained, that no material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the financial statements. We have communicated the key audit matters to the supervisory board. The key audit matters are not a comprehensive reflection of all matters identified by our audit and that we discussed. In this section, we described the key audit matters and included a summary of the audit procedures we performed on those matters.

KEY AUDIT MATTER	OUR AUDIT WORK AND OBSERVATIONS
Valuation of Intangible Assets <i>Note 18 Intangible assets</i> As at 31 March 2023 the Company's brand names and goodwill are valued at €284.6 million. Management tests its CGUs containing goodwill and brand names for impairment annually and if there is a triggering event, at an earlier reporting date. This is done by comparing the recoverable amounts of the individual CGUs, being the higher of the value in use or fair value less costs of disposal to the carrying amounts. As part of the annual goodwill and brand names impairment test, management concluded that an impairment of €24.1 million should be recorded related to 'Dutch Brands'. For the other CGUs management concluded that there is sufficient headroom between the recoverable amount of the CGU's and the carrying values. We focused on this area, due to the size of the brands and goodwill balances, the recognised impairment of Dutch Brands and because management's assessment of the 'value in use' of the Group's CGU's included a variety of internal and external factors, which represent significant estimates. Those estimates required the use of valuation models, input data and assumptions by management, particularly with respect to the (development of) future results of the business and the discount rates applied to the forecasted cash flows. Any change in these assumptions, based on their sensitivity could have a significant effect on the financial statements. Given the complexity and the inherent subjectivity particularly related to the significant assumptions and the resulting significant estimation uncertainty, there is an inherent risk of overstatement of brands and goodwill. Therefore, we considered this area as a key audit matter for our audit.	We evaluated management's process and design effectiveness of controls over the impairment assessment and the appropriateness of management's identification of the Company's CGUs, indicators of impairment, discount rates, terminal growth rates and forecasts. We compared the current year actual results with the 2022/23 figures as included in the prior year forecast and concluded that the forecasts included assumptions (as disclosed in note 18) that, with hindsight, were realistic. With the support of our valuation expert, we benchmarked key assumptions in management's valuation model used to determine recoverable amounts against external data, including assumptions of future prices, revenue growth rates and discount rates. Furthermore, we checked the mathematical accuracy of management's valuation model and agreed relevant data to the latest plans and budgets. We assessed the recognized impairment and assessed whether possible changes in the key assumptions (as disclosed in note 18) could lead to an additional impairment of the recognized intangible assets and assessed the likelihood of such a change occurring given past and forecasted performance. We assessed the adequacy of disclosures in note 18 of the consolidated financial statements. We found the Company's estimates and judgements used in the intangible assets impairment assessment to be supported by sufficient evidence



KEY AUDIT MATTER	OUR AUDIT WORK AND OBSERVATIONS
Sale of joint venture Avandis <i>Note 19 Equity-accounted investees</i> As per 1 January 2023 Lucas Bols sold its 50 percent share in the net assets of Avandis to Refresco. The book value of the joint venture was €8.8 million per 31 December 2022, the net adjusted selling price amounted to €4.9 million, resulting in a book loss of €3.9 million. As part of the sale of Avandis, Lucas Bols entered into a production agreement with Refresco to produce the liquors. This new production agreement in combination with the realised loss on the sale of the joint venture, triggers the question whether these two transactions should be considered as combined transactions. Management concluded that the production agreement with Refresco and the sale to Refresco do not qualify as combined transactions. We considered the sale of Avandis to be a key audit matter, due to the magnitude of the joint venture balances, the disclosure requirements and the associated book loss recorded as a result of the sale.	We obtained an understanding of the design and implementation of controls around non-recurring transactions and the accounting of the joint ventures. We obtained the sale agreement and assessed whether the transaction was appropriately recognized. We assessed through comparison with other transactions, whether the newly entered contract with Refresco meets the criteria of a combined contract. We assessed the adequacy of disclosures in note 19 of the consolidated financial statements. Based on our procedures we did not identify material exceptions and we found management's assumptions and conclusions to be supported by available evidence.

Report on the other information included in the annual report

The annual report contains other information. This includes all information in the annual report in addition to the financial statements and our auditor's report thereon.

Based on the procedures performed as set out below, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements; and
- contains all the information regarding the directors' report and the other information that is required by Part 9 of Book 2 and regarding the remuneration report required by the sections 2:135b and 2:145 subsection 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and the understanding obtained in our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing our procedures, we comply with the requirements of Part 9 of Book 2 and section 2:135b subsection 7 of the Dutch Civil Code and the Dutch Standard 720. The scope of such procedures was substantially less than the scope of those procedures performed in our audit of the financial statements.

The management board is responsible for the preparation of the other information, including the directors' report and the other information in accordance with Part 9 of Book 2 of the Dutch Civil Code. The management board and the supervisory board are responsible for ensuring that the remuneration report is drawn up and published in accordance with sections 2:135b and 2:145 subsection 2 of the Dutch Civil Code.

Report on other legal and regulatory requirements and ESEF

Our appointment
We were appointed as auditors of Lucas Bols N.V. on 7 July 2022 by the supervisory board. This followed the passing of a resolution by the shareholders at the annual general meeting held on 7 July 2022. Our audit of the financial statements 2022/2023 is our first year as auditor of Lucas Bols N.V.

European Single Electronic Format (ESEF)
Lucas Bols N.V. has prepared the 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 (partially) marked-up consolidated financial statements, as included in the reporting package by Lucas Bols N.V., complies in all material respects with the RTS on ESEF.

The management board is responsible for preparing the annual report, including the financial statements in accordance with the RTS on ESEF, whereby the management board combines the various components into a single reporting package.

Our responsibility is to obtain reasonable assurance for our opinion whether the annual report in this reporting package complies with the RTS on ESEF.

We performed our examination in accordance with Dutch law, including Dutch Standard 3950N 'Assuranceopdrachten 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.

No prohibited non-audit services
To the best of our knowledge and belief, we have not provided prohibited non-audit services as referred to in article 5(1) of the European Regulation on specific requirements regarding statutory audit of public-interest entities.

Responsibilities for the financial statements and the audit

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; and for
- such internal control as 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 in the financial statements any event and circumstances that may cast significant doubt on the Company's ability to continue as a going concern.

The supervisory board is responsible for overseeing the Company's financial reporting process.

Our responsibilities for the audit of the financial statements

Our responsibility is to plan and perform an audit engagement in a manner that allows us to obtain sufficient and appropriate audit evidence to provide a basis for our opinion. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high but not absolute level of assurance, which makes it possible that we may not detect all material misstatements. Misstatements may arise due to fraud or error. They 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 the financial statements.

Materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

A more detailed description of our responsibilities is set out in the appendix to our report.

Amsterdam, 24 May 2023

PricewaterhouseCoopers Accountants N.V.

B.A.A. Verhoeven RA

Appendix to our auditor's report on the financial statements 2022/2023 of Lucas Bols N.V.

In addition to what is included in our auditor's report, we have further set out in this appendix our responsibilities for the audit of the financial statements and explained what an audit involves.

The auditor's responsibilities for the audit of the financial statements

We have exercised professional judgement and have maintained professional scepticism throughout the audit in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit consisted, among other things of the following:

- 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 intentional 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 Company'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 management board's use of the going-concern basis of accounting, and based on the audit evidence obtained, concluding whether a material uncertainty exists related to events and/or conditions that may cast significant doubt on the Company'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 and are made in the context of our opinion on the financial statements as a whole. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures, and evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Considering our ultimate responsibility for the opinion on the consolidated financial statements, we are responsible for the direction, supervision and performance of the group audit. In this context, we have determined the nature and extent of the audit procedures for components of the Group to ensure that we performed enough work to be able to give an opinion on the financial statements as a whole. Determining factors are the geographic structure of the Group, the significance and/or risk profile of group entities or activities, the accounting processes and controls, and the industry in which the Group operates. On this basis, we selected group entities for which an audit or review of financial information or specific balances was considered necessary.

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 deficiencies in internal control that we identify during our audit. In this respect, we also issue 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 actions taken to eliminate threats or safeguards applied.

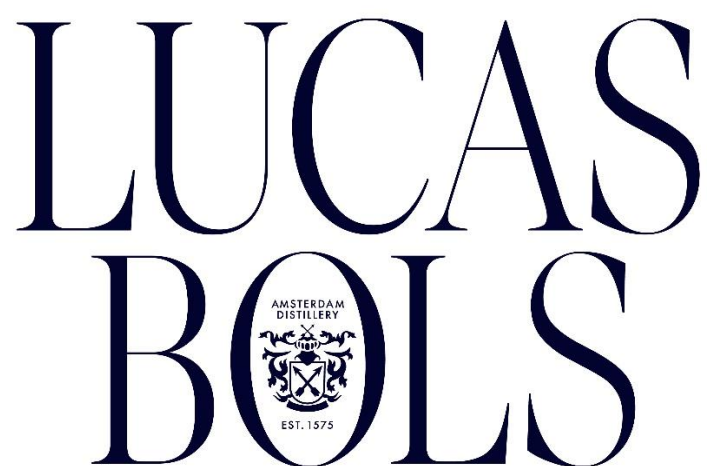


From the matters communicated with the supervisory board, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, not communicating the matter is in the public interest.



Lucas Bols

13.9 Unaudited interim condensed consolidated financial statements for the six-month period ended 30 September 2023 including independent auditor's review report of PwC



**Interim condensed consolidated financial information
for the six-month period ended 30 September 2023
(unaudited)**

Interim condensed consolidated statement of profit or loss

for the six-month period ended 30 September 2023 and 2022

AMOUNTS IN EUR '000 FOR THE SIX-MONTH PERIOD ENDED 30 SEPTEMBER		Note	2023	2022
Revenue	4		55,744	56,295
Cost of sales			(27,070)	(25,204)
Gross profit			28,674	31,091
Distribution and administrative expenses	5		(17,452)	(19,750)
Operating profit			11,222	11,341
Share of result of joint ventures	6		356	480
Finance income			96	3
Finance costs			(2,452)	(1,349)
Net finance costs	7		(2,356)	(1,346)
Profit before tax			9,222	10,475
Income tax expense	9		(2,207)	(2,607)
Net profit			7,015	7,868
Result attributable to the owners of the Company			7,015	7,868
Weighted average number of shares	8		14,972,756	14,972,756
Earnings per share				
Basic earnings per share (EUR)	8		0.47	0.53
Diluted earnings per share (EUR)	8		0.47	0.53

The notes on page 9 to 21 are an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of other comprehensive income

for the six-month period ended 30 September 2023 and 2022

AMOUNTS IN EUR '000 FOR THE SIX-MONTH PERIOD ENDED 30 SEPTEMBER	Note	2023	2022
Net profit		7,015	7,868
Items that will never be reclassified to profit or loss			
Remeasurement of defined benefit liability		-	-
Related tax		-	-
		-	-
Items that are or may be reclassified to profit or loss			
Foreign operations - foreign currency translation differences		560	2,364
Net change in hedging reserve		(446)	245
Related tax		115	(61)
		229	2,548
Other comprehensive income for the period, net of tax		229	2,548
Total comprehensive income for the period, net of tax		7,244	10,416
Total comprehensive income attributable to the owners of the Company		7,244	10,416

The notes on page 9 to 21 are an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of changes in equity

for the six-month period ended 30 September 2023 and 2022

AMOUNTS IN EUR '000	Note	SHARE CAPITAL	SHARE PREMIUM	TREASURY SHARES	CURRENCY TRANSLATION RESERVE	HEDGING RESERVE	OTHER LEGAL RESERVES	RETAINED EARNINGS	RESULT FOR THE PERIOD	TOTAL EQUITY
Balance as at 1 April 2023		1,497	157,787	-	(486)	348	7,630	56,044	(16,238)	206,582
Transfer result prior period		-	-	-	-	-	-	(16,238)	16,238	-
Total comprehensive income										
Profit (loss) for the period		-	-	-	-	-	-	-	7,015	7,015
Other comprehensive income		-	-	-	560	(331)	-	-	-	229
Total comprehensive income		-	-	-	560	(331)	-	-	7,015	7,244
Dividend paid		-	-	-	-	-	-	(1,947)	-	(1,947)
Purchase own shares (ESPP)	15	(168)	-	-	-	-	-	-	-	(168)
Own shares delivered (ESPP)	15	168	-	-	-	-	-	-	-	168
Balance as at 30 September 2023		1,497	157,787	-	74	17	7,630	37,859	7,015	211,879

AMOUNTS IN EUR '000	Note	SHARE CAPITAL	SHARE PREMIUM	TREASURY SHARES	CURRENCY TRANSLATION RESERVE	HEDGING RESERVE	OTHER LEGAL RESERVES	RETAINED EARNINGS	RESULT FOR THE PERIOD	TOTAL EQUITY
Balance as at 1 April 2022		1,497	157,787	-	(289)	(287)	7,630	47,417	11,771	225,526
Transfer result prior period		-	-	-	-	-	-	11,771	(11,771)	-
Total comprehensive income										
Profit (loss) for the period		-	-	-	-	-	-	-	7,868	7,868
Other comprehensive income		-	-	-	2,364	184	-	-	-	2,548
Total comprehensive income		-	-	-	2,364	184	-	0	7,868	10,416
Dividend paid		-	-	-	-	-	-	-	-	-
Purchase own shares (ESPP)	15	-	-	-	-	-	-	-	-	-
Own shares delivered (ESPP)	15	-	-	-	-	-	-	-	-	-
Balance as at 30 September 2022		1,497	157,787	-	2,075	(103)	7,630	59,188	7,868	235,942

The notes on page 9 to 21 are an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of financial position

as at 30 September 2023 and 31 March 2023

AMOUNTS IN EUR '000 AS AT	Note	30 September 2023	31 March 2023
Assets			
Property, plant and equipment	10	9,103	8,018
Intangible assets	11	289,880	284,569
Investments in joint ventures	6	1,639	1,652
Other investments		407	408
Non-current assets		301,029	294,647
Inventories		24,028	24,910
Trade and other receivables		21,091	16,092
Other investments including derivatives		182	517
Cash and cash equivalents		16,621	17,569
Current assets		61,922	59,088
Total assets		362,951	353,735

The right-of-use assets are included in *Property, plant and equipment* and the related lease liability is included in *Other (non-)current financial liabilities*.

The notes on page 9 to 21 are an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of financial position (continued)

AMOUNTS IN EUR '000 AS AT		Note	30 September 2023	31 March 2023
Equity				
Share capital			1,497	1,497
Share premium			157,787	157,787
Translation Reserve			74	(486)
Hedging Reserve			17	348
Other legal reserves			7,630	7,630
Retained earnings			37,859	56,044
Result for the period			7,015	(16,238)
Total equity			211,879	206,582
Liabilities				
Loans and borrowings	12		69,448	67,028
Other non-current financial liabilities	14		5,306	4,762
Employee benefits			207	129
Deferred tax liabilities	9		49,896	50,337
Total non-current liabilities			124,857	122,256
Loans and borrowings	12		8,051	10,044
Trade and other payables			14,870	13,707
Corporate income tax payable			1,274	194
Other current financial liabilities, including derivatives	14		2,020	952
Total current liabilities			26,215	24,897
Total liabilities			151,072	147,153
Total equity and liabilities			362,951	353,735

The notes on page 9 to 21 are an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of cash flows

for the six-month period ended 30 September 2023 and 2022

AMOUNTS IN EUR '000 FOR THE SIX-MONTH PERIOD ENDED 30 SEPTEMBER		Note	2023	2022
Cash flows from operating activities				
Net profit/(loss)			7,015	7,868
Adjustments for:				
• Depreciation, amortisation and impairment	5		694	845
• Net finance costs	7		2,356	1,346
• Share of profit of joint ventures	17		(356)	(480)
• Income tax expense	9		2,207	2,607
• Stock elimination			(182)	135
• Provision for share-based payments			78	70
			11,812	12,391
Change in:				
• Inventories			882	(2,563)
• Trade and other receivables			(4,999)	(4,248)
• Trade and other payables			1,163	(419)
Net changes in working capital	13		(2,954)	(7,230)
Dividends from joint ventures	17		450	450
Interest received			156	38
Income tax paid			(1,417)	(2,766)
Net cash from operating activities			8,047	2,883

The notes on page 9 to 21 are an integral part of this interim condensed consolidated financial information.

Interim condensed consolidated statement of cash flows (continued)

AMOUNTS IN EUR '000 FOR THE SIX-MONTH PERIOD ENDED 30 SEPTEMBER		Note	2023	2022
Cash flows from investing activities				
Acquisition of subsidiary, net of cash acquired			-	-
Acquisition of/additions to joint ventures	6/17		-	-
Acquisition of property, plant and equipment	10		(545)	(73)
Acquisition of intangible assets	11		(5,336)	-
Loans issued and other investments			(64)	-
Net cash used in investing activities			(5,945)	(73)
Cash flows from financing activities				
Proceeds from loans and borrowings	12		5,000	-
Repayment of loans and borrowings	12		(7,500)	(6,500)
Settlement of other current financial liabilities			-	(1,637)
Cash dividend paid to shareholders			(1,947)	-
Payments made in lease contracts			(456)	(485)
Interest paid			(1,742)	(1,509)
Net cash used in financing activities			(6,645)	(10,131)
Net (decrease)/increase in cash and cash equivalents			(4,543)	(7,321)
Cash and cash equivalents as at 1 April			17,525	24,838
Effect of exchange rate fluctuations			588	2,330
Net cash and cash equivalents as at 30 September			13,570	19,847
Cash and cash equivalents (asset)			16,621	21,890
Less: bank overdrafts included in current loans and borrowings			(3,051)	(2,043)
Net cash and cash equivalents as at 30 September			13,570	19,847

The notes on page 9 to 21 are an integral part of this interim condensed consolidated financial information

Notes to the interim condensed consolidated financial statements for the six-month period ended 30 September 2023 and 2022

1. Reporting entity

Lucas Bols N.V. (the 'Company') is a limited company (Naamloze Vennootschap (N.V.)) domiciled in the Netherlands. The address of the Company's registered office is Paulus Potterstraat 14, 1071 CZ in Amsterdam. The interim condensed consolidated financial statements of the Company as at, and for the six months ended, 30 September 2023 comprise the Company and its subsidiaries (together referred to as the 'Group') and the Group's interest in jointly controlled entities.

The Company is primarily involved in managing the product development, bottling, distribution, sales and marketing of the brands Bols, Passoã, Galliano, Vaccari, Tequila Partida, Damrak, Pisang Ambon, Henkes, Nuvo, Bokma, Hartevelt, Coebergh, Fluère and a large portfolio of Dutch jenever, vieux and liqueur brands.

2. Basis of preparation

(a) Statement of compliance

The interim condensed consolidated financial statements have been prepared in accordance with IAS 34 *Interim Financial Reporting* as endorsed by the EU. They do not include all the information required for a complete set of IFRS financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual consolidated financial statements as at and for the year ended 31 March 2023. All significant transactions and events have been disclosed in the interim condensed consolidated financial statements.

The interim condensed consolidated financial statements were authorised for issue by the Management Board and Supervisory Board on 15 November 2023. The interim condensed consolidated financial statements have been reviewed by an independent external auditor.

(b) Basis of measurement

The interim condensed consolidated financial statements have been prepared on each reporting date on the historical cost basis except for the following material items in the statement of financial position:

- Derivative financial instruments are measured at fair value;
- Interests in joint ventures are accounted for using the equity method; and
- The net defined benefit obligation is recognised at the present value of the defined benefit obligation less the fair value of plan assets.

Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. Fair values have been determined for measurement and/or disclosure purposes based on the valuation techniques as outlined below.

When measuring the fair value of an asset or a liability, the Group uses market observable data to the extent possible.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in note 14 – financial instruments.

(c) Functional and presentation currency

These interim condensed consolidated financial statements are presented in euro, which is the Company's functional currency. All financial information presented in euros has been rounded to the nearest thousand (€ 000) unless stated otherwise.

(d) Use of estimates and judgements

In preparing these interim condensed consolidated financial statements, management is required to make estimates and judgements that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expenses. The application of accounting policies required judgements that impact the amounts recognised. Additionally, amounts recognised are based on factors that are by default associated with uncertainty. Therefore actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

The significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 March 2023.

3. Significant accounting policies

The accounting policies adopted in the preparation of the interim condensed consolidated financial statements are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 March 2023.

Several amendments and interpretations apply for the first time in 2023, but do not have a material impact on the interim condensed consolidated financial statements of the Group.

4. Operating segments

The Group develops, produces, sells and markets products which can be divided in two reportable segments: Global Cocktail Brands and Regional Liqueurs & Spirits.

This segmentation is also the structure in which the brands are managed within the Group, as they require different marketing and sales strategies, amongst others. Separate financial information is available internally within the Group and used by the main operational decision-makers for matters such as resource allocation.

Brand information

The Group identifies the reportable segments Global Cocktail Brands and Regional Liqueurs & Spirits.

(I) Global Cocktail Brands

The Global Cocktail Brands reportable segment generally comprises of the brands that (i) have a strong link to cocktails and/or the cocktail culture, (ii) are sold on more than one continent and (iii) generate a relatively high gross margin. The Global Cocktail Brands reportable segment consists of Bols Cocktails (i.e. the Bols Liqueurs range, Bols Genever, Bols Vodka and Bols Ready-to-Enjoy Cocktails), Passoã and Galliano.

(II) Regional Liqueurs & Spirits

The Regional Liqueurs & Spirits reportable segment generally comprises of the brands that (i) (currently) have a less obvious link to cocktails and/or the cocktail culture and/or (ii) are (predominantly) sold on one continent. The Regional Liqueurs & Spirits reportable segment consists of all brands other than those allocated to the Global Cocktail Brands reportable segment, mainly Vaccari, Tequila Partida, Damrak, Pisang Ambon, Henkes, Nuvo, Bokma, Hartevelt, Coebergh, Fluère and a large portfolio of Dutch jenever, vieux and liqueur brands.

Management reviews, analyses and discusses internal reports of each reportable segment. Key information regarding each reportable segment is set out on the next page.

Allocation to the reportable segments takes place on specific brand contribution level. Items managed on a Group basis (e.g. overheads, finance and tax items) are not allocated to the individual reportable segments. Only those assets and liabilities that are directly linked to a brand are allocated to the reportable segments accordingly. All other assets and liabilities are managed on a Group basis and therefore not allocated to the individual reportable segments.

Brand information (continued)

AMOUNTS IN EUR '000 FOR THE SIX-MONTH PERIOD ENDED 30 SEPTEMBER								
	GLOBAL COCKTAIL BRANDS		REGIONAL LIQUEURS & SPIRITS		UNALLOCATED		TOTAL	
	2023	2022	2023	2022	2023	2022	2023	2022
Revenue	39,658	39,987	16,086	16,308	-	-	55,744	56,295
Cost of sales	(17,851)	(16,288)	(9,219)	(8,916)	-	-	(27,070)	(25,204)
Gross profit	21,807	23,699	6,867	7,392	-	-	28,674	31,091
A&P and distribution expenses	(7,082)	(9,425)	(2,072)	(2,113)	-	-	(9,154)	(11,538)
Personnel and other expenses	-	-	-	-	(8,298)	(8,212)	(8,298)	(8,212)
Total result from operating activities	14,725	14,274	4,795	5,279	(8,298)	(8,212)	11,222	11,341
Share of result of joint ventures	33	62	323	418	-	-	356	480
EBIT ¹	14,758	14,336	5,118	5,697	(8,298)	(8,212)	11,578	11,821

AMOUNTS IN EUR '000 AS AT								
	GLOBAL COCKTAIL BRANDS		REGIONAL LIQUEURS & SPIRITS		UNALLOCATED		TOTAL	
	30 SEPTEMBER 2023	31 MARCH 2023	30 SEPTEMBER 2023	31 MARCH 2023	30 SEPTEMBER 2023	31 MARCH 2023	30 SEPTEMBER 2023	31 MARCH 2023
Intangible assets	213,013	213,013	76,867	71,556	-	-	289,880	284,569
Inventories	15,561	17,044	8,467	7,866	-	-	24,028	24,910
Other assets	-	-	-	-	49,043	44,256	49,043	44,256
Total segment assets	228,574	230,057	85,334	79,422	49,043	44,256	362,951	353,735
Total segment liabilities	-	-	-	-	(151,072)	(147,154)	(151,072)	(147,154)

¹ EBIT is defined as operating profit plus share of result of joint ventures

Market cluster information (Regions)

Markets are grouped into market clusters mainly based on the relative maturity of the cocktail culture in that specific market (rather than on geographical location). Three market clusters are now identified:

- Sophisticated Cocktail Markets (North America);
- Developed Cocktail Markets (Western Europe, Japan and Australia/New Zealand); and
- Emerging Cocktail Markets (Eastern Europe, Asia (excluding Japan), Africa, Middle East and Latin America).

AMOUNTS IN EUR '000 FOR THE SIX MONTHS PERIOD ENDED 30 SEPTEMBER	REVENUE BY MARKET CLUSTER		GROSS PROFIT	
	2023	2022	2023	2022
Sophisticated Cocktail Markets ¹	15,171	13,925	6,865	7,152
Developed Cocktail Markets ²	31,494	33,751	16,604	19,053
Emerging Cocktail Markets	9,079	8,619	5,205	4,886
Consolidated totals	55,744	56,295	28,674	31,091

¹ Revenue attributed to the USA is 13,184 (H1 2022/23: 12,303)

² Revenue attributed to The Netherlands is 6,767 (H1 2022/23: 6,892)

Revenue came in at EUR 55,744 thousand (2022/23: EUR 56,295 thousand), down 1% compared to last year, mainly as a result of lower trading volumes partly offset by customer price increases, premiumisation, favourable mix effects and exchange rate impact.

5. Distribution and administrative expenses

AMOUNTS IN EUR '000 FOR THE SIX-MONTH PERIOD ENDED 30 SEPTEMBER	2023	2022
Advertising and promotional expenses	(5,008)	(5,086)
Distribution expenses	(4,146)	(6,452)
Personnel expenses	(5,649)	(5,543)
Other administrative expenses	(1,955)	(1,824)
Depreciation and amortisation	(694)	(845)
	(17,452)	(19,750)

Advertising and promotional expenses in the six-month period ended 30 September 2023 are in line with the same period last year reflecting our ongoing strategy to invest in the brands (mainly the Global Cocktail Brands) to accelerate growth. The decrease in distribution expenses is largely driven by last year's non-recurring logistic costs when a substantial single batch of Bols Liqueurs for the US market was produced at Avandis (rather than at our production partner in the US) to minimise the impact of the US glass shortages at the time. The remaining decrease in logistics costs relates to lower volumes shipped as well as a decrease in container rates. Personnel expenses increased compared to the same period last year, reflecting salary increases and an increase in flexible staff at the Lucas Bols Experiences (e.g. the House of Bols).

6. Joint ventures

The share of result of joint ventures results from Maxxium the Netherlands and Belux.

7. Net finance costs

AMOUNTS IN EUR '000 FOR THE SIX-MONTH PERIOD ENDED 30 SEPTEMBER	2023	2022
Interest income	96	3
Finance income	96	3
Interest expenses on loans and borrowings	(2,136)	(959)
Amortisation refinancing fees	(82)	(39)
Interest expense on lease liability	(65)	(66)
Other finance costs	(169)	(285)
Finance costs	(2,452)	(1,349)
Net finance costs recognised in profit or loss	(2,356)	(1,346)

8. Earnings per share

Per 30 September 2023 the total weighted average number of shares amounts to 14,972,756, which is equal to the total number of shares issued as at that date.

Basic and diluted earnings per share for the six-month period ended 30 September 2023 amount to EUR 0.47 (30 September 2022: EUR 0.53).

9. Tax expense

The Group's consolidated effective tax rate in respect of continuing operations for the six months ended 30 September 2023 was 23.9% (six months ended 30 September 2022: 24.9%). The effective tax rate for the six months ended 30 September 2023 is below the Company's domestic tax rate (i.e. the Dutch corporate income tax rate which is 25.8% for the six-month period ended 30 September 2023) mainly due to the effect of share of profit of equity-accounted investees.

Reconciliation of effective tax rate

FOR THE SIX-MONTH PERIOD ENDED 30 SEPTEMBER	2023		2022	
	%	EUR 1,000	%	EUR 1,000
Profit/(loss) before tax		9,222		10,475
Tax using the Company's domestic tax rate	25.8	(2,379)	25.8	(2,703)
Effect of tax rates in foreign jurisdictions	(0.9)	87	0.0	(4)
Non-deductible expenses	0.6	(55)	0.0	4
Effect of share of profits of equity-accounted investees	(0.7)	66	(1.2)	124
Changes in estimates related to prior years	0.8	(75)	0.4	(41)
Other	(1.6)	148	(0.1)	13
	23.9	(2,207)	24.9	(2,607)

Deferred tax liabilities

The deferred tax liabilities of EUR 49,896 thousand as at 30 September 2023 (EUR 50,337 thousand as at 31 March 2023) is the net balance of deferred tax assets of EUR 1,512 thousand (EUR 1,009 thousand as at 31 March 2023) and deferred tax liabilities of EUR 51,408 thousand (EUR 51,346 thousand as at 31 March 2023).

The new Dutch tax loss utilisation rules which became effective 1 January 2022 do not impact the Company's current income tax expense and deferred tax assets as no unrecognised tax losses continue to exist.

10. Property, plant and equipment

The balance of the Group's right-of-use assets as at 30 September 2023 is EUR 5,987 thousand (EUR 5,256 thousand as at 31 March 2023).

11. Intangible assets

Each year the Company carries out a formal impairment test at the end of its financial year. For the six-month period ended 30 September 2023 no impairment test has been performed as we did not identify any triggering events. Moreover, the operations during the six-month period ended 30 September 2023 are materially in line with the assumptions applied to last year's impairment test (i.e. the test performed at 31 March 2023).

In June 2023 the Company acquired the Nuvo brand from London Group LLC for EUR 5.3 million (USD 5.7 million) which was added to the Company's brand portfolio.

12. Loans and borrowings

As at 30 September 2023 the Group has drawn EUR 30.0 million on the term loan facility, EUR 9.0 million on the revolving credit facility and EUR 35.0 million on the acquisition facility. The amended bank facilities in place consist of a EUR 30.0 million term loan facility, a EUR 30.0 million revolving credit facility and a EUR 35.0 million acquisition facility.

An interest cover ratio covenant and a leverage ratio covenant apply to the facilities agreement, both calculated as per the definitions included in that agreement. Per each of the half-year testing periods, the interest cover ratio shall be or shall exceed 3.00, whilst the leverage ratio shall not exceed 4.00. In case of a qualifying acquisition, the maximum leverage ratio permitted is increased to 4.50 for two consecutive testing periods after that acquisition (the 'acquisition spike').

Based on the definitions in the facility agreement and the (extended) amendments thereto, the interest cover per 30 September 2023 was 4.92x (31 March 2023: 6.85x), whilst the leverage ratio for the period ended on that date was 3.49x (31 March 2023: 3.36x).

13. Net working capital

The increase in net working capital as at 30 September 2023 is caused by an increase in trade and other receivables (following strong revenue in August and September 2023), partly offset by lower inventories and slightly higher trade and other payables.

14. Financial instruments

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

AMOUNTS IN EUR '000 AS AT 30 SEPTEMBER 2023	FAIR VALUE – HEDGING INSTRUMENTS	LOANS AND RECEIVABLES	OTHER FINANCIAL LIABILITIES	TOTAL	LEVEL 1	LEVEL 2	LEVEL 3
Financial assets measured at fair value							
Interest rate swaps used for hedging	-	-	-	-	-	-	-
Forward exchange contracts used for hedging	182	-	-	182	-	182	-
	182	-	-	182	-	182	-
Financial assets not measured at fair value							
Loan issued	-	140	-	140	-	140	-
Other related party loans	-	267	-	267	-	267	-
Trade and other receivables	-	21,091	-	21,091	-	21,091	-
Cash and cash equivalents	-	16,621	-	16,621	-	16,621	-
	-	38,119	-	38,119	-	38,119	-
Financial liabilities measured at fair value							
Fixed cash consideration	-	-	(250)	(250)	-	-	(250)
Employee benefits	-	-	(207)	(207)	(207)	-	-
Interest rate swaps used for hedging	-	-	-	-	-	-	-
Forward exchange contracts used for hedging	(159)	-	-	(159)	-	(159)	-
	(159)	-	(457)	(616)	(207)	(159)	(250)
Financial liabilities not measured at fair value							
Loans and borrowings	-	-	(74,448)	(74,448)	-	(74,448)	-
Lease liabilities (non-current)	-	-	(5,306)	(5,306)	-	(5,306)	-
Lease liabilities (current)	-	-	(831)	(831)	-	(831)	-
Other financial liabilities (current)	-	-	-	-	-	-	-
Trade and other payables	-	-	(14,870)	(14,870)	-	(14,870)	-
Accrued interest payable	-	-	(780)	(780)	-	(780)	-
Corporate income tax payable	-	-	(1,274)	(1,274)	-	(1,274)	-
Bank overdrafts	-	-	(3,051)	(3,051)	-	(3,051)	-
	-	-	(100,560)	(100,560)	-	(100,560)	-

AMOUNTS IN EUR '000 AS AT 31 MARCH 2023	FAIR VALUE – HEDGING INSTRUMENTS	LOANS AND RECEIVABLES	OTHER FINANCIAL LIABILITIES	TOTAL	LEVEL 1	LEVEL 2	LEVEL 3
Financial assets measured at fair value							
Interest rate swaps used for hedging	6	-	-	6	-	6	-
Forward exchange contracts used for hedging	511	-	-	511	-	511	-
	517	-	-	517	-	517	-
Financial assets not measured at fair value							
Loan issued	-	176	-	176	-	176	-
Other related party loans	-	232	-	232	-	232	-
Trade and other receivables	-	16,092	-	16,092	-	16,092	-
Cash and cash equivalents	-	17,569	-	17,569	-	17,569	-
	-	34,069	-	34,069	-	34,069	-
Financial liabilities measured at fair value							
Fixed cash consideration	-	-	(250)	(250)	-	-	(250)
Employee benefits	-	-	(129)	(129)	(129)	-	-
Interest rate swaps used for hedging	-	-	-	-	-	-	-
Forward exchange contracts used for hedging	(48)	-	-	(48)	-	(48)	-
	(48)	-	(379)	(427)	(129)	(48)	(250)
Financial liabilities not measured at fair value							
Loans and borrowings	-	-	(76,999)	(76,999)	-	(76,999)	-
Lease liabilities (non-current)	-	-	(4,762)	(4,762)	-	(4,762)	-
Lease liabilities (current)	-	-	(672)	(672)	-	(672)	-
Other financial liabilities (current)	-	-	-	-	-	-	-
Trade and other payables	-	-	(13,707)	(13,707)	-	(13,707)	-
Accrued interest payable	-	-	18	18	-	18	-
Corporate income tax payable	-	-	(193)	(193)	-	(193)	-
Bank overdrafts	-	-	(44)	(44)	-	(44)	-
	-	-	(96,359)	(96,359)	-	(96,359)	-

Measurement of fair values

Valuation techniques and significant unobservable inputs

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values at 30 September 2023 and 31 March 2023, as well as the significant unobservable inputs used.

Financial instruments measured at fair value:

Type	Valuation technique	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Forward exchange contracts and interest rate swaps	<i>Market comparison technique:</i> The fair values are based on broker quotes. Similar contracts are traded in an active market and the quotes reflect the actual transactions in similar instruments	Not applicable	Not applicable

Financial instruments not measured at fair value:

Type	Valuation technique	Significant unobservable inputs
Financial assets	Discounted cash flows	Not applicable
Financial liabilities	Discounted cash flows	Not applicable

Financial assets include trade and other receivables, cash and cash equivalents and other investments including derivatives. Other financial liabilities include bank loans, other short term financial liabilities and trade and other payables. The book value of the secured bank loans is considered to be the best approximation of the fair value. For all other financial instruments, the fair value is considered to be consistent with the book value.

15. Share-based arrangements

Employee Share Purchase Plan

In 2015 the Group set up its Employee Share Purchase Plan ('ESPP'). Under the ESPP, employees are entitled to buy shares of the Company with their own funds twice a year (i.e. following publication of the half-year and full-year results) for a yearly maximum of 33.33% of their gross base salary. Eligible employees are entitled to buy at a discount of 13.5% of the share price at that time. A three-year lock up period is applicable, during which the employees cannot sell the shares bought under the ESPP. No other vesting or performance conditions are applicable. The ESPP qualifies as a share-based arrangement (equity settled) under IFRS 2. No share-based payment costs are recognised in profit and loss as the fair value of the share-based payment is zero. In light of the recommended public offer by Nolet for all issued and outstanding shares in the capital of the Company (announced on 9 October 2023) management decided that eligible employees can no longer buy shares of the Company under the ESPP.

Long Term Incentive Plan

Effective 1 April 2022, the Group established a share-based payment plan. This Long-Term Incentive Plan ('LTIP') grants key management and senior employees phantom shares which entitle them to a cash payment after three years of service. Whether there is any cash payment, and if so, the amount of such cash payment, depends on the extent to which three-year performance targets are met and the development of the Group's share price between grant date and the vesting date.

The fair value of the phantom shares at grant date is based on the Group's average closing share price over the period of 10 trading days after the publication of the annual results of the Group in the year of the award. The fair value of the liability, classified as a provision, is remeasured at each reporting date and at settlement date based on the Group's average closing share price over the period of 10 trading days after the publication of the annual results of the Group and the likelihood of achieving various performance targets and accounted for in accordance with IFRS 2.

During the six-month period ended 30 September 2023 the Group granted 57,209 phantom shares to key management and senior employees with a vesting period of three years (30 September 2022: 52,848).

16. Commitments and contingencies

The Group leases offices, which were brought on the balance sheet following the adoption of IFRS 16 in the fiscal year ended 31 March 2019; refer to note 10. A guarantee has been issued to the lessor for an amount of EUR 138 thousand.

17. Related parties

Transactions with key management personnel

The members of the Management Board and the Supervisory Board are considered key management personnel as defined in IAS 24 'Related party disclosures'. The components and magnitude of their remuneration for the six-month period ended 30 September 2023 did not significantly change compared to what was disclosed in the remuneration report in the annual report for the year ended 31 March 2023. For details on their remuneration, reference is made to the remuneration report in the annual report for the year ended 31 March 2023.

Other related-party transactions

The Group has related-party relationships with its shareholders, subsidiaries and post-employment benefit plans. The financial transactions between the Company and its subsidiaries comprise financing-related transactions and operational transactions in the normal course of business and are eliminated in the consolidated financial statements. In substance, the related-party transactions in the six-month period ended 30 September 2023 do not deviate from the transactions reflected in the consolidated financial statements as at, and for the year ended, 31 March 2023.

AMOUNTS IN EUR '000	TRANSACTION VALUES FOR THE SIX-MONTH PERIOD ENDED 30 SEPTEMBER		BALANCE OUTSTANDING AS AT	
	2023	2022	30 SEPTEMBER 2023	31 MARCH 2023
Sale of goods and services				
Joint ventures	8,041	10,630	1,259	1,210
Purchase of goods and services				
Joint ventures	(1,616)	(17,118)	24	89
Others				
Joint ventures dividends received	450	450	-	-
Joint ventures share in results	356	480	-	-
Joint ventures capital contribution	-	-	-	-
Other related party loans	-	232	232	232

Balances are expected to be settled in cash within two months of the end of the reporting period, except for the other related party loan (undefined duration). None of the balances is secured. No expense was recognised in the six-month period ended 30 September 2023 for doubtful debts in respect of amounts owed by related parties (30 September 2022: nil).

18. Subsequent events

Intended public offer by the Nolet Group for Lucas Bols

On 9 October 2023 the Nolet Group and Lucas Bols announced they had reached conditional agreement on a recommended all-cash public offer to be made by the Offeror for all issued and outstanding shares in the capital of the Lucas Bols at an offer price of EUR 18.00 per share (cum dividend). On 3 November 2023 the Nolet Group and Lucas Bols issued a joint press release in which a status update was provided, commenting that parties are making good progress on the preparations for the offer. A first draft of the Offer Memorandum was filed with the AFM for review and approval early November 2023. In line with what was communicated in the 9 October 2023 press release parties anticipate that the offer will close in the first half of 2024.

19. Responsibility statement

The Management Board of Lucas Bols N.V. hereby declares that, to the best of its knowledge, the interim condensed consolidated financial statements as at and for the six months ended 30 September 2023 as prepared in accordance with IAS 34 'Interim Financial Reporting' as adopted by the EU give a true and fair view of the assets, liabilities, financial position and the profit or loss of Lucas Bols N.V. and its consolidated companies included in the consolidation as a whole, and that the interim condensed consolidated financial information for the six-month period ended 30 September 2023 gives a fair view of the information required in accordance with section 5:25d subsections 8 and 9 of the Dutch Financial Supervision Act (Wet op het financieel toezicht).

Amsterdam, 15 November 2023

Huub L.M.P. van Doorne (CEO)

Frank J. Cocx (CFO)

Review report

To: the members of the Supervisory Board and the Management Board of Lucas Bols N.V.

Introduction

We have reviewed the accompanying interim condensed consolidated financial information for the six month period ended 30 September 2023 of Lucas Bols N.V., Amsterdam, which comprises the interim condensed consolidated statement of financial position as at 30 September 2023, the interim condensed consolidated statement of profit and loss, the interim condensed consolidated statement of other comprehensive income, the interim condensed consolidated statement of changes in equity, the interim condensed consolidated statement of cash flows for the period then ended and the selected explanatory notes. The Management Board is responsible for the preparation and presentation of this (condensed) interim financial information in accordance with IAS 34, 'Interim Financial Reporting' as adopted by the European Union. Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope

We conducted our review in accordance with Dutch law including standard 2410, Review of Interim Financial Information Performed by the Independent Auditor of the entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial information for the six-month period ended 30 September 2023 is not prepared, in all material respects, in accordance with IAS 34, 'Interim Financial Reporting' as adopted by the European Union.

Amsterdam, 15 November 2023

PricewaterhouseCoopers Accountants N.V.

B.A.A. Verhoeven RA

14 ARTICLES OF ASSOCIATION

ARTICLES OF ASSOCIATION

Original Dutch language

STATUTEN

1 Begripsbepalingen

1.1 In de statuten wordt verstaan onder:

aandeel: een aandeel in het kapitaal van de vennootschap;

aandeelhouder: een houder van één (1) of meer aandelen;

accountant: een registeraccountant als bedoeld in artikel 2:393 van het Burgerlijk Wetboek, dan wel een organisatie waarin zodanige accountants samenwerken;

algemene vergadering: een bijeenkomst van aandeelhouders en andere vergadergerechtigden of het vennootschapsorgaan bestaande uit stemgerechtigde aandeelhouders, alsmede pandhouders en vruchtgebruikers aan wie het stemrecht op aandelen toekomt, al naar gelang het geval;

belet: belet als bedoeld in de artikelen 2:244 lid 4 en 2:252 lid 4 van het Burgerlijk Wetboek, waaronder begrepen de situatie dat de betreffende persoon schriftelijk heeft aangegeven dat sprake is van belet gedurende een bepaalde periode;

certificaten: uitgegeven certificaten van aandelen;

dochtermaatschappij: een dochtermaatschappij van de vennootschap als bedoeld in artikel 2:24a van het Burgerlijk Wetboek;

raad van bestuur: de raad van bestuur van de vennootschap;

raad van commissarissen: de raad van commissarissen van de vennootschap;

schriftelijk: per brief, telefax, e-mail, of door een op andere wijze langs elektronische weg toegezonden leesbaar en reproduceerbaar bericht, mits de identiteit van de verzender met afdoende zekerheid kan worden vastgesteld;

secretaris: de secretaris van de vennootschap;

statuten: deze statuten;

vennootschap: Lucas Bols B.V.;

vennootschapsorgaan: de raad van bestuur, de raad van commissarissen of de algemene vergadering;

vergadergerechtigde: een aandeelhouder, een houder van een of meer certificaten waaraan vergaderrecht is verbonden en een vruchtgebruiker of pandhouder aan wie het stemrecht op een of meer aandelen of vergaderrecht toekomt;

vergaderrecht: het recht om, in persoon of bij schriftelijk gevolmachtigde, de algemene vergadering bij te wonen en daar het woord te voeren, en de overige rechten die de wet toekent aan houders van certificaten van aandelen waaraan vergaderrecht is verbonden.

1.2 Verwijzingen naar artikelen verwijzen naar artikelen van deze statuten, tenzij het tegendeel blijkt.

2 Naam en zetel

2.1 De vennootschap draagt de naam: **Lucas Bols B.V.**

2.2 De vennootschap heeft haar zetel te Amsterdam.

3 Doel

De vennootschap heeft ten doel:

- (a) het produceren en verhandelen van gedistilleerde dranken en andere dranken en bijkomende artikelen, waaronder begrepen het geven van cursussen, rondleidingen en trainingen alsmede het verstrekken van informatie;
- (b) het verkrijgen, ontwikkelen en verhandelen van patenten, merkrechten, licenties, know-how en andere intellectuele en industriële eigendomsrechten op het gebied van distillatie en van dranken;
- (c) het oprichten van, het op enigerlei wijze deelnemen in, het besturen van en het toezicht houden op ondernemingen en vennootschappen;
- (d) het financieren van ondernemingen en vennootschappen;
- (e) het lenen, uitlenen en bijeenbrengen van gelden daaronder begrepen, het uitgeven van obligaties, schuldbrieven of andere waardepapieren, alsmede het aangaan van daarmee samenhangende overeenkomsten;
- (f) het verstrekken van adviezen en het verlenen van diensten aan ondernemingen en vennootschappen waarmee de vennootschap in een groep is verbonden en aan derden;
- (g) het verstrekken van garanties, het verbinden van de vennootschap en het bezwaren van activa van de vennootschap voor verplichtingen van de vennootschap, haar groepsmaatschappijen en/of derden;
- (h) het verkrijgen, vervreemden, beheren en exploiteren van registergoederen en van goederen in het algemeen;
- (i) het verhandelen van valuta, effecten en vermogensrechten in het algemeen;
- (j) het verrichten van alle soorten industriële, financiële en commerciële activiteiten, en al hetgeen met vorenstaande verband houdt of daartoe bevorderlijk kan zijn, alles in de ruimste zin van het woord.

4 Kapitaal

4.1 Het nominale bedrag van elk van de aandelen bedraagt tien eurocent (EUR 0,10).

4.2 Alle aandelen luiden op naam. Aandeelbewijzen worden niet uitgegeven.

5 Register van aandeelhouders

5.1 De raad van bestuur houdt een aandeelhoudersregister.

5.2 De naam, het adres en verdere door de wet vereiste of door de raad van bestuur passend geachte informatie van elke aandeelhouder, elke houder van certificaten waaraan vergaderrecht is verbonden, elke pandhouder van aandelen en elke vruchtgebruiker van aandelen worden vermeld in het aandeelhoudersregister.

5.3 Op verzoek van een aandeelhouder, een houder van certificaten waaraan vergaderrecht is verbonden of een pandhouder of vruchtgebruiker van aandelen verstrekt de raad van bestuur kosteloos een uittreksel uit het aandeelhoudersregister met betrekking tot het recht dat de verzoeker op een aandeel heeft. Rust op een aandeel een pandrecht of een recht van vruchtgebruik, dan vermeldt het uittreksel aan wie het stemrecht toekomt en aan wie de certificaathoudersrechten toekomen.

- 5.4 Onverminderd het bepaalde in artikel 5.1 legt de raad van bestuur het aandeelhoudersregister ten kantore van de vennootschap ter inzage van de aandeelhouders en vergadergerechtigden.

6 Besluit tot uitgifte

- 6.1 Uitgifte van aandelen geschiedt krachtens besluit van de algemene vergadering. De algemene vergadering kan haar bevoegdheid hiertoe overdragen aan een ander vennootschapsorgaan en kan deze overdracht herroepen.
- 6.2 Bij het besluit tot uitgifte van aandelen worden de uitgifteprijs en de verdere voorwaarden van uitgifte bepaald.
- 6.3 Het bepaalde in artikel 6.1 en artikel 7 is van overeenkomstige toepassing op het verlenen van rechten tot het nemen van aandelen, maar is niet van toepassing op het uitgeven van aandelen aan iemand die een voordien reeds verkregen recht tot het nemen van aandelen uitoefent.

7 Voorkeursrecht

- 7.1 Iedere houder van aandelen heeft bij uitgifte van aandelen een voorkeursrecht naar evenredigheid van het gezamenlijk bedrag van zijn aandelen, met inachtneming van de wettelijke beperkingen en artikel 7.2.
- 7.2 Het voorkeursrecht kan, telkens voor een enkele uitgifte, worden beperkt of uitgesloten bij besluit van het tot uitgifte bevoegde vennootschapsorgaan.

8 Storting op aandelen

- 8.1 Bij het besluit tot uitgifte van aandelen worden de uitgifteprijs en de verdere voorwaarden van uitgifte bepaald. De uitgifteprijs zal niet beneden pari zijn.
- 8.2 Aandelen worden slechts uitgegeven tegen volstorting van het bedrag, waarvoor die aandelen worden geplaatst, zulks met inachtneming van het bepaalde in artikelen 2:191a en 2:191b van het Burgerlijk Wetboek. Bedongen kan worden dat het nominale bedrag of een deel daarvan eerst behoeft te worden gestort na verloop van een bepaalde tijd of nadat de vennootschap het zal hebben opgevraagd.
- 8.3 De raad van bestuur is bevoegd tot het aangaan van rechtshandelingen betreffende inbreng op gewone aandelen anders dan in geld en van de andere rechtshandelingen genoemd in artikel 2:204 van het Burgerlijk Wetboek zonder voorafgaande goedkeuring van de algemene vergadering. Een besluit tot het aangaan van deze rechtshandelingen behoeft de voorafgaande goedkeuring van de raad van commissarissen.

9 Eigen aandelen

- 9.1 De vennootschap kan bij uitgifte van aandelen geen eigen aandelen nemen.
- 9.2 Verkrijging van volgestorte eigen aandelen of certificaten geschiedt krachtens besluit van de raad van bestuur, waarbij voor een besluit tot verkrijging anders dan om niet goedkeuring van de algemene vergadering en de raad van commissarissen is vereist.
- 9.3 Vervreemding van eigen aandelen of certificaten geschiedt krachtens besluit van de raad van bestuur, welk besluit onderworpen is aan de voorafgaande goedkeuring van de raad van commissarissen.

10 Kapitaalvermindering

De algemene vergadering kan met inachtneming van het bepaalde in de wet besluiten tot vermindering van het geplaatste kapitaal door (i) het bedrag van de aandelen bij statutenwijziging te verminderen, of (ii) intrekking van aandelen.

11 Geen overdrachtsbeperkingen

In afwijking van het bepaalde in artikel 2:195 van het Burgerlijk Wetboek is de overdracht van een of meer aandelen niet onderhevig aan enige beperking.

12 Pandrecht en vruchtgebruik op aandelen

- 12.1 Bij de vestiging van een pandrecht op een aandeel of bij de vestiging of levering van een vruchtgebruik op een aandeel kan het stemrecht aan de pandhouder of vruchtgebruiker worden toegekend, met inachtneming van hetgeen terzake in de wet is bepaald.
- 12.2 Zowel de aandeelhouder die geen stemrecht heeft als de pandhouder of vruchtgebruiker met stemrecht, heeft vergaderrecht. Vergaderrecht kan ook worden toegekend aan een pandhouder of vruchtgebruiker zonder stemrecht, maar alleen indien de algemene vergadering dat heeft goedgekeurd en voorts met inachtneming van hetgeen terzake in de wet is bepaald.
- 12.3 Aan de aandeelhouder op wiens aandeel een vruchtgebruik is gevestigd komen met betrekking tot zijn aandeel de voortspruitende rechten toe strekkende tot het verkrijgen van aandelen, met dien verstande dat hij de waarde van deze rechten moet vergoeden aan de vruchtgebruiker voor zover deze daarop krachtens zijn recht van vruchtgebruik aanspraak heeft.

13 Certificaten

- 13.1 De algemene vergadering is bevoegd tot het verbinden van vergaderrecht aan certificaten. De algemene vergadering is voorts bevoegd het vergaderrecht aan certificaten te ontnemen, mits deze bevoegdheid bij de toekenning van het vergaderrecht is voorbehouden, of met instemming van de betrokken houder(s) van de certificaten.
- 13.2 Voor de levering van een certificaat is vereist een daartoe bestemde akte waarbij de betrokkenen partij zijn.
- 13.3 Behoudens in het geval dat de vennootschap zelf bij de rechtshandeling partij is, kan het aan een certificaat verbonden vergaderrecht eerst worden uitgeoefend nadat de vennootschap de rechtshandeling heeft erkend of de akte aan haar is betekend, overeenkomstig hetgeen in de wet is bepaald.

14 Bestuur

- 14.1 Het bestuur van de vennootschap wordt uitgeoefend door de raad van bestuur onder toezicht van de raad van commissarissen.
- 14.2 De raad van bestuur bestaat uit twee (2) of meer leden. Het aantal leden van de raad van bestuur wordt vastgesteld door de raad van commissarissen.
- 14.3 De leden van de raad van bestuur worden benoemd door de algemene vergadering. De raad van commissarissen kan een niet-bindende voordracht opmaken voor de benoeming van een lid van de raad van bestuur. De oproeping tot de algemene vergadering waarin de benoeming van een of meer leden van de raad van bestuur wordt voorgesteld, vermeldt of een voordracht is opgemaakt door de raad van commissarissen.
- 14.4 De vennootschap kan functietitels toekennen aan een lid van de raad van

bestuur.

- 14.5 De vennootschap heeft een beleid op het terrein van de bezoldiging van de raad van bestuur. Het bezoldigingsbeleid wordt vastgesteld door de algemene vergadering op voorstel van de raad van commissarissen.
- 14.6 De bezoldiging van de leden van de raad van bestuur wordt vastgesteld door de raad van commissarissen met inachtneming van het bezoldigingsbeleid zoals vastgesteld door de algemene vergadering.

15 Bestuurstermijn. Aftreden, schorsing en ontslag

- 15.1 Ieder lid van de raad van bestuur wordt benoemd voor een termijn vastgesteld door de raad van commissarissen.
- 15.2 Ieder lid van de raad van bestuur kan te allen tijde worden ontslagen of geschorst door de algemene vergadering. De raad van commissarissen kan te allen tijde een lid van de raad van bestuur schorsen en een voorstel doen aan de algemene vergadering voor het ontslag van een lid van de raad van bestuur. Een schorsing kan te allen tijde worden opgeheven door de algemene vergadering.
- 15.3 Indien de raad van commissarissen of de algemene vergadering heeft besloten tot schorsing van een lid van de raad van bestuur, zal de algemene vergadering binnen drie (3) maanden nadat de schorsing is ingegaan besluiten tot ontslag van dat lid van de raad van bestuur, of tot opheffing of verlenging van de schorsing, bij gebreke waarvan de schorsing zal vervallen. Een besluit tot verlenging van de schorsing kan slechts één keer worden genomen, in welk geval de schorsing verlengd kan worden voor een maximale termijn van drie (3) maanden vanaf de dag dat de algemene vergadering heeft besloten tot verlenging van de schorsing. Indien de algemene vergadering niet heeft besloten tot opheffing of verlenging van de schorsing binnen de vereiste termijn, zal de schorsing vervallen.

16 Reglementen van de raad van bestuur

De raad van bestuur zal na voorafgaande goedkeuring van de raad van commissarissen, met inachtneming van de statuten, één (1) of meer reglementen opstellen met regels over zijn interne organisatie, de wijze van besluitvorming en andere onderwerpen betreffende de raad van bestuur.

17 Vergaderingen van de raad van bestuur

- 17.1 Vergaderingen van de raad van bestuur kunnen te allen tijde worden bijeengeroepen, hetzij door één of meer leden van de raad van bestuur, hetzij in zijn of hun opdracht door de secretaris.
- 17.2 In de vergaderingen van de raad van bestuur heeft ieder lid van de raad van bestuur één stem.
- 17.3 Alle besluiten van de raad van bestuur worden genomen met een meerderheid van meer dan de helft van de uitgebrachte stemmen. Bij staking van stemmen beslist de raad van commissarissen.
- 17.4 Besluiten van de raad van bestuur kunnen te allen tijde buiten vergadering worden genomen, schriftelijk of op andere wijze, met dien verstande dat het desbetreffende voorstel aan alle in functie zijnde leden van de raad van bestuur is voorgelegd en geen van hen zich tegen de desbetreffende wijze van besluitvorming verzet.
- 17.5 De secretaris is bevoegd de vergaderingen van de raad van bestuur bij te wonen.

De raad van bestuur kan besluiten anderen tot een vergadering toe te laten.

- 17.6 Een lid van de raad van bestuur neemt niet deel aan de beraadslaging en besluitvorming, indien hij daarbij een direct of indirect persoonlijk belang heeft dat tegenstrijdig is met het belang van de vennootschap en de met haar verbonden onderneming. Wanneer ten aanzien van alle leden van de raad van bestuur sprake is van een dergelijk persoonlijk belang, wordt het besluit genomen door de raad van commissarissen.
- 17.7 De notulen van vergaderingen van de raad van bestuur worden gehouden door de secretaris. De notulen worden vastgesteld door de raad van bestuur in dezelfde of in een eerstvolgende vergadering.
- 17.8 Indien de raad van bestuur besluiten buiten vergadering heeft genomen, zal door de secretaris een verslag worden opgemaakt van ieder besluit genomen buiten vergadering dat door de voorzitter van de raad van bestuur en de secretaris wordt ondertekend.
- 17.9 In geval van ontstentenis of belet van de secretaris zullen de bevoegdheden van de secretaris worden uitgeoefend door een lid van de raad van bestuur niet zijnde de voorzitter van de raad van bestuur, daartoe aangewezen door de raad van bestuur.

18 Bevoegdheden, taakverdeling en beperkingen van de raad van bestuur

- 18.1 De raad van bestuur is, behoudens de taakverdeling als bedoeld in artikel 18.2, belast met het besturen van de vennootschap en heeft daartoe binnen de grenzen van de wet alle bevoegdheden welke bij deze statuten niet aan anderen zijn toegekend.
- 18.2 De raad van bestuur kan bij reglement als bedoeld in artikel 16 zijn taken onderling verdelen.
- 18.3 De raad van bestuur verschaft tijdig aan de raad van commissarissen alle informatie die noodzakelijk is voor de uitoefening van zijn taak.
- 18.4 De raad van commissarissen is bevoegd besluiten van de raad van bestuur aan zijn goedkeuring te onderwerpen. Deze besluiten dienen duidelijk te worden omschreven en schriftelijk aan de raad van bestuur te worden meegedeeld.
- 18.5 Onverminderd het overigens in deze statuten bepaalde zijn aan de goedkeuring van de algemene vergadering onderworpen de besluiten van de raad van bestuur omtrent een belangrijke verandering van de identiteit of het karakter van de vennootschap of haar onderneming, waaronder in ieder geval:
 - (a) de overdracht van de onderneming of vrijwel de gehele onderneming aan een derde;
 - (b) het aangaan of verbreken van duurzame samenwerking van de vennootschap of een dochtermaatschappij met een andere rechtspersoon of vennootschap dan wel als volledig aansprakelijke vennote in een commanditaire vennootschap of een vennootschap onder firma, indien deze samenwerking of verbreking van ingrijpende betekenis is voor de vennootschap; en
 - (c) het nemen of afstoten van een deelneming in het kapitaal van een vennootschap ter waarde van ten minste een/derde van het bedrag van de activa volgens de geconsolideerde balans met toelichting volgens de laatste

vastgestelde jaarrekening van de vennootschap, door haar of een dochtermaatschappij.

- 18.6 Het ontbreken van goedkeuring van de raad van commissarissen als bedoeld in artikel 18.4 of van de algemene vergadering als bedoeld in artikel 18.5 tast de bevoegdheid van de raad van bestuur en de leden daarvan om de vennootschap te vertegenwoordigen niet aan.

19 Ontstentenis of belet van leden van de raad van bestuur

In geval van ontstentenis of belet van één of meer leden van de raad van bestuur blijven de bevoegdheden van de raad van bestuur intact. In geval van ontstentenis of belet van alle leden van de raad van bestuur is de raad van commissarissen tijdelijk met het besturen van de vennootschap belast. De raad van commissarissen kan het bestuur van de vennootschap tijdelijk opdragen aan één of meer commissarissen en/of één of meer andere personen.

20 Vertegenwoordiging

- 20.1 De raad van bestuur is bevoegd de vennootschap te vertegenwoordigen. De bevoegdheid tot vertegenwoordiging komt mede toe aan ieder lid van de raad van bestuur.
- 20.2 De raad van bestuur heeft de bevoegdheid om, onverminderd zijn verantwoordelijkheid, de vennootschap door één of meer gevolmachtigden te doen vertegenwoordigen. Aan deze gevolmachtigden zullen zodanige bevoegdheden toekomen als hun bij of na hun benoeming in overeenstemming met deze statuten door de raad van bestuur worden toegekend.

21 Secretaris van de vennootschap

- 21.1 De raad van bestuur kan, onder voorafgaande goedkeuring van de raad van commissarissen, al-dan-niet uit zijn midden een secretaris benoemen.
- 21.2 Aan een secretaris komen zodanige bevoegdheden toe als hem bij de statuten of, met inachtneming van de statuten, bij of na zijn benoeming door de raad van bestuur worden toegekend.
- 21.3 Een secretaris kan als zodanig onder voorafgaande goedkeuring van de raad van commissarissen te allen tijde door de raad van bestuur worden ontslagen.

22 Commissarissen

- 22.1 De vennootschap heeft een raad van commissarissen bestaande uit ten minste vijf (5) commissarissen. In geval van een vacature blijven de bevoegdheden van de raad van commissarissen intact. Slechts natuurlijke personen kunnen commissaris zijn.
- 22.2 Commissarissen worden benoemd door de algemene vergadering. De raad van commissarissen kan een niet-bindende voordracht opmaken voor de benoeming van een commissaris. De oproeping tot de algemene vergadering waarin de benoeming van een of meer commissarissen wordt voorgesteld, vermeldt of een voordracht is opgemaakt door de raad van commissarissen.
- 22.3 Iedere commissaris kan te allen tijde worden ontslagen of geschorst door de algemene vergadering. De raad van commissarissen kan een voorstel doen aan de algemene vergadering voor het ontslag van een commissaris.
- 22.4 Indien de algemene vergadering heeft besloten tot schorsing van een commissaris, zal de algemene vergadering binnen drie (3) maanden nadat de schorsing

is ingegaan besluiten tot ontslag van die commissaris, of tot opheffing of verlenging van de schorsing, bij gebreke waarvan de schorsing zal vervallen. Een besluit tot verlenging van de schorsing kan slechts één keer worden genomen, in welk geval de schorsing verlengd kan worden voor een maximale termijn van drie (3) maanden vanaf de dag dat de algemene vergadering heeft besloten tot verlenging van de schorsing. Indien de algemene vergadering niet heeft besloten tot opheffing of verlenging van de schorsing binnen de vereiste termijn, zal de schorsing vervallen.

- 22.5 De bezoldiging van commissarissen wordt vastgesteld door de algemene vergadering.

23 Taken en bevoegdheden van de raad van commissarissen

- 23.1 De raad van commissarissen heeft tot taak toezicht te houden op het beleid van de raad van bestuur en op de algemene gang van zaken in de vennootschap en de met haar verbonden onderneming. De raad van commissarissen staat de raad van bestuur met raad terzijde. Bij de vervulling van hun taak richten de commissarissen zich naar het belang van de vennootschap en de met haar verbonden onderneming.
- 23.2 De raad van commissarissen kan zich door deskundigen laten bijstaan. De kosten van dergelijke bijstand zijn voor rekening van de vennootschap.
- 23.3 De raad van commissarissen zal, met inachtneming van de statuten, één of meer reglementen opstellen met regels over zijn interne organisatie (waaronder mede begrepen, indien en voor zover van toepassing, zijn commissies), de wijze van besluitvorming en ieder ander onderwerp betreffende de raad van commissarissen.

24 Voorzitter van de raad van commissarissen

- 24.1 De raad van commissarissen benoemt één (1) van zijn leden tot voorzitter van de raad van commissarissen voor zolang als de raad van commissarissen zal bepalen.
- 24.2 De raad van commissarissen kan uit zijn midden één (1) of meer vice-voorzitters benoemen voor zolang als de raad van commissarissen zal bepalen. In geval van afwezigheid van de voorzitter of weigering van de vervulling van zijn taken, komen de bevoegdheden met betrekking tot taken van de voorzitter toe aan een vice-voorzitter.
- 24.3 Indien geen voorzitter is benoemd of in geval van afwezigheid of weigering van de voorzitter, wordt het voorzitterschap van de vergadering van de raad van commissarissen waargenomen door een vice-voorzitter van de raad van commissarissen of in geval van diens afwezigheid of weigering, door een daartoe door de vergadering aangewezen ander lid van de raad van commissarissen of andere aanwezige persoon.

25 Vergaderingen van de raad van commissarissen

- 25.1 De raad van commissarissen vergadert steeds wanneer een commissaris of de raad van bestuur dat nodig acht.
- 25.2 De vergaderingen van de raad van commissarissen worden geleid door zijn voorzitter of diens plaatsvervanger. Bij hun afwezigheid wordt de voorzitter van de vergadering aangewezen door de ter vergadering aanwezige commissarissen.

- 25.3 In de raad van commissarissen heeft iedere commissaris één stem.
- 25.4 Besluiten van de raad van commissarissen worden genomen met een meerderheid van meer dan de helft van de uitgebrachte stemmen in een vergadering van de raad van commissarissen waarin meer dan de helft van commissarissen aanwezig of vertegenwoordigd is.
- 25.5 De secretaris is bevoegd de vergaderingen van de raad van commissarissen bij te wonen. De raad van commissarissen kan tevens besluiten anderen tot een vergadering toe te laten.
- 25.6 Een commissaris neemt niet deel aan de beraadslaging en besluitvorming, indien hij daarbij een direct of indirect persoonlijk belang heeft dat tegenstrijdig is met het belang van de vennootschap en de met haar verbonden onderneming. Wanneer ten aanzien van alle commissarissen sprake is van een dergelijk tegenstrijdig belang, wordt het desbetreffende besluit desalniettemin genomen door de raad van commissarissen.
- 25.7 De notulen van vergaderingen van de raad van commissarissen worden gehouden door de secretaris. De notulen worden vastgesteld door de raad van commissarissen in dezelfde of in de eerstvolgende vergadering.
- 25.8 Indien de raad van commissarissen besluiten buiten vergadering heeft genomen, zal door de secretaris een verslag worden opgemaakt van ieder besluit genomen buiten vergadering dat door de voorzitter en de secretaris wordt ondertekend.

26 Ontstentenis of belet commissaris

In geval van ontstentenis of belet van één of meer commissarissen blijven de bevoegdheden van de raad van commissarissen intact. In geval van ontstentenis of belet van alle commissarissen is de algemene vergadering bevoegd de uitoefening van de taken en bevoegdheden van de raad van commissarissen tijdelijk op te dragen aan een of meer personen.

27 Vrijwaring van leden van de raad van bestuur en de raad van commissarissen

- 27.1 Behoudens voor zover zulks niet door de Nederlandse wet is toegestaan, zal het volgende worden vergoed aan huidige en voormalige leden van de raad van bestuur en de raad van commissarissen:
 - (a) redelijke kosten voor het voeren van verweer tegen vorderingen die zien op handelen of nalaten in de uitoefening van hun taken of enige andere taken die nu of voorheen door hen zijn uitgeoefend op verzoek van de vennootschap;
 - (b) door hen te betalen schades of boetes als gevolg van het handelen of nalaten als bedoeld onder (a);
 - (c) redelijke kosten met betrekking tot het verschijnen in andere rechtszaken waarin zij betrokken zijn als huidige of voormalige leden van de raad van bestuur en de raad van commissarissen, met uitzondering van rechtszaken die voornamelijk zijn gericht op het nastreven van een vordering te hunner behoeve.
- 27.2 Er bestaat geen aanspraak op vergoeding als bedoeld in artikel 27.1 indien en voor zover een Nederlandse rechterlijke instantie in een finaal vonnis waartegen geen beroep of cassatie (meer) mogelijk is, heeft vastgesteld dat (i) het handelen

of nalaten van de desbetreffende persoon kan worden gekenschetst als opzettelijk, bewust roekeloos of ernstig verwijtbaar, tenzij Nederlands recht anders bepaalt of zulks in de gegeven omstandigheden naar maatstaven van redelijkheid en billijkheid onaanvaardbaar zou zijn, of (ii) de kosten of het financiële verlies voor de desbetreffende persoon worden gedekt door een verzekering en de verzekeraar de kosten of het financiële verlies heeft uitbetaald. De vennootschap kan ten behoeve van de betrokken personen verzekeringen tegen aansprakelijkheid afsluiten.

28 Boekjaar en jaarrekening

- 28.1 Het boekjaar van de vennootschap loopt van één (1) april tot en met eenendertig (31) maart van het daaropvolgende jaar.
- 28.2 Jaarlijks binnen de daartoe door de wet gestelde termijn maakt de raad van bestuur een jaarrekening op en legt deze tezamen met het jaarverslag ter inzage ten kantore van de vennootschap.
- 28.3 De jaarrekening gaat vergezeld van de verklaring van de accountant bedoeld in artikel 29.4, indien de in dat artikel bedoelde opdracht is verstrekt, van het jaarverslag, tenzij artikel 2:391 van het Burgerlijk Wetboek niet voor de vennootschap geldt, alsmede overige gegevens die worden toegevoegd aan deze documenten krachtens de toepasselijke wettelijke bepalingen.
- 28.4 De jaarrekening wordt ondertekend door de leden van de raad van bestuur en de raad van commissarissen; ontbreekt de ondertekening van één (1) of meer hunner, dan wordt daarvan onder opgave van reden melding gemaakt.

29 Accountant

- 29.1 De vennootschap verleent aan een accountant de opdracht tot onderzoek van de jaarrekening.
- 29.2 Tot het verlenen van de opdracht is de algemene vergadering bevoegd. Gaat de algemene vergadering daartoe niet over, dan is de raad van commissarissen bevoegd of, indien de commissarissen ontbreken of de raad van commissarissen in gebreke blijft ten aanzien van de opdracht, de raad van bestuur. Met inachtneming van artikel 2:393 lid 2 van het Burgerlijk Wetboek, kunnen opdrachten aan de accountant te allen tijde worden ingetrokken.
- 29.3 De accountant brengt omtrent zijn onderzoek verslag uit aan de raad van commissarissen en aan de raad van bestuur.
- 29.4 De accountant geeft de uitslag van zijn onderzoek weer in een verklaring omtrent de getrouwheid van de jaarrekening.

30 Nederlegging ten kantore van de vennootschap

De opgemaakte jaarrekening, het jaarverslag, het advies van de raad van commissarissen en de krachtens artikel 2:392 lid 1 van het Burgerlijk Wetboek toe te voegen gegevens moeten vanaf de dag van oproeping voor de jaarlijkse algemene vergadering ten kantore van de vennootschap aanwezig zijn. Vergadergerechtigden kunnen de stukken aldaar inzien en er kosteloos een afschrift van verkrijgen.

31 Vaststelling

- 31.1 De jaarrekening wordt vastgesteld door de algemene vergadering.
- 31.2 De jaarrekening kan niet worden vastgesteld indien de algemene vergadering geen kennis heeft kunnen nemen van de in artikel 29.4 bedoelde verklaring van

de accountant, tenzij onder de krachtens de wet toe te voegen overige gegevens een wettige grond wordt medegedeeld waarom de verklaring ontbreekt.

32 Winst en uitkeringen

- 32.1 Jaarlijks wordt door de raad van bestuur onder voorafgaande goedkeuring van de raad van commissarissen vastgesteld welk deel van de winst wordt gereserveerd.
- 32.2 De algemene vergadering kan besluiten elk deel van de na reservering volgens artikel 32.1 overblijvende winst uit te keren. Indien de algemene vergadering niet besluit deze winst geheel of gedeeltelijk uit te keren, wordt de winst (of de resterende winst na uitkering) gereserveerd.
- 32.3 Indien de vennootschap reserves krachtens de wet moet aanhouden, geldt de bevoegdheid van de algemene vergadering tot het doen van uitkeringen uitsluitend voor zover het eigen vermogen groter is dan die reserves. Een besluit van de algemene vergadering dat strekt tot uitkering heeft geen gevolgen zolang de raad van bestuur geen goedkeuring heeft verleend. De raad van bestuur mag deze goedkeuring slechts weigeren indien zij weet of redelijkerwijs behoort te voorzien dat de vennootschap na de uitkering niet zal kunnen blijven voortgaan met het betalen van haar opeisbare schulden.
- 32.4 Uitkering van winst geschiedt na de vaststelling van de jaarrekening waaruit blijkt dat zij geoorloofd is.
- 32.5 De raad van bestuur kan onder voorafgaande goedkeuring van de raad van commissarissen besluiten tot tussentijdse uitkeringen van dividend op aandelen.
- 32.6 Bij de berekening van het bedrag van enige uitkering op aandelen, tellen de aandelen in haar kapitaal die de vennootschap houdt, of de aandelen waarvan zij certificaten houdt, niet mee, tenzij die aandelen of certificaten zijn bezwaard met vruchtgebruik of pandrecht.
- 32.7 Elke uitkering op aandelen zal zodanig worden gedaan dat op ieder aandeel een gelijk bedrag of waarde wordt uitgekeerd.
- 32.8 Op uitkeringen zijn de artikelen 2:215 en 2:216 van het Burgerlijk Wetboek van toepassing.

33 Uitkeringen ten laste van de uitkeerbare reserves en uitkeringen in aandelen

- 33.1 De raad van bestuur kan onder voorafgaande goedkeuring van de raad van commissarissen besluiten dat uitkeringen op aandelen ten laste van de door de vennootschap aangehouden reserves worden gedaan, met inachtneming van de wettelijke beperkingen.
- 33.2 De raad van bestuur kan onder voorafgaande goedkeuring van de raad van commissarissen besluiten dat een uitkering op aandelen geheel of gedeeltelijk plaatsvindt niet in geld, maar in aandelen of in enige andere vorm.
- 33.3 Het vennootschapsorgaan dat bevoegd is te besluiten omtrent uitgifte van aandelen, het verlenen van rechten tot het nemen van aandelen en het beperken of uitsluiten van voorkeursrechten, overeenkomstig het bepaalde in de artikelen 6 en 7, is bevoegd te besluiten dat bij een uitgifte van aandelen en/of het verlenen van rechten tot het nemen van aandelen, de nominale waarde van deze aandelen zal worden volgestort ten laste van de door de vennootschap aangehouden

reserves, met inachtneming van de wettelijke beperkingen.

34 Betaalbaarstelling

- 34.1 Tenzij de raad van bestuur een ander tijdstip vaststelt, zijn uitkeringen op aandelen betaalbaar binnen dertig (30) dagen nadat zij zijn vastgesteld.
- 34.2 De vordering van een aandeelhouder tot uitkering verjaart door tijdsverloop van vijf (5) jaren.

35 Algemene vergadering

- 35.1 Tijdens ieder boekjaar wordt ten minste één (1) algemene vergadering, de jaarvergadering, gehouden.
- 35.2 Algemene vergaderingen worden gehouden zo dikwijls de raad van bestuur of de raad van commissarissen zulks noodzakelijk acht, onverminderd het bepaalde in de artikelen 2:220, 2:221 en 2:222 van het Burgerlijk Wetboek.
- 35.3 Een of meer vergadergerechtigden die alleen of gezamenlijk ten minste één honderdste (1/100) gedeelte van het geplaatste kapitaal van de vennootschap vertegenwoordigen, kunnen aan de raad van bestuur en aan de raad van commissarissen schriftelijk en onder nauwkeurige opgave van de te behandelen onderwerpen het verzoek richten een algemene vergadering bijeen te roepen. Indien de raad van bestuur of de raad van commissarissen niet de nodige maatregelen heeft getroffen, opdat de vergadering binnen vier (4) weken na ontvangst van het verzoek kan worden gehouden, zijn de verzoekers zelf tot bijeenroeping bevoegd.

36 Oproeping. Agenda

- 36.1 Algemene vergaderingen worden bijeengeroepen door de raad van bestuur of de raad van commissarissen.
- 36.2 De oproeping geschiedt met inachtneming van de wettelijke oproepingstermijn.
- 36.3 Bij de oproeping worden de te behandelen onderwerpen vermeld.
- 36.4 Slechts indien en voor zover de algemene vergadering bij wet of de statuten bevoegd is omtrent een bepaald onderwerp te besluiten, wordt het betreffende onderwerp ter stemming gebracht. Alle overige onderwerpen worden voor discussiedoeleinden geagendeerd.
- 36.5 Een onderwerp, waarvan de behandeling niet later dan dertig (30) dagen vóór de dag van de vergadering schriftelijk is verzocht door een of meer vergadergerechtigden die alleen of gezamenlijk ten minste één honderdste (1/100) gedeelte van het geplaatste kapitaal van de vennootschap vertegenwoordigen, wordt opgenomen in de oproeping of op dezelfde wijze als de overige onderwerpen aangekondigd, mits geen zwaarwichtig belang van de vennootschap zich daartegen verzet.
- 36.6 De oproeping geschiedt door middel van oproepingsbrieven gericht aan de adressen van de vergadergerechtigden, zoals deze zijn vermeld in het register bedoeld in artikel 5.1. Een vergadergerechtigde kan tevens worden opgeroepen tot de vergadering door een langs elektronische weg toegezonden leesbaar en reproduceerbaar bericht aan het adres dat door hem voor dit doel aan de vennootschap bekend is gemaakt.
- 36.7 Een vergadergerechtigde die een onderwerp op de agenda heeft laten plaatsen, licht dit ter vergadering toe en beantwoordt zo nodig vragen hierover.

37 Plaats van vergadering

De algemene vergaderingen worden gehouden te Amsterdam, Schiedam en Haarlemmermeer (waaronder begrepen luchthaven Schiphol). Algemene vergaderingen kunnen ook elders worden gehouden, mits alle vergadergerechtigden hebben ingestemd met de plaats van de vergadering en de leden van de raad van bestuur en de raad van commissarissen voorafgaand aan de besluitvorming in de gelegenheid zijn gesteld om advies uit te brengen.

38 Voorzitter

- 38.1 De algemene vergaderingen worden geleid door de voorzitter van de raad van commissarissen en bij diens afwezigheid door een vicevoorzitter van de raad van commissarissen; indien ook laatstgenoemde afwezig is, wijzen de aanwezige leden van de raad van commissarissen uit hun midden een voorzitter van de vergadering aan. De raad van commissarissen kan voor een algemene vergadering een andere voorzitter aanwijzen.
- 38.2 Indien niet volgens artikel 38.1 in het voorzitterschap van een vergadering is voorzien, wijst de vergadering zelf een voorzitter aan. Tot dat ogenblik wordt het voorzitterschap waargenomen door één (1) van de aanwezige leden van de raad van bestuur, dan wel de oudste persoon aanwezig bij de algemene vergadering.

39 Notulen en aantekening van aandeelhoudersbesluiten

- 39.1 Van het verhandelde in elke algemene vergadering worden notulen gehouden door een secretaris die door de voorzitter van de vergadering wordt aangewezen. De notulen worden vastgesteld door de voorzitter en de secretaris van de algemene vergadering en ten blijke daarvan door hen getekend.
- 39.2 De raad van bestuur maakt aantekening van alle door de algemene vergadering genomen besluiten. Indien de raad van bestuur niet ter vergadering is vertegenwoordigd, wordt door of namens de voorzitter van de vergadering een afschrift van de genomen besluiten zo spoedig mogelijk na de vergadering aan de raad van bestuur verstrekt. De aantekeningen liggen ten kantore van de vennootschap ter inzage van de vergadergerechtigden. Aan ieder van hen wordt desgevraagd een afschrift van of uittreksel uit de aantekeningen verstrekt.

40 Vergaderrecht. Toegang

- 40.1 Iedere vergadergerechtigde is bevoegd de algemene vergaderingen bij te wonen, daarin het woord te voeren en, voor zover van toepassing, het stemrecht uit te oefenen. Vergadergerechtigden kunnen zich ter vergadering doen vertegenwoordigen door een schriftelijk gevolmachtigde.
- 40.2 De raad van bestuur kan besluiten dat de in de eerste volzin van artikel 40.1 bedoelde bevoegdheden ook kunnen worden uitgeoefend door middel van een elektronisch communicatiemiddel. Indien de vergadergerechtigde deelneemt door middel van een elektronisch communicatiemiddel is vereist dat de vergadergerechtigde via het elektronisch communicatiemiddel kan worden geïdentificeerd, rechtstreeks kan kennisnemen van de verhandelingen ter vergadering en het stemrecht kan uitoefenen. De vergadergerechtigde zal voorts via het elektronisch communicatiemiddel aan de beraadslaging moeten kunnen deelnemen. De raad van bestuur kan voorwaarden stellen aan het gebruik van het

elektronisch communicatiemiddel, mits deze voorwaarden redelijk en noodzakelijk zijn voor de identificatie van de vergadergerechtigde en de betrouwbaarheid en veiligheid van de communicatie en zijn opgenomen in de oproeping van de vergadering.

- 40.3 Iedere vergadergerechtigde of zijn vertegenwoordiger zal, al dan niet op elektronische wijze, de presentielijst tekenen.
- 40.4 De leden van de raad van bestuur en de raad van commissarissen hebben als zodanig in de algemene vergadering een raadgevende stem.
- 40.5 De voorzitter van de vergadering beslist of andere personen dan zij die volgens het in dit artikel 40 bepaalde toegang hebben, toegelaten worden tot de vergadering.

41 Stemmingen

- 41.1 Ieder aandeel geeft recht op één (1) stem.
- 41.2 Voor zover de wet of deze statuten geen grotere meerderheid voorschrijven, worden alle besluiten van de algemene vergadering genomen met volstreekte meerderheid van de uitgebrachte stemmen.
- 41.3 Onverminderd het elders dienaangaande in deze statuten bepaalde kunnen de besluiten van de algemene vergadering omtrent de aanvraag van faillissement, surseance van betaling, juridische fusie en juridische splitsing, slechts worden genomen op voorstel van de raad van bestuur en onder voorafgaande goedkeuring van de raad van commissarissen.
- 41.4 Voor besluiten ten aanzien waarvan in deze statuten is bepaald dat de geldigheid van het besluit afhankelijk is van het ter vergadering vertegenwoordigd gedeelte van het kapitaal, kan, indien dit gedeelte ter vergadering niet vertegenwoordigd is, geen tweede algemene vergadering worden opgeroepen krachtens artikel 2:230 lid 3 van het Burgerlijk Wetboek.
- 41.5 De voorzitter van de vergadering bepaalt de wijze van stemmen.
- 41.6 Indien de stemmen staken, wordt het voorstel geacht te zijn afgewezen.
- 41.7 Blanco stemmen en stemmen van onwaarde gelden als niet uitgebracht.
- 41.8 Het ter vergadering uitgesproken oordeel van de voorzitter van de vergadering omtrent de uitslag van een stemming is beslissend. Hetzelfde geldt voor de inhoud van een genomen besluit, voor zover gestemd werd over een niet schriftelijk vastgelegd voorstel.
- 41.9 Voor aandelen die toebehoren aan de vennootschap of een dochtermaatschappij en voor aandelen waarvan de vennootschap of een dochtermaatschappij de certificaten houdt, kan in de algemene vergadering geen stem worden uitgebracht. Pandhouders en vruchtgebruikers van aandelen die aan de vennootschap of een dochtermaatschappij toebehoren, zijn evenwel niet van het stemrecht uitgesloten, indien het pandrecht of vruchtgebruik was gevestigd voordat het aandeel aan de vennootschap of die dochtermaatschappij toebehoorde. De vennootschap of een dochtermaatschappij kan geen stem uitbrengen voor een aandeel waarop zij een pandrecht of een recht van vruchtgebruik heeft.
- 41.10 Indien de door de wet of deze statuten gegeven voorschriften voor het oproepen en houden van algemene vergaderingen niet in acht zijn genomen, kunnen ter vergadering alleen geldige besluiten door de algemene vergadering

worden genomen, indien alle vergadergerechtigden ermee hebben ingestemd dat besluitvorming plaatsvindt en de leden van de raad van bestuur en de raad van commissarissen voorafgaand aan de besluitvorming in de gelegenheid zijn gesteld advies uit te brengen.

- 41.11 Bij de vaststelling in hoeverre aandeelhouders stemmen, aanwezig of vertegenwoordigd zijn, of in hoeverre het geplaatste kapitaal van de vennootschap vertegenwoordigd is, wordt geen rekening gehouden met aandelen waarvan de wet of deze statuten bepalen dat daarvoor geen stem kan worden uitgebracht.

42 Oproepingen en kennisgevingen.

De oproeping geschiedt door middel van oproepingsbrieven gericht aan de adressen van de vergadergerechtigden, zoals deze zijn vermeld in het register bedoeld in artikel 5.1. Een vergadergerechtigde kan tevens worden opgeroepen tot de vergadering door een langs elektronische weg toegezonden leesbaar en reproduceerbaar bericht aan het adres dat door hem voor dit doel aan de vennootschap bekend is gemaakt.

43 Besluitvorming buiten vergadering

- 43.1 Besluitvorming van aandeelhouders kan op andere wijze dan in een vergadering geschieden, mits alle vergadergerechtigden schriftelijk met deze wijze van besluitvorming hebben ingestemd. De stemmen worden schriftelijk uitgebracht. De leden van de raad van bestuur en de raad van commissarissen worden voorafgaand aan de besluitvorming in de gelegenheid gesteld om advies uit te brengen.
- 43.2 Voor de toepassing van artikel 43.1 wordt aan het vereiste van schriftelijkheid van de stemmen tevens voldaan indien het besluit onder vermelding van de wijze waarop ieder stemt schriftelijk of elektronisch is vastgelegd en door alle vergadergerechtigden is ondertekend.
- 43.3 De raad van bestuur maakt zodra zij van het besluit kennis heeft genomen, daarvan aantekening en voegt deze bij de aantekeningen bedoeld in artikel 39.2.

44 Statutenwijziging

- 44.1 De algemene vergadering is op voorstel van de raad van bestuur en onder voorafgaande goedkeuring van de raad van commissarissen bevoegd deze statuten te wijzigen.
- 44.2 Wanneer aan de algemene vergadering een voorstel tot statutenwijziging wordt gedaan, moet zulks steeds bij de oproeping tot de algemene vergadering worden vermeld, en moet tegelijkertijd een afschrift van het voorstel, waarin de voorgedragen wijziging woordelijk is opgenomen, ten kantore van de vennootschap ter inzage worden neergelegd en gratis verkrijgbaar worden gesteld voor vergadergerechtigden tot de afloop van de vergadering. Van een wijziging van deze statuten wordt een notariële akte opgemaakt.

45 Ontbinding en vereffening

- 45.1 De vennootschap kan op voorstel van de raad van bestuur en onder voorafgaande goedkeuring van de raad van commissarissen slechts worden ontbonden door een daartoe strekkend besluit van de algemene vergadering.
- 45.2 In geval van ontbinding van de vennootschap krachtens besluit van de algemene

vergadering worden de directeuren vereffenaars van het vermogen van de ontbonden vennootschap. De algemene vergadering kan besluiten andere personen tot vereffenaars te benoemen.

- 45.3 Gedurende de vereffening blijven de bepalingen van deze statuten zo veel mogelijk van kracht.
- 45.4 Hetgeen na voldoening van de schulden van de ontbonden vennootschap is overgebleven, wordt overgedragen aan de aandeelhouders, naar evenredigheid van het gezamenlijke nominale bedrag van ieders aandelen.

Unofficial English translation

NOTE ABOUT TRANSLATION:

This document is an English translation of a deed (to be) executed in the Dutch language. In preparing this document, an attempt has been made to translate as literally as possible without jeopardising the overall continuity of the text. The definitions in article 1.1 of this document are listed in the English alphabetical order which may differ from the Dutch alphabetical order. Inevitably, however, differences may occur in translation and if they do, the Dutch text will govern by law. In this translation, Dutch legal concepts are expressed in English terms and not in their original Dutch terms. The concepts concerned may not be identical to concepts described by the English terms as such terms may be understood under the laws of other jurisdictions.

ARTICLES OF ASSOCIATION

1 Definitions

1.1 In these Articles of Association the following words shall have the following meanings:

Accountant: an accountant as referred to in Section 2:393 of the Dutch Civil Code, or an organisation in which such accountants work together;

Articles of Association: these articles of association;

Company: Lucas Bols B.V.;

Company Body: the Management Board, the Supervisory Board or the General Meeting;

Depository Receipts: depository receipts issued in respect of Shares;

General Meeting: a meeting of Shareholders and other Persons with Meeting Right or the corporate body of the Company consisting of Shareholders entitled to vote, together with pledgees and usufructuaries to whom voting rights attributable to Shares accrue, as the case may be;

Inability: inability as referred to in Sections 2:244 paragraph 4 and 2:252 paragraph 4 of the Dutch Civil Code, including the event that the relevant person claims inability for a certain period of time in writing;

in writing: by letter, by telecopier, by e-mail, or by a legible and reproducible message otherwise electronically sent, provided that the identity of the sender can be sufficiently established;

Management Board: the management board of the Company;

Meeting Right: the right to attend the General Meeting and to address the meeting in person or through a representative authorised in writing, and the other rights designated by law to holders of depository receipts for shares to which meeting right is attached;

Person with Meeting Right: a Shareholder, a holder of one or more Depository Receipts with Meeting Right and any usufructuary or pledgee with voting rights in respect of one or more Shares or Meeting Right;

Secretary: the secretary of the Company;

Share: a share in the capital of the Company;

Shareholder: a holder of one or more Shares;

Subsidiary: a subsidiary of the Company as referred to in Section 2:24a of the

Dutch Civil Code;

Supervisory Board: the supervisory board of the Company.

- 1.2 References to Articles shall be deemed to refer to articles of these Articles of Association, unless the contrary is apparent.

2 Name and Official Seat

- 2.1 The Company's name is: **Lucas Bols B.V.**

- 2.2 The official seat of the Company is in Amsterdam, the Netherlands.

3 Objects

The objects of the Company are:

- (a) to produce and trade in distilled beverages and other beverages and ancillary articles, which includes giving courses, guided tours and trainings as well as provide information;
- (b) to obtain, develop and trade in patents, trademarks, licenses, know-how and other intellectual and industrial property rights in the field of distilling and of beverages;
- (c) to incorporate, to participate in any way whatsoever in, to manage, to supervise businesses and companies;
- (d) to finance businesses and companies;
- (e) to borrow, to lend and to raise funds, including the issue of bonds, promissory notes or other securities or evidence of indebtedness as well as to enter into agreements in connection with aforementioned activities;
- (f) to render advice and services to businesses and companies with which the Company forms a group and to third parties;
- (g) to grant guarantees, to bind the Company and to pledge its assets for obligations of the Company, its group companies and/or third parties;
- (h) to acquire, alienate, manage and exploit registered property and items of property in general;
- (i) to trade in currencies, securities and items of property in general;
- (j) to perform any and all activities of an industrial, financial or commercial nature, and to do all that is connected therewith or may be conducive thereto, all to be interpreted in the broadest sense.

4 Capital

- 4.1 The nominal value of each Share equals ten eurocent (EUR 0.10).

- 4.2 All Shares are to be registered. No share certificates (*aandeelbewijzen*) shall be issued.

5 Register of Shareholders

- 5.1 The Management Board shall keep a register of Shareholders.

- 5.2 The name, address and such further information as required by law or considered appropriate by the Management Board, of each Shareholder, each holder of Depositary Receipts with Meeting Right, each pledgee of Shares and each usufructuary of Shares, shall be recorded in the register of Shareholders.

- 5.3 On application by a Shareholder, holder of Depositary Receipts with Meeting Right or a pledgee or usufructuary of Shares, the Management Board shall furnish an extract from the register of Shareholders, free of charge, insofar as it relates to the applicant's right in respect of a Share. If a right of pledge or a

usufruct is created in a Share, the extract shall state to whom the voting rights accrue and to whom the Meeting Right accrue.

- 5.4 Without prejudice to Article 5.1 the Management Board shall make the register of Shareholders available at the Company's office for inspection by Persons with Meeting Right.

6 Resolution to Issue

- 6.1 Shares shall be issued pursuant to a resolution of the General Meeting. The General Meeting may transfer this authority to another Company Body and may also revoke such transfer.
- 6.2 A resolution to issue Shares shall stipulate the issue price and the other conditions.
- 6.3 Article 6.1 and Article 7 shall apply correspondingly to the granting of rights to subscribe for Shares, but shall not be applicable to the issue of Shares to persons exercising a previously granted right to subscribe for Shares.

7 Rights of Pre-emption

- 7.1 Each holder of Shares shall have a pre-emptive right on any issue of Shares pro rata to the aggregate amount of its Shares, subject to the limitations prescribed by law and Article 7.2.
- 7.2 Prior to each issuance of Shares, the right of pre-emption may be limited or excluded by the Company Body competent to issue such Shares.

8 Payment on Shares

- 8.1 The price and other terms of issue shall be determined at the time of the resolution to issue Shares. The issue price shall not be less than par.
- 8.2 Shares may only be issued against payment in full of the amount at which such Shares are issued and with due observance of the provisions of Sections 2:191a and 191b of the Dutch Civil Code. It may be stipulated that the nominal value or a part thereof shall have to be paid in only after a stipulated time or after the Company has called it in.
- 8.3 Legal acts relating to a non-cash contribution on Shares and other legal acts as referred to in Section 2:204 of the Dutch Civil Code, may be performed by the Management Board without prior approval of the General Meeting. The resolution to enter into these legal transactions shall require the prior approval of the Supervisory Board.

9 Shares in the Company's Own Capital

- 9.1 The Company may not subscribe for its own Shares on issue.
- 9.2 Fully paid in own Shares or Depositary Receipts shall be acquired pursuant to a resolution of the Management Board, in addition to which a resolution to acquire Shares or Depositary Receipts for a consideration shall be subject to approval of the General Meeting and the Supervisory Board.
- 9.3 Shares in the Company's own capital or Depositary Receipts for such Shares may be disposed of pursuant to a resolution of the Management Board and subject to the prior approval of the Supervisory Board.

10 Reduction Issued Capital

With due observance of the statutory requirements the General Meeting may resolve to reduce the issued share capital by (i) reducing the par value of Shares by amending

the articles of association, or (ii) cancelling Shares.

11 No share transfer restrictions

In deviation of Section 2:195 of the Dutch Civil Code, the transfer of one or more Shares is not subject to any restriction.

12 Right of Pledge and Usufruct on Shares

- 12.1 Upon the establishment of a right of pledge on a Share or the creation of a right of usufruct on a Share, the right to vote may be vested in the pledgee or the usufructuary, with due observance of the relevant provisions of Dutch law.
- 12.2 Both the Shareholder without voting rights and the pledgee or usufructuary with voting rights shall have Meeting Right. Meeting Right may also be granted to the pledgee or usufructuary without voting rights, but only if the General Meeting has approved the same and with due observance of the relevant provisions of the law.
- 12.3 The Shareholder shall have the rights attached to a Share on which a right of usufruct is vested regarding the acquisition of Shares, provided that the Shareholder reimburses the usufructuary for the value of these rights to the extent that such rights are vested in the latter pursuant to his right of usufruct.

13 Depositary Receipts

- 13.1 The General Meeting has the authority to attach Meeting Right to Depositary Receipts. The General Meeting also has the authority to deprive Depositary Receipts of Meeting Right, provided that this authority has been reserved at the time the Meeting Right is attached, or with the consent of the relevant Depositary Receipts holder(s).
- 13.2 The transfer of a Depositary Receipt shall require a deed for that purpose to which those involved in the transfer shall be parties.
- 13.3 Unless the Company itself is party to the legal act, the Meeting Right attached to a Depositary Receipt can only be exercised after the Company has acknowledged said transfer or said deed has been served upon it in accordance with the provisions of the law.

14 Management Board

- 14.1 The management of the Company shall be conducted by the Management Board under supervision by the Supervisory Board.
- 14.2 The Management Board shall consist of two (2) or more Management Board members. The number of members of the Management Board will be determined by the Supervisory Board.
- 14.3 Management Board members shall be appointed by the General Meeting. The Supervisory Board may make a non-binding nomination for appointment of a member to the Management Board. The notice for the General Meeting in which the appointment of one or more members of the Management Board is proposed shall state if a nomination has been made by the Supervisory Board.
- 14.4 The Management Board may grant titles to a Management Board member.
- 14.5 The Company must establish a policy in respect of the remuneration of the Management Board. The policy is adopted by the General Meeting upon the proposal of the Supervisory Board.
- 14.6 The remuneration of the Management Board members shall be determined by

the Supervisory Board with due observance of the remuneration policy adopted by the General Meeting.

15 Term of Office. Resignation, Suspension and Dismissal

- 15.1 Each Management Board member shall be appointed for a term to be determined by the Supervisory Board.
- 15.2 The General Meeting may at any time dismiss or suspend any member of the Management Board. The Supervisory Board may at any time suspend a member of the Management Board and make a proposal to the General Meeting to dismiss a member of the Management Board. A suspension may be discontinued at any time by the General Meeting.
- 15.3 If either the Supervisory Board or the General Meeting has resolved upon a suspension of a Management Board member, the General Meeting shall within three (3) months after the suspension has taken effect, resolve either to dismiss such Management Board member, or to terminate or continue the suspension, failing which the suspension shall lapse. A resolution to continue the suspension may be adopted only once and in such event the suspension may be continued for a maximum period of three (3) months commencing on the day that the General Meeting has adopted the resolution to continue the suspension. If the General Meeting has not decided to terminate or to continue the suspension within the required period, the suspension shall lapse.

16 Regulations of the Management Board

With due observance of the Articles of Association the Management Board shall, subject to the prior approval of the Supervisory Board, adopt one or more sets of regulations dealing with such matters as its internal organization, the manner in which decisions are taken and any other matters concerning the Management Board.

17 Meetings of the Management Board

- 17.1 Meetings of the Management Board may be called at any time, either by one or more members of the Management Board or, on his or their instructions, by the Secretary.
- 17.2 Each Management Board member may cast one vote in meetings of the Management Board.
- 17.3 All resolutions of the Management Board shall be adopted by more than half of the votes cast. In case of a tie vote, the decision shall be referred to the Supervisory Board.
- 17.4 Management Board resolutions may at all times be adopted outside of a meeting, in writing or otherwise, provided that the proposal concerned is submitted to all Management Board members then in office and none of them objects to this manner of adopting resolutions.
- 17.5 The Secretary may attend the meetings of the Management Board. The Management Board may decide to permit others to attend a meeting as well.
- 17.6 A Management Board member shall not participate in deliberations and the decision-making process in the event of a direct or indirect personal conflict of interest between that Management Board member and the Company and the enterprise connected with it. If there is such personal conflict of interest in respect of all Management Board members, the decision shall be taken by the

Supervisory Board.

- 17.7 The minutes of meetings of the Management Board shall be kept by the Secretary. The minutes shall be adopted by the Management Board at the same meeting or at a subsequent meeting.
- 17.8 If the Management Board has adopted resolutions without holding a meeting, the Secretary shall keep a record of each resolution adopted without holding a meeting. Such record shall be signed by the chairperson of the Management Board and the Secretary.
- 17.9 In the event of the absence or inability to act of the Secretary, the powers of the Secretary shall be exercised by a Management Board member other than the chairperson of the Management Board, to be designated for such purposes by the Management Board.

18 Powers, Division of Duties, Restrictions of the Management Board

- 18.1 Subject to the division of duties referred to in Article 18.2, the Management Board shall be entrusted with the management of the Company and shall for such purpose have all the powers within the limits of the law that are not granted by the Articles of Association to others.
- 18.2 The Management Board may divide its duties among the Management Board members by regulations referred to in Article 16.
- 18.3 The Management Board shall timely provide the Supervisory Board with all information required for the exercise of their duties.
- 18.4 The Supervisory Board may require Management Board resolutions to be subject to its approval. The Management Board shall be notified in writing of such resolutions, which shall be clearly specified.
- 18.5 Without prejudice to any other applicable provisions of the Articles of Association, the Management Board shall require the approval of the General Meeting for resolutions of the Management Board regarding a significant change in the identity or nature of the Company or its enterprise, including in any event:
 - (a) the transfer of the enterprise or practically the entire enterprise to a third party;
 - (b) the conclusion or cancellation of any long-lasting cooperation by the Company or a Subsidiary with any other legal person or company or as a fully liable general partner of a limited partnership or a general partnership, provided that such cooperation or the cancellation thereof is of essential importance to the Company; and
 - (c) the acquisition or disposal of a participating interest in the capital of a company with a value of at least one-third of the sum of the assets according to the consolidated balance sheet with explanatory notes thereto according to the last adopted annual accounts of the Company, by the Company or a Subsidiary.
- 18.6 The absence of approval by the Supervisory Board for a resolution as referred to in Article 18.4 or by the General Meeting for a resolution as referred to in Article 18.5 shall not affect the authority of the Management Board or its members to represent the Company.

19 Vacancy or Inability of the Management Board Members

In the event of the absence or Inability of one or more members of the Management Board, the powers of the Management Board remain intact. If all seats in the Management Board are vacant or upon Inability of all Management Board members, the management of the Company shall be temporarily entrusted to the Supervisory Board, with the authority to temporarily entrust the management of the Company to one or more Supervisory Board members and/or one or more other persons.

20 Representation

- 20.1 The Management Board shall represent the Company. Each Management Board member shall also be authorized to represent the Company.
- 20.2 The Management Board shall have the power, without prejudice to its responsibility, to cause the Company to be represented by one or more attorneys. These attorneys shall have such powers as shall be assigned to them on or after their appointment and in conformity with the Articles of Association, by the Management Board.

21 Secretary of the Company

- 21.1 The Management Board may, subject to the prior approval of the Supervisory Board, appoint a Secretary, whether or not from outside its members.
- 21.2 The Secretary shall have such powers as are assigned to him by the Articles of Association and, subject to the Articles of Association, by the Management Board on or after his appointment.
- 21.3 The Secretary may be removed from office at any time by the Management Board, subject to the prior approval by the Supervisory Board.

22 Supervisory Board Members

- 22.1 The Company shall have a Supervisory Board consisting of at least five (5) members. In the event of a vacancy, the powers of the Supervisory Board remain intact. Only individuals may be Supervisory Board members.
- 22.2 Supervisory Board members shall be appointed by the General Meeting. The Supervisory Board may make a non-binding nomination for appointment as member of the Supervisory Board. The notice for the General Meeting in which the appointment of one or more members of the Supervisory Board is proposed shall state if a nomination has been made by the Supervisory Board.
- 22.3 Each Supervisory Board member may at any time be suspended or dismissed by the General Meeting. The Supervisory Board may make a proposal to the General Meeting to dismiss a member of the Supervisory Board.
- 22.4 If the General Meeting has resolved upon a suspension of a Supervisory Board member, the General Meeting shall within three (3) months after the suspension has taken effect, resolve either to dismiss such Supervisory Board member, or to terminate or continue the suspension, failing which the suspension shall lapse. A resolution to continue the suspension may be adopted only once and in such event the suspension may be continued for a maximum period of three (3) months commencing on the day that the General Meeting has adopted the resolution to continue the suspension. If the General Meeting has not decided to terminate or to continue the suspension within the required period, the suspension shall lapse.

- 22.5 The General Meeting may establish a remuneration for Supervisory Board members.

23 Duties and Powers of the Supervisory Board

- 23.1 It shall be the duty of the Supervisory Board to supervise the management of the Management Board and the general course of affairs in the Company and the business connected with it. The Supervisory Board shall assist the Management Board by giving advice. In performing their duties the Supervisory Board members shall act in accordance with the interests of the Company and the business connected with it.
- 23.2 The Supervisory Board may request assistance from experts. The costs of such assistance shall be for the account of the Company.
- 23.3 With due observance of these Articles of Association, the Supervisory Board shall adopt one or more sets of regulations dealing with such matters as its internal organisation (including, if and to the extent applicable, its committees), decision making process and working methods.

24 Chairperson of the Supervisory Board

- 24.1 The Supervisory Board shall appoint one of its members to be the chairperson of the Supervisory Board for such period as the Supervisory Board may decide.
- 24.2 The Supervisory Board may appoint one or more vice-chairpersons of the Supervisory Board from its midst for such period as the Supervisory Board may decide. If the chairperson is absent or unwilling to fulfil his duties, a vice-chairperson shall be entrusted with such duties.
- 24.3 If no chairperson has been appointed or if the chairperson is absent or unwilling to take the chair, a meeting of the Supervisory Board shall be presided over by a vice-chairperson of the Supervisory Board or in the event of his or their absence or unwillingness to take the chair, by another member of the Supervisory Board or another person present designated for such purpose by the meeting.

25 Meetings of the Supervisory Board

- 25.1 The Supervisory Board shall meet whenever a Supervisory Board member or the Management Board deems necessary.
- 25.2 The meetings of the Supervisory Board shall be presided over by the chairperson or his deputy. In their absence, the chairperson of the meeting shall be appointed by the Supervisory Board members present at the meeting.
- 25.3 Each Supervisory Board member may cast one vote in the Supervisory Board.
- 25.4 Resolutions of the Supervisory Board shall be adopted by more than half of the votes cast in a meeting in which more than half of the Supervisory Board members in office is present or represented.
- 25.5 The Secretary may attend the meetings of the Supervisory Board. The Supervisory Board may decide to permit others to attend a meeting as well.
- 25.6 A Supervisory Board member shall not participate in the deliberations and decision-making process in the event of a conflict of interest between that Supervisory Board member and the Company and the enterprise connected with it. If all members of the Supervisory Board have a conflict of interest, the resolution concerned will nevertheless be adopted by the Supervisory Board.
- 25.7 The minutes of meetings of the Supervisory Board shall be kept by the Secretary.

The minutes shall be adopted by the Supervisory Board at the same meeting or at a subsequent meeting.

- 25.8 If the Supervisory Board has adopted resolutions without holding a meeting, the Secretary shall keep a record of each resolution adopted without holding a meeting. Such record shall be signed by the chairperson and the Secretary.

26 Vacancy or Inability of the Supervisory Board members

In the event of the absence or Inability of one or more members of the Supervisory Board, the powers of the Supervisory Board remain intact. If all seats in the Supervisory Board are vacant or upon Inability of all Supervisory Board members, the performance of the duties and the exercise of the authorities of the Supervisory Board members shall be temporarily entrusted to the General Meeting, with the authority to temporarily entrust such to one or more persons.

27 Indemnity of members of the Management Board and the Supervisory Board

- 27.1 Unless Dutch law provides otherwise, the following shall be reimbursed to current and former members of the Management Board and the Supervisory Board:

- (a) the reasonable costs of conducting a defence against claims based on acts or failures to act in the exercise of their duties or any other duties currently or previously performed by them at the Company's request;
- (b) any damages or fines payable by them as a result of an act or failure to act as referred to under (a);
- (c) the reasonable costs of appearing in other legal proceedings in which they are involved as current or former members of the Management Board and the Supervisory Board, with the exception of proceedings primarily aimed at pursuing a claim on their own behalf.

- 27.2 There shall be no entitlement to reimbursement as referred to in Article 27.1 if and to the extent that (i) a Dutch court has established in a final and conclusive decision that the act or failure to act of the person concerned may be characterised as wilful (*opzettelijk*), intentionally reckless (*bewust roekeloos*) or seriously culpable (*ernstig verwijtbaar*) conduct, unless Dutch law provides otherwise or this would, in view of the circumstances of the case, be unacceptable according to standards of reasonableness and fairness, or (ii) the costs or financial loss of the person concerned are covered by an insurance and the insurer has paid out the costs or financial loss. The Company may take out liability insurance for the benefit of the persons concerned.

28 Financial Year and Annual Accounts

- 28.1 The Company's financial year shall run from the first day of April up to and including the thirty-first day of March of the following year.
- 28.2 Annually, within the term set by law, the Management Board shall prepare annual accounts, and shall deposit the same for inspection at the Company's office.
- 28.3 The annual accounts shall be accompanied by the accountant's statement referred to in Article 29.4, if the assignment referred to in that Article has been given, by the annual report, unless section 2:391 of the Dutch Civil Code does not apply to the Company, as well as the other particulars to be added to those documents by virtue of applicable statutory provisions.

- 28.4 The annual accounts shall be signed by the members of the Management Board and the Supervisory Board; if one or more of their signatures is lacking, this shall be stated, giving the reasons therefor.

29 Accountant

- 29.1 The Company shall instruct an accountant to audit the annual accounts.
- 29.2 The General Meeting shall be authorized to give such instruction. If the General Meeting fails to do so the Supervisory Board shall be authorized or, if no Supervisory Board members are in office or failing such instruction, the Management Board. With due observance of Section 2:393 subsection 2 of the Dutch Civil Code, instructions to the accountant may be withdrawn at any time.
- 29.3 The accountant shall render an account of his audit to the Supervisory Board and the Management Board.
- 29.4 The accountant shall reflect the results of his audit in a statement attesting to the fidelity of the annual accounts.

30 Deposition at the Office of the Company

The annual accounts as prepared, the annual report, the consultative report of the Supervisory Board and the information to be added pursuant to Section 2:392 subsection 1 of the Dutch Civil Code must be available at the Company's office as of the date of the notice convening the annual General Meeting. Persons with Meeting Right may inspect the documents at that place and obtain a copy thereof free of charge.

31 Adoption

- 31.1 The annual accounts shall be adopted by the General Meeting.
- 31.2 The annual accounts may not be adopted if the General Meeting has been unable to inspect the accountant's statement referred to in Article 29.4, unless the information to be added by virtue of the law includes a legal ground for the lacking of the statement.

32 Profits and Distributions

- 32.1 Each year the Management Board, subject to the prior approval of the Supervisory Board, may determine which part of the profits shall be reserved.
- 32.2 The General Meeting may resolve to distribute any part of the profits remaining after reservation in accordance with Article 32.1. If the General Meeting does not resolve to distribute these profits in whole or in part, such profits (or any profits remaining after distribution) shall also be reserved.
- 32.3 If the Company is required by law to maintain reserves, the authority of the General Meeting to make distributions only applies to the extent that the equity exceeds these reserves. No resolution of the General Meeting to make a distribution shall have effect without the consent of the Management Board. The Management Board may withhold such consent only if it knows or reasonably should expect that after the distribution, the Company will be unable to continue the payment of its due debts.
- 32.4 Distribution of profits shall be made after adoption of the annual accounts if permissible under the law given the contents of the annual accounts.
- 32.5 The Management Board may, subject to the prior approval of the Supervisory Board, resolve to distribute interim dividend on Shares.
- 32.6 In calculating the amount of any distribution on Shares, Shares held by the

Company, or Shares for which the Company holds the Depositary Receipts shall be disregarded, unless such Shares or Depositary Receipts are encumbered with a right of usufruct or pledge.

32.7 Any distributions on Shares shall be made in such a way that on each Share an equal amount or value will be distributed.

32.8 The Sections 2:215 and 2:216 of the Dutch Civil Code shall apply to distributions.

33 Distributions Charged to the Distributable Reserves and Distributions in Shares

33.1 The Management Board may, subject to the prior approval of the Supervisory Board, resolve that distributions on Shares are made from the reserves maintained by the Company, subject to the limitations prescribed by law.

33.2 The Management Board may, subject to the prior approval of the Supervisory Board, resolve that a distribution on Shares shall not be paid in whole or in part in cash but in Shares or in any other form.

33.3 The Company Body competent to issue Shares, grant rights to subscribe for Shares and restrict or exclude pre-emptive rights, in accordance with the provisions of the Articles 6 and 7, shall be authorized to resolve that in respect of any issuance of Shares and/or granting of rights to Shares, the nominal value of these Shares shall be paid up on account of the reserves maintained by the Company, subject to the limitations prescribed by law.

34 Date for Payment

34.1 Unless the Management Board determines another date of payment, distributions on Shares shall be made payable within thirty (30) days after they have been declared.

34.2 A claim of a Shareholder for payment of a distribution shall be time barred by an elapse of five (5) years.

35 General Meeting

35.1 Each financial year, at least one (1) General Meeting, the annual General Meeting, shall be held.

35.2 General Meetings shall be held as often as the Management Board or the Supervisory Board deems necessary, without prejudice to the provisions of Sections 2:220, 2:221 and 2:222 of the Dutch Civil Code.

35.3 One or more Persons with Meeting Right representing individually or jointly at least one per cent (1%) of the Company's issued capital may request either the Management Board or the Supervisory Board in writing to convene a General Meeting, stating specifically the subjects to be discussed. If the Management Board or the Supervisory Board has taken insufficient action such that the meeting cannot be held within four (4) weeks after receipt of the request, the applicants shall be authorised to convene a meeting themselves.

36 Convening a Meeting. Agenda

36.1 General Meetings shall be convened by the Management Board or the Supervisory Board.

36.2 The notice of the meeting shall be given with due observance of the statutory notice period.

36.3 The notice of the meeting shall specify the subjects to be discussed.

- 36.4 Matters will only be put to vote if and to the extent the General Meeting is authorized by law or the Articles of Association to resolve on the subject matter. All other matters are put on the agenda for discussion purposes only.
- 36.5 A subject for discussion requested in writing not later than thirty (30) days before the day of the meeting by one or more Persons with Meeting Right who individually or jointly represent at least one per cent (1%) of the Company's issued capital, shall be included in the notice or shall be notified in the same way as the other subjects for discussion, provided that no important interest of the Company dictates otherwise.
- 36.6 The notice of the meeting shall be sent by letters to the addresses of the Persons with Meeting Right, shown in the register referred to in Article 5.1. Persons with Meeting Right may be sent notice of the meeting by means of a legible and reproducible message electronically sent to the address stated by them for this purpose to the Company.
- 36.7 The Person with Meeting Right that has put a subject on the agenda, shall clarify it at the meeting and shall answer any questions relating thereto.

37 Place of Meetings

The General Meetings shall be held at Amsterdam, Schiedam or Haarlemmermeer (including Schiphol Airport). General Meetings may also be held elsewhere, but in that case valid resolutions of the General Meeting can only be adopted if all of the Company's issued capital is represented and each other Person with Meeting Right has been duly convened.

38 Chairperson

- 38.1 The General Meetings shall be presided over by the chairperson of the Supervisory Board or, in his absence, by a vice-chairperson of the Supervisory Board; in the event that the latter is also absent, the Supervisory Board members present shall appoint a chairperson from their midst. The Supervisory Board may appoint another person to act as chairperson of a General Meeting.
- 38.2 If the chairperson has not been appointed in accordance with Article 38.1, the meeting itself shall appoint a chairperson. Until that moment, any Management Board member present, or otherwise the eldest person present at the General Meeting shall act as chairperson.

39 Minutes and Recording of Shareholders' Resolutions

- 39.1 Minutes shall be kept of the proceedings at every General Meeting by a secretary to be designated by the chairperson of the meeting. The minutes shall be adopted by the chairperson and the secretary of the meeting and shall be signed by them as evidence thereof.
- 39.2 The Management Board shall keep record of all resolutions adopted by the General Meeting. If the Management Board is not represented at a meeting, the chairperson of the meeting or the chairperson's representative shall ensure that the Management Board is provided with a transcript of the resolutions adopted, as soon as possible after the meeting. The records shall be deposited at the Company's office for inspection by the Persons with Meeting Right. Each of them shall be provided with a copy of or an extract from the records upon request.

40 Rights at Meetings. Admittance

- 40.1 Each Person with Meeting Right shall be entitled to attend the General Meeting, to address such meeting and, to the extent applicable, to exercise his voting rights. Persons with Meeting Right may be represented in a General Meeting by a proxy authorised in writing.
- 40.2 The Management Board may determine that the powers set out in the first sentence of Article 40.1 may be exercised by means of electronic communication. If a Person with Meeting Right participates by means of electronic communication, it shall be required that the electronic communication allows for identification of such person, for such person to directly take notice of the proceedings in the meeting and for the casting of votes. Furthermore, it shall be required that the electronic communication allows for the Person with Meeting Right to participate in discussions in the meeting. The Management Board may subject the use of the electronic communication to further conditions, provided that these conditions are reasonable and necessary to establish the identity of the Person with Meeting Right and the reliability and security of the communication and are included in the notice of the meeting.
- 40.3 Each Person with meeting Right or his representative shall, whether or not by means of electronic communication, sign the attendance list.
- 40.4 The Management Board members and Supervisory Board members shall, as such, have the right to render advice in the General Meeting.
- 40.5 The chairperson of the meeting shall decide whether persons, other than those entitled to be admitted pursuant to this Article 40, shall be admitted to the meeting.

41 Voting

- 41.1 Each Share confers the right to cast one (1) vote.
- 41.2 To the extent that the law or these Articles of Association do not require a qualified majority, all resolutions of the General Meeting shall be adopted by an absolute majority of the votes cast.
- 41.3 Notwithstanding any other provisions of these Articles of Association, resolutions of the General Meeting in relation to the application for bankruptcy, suspension of payments, legal merger or legal demerger, can only be adopted at the proposal of the Management Board and subject to the prior approval of the Supervisory Board.
- 41.4 With respect to resolutions of the General Meeting which can only be adopted if part of the issued capital is represented, a second General Meeting may not be convened pursuant to Section 2:230, subsection 3 of the Dutch Civil Code.
- 41.5 The chairperson of the meeting shall decide on the method of voting.
- 41.6 If there is a tie in voting, the proposal shall be deemed to have been rejected.
- 41.7 Abstentions and invalid votes shall not be counted as votes.
- 41.8 The ruling pronounced by the chairperson of the meeting in respect of the outcome of a vote shall be decisive. The same shall apply to the contents of a resolution passed, in as far as voting related to a proposal not made in writing.
- 41.9 In the General Meeting, no voting rights may be exercised for any Share held by the Company or a Subsidiary, nor for any Share for which the Company or a

Subsidiary holds the Depositary Receipts. However, pledgees and usufructuaries of Shares owned by the Company or a Subsidiary are not excluded from exercising the voting rights if the right of pledge or the usufruct was created before the Share was owned by the Company or such Subsidiary. The Company or a Subsidiary may not exercise voting rights for a Share in respect of which it holds a right of pledge or usufruct.

- 41.10 If the formalities for convening and holding of General Meetings, as prescribed by law or these articles of association, have not been complied with, valid resolutions by the General Meeting may only be adopted in a meeting if all Persons with Meeting Right have consented to the decision-making process taking place and prior to the decision-making process, Management Board members and Supervisory Board members have been given the opportunity to render advice.
- 41.11 When determining how many votes are cast by Shareholders, how many Shareholders are present or represented, or which part of the Company's issued capital is represented, no account shall be taken of Shares for which, pursuant to the law or these Articles of Association, no vote can be cast.

42 Notices and Announcements

The notice of the meeting shall be sent by letters to the addresses of the Persons with Meeting Right, shown in the register referred to in Article 5.1. Persons with Meeting Right may be sent notice of the meeting by means of a legible and reproducible message electronically sent to the address stated by them for this purpose to the Company.

43 Resolutions without holding meetings

- 43.1 Shareholders' resolutions may also be adopted in a manner other than at a meeting, provided that all Persons with Meeting Right have given consent to such decision-making process in writing. The votes shall be cast in writing. Prior to the adoption of resolutions, Management Board members and Supervisory Board members shall be given the opportunity to render advice.
- 43.2 For the purposes of Article 43.1 the requirement of votes to be cast in writing shall also be met in case the resolution is recorded in writing or electronically, indicating the manner in which each vote is cast and such resolution is signed by all Persons with Meeting Right.
- 43.3 As soon as the Management Board is acquainted with the resolution it shall keep record thereof and add such record to those referred to in Article 39.2.

44 Amendment of the Articles of Association

- 44.1 The General Meeting may resolve to amend these Articles of Association at the proposal of the Management Board and subject to the prior approval of the Supervisory Board.
- 44.2 When a proposal to amend these Articles of Association is to be made at a General Meeting, the notice of such meeting must state so and a copy of the proposal, including the verbatim text thereof, shall be deposited and kept available at the Company's office for inspection by, and must be made available free of charge to, Persons with Meeting Right, until the conclusion of the meeting. An amendment of these Articles of Association shall be laid down in a notarial

deed.

45 Dissolution and Liquidation

- 45.1 The General Meeting may resolve to dissolve the Company at the proposal of the Management Board, subject to the prior approval of the Supervisory Board.
- 45.2 If the Company is dissolved pursuant to a resolution of the General Meeting, the Management Board members shall become liquidators of the dissolved Company's property. The General Meeting may decide to appoint other persons as liquidators.
- 45.3 During liquidation, the provisions of these Articles of Association shall remain in force to the extent possible.
- 45.4 The balance remaining after payment of the debts of the dissolved Company shall be transferred to the holders of Shares in proportion to the aggregate nominal value of the Shares held by each.

ADVISERS TO THE OFFEROR

Financial Adviser

AXECO Corporate Finance B.V.

Legal Adviser

De Brauw Blackstone Westbroek N.V.

Coöperatie Forest Flint U.A.

ADVISERS TO THE COMPANY

Financial Adviser

ABN AMRO Bank N.V.

Legal Adviser

Loyens & Loeff N.V.

Halsten M&A B.V.