Campine

A year in review.

ANNUAL REPORT 2020

Content

We recycle 10.000 car batteries EVERY DAY

Recover. Renew. Repeat.

Campine is creating new material solutions from waste. It's our second nature to care for people and planet and to manufacture products which protect people. Our processes and procedures are immersed in a culture of safety and responsibility.

About Campine
Campine is the only car battery recycler in the Benelux. Each day, we prevent 10,000 lead-acid batteries to end up in landfills. We recycle the lead and recover the acids.

Campine is – outside of China - the largest producer of the most important flame retardant used in plastics and textiles called antimony trioxide. This product, used in many household and building materials yearly saves thousands of lives by delaying or extinguishing flames in fire incidents.

Message from the Chairman and the CEO

Campine has been successful in limiting most negative influences of the unprecedented events which marked the year 2020. This is mainly the outcome of efficient decisions on cost control, cash planning, commercial efforts and most certainly of the devotion of its employees and executive management. Without their loyalty and ingenuity the moderate positive financial result would have been much worse.

The COVID-19 pandemic caused additional volatility in the market. Increasing signs of uncertainty were noticed as the year progressed: fear for shortages of antimony at the onset of the virus outbreak in China, lack of scrap batteries due to forced closure of scrap dealers and car workshops, reduced demand for lead due to the shutdown of most automotive assembly lines … Other factors such as the worries surrounding Brexit, the trade discussion between China and the USA and last but not least the socio-political tensions within the US, contributed to the economic concerns.

The collapsing demand for our products and the linked dramatic fall of the prices initially pushed down our sales revenues compared to previous years. Profits melted like snow under the sun. By the middle of the year we had reached the bottom. With prompt reactions on cost control, improvement of operational efficiency, the spreading of investments and by seizing some commercial opportunities, Campine was able to temper the downward trend. The market demand for products in all our businesses started to rebuild in the summer and so did the metal prices. Despite the persistence of the pandemic, the 2nd semester was marked by a noteworthy recovery, which finally contributed to a positive net result of 2.8 million € for the year. With a solvency rate of 55%, we succeeded in retaining a strong balance sheet.

> “The 2nd semester was marked by a noteworthy recovery.”

None of the major investments foreseen in the business plan were cancelled. However, some projects experienced delays due to the impact of the COVID-19 pandemic at some of our foreign suppliers. Other projects were deliberately spread out in time.

2020 Financials

TURNOVER

166,9 mio €

NET RESULT

2,8 mio €

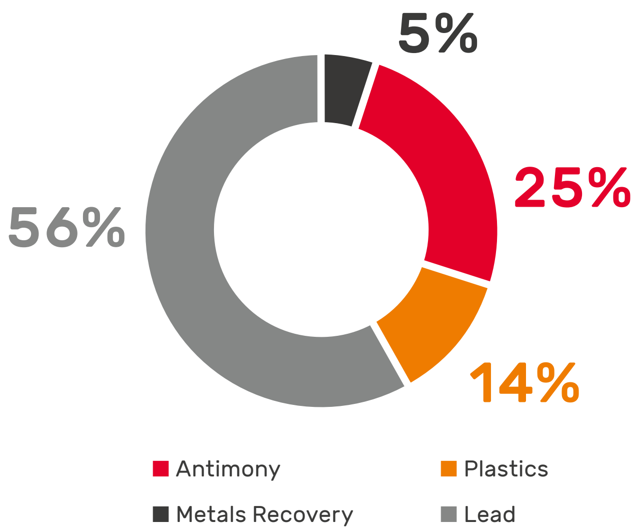
EBITDA

7,2 mio €

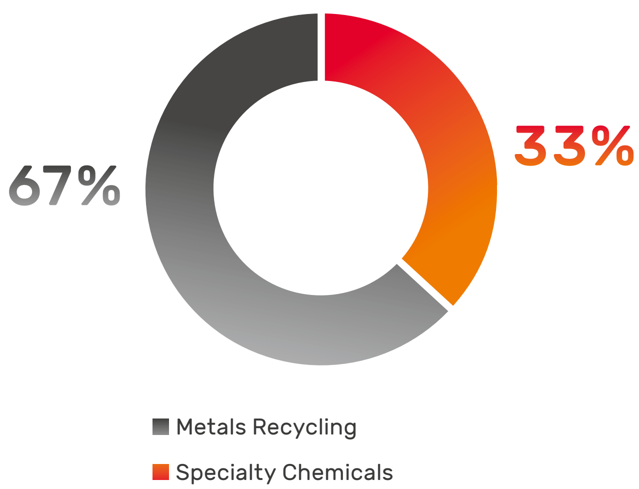
SOLVENCY RATIO

55%

TURNOVER PER BU



EBITDA PER DIVISION



Campine implemented a series of measures to prevent the infection of COVID-19 to its employees. With success. The employees showed tremendous resilience and flexibility under difficult circumstances. They maximised production output whilst being confronted with unemployment at the same time. A lot of attention was also given to safety and health. Accidents were reduced by 22% and health KPI's of hazardous substances were also at historical low levels.

> "The expectations for 2021 will largely depend on how metal prices will evolve and how the general economy will cope with the ongoing COVID-19 pandemic."

The expectations for 2021 will largely depend on how metal prices will evolve and how the general economy will cope with the ongoing COVID-19 pandemic. We remain cautious about the outlook, but expect rising raw material prices. This trend was already initiated for antimony during the last quarter of 2020, whilst the lead LME price seems more hesitant to a substantial rise. The market demand for our products also shows positive signs so far.

In the coming years Campine will continue to enhance its contribution to the circular economy. Beside investments to make our processes safer and more efficient, we also have some renovation and replacement projects on the agenda. An investment to generate renewable energy will emphasise our commitment toward more sustainability. Lots of attention will go towards creating a plan to enhance Campine's innovation power and expand and upgrade our laboratory and R&D infrastructure. Further diversification to become a multi metals recovery site and the entry in the plastics recycling market should continue to add value to our company in the future.

We will maintain excellent relations with all stakeholders, especially with our social partners and will have lots of attention in realising our social responsibility commitments.

This ambitious program would not be possible without Campine's motivated workforce, its management and the unrelieved support from the Board of Directors and its main shareholder. For which we thank them a lot.

Patrick De Groote
Chairman of the Board of Directors.

Willem De Vos
CEO

2020 Headlines

COVID-19:

- As a company in the essential sectors, Campine continued its production during the COVID-19 pandemic.
- Cost reduction of 2.3 mio €.

Crashing raw materials and commodity prices.

- Lowest biomonitoring values and hence best health KPI’s ever.
- Reduction of exposure to hazardous substances.

Start-up of innovative process for the recycling of antimony “rewarded” with a government subsidy of 1 mio €.

Well-being and process improvements go together

The most important Campine value is definitely 'safety is our first concern'. During 2020 this became even more obvious. In contrast with what happened in the world, 2020 was actually exceptionally good in terms of health and well-being of Campine's employees.

A healthy workplace

We strive to create healthy workplaces for all of our employees. Zero accidents is a goal which we renew each year with emphasis and the reduction of exposure to hazardous substances – and now also viruses - is a continuous improvement exercise.

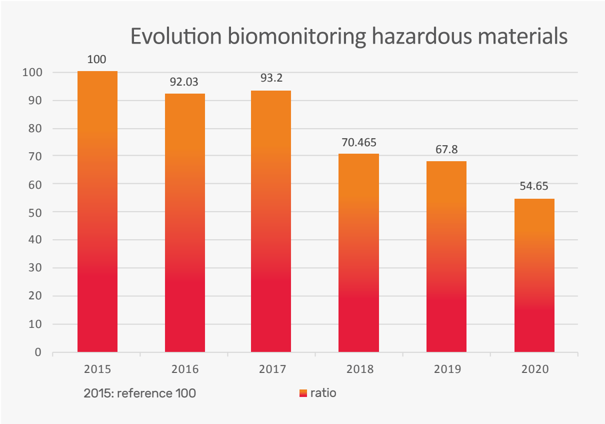
Our global prevention plan and derived actions help us to improve labour conditions on the work floor. The prevention plan got a complete overhaul in 2020 as we introduced a new approach in terms of practicable and flexible operations. A policy was also implemented related to psychosocial well-being and a temperature control plan was developed.

Stephanie Geerts,
Prevention Advisor

> "Campine has a proactive health policy in which we set more stringent thresholds compared to the legal limits."

Campine has a proactive health policy in which we set more stringent thresholds compared to the legal limits. An example of this is our dust reduction plan. The results of the actions resulting from this plan started to become visible this year: in the 4th quarter we achieved the lowest (best) biomonitoring values we ever had. For the first time all measurements were below our own target levels, no one surpassed anywhere the stringent internal thresholds. This achievement was attained thanks to a mix of technical improvements as well as efforts to adapt our behaviour by always wearing our protective gear correctly.

One of the most advanced personal protective devices is our standard powered air-purifying respirator helmet. This futuristic looking full-face helmet with visor helps to reduce the inhalation of dust and other hazardous vapours, whilst allowing the worker to perform tasks without constraints. This made the obligatory wearing of facemasks in the administrative buildings and by expansion also outside the company a quite easy task.



Improvement of ergonomics and product quality

We made substantial improvements in terms of ergonomics during 2020. In our antimony department, we replaced the manual loading of metal blocks into our reactors by a robot with customised manipulation system. All the blocks are now individually weighed and placed on fully automated conveyor belts by the robot.

The metal blocks are transported via conveyor belts to the reactors, where they are pushed into the melting chamber by the now fully digitalised operating system. With the introduction of this robot, the main cause for labour accidents in the complete factory, as well as ergonomic issues was taken away. Until then, each year 400,000 blocks of antimony metal were lifted manually and placed on a mechanical transport system. This automation additionally helped to enhance process control and ultimately the end-quality of our trioxide products.

Campine continues to strive to improve safety and well-being in the complete organisation. In the coming years more projects will be rolled out and we count on the many actions which will result from this to enhance our safety culture even more.

Ashley Baijens,
Process Engineer

" With the introduction of this robot, the main cause for labour accidents in the complete factory was taken away. "

6 values that define our company

Safety is our first concern

We decide, act and finish what we started

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

We keep things simple

We are not afraid to say no

We respect people and planet

Corporate Social Responsibility

Due to the worldwide Corona pandemic, Corporate Social Responsibility (CSR) has become even more prominent in our society.

This is also the case within Campine, where people and humanity are at the centre of our business planning. We are not only talking about our own people, but also about our customers, suppliers and all other partners and stakeholders worldwide.

Corporate social responsibility is part of our DNA. It starts with our vision of a zero-waste society and our daily mission to convert waste into new materials. But we want to take this to the next level and have initiated several new CSR-projects:

- Reduction of energy consumption;
- Investment in a solar park to generate renewable power;
- Useful utilisation of our own waste;
- Mobility: greener car fleet;
- Supporting suppliers in developing countries to install and respect ethic rules;
- Local purchasing;
- General use of sustainable products.

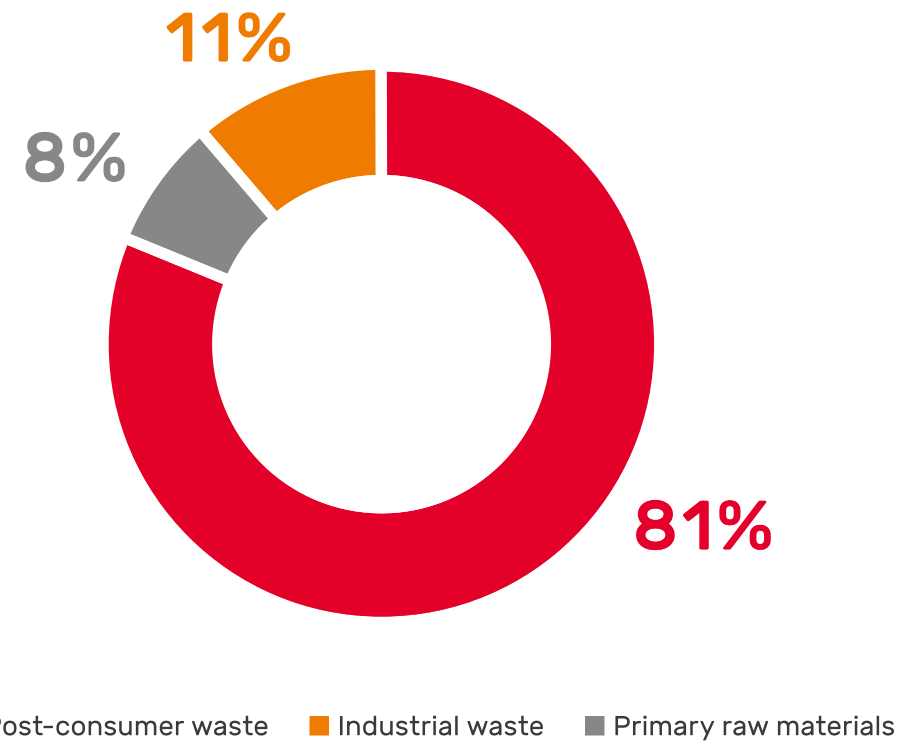
In the course of 2021 we will develop a sustainability dashboard to monitor our progress and define additional projects.

We are proud to announce that in 2020 Campine reached a Silver score in the Ecovadis sustainability rating. This puts us in the world's top 20% of the most sustainable companies.

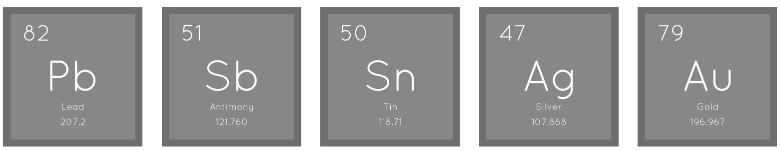
SILVER 2020 ecovadis Sustainability Rating

Circular economy

OVER 90% OF THE INCOMING MATERIALS ARE WASTE PRODUCTS



RECYCLED METALS



Waste as raw material

A new, unique recycling technology

In our Specialty Chemicals division we transform antimony metal into antimony trioxide. This chemical product is used to make textiles and plastics flame retardant. The antimony metal is mainly excavated from mines in China and other Southeast and Central Asian countries.

As the first company in the world, Campine developed a new technology to extract and transform antimony metal content from different industrial (waste) products directly into antimony trioxide.

Used scrap car batteries are a good example of antimony containing post-consumer waste. Since new lead alloys for batteries need less and less antimony, our lead battery recycling now has a surplus of antimony in its material mix. This “waste” is now going through our new recycling process and results in a high value chemical product. Beside this, we also recover antimony from different external metallurgical waste and by-products.

Campine, and by extension Europe, becomes as such less dependent on the imports of antimony metal, which is considered to be a critical material for the European Union. Campine wants to generate up to 20% of its antimony needs through such processes.

This innovative technology helps us to lower the demand for primary raw materials. By developing new recycling processes and increasing our recovery capacity, we strengthen our position in the circular economy. This 4.9 mio € investment was the result of unique internal Campine synergies between lead and antimony trioxide and our knowledge of metallurgical recycling processes.

Thanks to this, we are another step closer to realising our vision of building a zero-waste society and creating a sustainable society. A vision, which is also supported by the Flemish and Belgian governments as they awarded our new technology with a strategic ecological investment subsidy of 1 mio €.

The new facility and equipment was taken into production in December 2020, and will already contribute to Campine’s results in 2021.

Our products save lives

In the 1980ies people had on average 17 minutes to escape from a home fire before it became life threatening. Today this escape time is reduced to only 3 minutes.

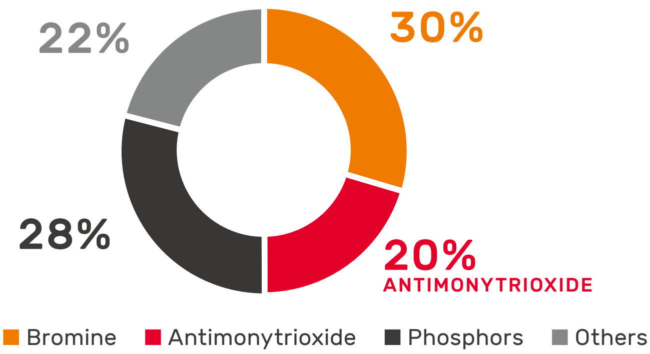
The main reason for this reduction is that our living rooms are fully stuffed with electronics, plastics and textile products which are easily combustible. Therefore these products need to be made fire retardant.

The combination of antimony trioxide and bromine or chlorine substances is the best and most widespread flame retardant for plastics and textiles.

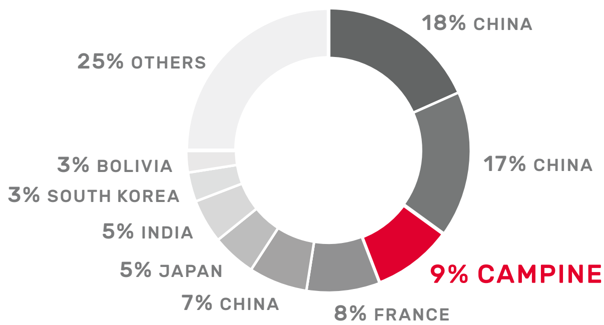
ATO or antimony trioxide has a prominent place in het global flame retardant market, which is estimated to have a 5 billion € value. With an overall market share of 9%, Campine is the 3rd largest player in this market. The increasing demand for flame retardants is estimated at a CAGR of 6%. This is supported by the continuously more stringent regulatory requirements.

Campine is thus an important player in a fast growing market for the protection of humans and buildings in case of a fire.

MAJOR FLAME RETARDANTS
TOTAL MARKET: 5 BILLION €



GLOBAL MARKET SHARE CAMPINE
FOR ANTIMONY TRIOXIDE
(compared to competitors with country of origin)



The Board of Directors of Campine nv reports to the shareholders on the company's activities and results over the financial year 2020. The consolidated annual accounts, the statutory annual accounts and this annual report were approved by the Board of Directors on March 18th, 2021 and will be presented to the Annual General Meeting of May 26th, 2021.

Annual review 2020


Hans Vercammen, Division Director Specialty Chemicals

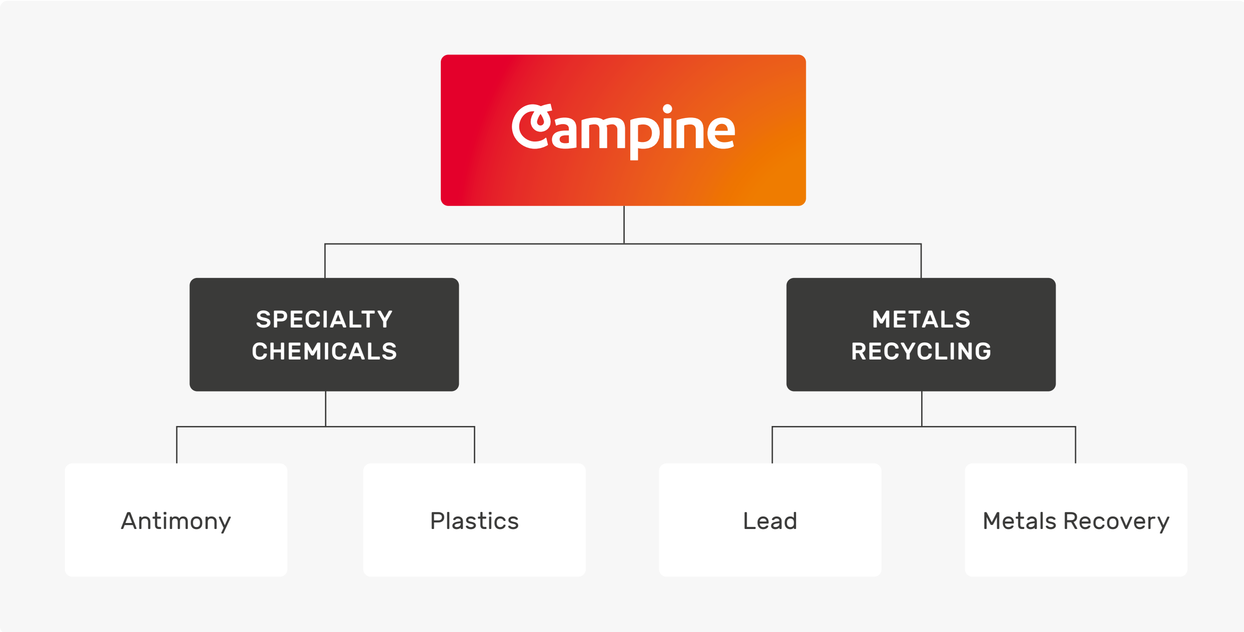
1. De COVID-19 impact

As most manufacturing companies, **Campine** did not escape the impact of the worldwide Corona pandemic in 2020. By focusing on essential activities, seizing some alternative sales opportunities and a good performance in the 2nd year-half, Campine was able to close the year with a moderate result. The pandemic had its main negative influence in the first semester.

The demand in the **Specialty Chemicals** division started declining as from April onwards. In the 2nd quarter, we realised 25% less sales volumes compared to a normal year. This made us decide to close the production during the month of May. We were however successful in compensating the volume loss completely in the 2nd semester. The main financial impact in this division was the dramatic price reduction for antimony products. The price of antimony metal reached a low of 5,000 $/ton in the summer as a result of a worldwide collapse in demand. Towards year-end, we experienced an opposite evolution. Related to continued infection issues in mines, stocks of antimony ores, concentrates and metal started to get depleted resulting in a fierce price uptake (see further in perspectives 2021).

The drop in demand in the **Metals Recycling** division already occurred in March. Campine's lead alloys are mainly used for the manufacturing of car batteries, but as the automotive industry closed down many assembly lines, demand dropped by 50%. We were able to compensate a part of the lowered industrial volumes by selling to metal traders. However, during April the availability of scrap batteries became an issue as many partners in this supply chain also had to close their doors. We decided therefore mid-May to close our factory for 5 weeks, during which we performed an advanced yearly maintenance. By that time lead LME prices had declined to a low beneath 1,500 €/ton. From June onwards, the scrap battery supply chain started to rebuild and the demand for lead slowly resumed to normal levels. Lead LME prices started to recover and the 2nd half of the year came off as relatively normal.

The implementation of measures to prevent the **Corona** virus to spread had a severe impact on the way we used to work and collaborate. Campine combined (and continues to use) a wide variety of measures, such as working from home and the remote management of customer relations,



whilst continuing manufacturing on its site in Beerse. Due to our Seveso status - as we work with hazardous materials - our employees are used to wear protective gear, including dust masks and even full facemasks. The implementation of additional measures related to Corona was therefore only a small step to take.

Only a very limited number of employees got infected with COVID-19. The contact tracing indicated however that none of the infections occurred during their professional activities on Campine's premises. A proof that all preventive measures implemented by the company were very effective.

Several investments were delayed or spread in time, mainly because subcontractors, just like foreign suppliers of equipment and machinery, experienced problems due to the pandemic. Strict operational cost control was implemented throughout all processes in all departments. A total of 2.3 mio € in expenses was avoided, amongst others by provisional closing of some departments, using temporary unemployment for all employees, cutting marketing expenses, reduced travel and external meetings, etc.

2. Group results

Campine realised a total revenue of 166.9 mio € in comparison with 192.5 mio € in 2019 (-13%). This lower revenue is mainly related to the reduced metal prices, which form the basis of Campine sales prices and the somewhat lower sales volumes in the division Metals Recycling.

The EBITDA reached 7.2 mio €, which is 23% lower compared to the 9.4 mio € of 2019 (excluding the 3.9 mio € refund of the EC fine) and the EBIT ended at 3.6 mio € (37% lower than in 2019). The Net Result (EAT) for 2020 amounted to 2.8 mio € compared to 4.1 mio € (excluding the 3.9 mio € refund of the EC fine) in 2019 (-33%).

Our financial ratios continued to remain very solid during 2020. With a solvency rate of 55% (equity/balance sheet total) we have the financial resources to continue financing our investment program, which is linked to our business plan.

3. Division Specialty Chemicals

This division is composed of the business units Antimony and Plastics.

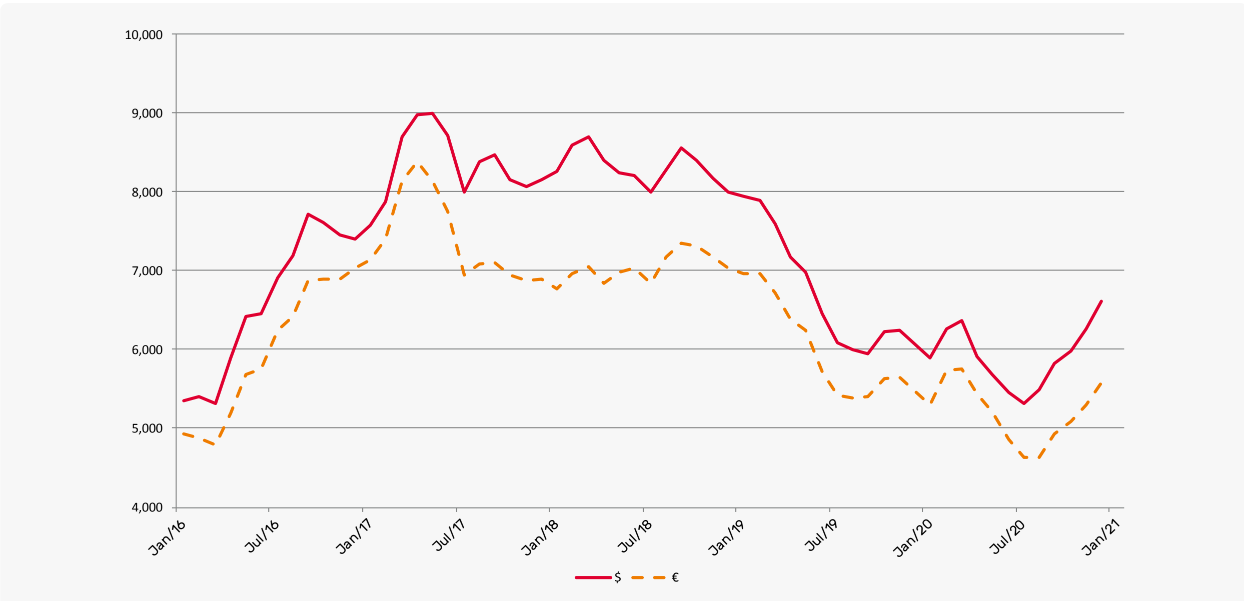
3.1 VOLUMES

Despite the Corona pandemic, the sales volume of 13,353 tons in the Specialty Chemicals division remained almost equal with the 13,622 ton of the previous year 2019.

3.2 REVENUE AND EBIT

Revenue is linked to the evolution of antimony metal prices. The average Antimony Metal Bulletin price of 5,912 $/ton in 2020 was considerably lower than the average price in 2019, amounting to 6,722 $/ton. This is a decrease of 12%. Additionally the Dollar-Euro exchange rate of 1.142 $/€ was also lower than in 2019 (1.119 $/€). Consequently our revenue amounted only to 64.6 mio € (16% vs 2019).

Antimony free market 99.6% in $/ton and €/ton



Notwithstanding the drastic price reduction of antimony products, the results improved considerably: the EBITDA reached 2.3 € mio, up from 0.9 mio € one year earlier. The EBIT increased to 1.1 mio € compared to a loss of 0.2 mio € in 2019. Reasons for this progress are partially related to structural operational improvements, optimizations in purchasing and the evolution of our sales portfolio towards more value added products.

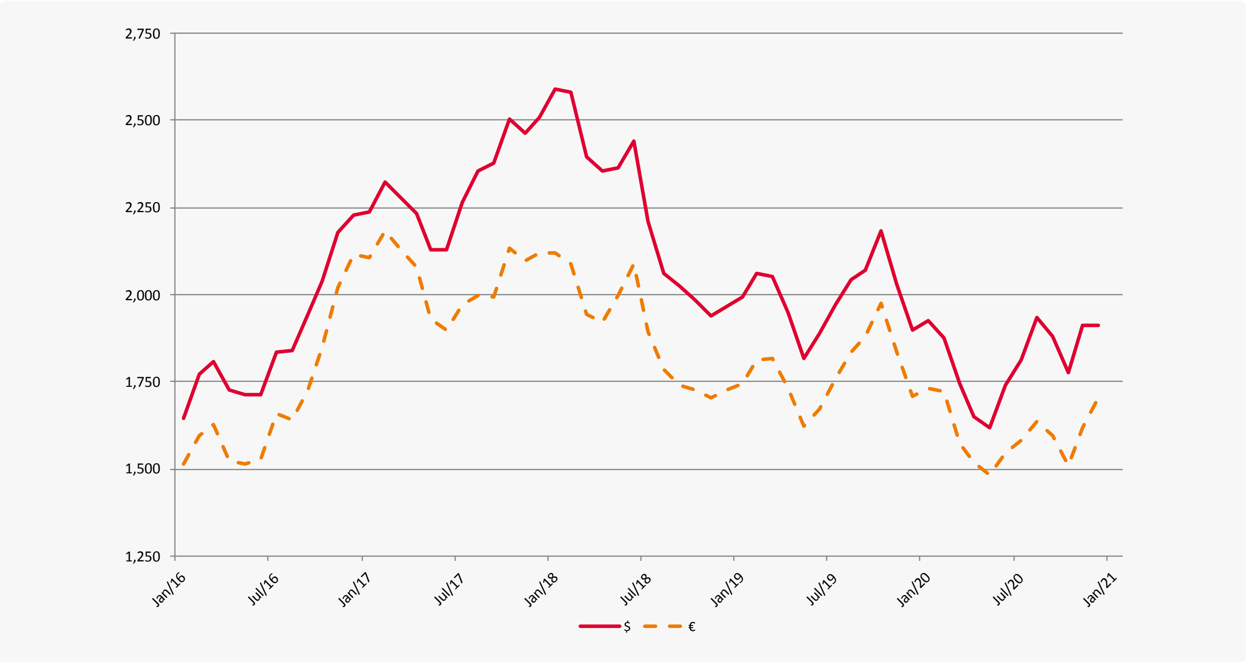
4. Division Metals Recycling

This division is composed of the business units Lead and Metals Recovery.

4.1 VOLUMES

We concluded the year with a sales volume of 62,628 ton, a decrease with 3% compared to 2019.

Lead LME cash/ton in $ and in €



4.2 REVENUE AND EBIT

Revenue and operational result both strongly depend on the metal prices, mainly on the lead LME price. Our margins are under pressure when LME has a downward trend and margins recover during upward movements. Just like all other base and minor metals, the lead LME price decreased substantially during the onset of the Corona pandemic. In mid-January we still enjoyed a lead LME price level of around 1,750 €/ton, but by May the price level was already down below 1,500 €/ton. After this, the lead price started to recover to similar levels as at the start of the year (with exception of a dip during October). The average LME price in 2020 was about 1,600 €/ton, which is about 10% lower than in 2019.

Consequently, the revenue decreased by 12% to 113.1 mio € whereas the EBITDA lowered to 4.8 mio € (-43%) and the EBIT reached 2.6 mio € (-57%).

5. Perspectives for 2021

Predicting what influence the Corona pandemic will continue to have on the business in 2021, especially the impact on metal prices, which are crucial for Campine's financial performance is quite difficult. The price for antimony metal has been slowly increasing since the fall of last year. The fear for shortages on the supply side (antimony ore and concentrates) at the start of this year, induced an explosion of the price, which increased with 50% in less than 2 months' time. Availability of antimony metal and derivatives like antimony trioxide remain scarce. For lead, the LME price remained relatively stable in 2021 so far.

Demand for products from our Specialty Chemicals division is quite high in the first quarter of 2021. The general recovery of the economy leads to a replenishment of stocks, which is even further supported by the increasing prices and potential shortages. We expect this situation to persist until the summer.

In our Metals Recycling division demand is normal for the time of the year. The availability of scrap batteries is good, supported by the lockdown measures, which grounded many vehicles throughout the winter, causing batteries to fail. We predict a normal continuation of the year at this point.

More large investments will be carried out during 2021, but these are mostly replacement investments. Amongst others, Campine will renew its power supply facilities and build a new lead casting line, in which the refined lead is poured into ingots. We expect some higher efficiencies and a small capacity increase in our refinery. The construction of the PP plastics recycling plant has been shifted into 2022.

Diversity policy

Our workforce is one of the key-factors to our success. Each employee is unique thanks to his/her personal and specific knowledge, life experience, talents and other characteristics. All genders are considered equal in case of vacancies.

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

Campine also complies with the Corporate Governance legislation regarding gender diversity in the Board of Directors.

Corporate matters

SIGNIFICANT EVENTS AFTER THE CLOSE OF THE YEAR

In the first week of January 2021, Campine was granted a government subsidy of 1 mio € for the investment in a novel process for the recycling of antimony. This innovative technology has meanwhile been started on an industrial scale and the investment (totalling 4.9 mio €) will already contribute to Campine's result in 2021.

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

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

CIRCUMSTANCES WHICH COULD SIGNIFICANTLY INFLUENCE THE DEVELOPMENT OF THE COMPANY

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

RESEARCH AND DEVELOPMENT

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

DIVIDEND

The Board proposes that the company pays a dividend of 0.65 € per share, amounting to a total of 0.975 mio € based on the 2020 result. A dividend of 2.625 mio € was paid on the basis of the 2019 result.

STATUTORY AUDITOR

In 2020 the statutory auditor fee for audit and non-audit services reached 99,500 € for the Group. The non-audit services in 2020 amounted to 10,600 € and were related to other assurance services.

DISCHARGE TO DIRECTORS AND STATUTORY AUDITOR

The Board of Directors proposes granting discharge to all Directors and the statutory auditor in respect of the exercise of their mandates in 2020.

STATUTORY APPOINTMENTS

See composition Board of Directors.

FAIRNESS STATEMENT

The Board of Directors declares that to the best of its knowledge:

- The financial statements, prepared in accordance with the IFRS as adopted by the European Union, give a true and fair view of the assets, liabilities, financial position and the results of the company, including its consolidated subsidiaries;
- The annual report gives a true and fair view of the development and results of the company, including its consolidated subsidiaries, together with a description of principal risks and uncertainties that they face.

Corporate Governance Statement

Campine's Corporate Governance Charter is established in accordance with the principles of the Belgian Corporate Governance Code 2020. This code can be found on the website of the Commission Corporate Governance (www.corporategovernancecommittee.be). The Charter describes amongst others the current procedures and rules regarding corporate governance, the functioning of the Board of Directors and its Committees (Audit committee, Nomination & Remuneration committee and Strategy committee). The Charter was adjusted in compliance with the new Code 2020. It is updated in case of changes to the Belgian Corporate Governance Code or to Campine's Corporate Governance model. The current version was approved by the Board of Directors in December 2020. The Charter can be found on the website (www.campine.com) at "Investors/Shareholder information".

This Corporate Governance Statement mentions the actual implementation of the Corporate Governance Charter in 2020. It is established in accordance with the "comply or explain"-principles. The recommendations 3.4 and 4.3 of the Corporate Governance Code are only partially followed. The explanation for these deviations can be found further in this Statement. The recommendations 7.6 and 7.9 of the Corporate Governance Code are not followed. The explanation for this can be found further in the Remuneration report.

1. Corporate capital and shareholding

1.1. CORPORATE CAPITAL

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

1.2. SHAREHOLDING STRUCTURE ON BALANCE SHEET DATE

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

The ultimate controlling person is Mr Friedrich-Wilhelm Hempel.

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

Public take-over bid

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

Rules regarding the exercise of the voting rights

Rules regarding the exercise of the voting rights are mentioned in article 10 (Exercise of the rights attached to the shares) of the Articles of Association. No shareholder has any special rights. There are no statutory restrictions regarding the exercise of voting rights.

2. The Board of Directors

2.1 COMPOSITION

Rules for the appointment and replacement of the Directors are mentioned in articles 13 (Composition of the Board of Directors) and 14 (Premature vacancy) of the Articles of Association. On 12/31/2020 the Company's Board was composed of six members, being one executive Director and five non-executive Directors, of whom are two independent Directors:

DELOX BV, Chairman of the Board

- Non-executive Director represented by its permanent representative Mr Patrick De Groote (appointed on 05/28/2019 for a period of 4 years) and hereafter referred to as "DELOX";
- Director of various companies.

Friedrich-Wilhelm Hempel

- Non-executive Director (appointed on 05/22/2018 for a period of 3 years). A proposal to renew the mandate of Mr F.-W. Hempel for a period of 4 years will be submitted to the General Meeting;
- Shareholder and Director of various private companies in Europe.

Hans-Rudolf Orgs

- Non-executive Director (appointed on 05/22/2018 for a period of 4 years);
- Managing Director of the holding company F.W. Hempel & Co Erze & Metalle.

BERNUS BV (until 05/27/2020)

- Non-executive and independent Director represented by its permanent representative Ms An Nuyttens (appointed on 05/09/2017 for a period of 3 years) and hereafter referred to as "BERNUS";
- President GBU Silica, Solvay.

FLG BELGIUM SRL

- Non-executive and independent Director represented by its permanent representative Ms Dina Brughmans (appointed on 05/22/2018 for a period of 3 years) and hereafter referred to as "FLG BELGIUM". A proposal to renew the mandate of FLG BELGIUM SRL represented by its permanent representative Ms Dina Brughmans for a period of 4 years will be submitted to the General Meeting;
- HR and Change Management senior Advisor.

YASS BV (as of 05/27/2020)

- Non-executive and independent Director represented by its permanent representative Ms Ann De Schepper (appointed on 05/27/2020 for a period of 3 years) and hereafter referred to as "YASS";
- CFO, Agilitas Group.

ZENDICS BV

- Managing Director represented by its permanent representative Mr Willem De Vos (appointed on 05/28/2019 for a period of 4 years) and hereafter referred to as "ZENDICS";
- Director and advisor to boards of various companies.

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

Campine applies the independence criteria as mentioned in the Corporate Governance Charter. The independent Directors declare that they comply with art. 7:87 §1 of the Belgian Code on Companies and Associations.

The Corporate Governance Code 2020 (art 3.4) requires that the Board should comprise at least three independent Directors. In view of the limited size of the Board – which consists of 6 Directors in total - there were 2 independent Directors on 12/31/20. This number represents one third of the total number of Directors. The Board is of the opinion that this ratio is sufficient. With a 6-person Board of Directors we have efficient decision-making whilst all Directors can largely contribute to the discussions with their experience and knowledge.

Diversity policy: There are currently 2 female Directors, which represents 1/3rd of the total number of Directors. In composing the Board, we ensure that the Directors have a complementary set of competences and talents. All genders are considered equal in case of vacancies. Thanks to our diversity policy, our Board of Directors is a compact yet divers group of men and women of different nationalities, age, thoughts and belief …

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

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

2.2 FUNCTIONING

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

The Board of Directors met 6 times in 2020:

	03/30/20	04/22/20	05/26/20	08/27/20	09/17/20	12/17/20
DELOX	✓	✓	✓	✓	✓	✓
ZENDICS	✓	✓	✓	✓	✓	✓
F.-W. Hempel	✓	✓	✓	✓	-	✓
H.-R. Orgs	✓	✓	✓	✓	✓	✓
BERNUS (until 05/27/20)	✓	✓	✓	-	-	-
YASS (as of 05/27/20)	-	-	-	-	✓	✓
FLG Belgium	✓	✓	✓	✓	✓	✓

The following subjects were discussed:

- Strategy;
- Discussion and determination of actions regarding the long-term impact of COVID-19 on the business strategy;
- Results of Campine and its subsidiary Campine Recycling;
- Evaluation of last and current year's budget;
- Determination of next year's budget;
- Composition and evaluation of the Board of Directors;
- Approval of new investments;
- Evaluation of running and completed investments;
- Determination of the annual accounts for approval by the General Meeting;
- Composition of the annual report to the General Meeting;
- Information regarding the remuneration policy to the General Meeting;
- Approval of the invitation of the General Meeting;
- Approval of press releases to be published;
- Proposal of the nominations to the General Meeting;
- Evaluation and determination of the risk position of lead and antimony, credit risk;
- Evaluation of the general risks and exposures to risks;
- Credit loans and bank balances;
- Status of the different departments (production, purchase, sales, …) of the different BU's;
- Status of the personnel and organisation;
- Status of safety, health and environment.

2.3 EVALUATION

Campine has historically opted for a "one-tier" governance structure with a Board of Directors. In view of the new Corporate Governance code 2020, this structure was evaluated and confirmed by the Board in December 2019. At least every five years, the Board will assess this structure. If this structure is considered as not appropriate anymore, it will propose a new governance structure to the General Meeting.

The Board evaluates at least every three years its own performance as well as that of the specialised Committees. The evaluation deals with the strategy, the operational efficiency, the relevance of the discussed topics, the preparation of the debates and the contribution of each Director in the decision making process.

The previous evaluation took place in 2018. The evaluation showed that the Board of Directors is unanimously satisfied with the contribution of the individual Directors, its own functioning and that of its Committees.

Evaluation by the Nomination & Remuneration committee

The Nomination & Remuneration committee evaluates every two years its own efficiency and proposes - if necessary - adjustments to the Board of Directors.

Evaluation of the interaction with the Executive Management Team

The various members of the Executive Management Team are regularly invited to the meetings of the Board of Directors and the Committees during which they present specific aspects regarding their responsibilities. They also have the opportunity to consult with the non-executive Directors. Everyone considers this active interaction between the Executive Management Team and the Board of Directors positive.

3. Board Committees

3.1 THE NOMINATION & REMUNERATION COMMITTEE

The Nomination & Remuneration committee (acting as a Remuneration committee within the meaning of article 7:100 of the Belgian Code on Companies and Associations) assists the Board in all matters related to the appointment and remuneration of the Directors and the Executive Management Team.

The Nomination & Remuneration committee advises the Board regarding the adjustments to the remuneration policy, prepares the Remuneration report and clarifies it during the General Meeting.

The Managing Director participates in the Committee with an advisory vote, each time the Nomination & Remuneration committee is dealing with the remuneration of the members of the Executive Management Team and when the Committee invites him.

On 12/31/2020 the Nomination & Remuneration committee consisted of the Chairman of the Board (DELOX), the independent Director FLG BELGIUM and the independent Director YASS (as of 05/27/2020). The independent Director BERNUS was a member until 05/27/2020.

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

The Nomination & Remuneration committee met twice in 2020:

	03/02/20	12/17/20
DELOX	✓	✓
BERNUS (until 05/27/20)	✓	-
YASS (as of 05/27/20)	-	✓
FLG Belgium	✓	✓

The following subjects were discussed:

- Composition of the Board of Directors;
- Preparation of the Remuneration policy for the Board;
- Preparation of the Remuneration report for the Board;
- Director's remuneration: tantième and Director's remuneration;
- Composition, evaluation and remuneration of the Executive Management Team;
- Evaluation and functioning of the Board Committees and Directors.

3.2 THE AUDIT COMMITTEE

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

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

Furthermore, the Audit committee monitors the functioning of the Executive Management Team. The Audit committee reports all matters in respect of which it considers that action or improvement is needed to the Board.

On 12/31/2020 the Audit committee consisted of Mr H.-R. Orgs and the independent Director FLG Belgium.

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

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

In 2020, the Audit committee met 4 times - of which 3 times with the statutory auditor:

	02/27/20	05/19/20	09/15/20	12/10/20
H.-R. Orgs	✓	✓	✓	✓
FLG Belgium	✓	✓	✓	✓

The following subjects were discussed:

- Evaluation of the results of the current year;
- Preparation of the credit risk for the Board;
- Preparation of the risk position of lead and antimony for the Board;
- Risk analysis "market risks";
- Examination of the year and half-year figures and evaluation of the accounting estimates and judgements as a result of the closure of the financial year;
- Transformation annual results as to ESEF-regulations;
- Selection new Statutory Auditor;
- Internal control;
- Examination legal cases;
- Preparation of next year's budget for the Board;
- Evaluation of the current budget;
- Press releases to be published: year results, half-year results.

3.3 THE STRATEGY COMMITTEE

The Strategy committee assists the Board in all matters related to the general management of the company and its subsidiary.

On 12/31/2020 the Strategy committee consists of the Director DELOX, the independent Director YASS (as of 05/27/2020) and the Managing Director ZENDICS. The independent Director BERNUS was a member until 05/27/2020.

In 2020, the Strategy committee met twice:

	07/09/20	12/04/20
DELOX	✓	✓
ZENDICS	✓	✓
YASS (as of 05/27/20)	✓	✓

The following subjects were discussed:

- Update of the business plan;
- The long term strategy and developments per division;
- The development of new markets and products;
- Discussion and determination of actions regarding the long-term impact of COVID-19 on the business strategy.

The Committee's regulations can be found in annex of the Corporate Governance Charter.

4. Executive Management Team

4.1 COMPOSITION

Willem De Vos	as permanent representative of ZENDICS BV Managing Director / Chief Operating Decision Maker
Leo Cazaerck	Maintenance Manager
Nicolas De Backer	Procurement Manager
Hilde Goovaerts	Manager Operational Excellence
Jan Keuppens	Finance and Control Manager
Hans Vercammen	Division Director Specialty Chemicals
David Wijmans	Division Director Metals Recycling

4.2 FUNCTIONING

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

The Managing Director is assisted by the Executive Management Team. The Executive Management Team reports to the Managing Director and enables the Managing Director to properly perform his duties of daily management.

5. Internal control and risk management system

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

5.1 CONTROL ENVIRONMENT

- Company organisation: The company is organised into a number of departments as set out in an organisation chart. Each person has a job description. There is a power of attorney procedure. The company's representation in different areas like human resources, purchase, sales, is integrated in the 'internal proxies' document. In cases where the "potential" risks as a result of commitments taken, can fluctuate due to price volatility of the product (energy, raw materials, foreign currency, …) specific procedures apply. Management control is the responsibility of the controllers. The Finance & Control Manager is in charge of organising the risk management;

- Organisation of internal control: The Audit committee has a specific duty in terms of internal control and corporate risk management. Detailed information regarding the activities of the Audit committee can be found under item 3.2 above mentioned and in our Corporate Governance Charter;
- Ethics: The Board of Directors has drawn up the Corporate Governance Charter and Code of conduct (annex of the Charter). The current version can be consulted on the website of Campine. The Board checked whether the Code of Conduct is complied with and is of the opinion that all persons concerned respect the Code of Conduct.

5.2 RISK ANALYSIS AND CONTROL ACTIVITIES

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

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

- Fluctuations of the prices of raw materials and metal;
- Fluctuations in availability and cost of the energy;
- Changes in regulations (Flemish, Belgian, European and global) in the field of environment and safety/ health including legislation related to sale (REACH) and storage (SEVESO) of chemical products;
- Market risks include interest risk, foreign exchange risk, price risk and credit risk;
- Global pandemic or disease outbreak could affect market demand and supply and metal prices (COVID 19). Although no issues of any significance occurred until now, management's major area of focus and concern are:
  - Health & well-being and availability of personnel;
  - Interruptions of production and disruptions in the supply chain.

5.3 FINANCIAL INFORMATION AND COMMUNICATION

The process of establishing financial information is organised as follows:
A planning chart sets out the tasks to be completed for the monthly, half-yearly and annual closures of the company and its subsidiary, with deadlines. Campine has a checklist of actions to be followed up by the financial department. The accounts team produces the accounting figures under the supervision of the Finance & Control Manager. The controllers check the validity of these figures and produce the reporting. The figures are checked using the following techniques:

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

5.4 SUPERVISION AND ASSESSMENT OF INTERNAL CONTROL

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

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

5.5 DEALING CODE REGARDING TRANSACTIONS OF THE COMPANY'S SHARES

The dealing code – part of our Code of Conduct – stipulates the rules regarding transactions of shares of the company. It sets limitations for 'key-persons' regarding transactions in specific periods ("closed periods" and "prohibited periods") and imposes a disclosure obligation to the Compliance Officer in case of transactions outside these periods.

The Board of Directors has appointed Mr Willem De Vos as Compliance Officer.

5.6 TRANSACTIONS COVERED BY THE LEGAL PROVISION ON CONFLICTS OF INTEREST

All related party transactions are conducted on a business base and in accordance with all legal requirements and the Corporate Governance Charter. During the financial year no conflict of interest (Articles 7:96 and 7:97 of the Belgian Code on Companies and Associations) occurred.

Remuneration report

1. Remuneration policy

The remuneration policy mentions the basic principles of the remuneration of the Board of Directors, the Managing Director, the Executive Management Team and all other employees of the company. The remuneration policy is approved by the General Meeting at least every 4 years and at any material change.

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

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

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

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

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

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

NON-EXECUTIVE DIRECTORS

The remuneration of the non-executive Directors and the Chairman is set in the Articles of Association of the company – which are approved by the Extraordinary Meeting of Shareholders.

This remuneration consists of:

- The directors' remuneration which is paid in the related financial year for the performance of their mandate as to article 23: The Directors who fulfil their mandate for the entire financial year, receive a compensation which amounts for the financial year 2019 to twenty thousand euro (20.000 €) gross, irrespective of any profits made or losses sustained by the company. The aforementioned amount is automatically increased by two hundred and fifty euro (250 €), on the first day of each new financial year. The Chairman of the Board of Directors who fulfils his mandate for the entire financial year, receives a compensation which amounts for the financial year 2019 to forty thousand euro (40.000 €) gross irrespective of any profits made or losses sustained by the company. The aforementioned amount is automatically increased by five hundred euro (500 €), on the first day of each new financial year. Directors who did not fulfil their mandate for the entire financial year will be paid on a pro rata basis of full months performed.

- The additional compensation which is paid in the related financial year for participating in the meetings of the different Board Committees, as set in article 23: The members of the Audit committee, Strategy committee and Nomination and Remuneration committee receive for the financial year 2019 each a compensation which amounts to one thousand two hundred and fifty euro (1.250 €) per attended meeting unless the meeting of a Committee is held immediately prior to or after a board meeting or unless the meeting is held per telephone conference. The aforementioned amount is automatically increased by 25 € on the first day of each new financial year Directors who are invited to a meeting of a Committee of which they are not members receive in 2019 a compensation of one thousand two hundred and fifty euros (1.250 €) per meeting in which they participate, unless the meeting of the Committee takes place immediately after or before a meeting of the Board of Directors or if the meeting is held by telephone. The aforementioned amount of 1.250 € will automatically be increased by 25 € on the first day of each financial year.

- The tantième which is paid the year following the related financial year as set in article 39 of the Articles of Association: If the company's net profit amounts to one and a half million euro (1.500.000 €) or more after deduction of taxes and part of the legal reserve capital, a tantième of fifteen thousand euro (15.000 €) will be granted to each Director with the exception of the Managing Director, whereas he is already compensated in his capacity of Managing Director. Only the Directors that have served on the Board of Directors for at least six months during the financial year to which this tantième relates are entitled to the tantième and not pro rata the term of their mandate in the relevant financial year. Directors having served less than six months on the board during the relevant financial year will not be entitled to any tantième unless the General Meeting decides otherwise. The Managing Director may receive a tantième as stipulated in this article in the event the General Meeting decides so upon proposition of the Board of Directors and such by separate vote. The tantième granted to the Chairman of the Board of Directors will amount to the double of the tantième granted to the Directors in accordance with this paragraph.

If in a specific case, the Board of Directors requests the assistance of a Director, the latter is entitled to a remuneration for actual working hours and expenses made.

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

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

MANAGING DIRECTOR AND OTHER MEMBERS OF THE EXECUTIVE MANAGEMENT TEAM

The obligation mentioned in articles 7:91 and 7:121 of the Belgian Code on Companies and Associations does not apply to executive Directors, the persons who, alone or together, are charged with the day-to-day management and other leaders of the company mentioned in article 3:6 of the Belgian Code on Companies and Associations.

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

MANAGING DIRECTOR

The Board of Directors decides upon the remuneration of the Managing Director within the remuneration policy approved by the General Meeting. The Board oversees that the performance of the above is related to the continuity and long-term results of the company and that his remuneration is in relation to his performance and in the interest of all stakeholders.

The Managing Director does not receive any compensation for his duty as mere Director. As to article 23 of the Articles of Association, the Managing Director may be granted a compensation if the General Meeting agrees to this by separate vote upon proposition of the Board of Directors.

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

The variable part consists of:

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

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

The Nomination & Remuneration committee assesses the performance of the Managing Director including the realisation of the criteria to obtain the variable remuneration and submits this assessment to the Board of Directors for approval.

During a Board meeting – where the Managing Director is not present – the Chairman of the Nomination & Remuneration committee informs the members about this assessment which is consequently discussed.

The Managing Director does not participate in a group and health insurance nor in any pension plan.

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

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

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

OTHER MEMBERS OF THE EXECUTIVE MANAGEMENT TEAM

The Nomination & Remuneration committee – in consultation with the Managing Director - advises on the nomination, remuneration and removal of the members of the Executive Management Team within the remuneration policy approved by the General Meeting. The Board oversees that the performance of the above is related to the continuity and long-term results of the company and that their remuneration is in relation to their performance and in the interest of all stakeholders.

The remuneration of the members of the Executive Management Team, consisting of both fixed and variable compensation, is based on a market study.

The variable salary of the Management Team members consists of 3 parts, each part with a maximum equivalent of 1 month of salary:

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

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

The objectives linked to the variable part of the remuneration are set by the Managing Director. The performance of the Executive Management Team is assessed by the Managing Director in consultation with the Nomination & Remuneration committee.

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

The members of the Executive Management Team participate – as do all employees of the company – in a group and health insurance. Other benefits are representation allowance, company car, internet connection, company phone in compliance with local market practices. The members who execute their function through services of a management company do not participate in the above.

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

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

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

PROCEDURE DEVIATIONS FROM APPROVED REMUNERATION POLICY

A deviation from the approved remuneration policy regarding the Managing Director and other members of the Executive Management Team is only possible in exceptional situations and if the following procedure is followed.

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

Any deviation is submitted for approval by the Nomination and Remuneration committee to the Board of Directors, stating:

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

The Board of Directors examines the proposal and decides upon it. If the Board of Directors approves, the deviation will be implemented. The deviation is stated in the remuneration report to the General Meeting.

2. Remuneration report 2020

The remuneration report displays the implementation of the remuneration policy in 2020.

2020 was characterised by unprecedented circumstances caused by the COVID-19 pandemic. Workforce planning was drastically disrupted several times by rapidly changing market, health and legislative parameters.

Campine took advantage of the special temporary unemployment measures (by Corona) for both blue-collar and white-collar employees. Due to a lack of raw materials, the factory was largely closed in May, so fewer working hours were executed in 2020.

At year-end, management awarded a premium to the entire staff for their dedication and flexibility during this difficult year 2020. This premium corresponded to a maximum 300 € value of consumption checks that the government created to support the local economy during the pandemic.

NON-EXECUTIVE DIRECTORS
The non-executive Directors receive the following gross compensation over the financial year 2020:

	Fixed remuneration				Ratio	
	Director's remuneration	Participation Committees	Tantième (*)	Total	fixed/	tantième
DELOX Chairman (1)	40,500 €	1,275 €	30,000 €	**71,775 €**	58.2%	41.8%
year -1	40,000 €	1,250 €	30,000 €	**71,250 €**	57.9%	42.1%
F.-W. Hempel	20,250 €	0 €	15,000 €	**35,250 €**	57.4%	42.6%
year -1	20,000 €	0 €	15,000 €	**35,000 €**	57.1%	42.9%
H.-R. Orgs	20,250 €	5,100 €	15,000 €	**40,350 €**	62.8%	37.2%
year -1	20,000 €	5,000 €	15,000 €	**40,000 €**	62.5%	37.5%
FLG BELGIUM	20,250 €	5,100 €	15,000 €	**40,350 €**	62.8%	37.2%
year -1	20,000 €	5,000 €	15,000 €	**40,000 €**	62.5%	37.5%
YASS (as of 05/27/20)	11,813 €	1,275 €	15,000 €	**28,088 €**	46.6%	53.4%
year -1	-	-	-	**-**	-	-
BERNUS (until 05/27/20) (2)	8,438 €	0 €	0 €	**8,438 €**	100.0%	0%
year -1	20,000 €	1,250 €	15,000 €	**36,250 €**	58.6%	41.4%

(*) Criterion tantième: (see remuneration policy) If the net profit is 1.5 million €, the non-executive Directors who have exercised their mandate for more than 6 months during the financial year receive a tantième of 15 K€. The Chairman receives the double.

(1) Delox: The Chairmain receives a double director's remuneration and tantième.
(2) BERNUS: Mandate ended in May (<6m) so pro rata director's fee and no tantième.

MANAGING DIRECTOR AND OTHER MEMBERS OF THE EXECUTIVE MANAGEMENT TEAM

	Fixed remuneration	Other benefits	Variable one year	Pensions	Total	Ratio fixed	/ variable
Zendics, CEO	307,285 €	15,545 €	74,335 €	0 €	**397,165 €**	81.3%	18.7%
year -1	300,000 €	15,428 €	106,840 €	0 €	**422,268 €**	74.7%	25.3%
Other members							
Executive Man. Team	1,029,639 €	44,293 €	169,719 €	55,250 €	**1,298,901 €**	86.9%	13.1%
year -1	997,802 €	39,593 €	172,817 €	52,200 €	**1,262,412 €**	86.3%	13.7%

The fixed and variable components include the total cost for the employer, all employer contributions included for members with employee status and the total invoiced remuneration fee for members utilising a management company.

The variable remuneration is the remuneration earned for the performance in 2020 but which will only be paid out in 2021.

During the financial year closed on 12/31/20, the Managing Director nor the members of the Executive Management Team (Leo Cazaerck, Nicolas De Backer, Hilde Goovaerts, Jan Keuppens, Hans Vercammen, David Wijmans) received any shares, share options or other rights to acquire shares of the company or Group.

EVOLUTION FIGURES

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

Evolution of the remunerations and results of the company:

Company results	2016 (1)	2017	2018	2019 (2)	2020
Net result of the financial year '000 €	-3,810	7,008	5,830	8,015	**2,784**
Δ Net result vs previous financial year in %	-499%	284%	-17%	37%	**-65%**

(1) In 2016, the initial European Commission fine was booked (8.2 mio €) hence the considerable difference with previous and following financial year.
(2) In 2019, the reduction of the European Commission fine was booked (3.88 mio €).

Evolution total remuneration Board members, Managing Director and Other members of the Executive Management Team:

	2016	2017 (1)	2018	2019 (2)	2020
Total remuneration	1,390,948 €	1,756,846 €	1,400,305 €	1,907,180 €	**1,920,316 €**
Δ Total remuneration vs previous financial year in %	2%	26%	-20%	36%	**1%**

(1) 2017: Including severance pay (339 K€) hence the difference with previous and following financial year.
(2) 2019: Increase Executive Management team from 5 to 7 persons and increase Board remunerations (both fixed and tantième).

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

	2016	2017	2018	2019 (2)	**2020**
Net profit of the company	8%; max 10 K€	8%; max 10 K€	> 1.5 mio €	> 1.5 mio €	**> 1.5 mio €**

Evolution criteria representing the long term objectives of the company on which the variable remuneration of the Executive Management Team is based:

Profit before taxes	50%	Annual targets per BU also for the consolidated level
Others	50%	Non-financial or other indicators showing the LT strategy a.o. safety, environment, research and development, …

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

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

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

Average remuneration employees on FTE basis:

	2016	2017	2018	2019	**2020**
Average remuneration employees on FTE basis	75,031	78,841	76,056	74,787	**72,941**
Δ avg remuneration employees on FTE basis vs previous financial year in %	2%	5%	-4%	-2%	**-2%**

Ratio lowest/highest remuneration in 2020: 14.51%

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

SHAREHOLDER'S VOTE

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

3. Dividend policy

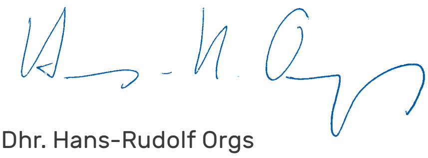
Campine's dividend policy is to pay out yearly dividends to its shareholders. The level of the dividend depends on certain financial parameters such as net profit level, availability of cash, future cash needs, etc. The targeted level of dividends should be about one third of the net profit, distributed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

The Board of Directors requests the General Meeting of Shareholders to approve the annual report of the Board including the corporate governance statement, the remuneration policy and the remuneration report.

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

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

Dhr. Friedrich-Wilhelm Hempel



Dhr. Hans-Rudolf Orgs

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

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

Consolidated financial statements 2020

1. Consolidated income statement for the year ended 12/31/2020

'000 €	Notes	**12/31/2020**	12/31/2019
Revenue	4	**166,947**	192,533
Other operating income		**1,095**	4,930
- Other operating income	*5*	***1,095***	*1,048*
- Fine European Commission - reduction in Appeal (*)		**-**	*3,882*
Raw materials and consumables used		**-136,436**	-158,351
Employee benefits expense	25	**-13,494**	-14,060
Depreciation and amortisation expense	9 / 10	**-3,253**	-3,235
Changes in restoration provision	21	**-45**	-
Other operating expenses	5	**-11,188**	-12,170
Operating result (EBIT)		**3,626**	9,647
Operating result (EBIT) excl. EC fine (*)		**3,626**	*5,765*
Hedging results	14	**300**	382
- Closed Hedges		***498***	*32*
- Change in open position		***-198***	*350*
Finance costs	6	**-258**	-345
Net financial result		**42**	37
Result before tax (EBT)		**3,668**	9,684
Result before tax (EBT) excl. EC fine (*)		**3,668**	5,802
Income tax expense	7	**-884**	-1,669
Result for the year (EAT)		**2,784**	8,015
Result for the year (EAT) excl. EC fine (*)		**2,784**	4,133
Result before interests, taxes, depreciation and amortisation (EBITDA)		**7,179**	13,264
Result before interests, taxes, depreciation and amortisation (EBITDA) excl. EC fine (*)		**7,179**	9,382
Attributable to:			
Non-controlling interest		**-**	-
Equity holders of the parent		**2,784**	8,015
Equity holders of the parent excl. EC fine (*)		**2,784**	4,133
RESULT PER SHARE (in €)	8		
Number of shares		**1,500,000**	1,500,000
Result for the year (basic & diluted)		**1.86**	5.34
Result for the year (basic & diluted) excl. EC fine (*)		**1.86**	2.76

(*) Reduction fine (3.88 mio €) due to Appeal of Campine against the decision of the European Commission. The initial fine of 8.2 mio € was imposed by a decision of the European Commission in February 2017, and integrated in the results of the financial year 2016. To ensure the comparability with last year, the figures of 2019 and 2020 are provided both inclusive and exclusive the reduction of the fine imposed by the European Commission.

EBITDA

Adding the financial target EBITDA allows to focus more on the importance of cash and should not influence negatively a decision on investments for future growth.

Calculation EBITDA:

'000 €	**12/31/2020**	12/31/2019 (excl. EC fine)	12/31/2019 (incl. EC fine)
Result before tax	**3,668**	5,802	9,684
Finance costs	**258**	345	345
Depreciation and amortisation expense	**3,253**	3,235	3,235
EBITDA	**7,179**	9,382	13,264

CONSOLIDATED OVERVIEW OF THE TOTAL RESULT

'000 €	Notes	**12/31/2020**	12/31/2019
Result for the year		**2,784**	8,015
Other comprehensive income:			
Comprehensive income to be reclassified to the profit or loss statement in the future		**-**	-
Comprehensive income not to be reclassified to the profit or loss statement in the future (actuarial results of retirement benefit obligations) net of tax	26	**-49**	-118
Total result for the year		**2,735**	7,897
Attributable to:			
Non-controlling interest		**-**	-
Equity holders of the parent		**2,735**	7,897

2. Consolidated balance sheet on 12/31/2020

'000 €	Notes	**12/31/2020**	12/31/2019
ASSETS			
Non-current assets			
Property, plant and equipment	9	**18,514**	12,978
Right-of-use assets	23	**402**	355
Intangible assets	10	**130**	170
Deferred tax assets	17	**86**	93
		19,132	13,596
Current assets			
Inventories	12	**26,345**	25,942
Trade and other receivables	13	**18,371**	15,231
Derivatives	14	**93**	291
Cash and cash equivalents		**190**	2,685
		44,999	44,149
TOTAL ASSETS		**64,131**	57,745
EQUITY AND LIABILITIES			
Capital and reserves			
Share capital	15	**4,000**	4,000
Retained earnings		**31,511**	31,491
- Legal reserves		***965***	*965*
- Other reserves and retained results		***30,546***	*30,526*
Equity attributable to equity holders of the parent		**35,511**	35,491
Total equity		**35,511**	35,491
Non-current liabilities			
Retirement benefit obligation	26	**1,176**	1,215
Deferred tax liabilities	17	**-**	-
Provisions	21	**1,135**	1,090
Bank loans	16	**4,125**	2,625
Obligations under leases	23	**234**	232
		6,670	5,162
Current liabilities			
Retirement benefit obligation	26	**52**	101
Trade and other payables	18	**15,894**	15,105
Provisions	21	**-**	-
Derivatives	14	**-**	-
Current tax liabilities		**96**	143
Obligations under leases	23	**168**	123
Bank overdrafts and loans	16	**3,085**	1,620
Advances on factoring	16	**2,655**	-
		21,950	17,092
Total liabilities		**28,620**	22,254
TOTAL EQUITY AND LIABILITIES		**64,131**	57,745

3. Consolidated statement of changes in equity for the year ended 12/31/2020

'000 €	Share capital	Retained earnings	Attributable to equity holders of the parent	Total
Balance on 31 December 2018	4,000	25,529	29,529	29,529
Total result of the year	-	7,897	7,897	7,897
Dividends and tantième	-	-1,935	-1,935	-1,935
Balance on 31 December 2019	4,000	31,491	35,491	35,491
Total result of the year	-	2,735	2,735	2,735
Dividends and tantième (note 8)	-	-2,715	-2,715	-2,715
Balance on 31 December 2020	**4,000**	**31,511**	**35,511**	**35,511**

4. Consolidated cash flow statement for the year ended 12/31/2020

'000 €	Notes	12/31/2020	12/31/2019
OPERATING ACTIVITIES			
Result for the year (EAT)		**2,784**	8,015
Adjustments for:			
Other gains and losses (investment grants)		**-**	-
Other gains and losses (hedging results)	14	**-300**	-382
Finance costs	6	**258**	345
(Deferred) tax expenses of the total result	7	**884**	1,669
Depreciation of property, plant and equipment	9/10	**3,253**	3,235
Change in provisions (incl. retirement benefit)		**-108**	-121
Change in inventory value reduction	12	**-456**	393
Change in trade receivables value reduction	13	**-**	-
Others		**-**	9
Operating cash flows before movements in working capital		**6,315**	13,163
Change in inventories	12	**53**	1,405
Change in receivables	13	**-3,140**	7,402
Change in trade and other payables	18	**789**	-1,251
Cash generated from operations		**4,017**	20,719
Hedging results		**498**	32
Interest paid	6	**-258**	-345
Income taxes paid		**-908**	-5,556
Net cash (used in) / from operating activities		**3,349**	14,850
INVESTING ACTIVITIES			
Purchases of property, plant and equipment	9	**-8,599**	-5,486
Purchases of intangible assets	10	**-1**	-84
Net cash (used in) / from investing activities		**-8,600**	-5,570
FINANCING ACTIVITIES			
Dividends paid and tantième paid	8	**-2,715**	-1,935
Repayments of obligations under leases	23	**-149**	-94
Repayments of borrowings	16	**-1,500**	-375
New bank loans raised	16	**4,500**	4,500
Change in cash restricted in its use		**-**	275
Change in bank overdrafts	16	**-35**	-1,915
Change in advances on factoring	16	**2,655**	-7,172
Net cash (used in) / from financing activities		**2,756**	-6,716
Net change in cash and cash equivalents		**-2,495**	2,564
Cash and cash equivalents at the beginning of the year		**2,685**	121
Cash and cash equivalents at the end of the year		**190**	2,685

5. Notes to the consolidated financial statement for the year ended 12/31/2020

5.1. GENERAL INFORMATION

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

5.2. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the EU. The Group has adopted all new and revised standards and interpretations relevant for its activities and which became applicable for the financial year starting 1 January 2020.

Became applicable for 2020, but don't have a material impact on the presentation, notes or the financial statements of the Group:

- Amendments to IAS 1 and IAS 8 Definition of Material;
- Amendments to IFRS 3 Business Combinations: Definition of a Business;
- Amendments to IFRS 9, IAS 39 and IFRS 7 Interest Rate Benchmark Reform – Phase 1;
- Amendments to references to the Conceptual Framework in IFRS standards.

Issued but not yet effective on 1 January 2020:

- IFRS 17 Insurance Contracts (applicable for annual periods beginning on or after 1 January 2023, but not yet endorsed in the EU);
- Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current (applicable for annual periods beginning on or after 1 January 2023, but not yet endorsed in the EU);
- Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies (applicable for annual periods beginning on or after 1 January 2023, but not yet endorsed in the EU);
- Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates (applicable for annual periods beginning on or after 1 January 2023, but not yet endorsed in the EU);
- Amendments to IAS 16 Property, Plant and Equipment: Proceeds before Intended Use (applicable for annual periods beginning on or after 1 January 2022, but not yet endorsed in the EU);
- Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets: Onerous Contracts — Cost of Fulfilling a Contract (applicable for annual periods beginning on or after 1 January 2022, but not yet endorsed in the EU);
- Amendments to IFRS 3 Business Combinations: Reference to the Conceptual Framework (applicable for annual periods beginning on or after 1 January 2022, but not yet endorsed in the EU);
- Amendment to IFRS 4 Insurance Contracts – deferral of IFRS 9 (applicable for annual periods beginning on or after 1 January 2021);
- Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 Interest Rate Benchmark Reform – Phase 2 (applicable for annual periods beginning on or after 1 January 2021);
- Amendment to IFRS 16 Leases: COVID-19-Related Rent Concessions (applicable for annual periods beginning on or after 1 June 2020);
- Annual Improvements to IFRS Standards 2018–2020 (applicable for annual periods beginning on or after 1 January 2022, but not yet endorsed in the EU).

At this stage, the Group does not expect first adoption of the amendments listed above to standards and new interpretations to have a material impact on the financial statements.

5.2.1. Basis of consolidation

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

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

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

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

5.2.2. Business combinations

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

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

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

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

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

5.2.3. Revenue from Contracts with Customers

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

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

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

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

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

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

5.2.4. Leases

Definition of 'lease'

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

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

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

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

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

Right-of-use assets

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

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

Lease liabilities

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

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

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

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

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

5.2.5. Foreign currencies

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

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

For the purpose of presenting consolidated financial statements, the assets and liabilities of the Group's foreign operations (including comparatives) are expressed in EUR using exchange rates prevailing on the balance sheet date. Income and expense items (including comparatives) are translated at the average exchange rates for the period, unless exchange rates fluctuated significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are classified as equity and transferred to the Group's translation reserve. Such translation differences are recognised in profit or loss in the period in which the foreign operation is disposed of.

5.2.6. Financial instruments

Classification and measurement of financial assets

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

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

Trade receivables, cash and cash equivalents are classified and measured at amortised cost under IFRS 9.

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

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

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

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

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

Impairment of financial assets

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

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

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

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

Definition of default

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

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

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

Credit-impaired financial assets

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

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

Write-off policy

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

Derivative financial instruments

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

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in profit or loss depends on the nature of the hedge relationship.

5.2.7. Borrowing costs

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

5.2.8. Government grants

Government grants are recognised in profit or loss (in other operating income) over the periods necessary to match them with the related costs. Government grants related to later periods are presented in the financial statements as deferred income.

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

5.2.9. Retirement benefit costs and termination benefits

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

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

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

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

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

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

5.2.10. Taxation

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

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

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

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

5.2.11. Property, plant and equipment

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

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

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

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

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

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

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

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

5.2.13. Patents, trademarks and software purchased

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

5.2.14. Impairment of tangible and intangible assets excluding goodwill

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

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

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

5.2.15. Inventories

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

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

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

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

The inventories are valued at the lower of cost, determined as described above, or net realisable value. The net realisable value represents the estimated selling price in normal circumstances less estimated cost of completion and costs to be incurred to realise sales (marketing, selling and distribution). The estimated selling price is affected by the LME quotation (London Metal Exchange) for lead and the MB (Metal Bulletin) quotation for antimony.

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

5.2.16. Trade receivables

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

Factoring

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

5.2.17. Cash and cash equivalents

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

5.2.18. Bank borrowings

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

5.2.19. Trade payables

Trade payables are measured at fair value.

5.2.20. Provisions

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

5.3. JUDGEMENT AND USE OF ESTIMATES

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

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

- Valuation of the recoverable amount of stocks (see note 5.12.). The inventories are valued at cost, determined as described above, or at net realisable value, if the latter is lower;
- Valuation of sanitation provisions (see note 5.21.). The Group has set up a provision for soil sanitation;
- Pension and related liabilities (see note 5.26.). The estimated liability arising from defined contribution retirement benefit plans of the Group, is based on actuarial assumptions. The pre-tax discount rate and estimated salary expectations are actuarial assumptions which can significantly affect the liability;
- Deferred tax assets are recognised for the carryforward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilised. In making its judgement, the Board takes into account long-term business strategy. A major uncertainty in the determination of the future taxable result concerns the volatility and unpredictability of raw material prices;
- Others; litigation and lawsuits. The Group is, and can in the future become, involved in legal disputes. Until now, Campine is – as plaintive or defendant – involved in some legal proceedings which can have no important global impact on Campine – as to the information upon which the Group disposes on the date of this report: the probability of resulting assets or liabilities is particularly low and / or it concerns relatively insignificant amounts;
- Further estimation of the impact of the Covid-19 pandemic was made based on publicly available information and more specifically with regard to our experience with the pandemic during 2020. A further escalation of this or other pandemics could lead to interruptions in production due to, among other things, scarcity of raw materials, illness of a large number of employees, etc… The collapse in demand for our products and metal prices can also have consequences. The likelihood that such problems will arise remains very unlikely. Scenarios have already been evaluated on how we can deal with this to guarantee the continuity of the company. In our view, the consequences of the COVID-19 pandemic will not impact the company's going concern.

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

5.4. OPERATIONAL SEGMENTS

5.4.1. Geographical segments

The Group's manufacturing operations are located in Belgium.

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

	12/31/2020 '000 €	**%**	12/31/2019 '000 €	%
Belgium	**5,938**	**3.6%**	7,868	4.1%
Germany	**60,585**	**36.3%**	69,413	36.1%
Switzerland	**13,054**	**7.8%**	28,588	14.8%
Italy	**13,521**	**8.1%**	16,302	8.5%
Romania	**7,637**	**4.6%**	8,242	4.3%
France	**7,296**	**4.4%**	9,841	5.1%
The Netherlands	**5,590**	**3.3%**	7,386	3.8%
United Kingdom	**1,676**	**1.0%**	1,898	1.0%
Other European countries	**8,148**	**4.9%**	10,261	5.3%
North America	**14,277**	**8.6%**	15,563	8.1%
Asia	**28,577**	**17.1%**	12,861	6.7%
Others	**647**	**0.4%**	4,310	2.2%
	166,946	**100%**	192,533	100%

There are two customers in BU Lead who represent together 35.1% of the Group's turnover.

There are no other customers who represents more than 10% of the Group's turnover.

77% of the turnover of Metals Recycling was realised in Europe whereas 69% of the turnover of Specialty Chemicals was achieved in Europe.

5.4.2. Business segments

Campine has two operational divisions. The main activities are:

- **Specialty Chemicals** hosts all businesses which serve end-markets with chemical products and derivates. The manufacturing of antimony trioxide used as flame-retardant, polymerization catalyst and pigment reagent and the production of different types of polymer and plastic masterbatches. The Specialty Chemicals division comprises the BU Antimony and BU Plastics.

Speciality Chemicals	BU Antimony			BU Plastics			Total Speciality Chemicals		
	2020	2019	Δ	**2020**	2019	Δ	**2020**	2019	Δ
Turnover € '000	**42,030**	52,295	-19,6%	**22,539**	24,822	-9,2%	**64,569**	77,117	-16,3%

The turnover of the Specialty Chemicals division represents a volume of 13,353 ton (12/31/2019: 13,622 ton) (-2.0%).

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

Metals Recycling	BU Metals Recovery			BU Lead			Total Metals Recycling		
	2020	2019	Δ	**2020**	2019	Δ	**2020**	2019	Δ
Turnover € '000	**8,491**	9,641	-11,9%	**104,618**	118,909	-12,0%	**113,109**	128,550	-12,0%

The turnover of the Metals Recycling division represents a volume of 62,628 ton (12/31/2019: 64,283 ton) (-2.6%).

'000 €	Specialty Chemicals 12/31/2020	Metals Recycling 12/31/2020	Eliminations/ Unallocated 12/31/2020	Total 12/31/2020
REVENUE				
External sales	64,569	102,378	-	166,947
Cross-business unit sales in the same segment	-	10,731	-10,731	-
Total revenue	**64,569**	**113,109**	**-10,731**	**166,947**
RESULT				
Segment operating result	1,079	2,547	-	3,626
Fine European Commission - reduction in Appeal	-	-	-	-
Operating result (EBIT)				3,626
Investment revenues	-	-	-	-
Hedging results	-	300	-	300
Other gains and losses	-	-	-	-
Finance costs	-	-	-258	-258
Result before tax				3,668
Income tax expense				-884
Result for the period				**2,784**

'000 €	Specialty Chemicals 12/31/2020	Metals Recycling 12/31/2020	Unallocated 12/31/2020	Total 12/31/2020
OTHER INFORMATION				
Capital additions	1,718	5,848	1,034	8,600
Depreciation and amortisation (incl. right-of-use assets)	-959	-1,638	-656	-3,253
BALANCE SHEET				
Assets				
Fixed assets (incl. right-of-use assets)	4,259	11,471	3,316	19,046
Deferred tax	-	-	86	86
Stocks	11,635	12,040	2,670	26,345
Trade and other receivables	9,033	8,139	1,199	18,371
Derivatives	-	93	-	93
Cash and cash equivalent	-	-	190	190
Total assets	**24,927**	**31,743**	**7,461**	**64,131**
Long term liabilities				
Retirement benefit obligation	-	-	1,176	1,176
Deferred tax liabilities	-	-	-	-
Bank loans	-	-	4,125	4,125
Obligations under leases	-	-	234	234
Provisions	-	-	1,135	1,135
Short term liabilities				
Retirement benefit obligation	-	-	52	52
Trade and other payables	3,385	8,116	4,393	15,894
Derivatives	-	-	-	-
Current tax liabilities	-	-	96	96
Obligations under leases	-	-	168	168
Bank overdrafts and loans	-	-	5,740	5,740
Provisions	-	-	-	-
Total liabilities	**3,385**	**8,116**	**17,119**	**28,620**

'000 €	Specialty Chemicals 12/31/2019	Metals Recycling 12/31/2019	Eliminations/ Unallocated 12/31/2019	Total 12/31/2019
REVENUE				
External sales	77,117	115,416	-	192,533
Cross-business unit sales in the same segment	-	13,134	-13,134	-
Total revenue	**77,117**	**128,550**	**-13,134**	**192,533**
RESULT				
Segment operating result	-213	5,978	-	5,765
- Fine European Commission - reduction in Appeal	-	-	3,882	3,882
Operating result (EBIT)				9,647
Investment revenues	-	-	-	-
Hedging results	-	382	-	382
Other gains and losses	-	-	-	-
Finance costs	-	-	-345	-345
Result before tax				9,684
Income tax expense				-1,669
Result for the period				**8,015**

'000 €	Specialty Chemicals 12/31/2019	Metals Recycling 12/31/2019	Unallocated 12/31/2019	Total 12/31/2019
OTHER INFORMATION				
Capital additions	1,535	2,701	1,334	5,570
Depreciation and amortisation (incl. right-of-use assets)	-820	-1,832	-583	-3,235
BALANCE SHEET				
Assets				
Fixed assets (incl. right-of-use assets)	3,500	7,261	2,742	13,503
Deferred tax	-	-	93	93
Cash restricted in its use	-	-	-	-
Stocks	11,730	11,959	2,253	25,942
Trade and other receivables	9,072	5,182	977	15,231
Derivatives	-	291	-	291
Cash and cash equivalent	-	-	2,685	2,685
Total assets	**24,302**	**24,693**	**8,750**	**57,745**
Long term liabilities				
Retirement benefit obligation	-	-	1,215	1,215
Deferred tax liabilities	-	-	-	-
Bank loans	-	-	2,625	2,625
Obligations under leases	-	-	232	232
Provisions	-	-	1,090	1,090
Short term liabilities				
Retirement benefit obligation	-	-	101	101
Trade and other payables	2,435	9,380	3,290	15,105
Derivatives	-	-	-	-
Current tax liabilities	-	-	143	143
Obligations under leases	-	-	123	123
Bank overdrafts and loans	-	-	1,620	1,620
Provisions	-	-	-	-
Total liabilities	**2,435**	**9,380**	**10,439**	**22,254**

5.5. OTHER OPERATING EXPENSE AND INCOME

'000 €	12/31/2020	12/31/2019
OTHER OPERATING EXPENSE		
Office expenses & IT	**770**	734
Fees	**333**	580
Insurances	**509**	483
Interim personnel	**1,397**	1,530
Expenses related to personnel	**146**	217
Carry-off of waste	**3,441**	3,077
Travel expenses	**116**	317
Transportation costs	**2,169**	2,632
Other purchase and sales expenses	**471**	521
Expenses on operational hedge	**410**	649
Research & development	**116**	223
Renting	**155**	180
Subscriptions	**391**	451
Advertising - publicity	**58**	51
Other taxes (unrelated to result)	**94**	54
Financial costs (other than interest)	**426**	245
Others	**186**	226
	11,188	12,170

The "carry-off of waste" cost is reduced by the recovery of waste streams and often only a toll conversion fee is charged. Some of these waste streams are now also sold externally. Consequently the carry-off cost increases while on the other hand these external sales generate additional income.

'000 €	12/31/2020	12/31/2019
OTHER OPERATING INCOME		
Operating hedge results	**308**	259
Finance income (other than interest)	**1**	22
Claims	**8**	378
Subsidies	**193**	302
Fixed assets - own construction	**379**	44
Recuperation of costs from third parties	**158**	19
Others	**48**	24
	1,095	1,048
Fine European Commission - reduction in Appeal	**-**	3,882
	1,095	4,930

5.6. FINANCE COSTS

'000 €	12/31/2020	12/31/2019
Interest on bank overdrafts, loans and factoring	248	337
Interest cost on leasing	10	8
Total borrowing costs	**258**	345

5.7. INCOME TAX EXPENSE

'000 €	12/31/2020	12/31/2019
Current tax	860	1,640
Deferred tax	24	29
Income tax expense for the year	**884**	1,669

Domestic income tax is calculated at 25% (2019: 29.58%) of the estimated assessable result for the year.

'000 €	12/31/2020	12/31/2019
Result before tax	3,668	9,684
Fine European Commission - reduction in Appeal (deductible in determining taxable result)	-	-3,882
Result subject to tax	**3,668**	5,802
Tax at the domestic income tax rate of 25% (2019: 29.58%)	917	1,716
Tax effect of expenses that are not deductible in determining taxable result	-9	0
Tax effect of Notional Interest Deduction (NID)	-	-3
Tax settlement previous years	-37	-46
Tax effect of utilisation of tax losses previously not recognised and timing differences	5	26
Tax penalty (insufficient prepayments)	10	5
Effect of different tax rates of subsidiaries operating in other jurisdictions	-2	-29
Tax expense and effective tax rate for the period	**884**	1.669

On 12/31/2020 deferred tax assets amount to 86 K€ (93 K€ on 12/31/2019) and the deferred tax liabilities amount to 0 € (0 € on 12/31/2019).

5.8. DIVIDENDS AND TANTIÈME

The Board proposes to pay a dividend amounting to 0.975 mio € based on the 2020 results. A total dividend of 2.625 mio € was paid on the basis of the 2019 result.

As to the Statutes, the non-executive Directors will receive a tantième for the financial year closed on 12/31/2020 as follows:

	F.-W. Hempel	FLG BELGIUM	YASS (as of 05/27/20)	BERNUS (until 05/27/20)	DELOX Chairman	H.-R. Orgs	Total
Tantième	15,000 €	15,000 €	15,000 €	0 €	30,000 €	15,000 €	**90,000 €**

For the financial year closed on 12/31/2019 a total tantième of 90 K€ was paid.

5.8.1. Result per share

As no potential shares – which could lead to dilution – were issued and no activities were ceased, the diluted result per share equals the basic result per share.

The calculation of the basic and diluted result per share attributable to the ordinary equity holders of the parent is based on the following data:

'000 €	**12/31/2020**	12/31/2019
RESULT		
Result for purposes of basic and diluted results per share (result for the year attributable to equity holders of the parent)	**2,784**	8,015
NUMBER OF SHARES		
Weighted average number of ordinary shares for the purposes of basic and diluted results per share	**1,500,000**	1,500,000

5.9. PROPERTY, PLANT AND EQUIPMENT

'000 €	Land and buildings	Properties under construcion	Fixtures and equipment	Total
COST OR VALUATION				
On 31 December 2018	13,639	-	65,240	78,879
Additions	746	1,045	3,695	5,486
Transfers	-	-	-	-
Disposals	-	-	-	-
On 31 December 2019	14,385	1,045	68,935	84,365
Additions	1,011	1,857	5,731	8,599
Transfers	381	-983	602	-
Disposals	-	-	-45	-45
On 31 December 2020	**15,777**	**1,919**	**75,223**	**92,919**
ACCUMULATED DEPRECIATION				
On 31 December 2018	12,653	-	55,731	68,384
Depreciation charge for the year	163	-	2,841	3,004
Eliminated on disposals	-	-	-	-
On 31 December 2019	12,816	-	58,572	71,388
Depreciation charge for the year	229	-	2,834	3,063
Eliminated on disposals	-	-	-45	-45
On 31 December 2020	**13,045**	**-**	**61,361**	**74,406**
CARRYING AMOUNT				
On 31 December 2020	**2,732**	**1,919**	**13,863**	**18,514**
On 31 December 2019	1,569	1,045	10,364	12,978

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

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

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

5.10. INTANGIBLE ASSETS

'000 €	Patents, trademarks and software purchased
COST	
On 31 December 2018	1,842
Additions	84
On 31 December 2019	1,926
Additions	1
On 31 December 2020	**1,927**
ACCUMULATED DEPRECIATION	
On 31 December 2018	1,619
Charge for the year	137
On 31 December 2019	1,756
Charge for the year	41
On 31 December 2020	**1,797**
CARRYING AMOUNT	
On 31 December 2020	**130**
On 31 December 2019	170

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

5.11. SUBSIDIARIES

Details of the Group's subsidiaries on 12/31/2020 are as follows:

Name of subsidiary	Place of incorporation (or registration) and operation	Proportion of ownership interest	Proportion of voting power held	Principal activity
Campine Recycling nv VAT: BE0474.955.451	Belgium	99.99%	100%	Lead recycling

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

5.12. INVENTORIES

'000 €	**12/31/2020**	12/31/2019
Raw materials	**9,252**	7,146
Work-in-progress	**6,409**	4,662
Finished goods	**10,684**	14,134
	26,345	25,942

The inventory per year-end includes an amount written-off of 303 K€ (2019: 759 K€) because of the lower of cost and net realisable value. The inventory value is related to the cost of completion of the products which is linked to the LME quotation (London Metal Exchange) for lead and the MB (Metal Bulletin) quotation for antimony.

5.13. FINANCIAL ASSETS

5.13.1. Trade and other receivables

'000 €	**12/31/2020**	12/31/2019
Amounts receivable from the sale of goods	**17,173**	14,254
Other receivables	**1,198**	977
	18,371	15,231

An allowance has been recorded for estimated irrecoverable amounts from the sale of goods of 1,011 K€ (2019: 1,011 K€). This allowance has been determined on a case-by-case basis. Balances are written off when sufficiently certain that the receivable is definitely lost. The Board of Directors confirms that the carrying amount of trade and other receivables approximates their fair value as those balances are short-term.

The total amount from sales of goods amounting to 17,173 K€ includes 12,883 K€ subject to commercial factoring by a credit institute. Based on these receivables the credit institute can deposit advances on the account of Campine (2,655 K€ on 12/31/2020, see note 16. Bank borrowings) and afterwards collects the receivables itself. The credit risk stays at Campine and is covered by a credit insurance.

There are no significant overdue amounts, older than 30 days, which are not provided for and/or are not fully covered by a credit insurance.

Management has evaluated the expected loss provision on trade receivables but concluded that there was no need for a (material) additional provision on top of the specific bad debt provisions already recorded. No special impact is expected with regard to Covid-19 either.

5.13.2. Bank balances and cash

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

5.13.3. Credit risk

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

The Group's credit risk is primarily attributable to its trade receivables. The amounts presented in the balance sheet are after allowances for doubtful receivables. An allowance for impairment is made where there is an identified loss event which, based on previous experience, is evidence of a reduction in the recoverability of the cash flows.

Concentrations of credit risk with respect to trade receivables are limited due to the Group's customer base being large and unrelated. Due to this, the Board of Directors believes that there is no further credit risk provision required in excess of the allowance for bad and doubtful debts.

Roll-forward of the allowances for doubtful debtors:

'000 €	**12/31/2020**	12/31/2019
Opening allowance doubtful debtors	**1,011**	1,011
Additions	**-**	-
Reversals	**-**	-
Closing allowance doubtful debtors	**1,011**	1,011

Included in the Group's trade receivable balance are debtors with a carrying amount of 694 K€ (2019: 1.034 K€) which are past due at the reporting date but for which the Group has not provided as there has not been a significant change in credit quality and the amounts are still considered recoverable. The Group has taken out a credit insurance for these amounts. The average age of these receivables is 10 days past due (2019: 7 days).

5.14. OTHER FINANCIAL ASSETS AND LIABILITIES

5.14.1. Derivatives

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

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

'000 €	Fair value of current instruments	Underlying lead volumes (in ton)	Change in fair value in income statement
On 31 December 2019	291	2,125	382
On 31 December 2020	**93**	**1,600**	**300**

The fair value of the derivatives are included in the balance sheet as current assets – derivatives for 93 K€.

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

5.15. SHARE CAPITAL

'000 €	**12/31/2020**	12/31/2019
Authorised		
1,500,000 ordinary shares of par value of 2.67 € each	**4,000**	4,000
Issued and fully paid	**4,000**	4,000

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

5.16. BANK BORROWINGS (LEASE OBLIGATIONS INCLUDED)

'000 €	**12/31/2020**	12/31/2019
Bank loans - investment credit	**7,125**	4,125
Bank overdrafts	**85**	120
Advances on factoring	**2,655**	-
	9,865	4,245
Repayable borrowings		
Bank loans after more than one year	**4,125**	2,625
Bank loans within one year	**3,000**	1,500
Bank overdrafts	**85**	120
Advances on factoring	**2,655**	0
	9,865	4,245
Average interest rates paid		
Bank loans - investment credit	**1.50%**	1.50%
Bank overdrafts	**1.57%**	2.47%
Advances on factoring	**1.33%**	1.42%

The Group has concluded commercial finance agreements on April 1st, 2014 to protect liquidity against possible price fluctuations.

After 06/30/20 Campine contracted new investment credits for an amount of 4,500 K€. This amount was fully withdrawn per 12/31/2020. The repayments will be spread over a period of 3 years with the first repayment in March 2021.

Bank loans are arranged at fixed interest rates. Other borrowings (bank overdrafts and advances on factoring: 2,740 K€ on 12/31/2020 (on 12/31/2019: 120 K€)) are arranged at floating rates, thus exposing the Group to an interest rate risk (see note 5.27.1.). On 12/31/2020, the Group had available 17,539 K€ (12/31/2019: 22,720 K€) of undrawn committed borrowing facilities.

In the credit agreements with our banks a number of covenants are agreed upon based on equity, solvency and stock rotation. On 12/31/2020 Campine complied with all covenants:

'000 €	**12/31/2020**	Financing cash-flow	12/31/2019
Bank overdrafts	**85**	-35	120
Advances on factoring	**2,655**	2,655	0
Bank loans - investment credit	**7,125**	3,000	4,125
	9,865	5,620	4,245

Lease obligations

'000 €	Company cars
On 31 December 2019	**355**
Additions	**196**
Accrued intrests	**11**
Reimbursement obligations under leases	**-160**
On 31 December 2020	**402**

5.17. DEFERRED TAX

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

'000 €	Timing differences on fixed assets	Positive fair value derivatives	Retirement benefit obligations	Fiscal losses	Others	Total
On 31 December 2018	5	-	-88	-	-	-83
Charge/(credit) to result for the year	-1	73	21	-	-64	29
Charge/(credit) to other comprehensive income	-	-	-39	-	-	-39
On 31 December 2019	4	73	-106	-	-64	-93
Charge/(credit) to result for the year	-1	-50	10	-	64	23
Charge/(credit) to other comprehensive income	-	-	-16	-	-	-16
On 31 December 2020	**3**	**23**	**-112**	**-**	**0**	**-86**

The balance of -86 K€ consists out of a deferred tax asset ad 86 K€. There are no deferred tax liabilities. Certain deferred tax assets and liabilities have been offset in accordance with the Group's accounting policy.

5.18. TRADE AND OTHER PAYABLES

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

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

'000 €	**12/31/2020**	12/31/2019
Trade creditors and accruals	**12,921**	11,765
Other payables and accruals	**2,973**	3,340
	15,894	15,105

5.19. LIQUIDITY RISK

De onderstaande tabel detailleert de resterende contractuele vervaldata van haar niet-afgeleide financiële verplichtingen. De tabel werd opgesteld op basis van de volledige kasstromen van financiële verplichtingen gebaseerd op de eerste dag waarop de Groep tot betaling kan verplicht worden.

	12/31/2020			12/31/2019		
'000 €	**< 1 year**	**1-5 year**	**> 5 year**	< 1 year	1-5 year	> 5 year
Trade and other liabilities	**15,894**	**-**	**-**	15,105	-	-
Bank overdrafts and loans	**3,085**	**4,125**	**-**	1,620	2,625	-
Advances on factoring	**2,655**	**-**	**-**	-	-	-
Lease obligations	**168**	**234**	**-**	123	232	-

5.20. FINANCIAL INSTRUMENTS

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

The financial instruments as on 12/31/2020 are presented below:

‘000 €	Categories	Book value	Fair value	Level
I. Fixed assets				
II. Current Assets				
Trade and other receivables	A	18,371	18,371	2
Cash and cash equivalents	B	190	190	2
Derivatives	C	93	93	1
Total financial instruments on the assets side of the balance sheet		**18,654**	**18,654**	
I. Non-current liabilities				
Interest-bearing liabilities	A	4,125	4,125	2
Other non-current liabilities	A	-	-	2
Obligations under leases	A	234	234	2
Other financial liabilities	C	-	-	2
II. Current liabilities				
Interest-bearing liabilities	A	5,740	5,740	2
Current trade and other debts	A	15,894	15,894	2
Obligations under leases	A	168	168	2
Derivatives	C	-	-	1
Total financial instruments on the liabilities side of the balance sheet		**26,161**	**26,161**	

The financial instruments as on 12/31/2019 are presented below:

'000 €	Categories	Book value	Fair value	Level
I. Fixed assets				
II. Current Assets				
Trade and other receivables	A	15,231	15,231	2
Cash and cash equivalents	B	2,685	2,685	2
Derivatives	C	291	291	1
Total financial instruments on the assets side of the balance sheet		**18,207**	**18,207**	
I. Non-current liabilities				
Interest-bearing liabilities	A	2,625	2,625	2
Other non-current liabilities	A	-	-	2
Obligations under leases	A	232	232	2
Other financial liabilities	C	-	-	2
II. Current liabilities				
Interest-bearing liabilities	A	1,620	1,620	2
Current trade and other debts	A	15,105	15,105	2
Obligations under leases	A	123	123	2
Derivatives	C	-	-	1
Total financial instruments on the liabilities side of the balance sheet		**19,705**	**19,705**	

The categories correspond with the following financial instruments:

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

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

- Level 1: unadjusted quoted prices in an active market for identical assets or liabilities.
- Level 2: the fair value based on other information, which can, directly or indirectly, be determined for the relevant assets or liabilities.

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

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

5.21. PROVISIONS

'000 €	Soil sanitation cost	Other	Total
On 31 December 2019	1,090	-	1,090
Additional provision in the year	-145	190	45
On 31 December 2020	**945**	**190**	**1,135**

'000 €	**12/31/2020**	12/31/2019
Analysed as:		
Current liabilities	**-**	-
Non-current liabilities	**1,135**	1,090
	1,135	**1,090**

The provisions amounted to 1,135 K€ on 12/31/2020. These mainly relate to the soil sanitation obligation (945 K€) on and around the site of the Group and were determined in compliance with the requirements of OVAM – by an independent study bureau. In addition to the provision for the soil sanitation a provision was created for other environmental items.

5.22. CONTINGENT LIABILITIES

The power to pledge the trade fund was granted to the banks for an amount of 17,715 K€ (12/31/2019: 14,653 K€).

5.23. LEASE ARRANGEMENTS

Roll forward of right-of-use assets:

'000 €	
Per 31 December 2018	314
Additions	135
Depreciation charge for the year	-94
Disposals	-
On 31 December 2019	355
Additions	196
Depreciation charge for the year	-149
Disposals	-
On 31 December 2020	**402**

Leased assets relate to company cars. The repayments of operating lease liabilities during 2020 amount to 160 K€. The depreciation charges reached 149 K€ and the financial charges amounted to 11 K€.

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

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

5.24. SHARE-BASED PAYMENTS

During the financial year closed on 12/31/2020 none of the members of the Executive Management Team received any shares, share options or other rights to acquire shares of the company or Group.

5.25. EMPLOYEE BENEFITS EXPENSE

‘000 €	**12/31/2020**	12/31/2019
Long term		
Pension cost (incl. early retirement)	**378**	248
Short term		
Salaries	**9,687**	10,113
Contribution social security	**2,895**	2,946
Structural reduction social contribution	**-822**	-843
Other employee benefits expense	**1,355**	1,596
	13,493	14,060
Average number of FTE's	**185**	188

5.26. POST RETIREMENT BENEFITS

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

‘000 €	**12/31/2020**	12/31/2019
Defined benefit plan	**1,118**	1,060
Early retirment provision	**110**	256
	1,228	1,316

5.26.1. Pension benefit plan

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

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

'000 €	Pension obligation (IAS 19 R)	Plan Assets	Deficit	Net liability / (asset)
On 31 December 2019	6,472	-5,412	1,060	1,060
Components of defined benefit cost				
Service cost in P/L	-	-	-	-
Current service cost (net of employee contributions)	479	-	-	479
Past service cost (incl. effect of curtailments)	-	-	-	-
Settlement (gain)/loss	-	-	-	-
Service cost				**479**
Net interest on the net liability / (asset) in P/L				
Interest cost on pension obligation	49	-	-	49
Interest income on plan assets	-	-42	-	-42
Interest on effect of the asset ceiling	-	-	-	-
Net interest				**7**
Administration costs paid from plan assets in P/L				-
Components of defined benefit cost recognised in P/L				**486**
Remeasurements of the net liability / (asset) in OCI				
Actuarial (gain) / loss arising from				
• Changes in demographic assumptions	-	-	-	-
• Changes in financial assumptions	452	-	-	452
• Experience adjustments	4	-	-	4
Return on plan assets (excl. amounts in net interest)		-391		-391
Change in effect of the asset ceiling (excl. amounts in net interest)				-
Total remeasurement recognised in OCI				**65**
Defined benefit cost (total amount recognised in P/L and OCI)				**551**
Cash Flows				
Employee contributions	-	-	-	-
Employer contributions to plan assets (incl. 4.4% taxes)	-	-493	-	-493
Benefit payments from plan assets	-72	72	-	-
Direct benefit payments by employer	-	-	-	-
	-	-	-	-
Taxes paid from plan assets (4.4%)	-20	20	-	-
Taxes paid directly by employer (8.86%)	-38	38	-	-
On 31 December 2020	**7,326**	**-6,208**	**1,118**	**1,118**

‘000 €	Pension obligation (IAS 19 R)	Plan Assets	Deficit	Net liability / (asset)
On 31 December 2018	5,201	-4,291	910	910
Components of defined benefit cost				
Service cost in P/L	-	-	-	-
Current service cost (net of employee contributions)	372	-	-	372
Past service cost (incl. effect of curtailments)	-	-	-	-
Settlement (gain)/loss	-	-	-	-
Service cost				**372**
Net interest on the net liability / (asset) in P/L				
Interest cost on pension obligation	81	-	-	81
Interest income on plan assets	-	-70	-	-70
Interest on effect of the asset ceiling	-	-	-	-
Net interest				**11**
Administration costs paid from plan assets in P/L				-
Components of defined benefit cost recognised in P/L				**383**
Remeasurements of the net liability / (asset) in OCI				
Actuarial (gain) / loss arising from				
• Changes in demographic assumptions	71	-	-	71
• Changes in financial assumptions	773	-	-	773
• Experience adjustments	50	-	-	50
Return on plan assets (excl. amounts in net interest)	-	-736	-	-736
Change in effect of the asset ceiling (excl. amounts in net interest)	-	-	-	-
Total remeasurement recognised in OCI				**158**
Defined benefit cost (total amount recognised in P/L and OCI				**541**
Cash Flows				
Employee contributions				-
Employer contributions to plan assets (incl. 4.4% taxes)	-	-391	-	-391
Benefit payments from plan assets	-30	30	-	0
Direct benefit payments by employer	-	-	-	-
Taxes paid from plan assets (4.4%)	-15	15	-	0
Taxes paid directly by employer (8.86%)	-31	31	-	0
On 31 December 2019	**6,472**	**-5,412**	**1,060**	**1,060**

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

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

Major actuarial assumptions in use at balance sheet date:

	Valuation on	
	12/31/2020	12/31/2019
Discount rate	**0.34%**	0.77%
Expected rate of salary increases	**2.70%**	2.90%
Inflation	**1.70%**	1.90%

Split of the plan assets on balance sheet date:

	12/31/2020	12/31/2019
Equity securities, incl. cash	**8%**	6%
Fixed income securities	**92%**	94%
	100 %	100 %

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

Discount rate	**-0.50%**		**0.50%**
Assumptions	**-0.16%**	0.34%	**0.84%**
Pension obligation (K€)	**7,954**	7,326	**6,763**

Salary increase	**-0,50 %**		**0,50 %**
Assumptions	**2,20 %**	2,70 %	**3,20 %**
Pension obligation (K€)	**7.260**	7.326	**7.397**

The Group expects to contribute 369 K€ to its defined benefit plans in 2021.

5.26.2. Early retirement provisions

Early retirement provisions are set up based on agreements with those affected on amounts to be paid until the age of 65 year. The provision on 12/31/2020 amounts to 110 K€ (on 12/31/2019: 256 K€).

5.27. MARKET RISK

5.27.1. Interest risk

Funding of the company is done through bank loans, bank overdrafts and factoring.On 12/31/2020 bank loans amounted to 7,125 K€, bank overdrafts and advances on factoring amounted to 2,740 K€. Bank loans are arranged at fixed rates. The bank overdrafts and advances on factoring are arranged at variable rates (see note 5.16.).

An increase or decrease of the interest with 10% would have an impact on the income statement of -4 K€ (in case of 10% increase) or +4 K€ (in case of 10% decrease) based upon the amount on 12/31/2020.
The retained earnings will also be influenced.

5.27.2. Foreign Exchange risk

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

An increase or decrease of the USD/EUR rate with 10% would have an impact on the income statement of 325 K€ (in case of 10% increase) or +325 K€ (in case of 10% decrease) based upon the assets and liabilities denominated in USD on 12/31/2020. The retained earnings will also be influenced.

5.27.3. Price risk

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

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

A movement of the LME lead- and tin futures price by 10% would have impacts on the income statement. The immediate effect based on the underlying open position on 12/31/2020 of a price fall of 10% would be +257 K€ or of a price raise of 10% would be -257 K€.

5.28. EVENTS AFTER THE BALANCE SHEET DATE

In the first week of January 2021, Campine was granted a government subsidy of 1 million euro for the investment in a novel process for the recycling of antimony. This innovative technology has meanwhile been started on an industrial scale and the investment (totalling 4.9 mio €) will already contribute to Campine's result in 2021.

5.29. RELATED PARTIES

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

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

Mr. Friedrich-Wilhelm Hempel is the ultimate controlling person with 71.86% of Campine NV's voting rights.

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

5.30. RELATED PARTY TRANSACTIONS

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

5.30.1. Trading transactions

In 2020, Group entities entered into the following trading transactions with related parties that are not members of the Group:

- Purchase of lead wastes from Hempel Legierungsmetalle GmbH for 1,351 K€ (2019: 863 K€). Open amount on 12/31/2020: 102 K€.

5.30.2. Other transactions

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

- Hempel Special Metals Asia: 36 K€ (2019: 66 K€). There is no open amount on 12/31/2020;
- F.W. Hempel Metallurgical: 264 K€ (2019: 277 K€). Open amount on 12/31/2020: 19 K€;
- F.W. Hempel & Co Erze und Metalle: 108 K€ (2019: 109 K€). Open amount on 12/31/2020: 3 K€.

The Campine Group passed through personnel and IT expenses to:

- F.W. Hempel & Co Erze und Metalle: 8 K€ (2019: 8 K€). There is no open amount on 12/31/2020.

5.31. RIGHTS AND OBLIGATIONS NOT INCLUDED IN THE BALANCE SHEET

Commercial commitments:

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

'000 €	**12/31/2020**	12/31/2019
Commercial commitments for metals purchased (to be received)	**8,077**	8,754
Commercial commitments for metals sold (to be delivered)	**12,547**	14,049

5.32. COMPENSATION OF KEY MANAGEMENT PERSONNEL

The total remuneration of the Executive Management Team including the Board members amounts to 1,920 K€ (2019: 1,907 K€). For further details, we refer to the Remuneration report.

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

5.33. APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Board of Directors and authorised for issue on 18 March 2021.

Statutory auditor's report

to the shareholders' meeting of Campine NV for the year ended 31 December 2020

Consolidated financial statements

In the context of the statutory audit of the consolidated financial statements of Campine NV ("the company") and its subsidiaries (jointly "the group"), we hereby submit our statutory audit report. This report includes our report on the consolidated financial statements and the other legal and regulatory requirements. These parts should be considered as integral to the report.

We were appointed in our capacity as statutory auditor by the shareholders' meeting of 27 May 2020, in accordance with the proposal of the board of directors ("bestuursorgaan" / "organe d'administration") issued upon recommendation of the audit committee and presentation of the works council. Our mandate expires on the date of the shareholders' meeting deliberating on the annual accounts for the year ended 31 December 2020, in view of Article 41 of EU Regulation nr. 537/2014 that states that as from 17 June 2020, an audit mandate can no longer be prolonged for those audit mandates running 20 years or more at the date of entry into force of the regulation. Due to a lack of online archives dating back prior to 1997, we have not been able to determine exactly the first year of our appointment. We have performed the statutory audit of the consolidated financial statements of Campine NV for at least 23 consecutive periods.

Report on the consolidated financial statements

UNQUALIFIED OPINION

We have audited the consolidated financial statements of the group, which comprise the consolidated balance sheet as at 31 December 2020, the consolidated income statement, the consolidated statement of changes in equity and the consolidated statement of cash flow for the year then ended, as well as the summary of significant accounting policies and other explanatory notes. The consolidated balance sheet shows total assets of 64 131 (000) EUR and the consolidated income statement shows a profit for the year then ended of 2 784 (000) EUR.

In our opinion, the consolidated financial statements give a true and fair view of the group's net equity and financial position as of 31 December 2020 and of its consolidated results and its consolidated cash flow for the year then ended, in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium.

BASIS FOR THE UNQUALIFIED OPINION

We conducted our audit in accordance with International Standards on Auditing (ISA), as applicable in Belgium. In addition, we have applied the International Standards on Auditing approved by the IAASB applicable to the current financial year, but not yet approved at national level. Our responsibilities under those standards are further described in the "Responsibilities of the statutory auditor for the audit of the consolidated financial statements" section of our report. We have complied with all ethical requirements relevant to the statutory audit of consolidated financial statements in Belgium, including those regarding independence.

We have obtained from the board of directors and the company's officials the explanations and information necessary for performing our audit.

We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key audit matters	How our audit addressed the key audit matters
Exposure of the economic performance to evolution in market prices	
The company's earnings are highly dependent on the market prices of raw materials and metals, which are subject to (significant) fluctuations because of changing supply and/or demand of raw materials and end products, or because of speculation on the market. This can affect the company's financial statements in the following areas:	During our audit procedures, we have performed the following with respect to inventory valuation and operating and hedging result:
Inventory valuation: Inventories are valued according to the FIFO method due to which they are closely aligned with the evolution of market prices. Consequently, significant price evolutions have a direct impact on the valuation of inventory. As a result of frequent price changes in the market, the company performs a monthly Lower of Cost or Market analysis. The provision for Lower of Cost or Market is mainly calculated on the raw materials and the byproducts as the finished goods are manufactured when a client order is received. During its analysis of the Lower of Cost or Market provision, the company reviews the valuation of its inventory against independent market benchmarks for lead and antimony prices.	**Inventory valuation:** We have identified the relevant processes, key internal controls and accounting policies with respect to inventory valuation. We have substantively tested the valuation of raw materials as well as the valuation of these raw materials in work in progress and finished goods in order to conclude on the correct valuation of the inventory following the FIFO principle. Additionally, we also verified the calculations and challenged the analyses and judgments made by management in determining the provision for Lower of Cost or Market, as disclosed in Note 5.12, against independent market benchmarks for lead and antimony prices.

Operating and hedging result:
Fluctuations in market prices have a direct impact on the turnover and the cost of goods sold, however the company is confronted with a time lag on the price levels of both financial flows and accordingly is subject to potential significant impacts on the operational margin. To manage exposures on open inventory balances, the company enters into hedge contracts for lead activities.

We refer to Note 5.27 Market risk for management's description of the price risk and related sensitivity analysis.

Operating and hedging result:
We have identified the relevant processes, key internal controls and accounting policies with respect to the revenue and expenditure business cycle. We have substantively tested revenue and expenditure to conclude on the appropriateness of revenue and cost of goods sold being recognized.

We reviewed the detailed analysis of the margin per business unit as prepared by management in which the operational results of these business units are rationalized versus the evolution of market prices.

The market value of the hedging contracts as disclosed in note 5.14 are reconciled with the confirmations of the brokers, and the fair market value of the outstanding hedge contracts is rationalized. Additionally, for a sample of settled hedge transactions, the results accounted for are validated with the settlement agreements received from the brokers, in order to verify the accuracy of the results recorded.

Accounting of provisions for soil sanitation

As of 31 December 2020, the total provisions for liabilities and charges amounted to 1.135 KEUR, of which 945 KEUR relates to provisions for soil sanitation.

These provisions are set up based on sanitation obligations that exist as of today or will become effective based on management's investments decisions, which were formally approved at balance sheet date. The decision to construct new warehouses or production facilities often involves the obligation to sanitize the underlying soil.

The liability and sanitation responsibility as well as the costs with respect to the sanitation operations are determined based on a report received from an external environmental expert who ensures compliance with the environmental regulation.

We have focused on this area of the financial statements as changes in management decisions or changes in legislation can significantly impact the amount recorded with respect to provisions for soil sanitation in the financial statements.

We refer to Note 5.21 Provisions for the related disclosures.

During our audit procedures, we have performed the following with respect to the provisions for soil sanitation:

We obtained an understanding of the recognition process, key internal controls and accounting policies for provisions for soil sanitation.

We have reviewed all communication with the external environmental expert to identify any changes regarding the current sanitation obligations or changes in legislation which might result in a correction with respect to the provisions recognized previous years. We have evaluated the competence and the independence of the external environmental expert.

Additionally, we have also reviewed with management the investment plans which were approved by the Board of Directors in order to review potential new sanitation obligations.

We have also performed a test of detail with respect to the actual sanitation operations executed in the current period in order to benchmark the budgeted sanitation cost provided for in prior periods against the actual sanitation cost incurred in the current period.

For sanitation provisions, we have performed the following procedures:

- Analyze the appropriateness and validity of the assumptions used by management to determine the provision;
- Challenge the management estimates with the report from the external environmental expert;
- Verify the existence and accuracy related to the soil piles as used in the calculations by the external environmental expert, during a plant visit.
- Review consistency over time of the process with respect to the calculation of soil sanitation provisions.

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

The board of directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union and with the legal and regulatory requirements applicable in Belgium and for such internal control as the board of directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the board of directors is responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters to be considered for going concern and using the going concern basis of accounting unless the board of directors either intends to liquidate the group or to cease operations, or has no other realistic alternative but to do so.

RESPONSIBILITIES OF THE STATUTORY AUDITOR FOR THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

During the performance of our audit, we comply with the legal, regulatory and normative framework as applicable to the audit of consolidated financial statements in Belgium. The scope of the audit does not comprise any assurance regarding the future viability of the company nor regarding the efficiency or effectiveness demonstrated by the board of directors in the way that the company's business has been conducted or will be conducted.

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

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain 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 an error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain 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 group's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the board of directors;

- conclude on the appropriateness of the use of the going concern basis of accounting by the board of directors and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our statutory auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our statutory auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the consolidated financial statements, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities and business activities within the group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the audit committee regarding, amongst 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.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and we communicate with them about all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated to the audit committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our report unless law or regulation precludes any public disclosure about the matter.

Other legal and regulatory requirements

RESPONSIBILITIES OF THE BOARD OF DIRECTORS

The board of directors is responsible for the preparation and the content of the directors' report on the consolidated financial statements.

RESPONSIBILITIES OF THE STATUTORY AUDITOR

As part of our mandate and in accordance with the Belgian standard complementary to the International Standards on Auditing (ISA) as applicable in Belgium, our responsibility is to verify, in all material respects, the director's report on the consolidated financial statements as well as to report on these matters.

ASPECTS REGARDING THE DIRECTORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS AND OTHER INFORMATION DISCLOSED IN THE ANNUAL REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

In our opinion, after performing the specific procedures on the directors' report on the consolidated financial statements, this report is consistent with the consolidated financial statements for that same year and has been established in accordance with the requirements of article 3:32 of the Code of companies and associations.

In the context of our statutory audit of the consolidated financial statements we are also responsible to consider, in particular based on information that we became aware of during the audit, if the directors' report on the consolidated financial statements is free of material misstatement, either by information that is incorrectly stated or otherwise misleading. In the context of the procedures performed, we are not aware of such material misstatement.

STATEMENTS REGARDING INDEPENDENCE

- Our audit firm and our network have not performed any prohibited services and our audit firm has remained independent from the group during the performance of our mandate.
- The fees for the additional non-audit services compatible with the statutory audit, as defined in article 3:65 of the Code of companies and associations, have been properly disclosed and disaggregated in the notes to the consolidated financial statements.

OTHER STATEMENTS

- This report is consistent with our additional report to the audit committee referred to in article 11 of Regulation (EU) No 537/2014.

Signed at Antwerp.

The statutory auditor
Deloitte Bedrijfsrevisoren/Réviseurs d'Entreprises BV/SRL
Represented by Luc Van Coppenolle

Corporate Data

Corporate Data

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European Single Electronic Format ('ESEF')
The Delegated Regulation 2018/815 of the European Commission provides that if the annual financial report contains the audited consolidated financial statements of companies whose securities are admitted to trading on a regulated market, these must be tagged in accordance with ESEF (« European Single Electronic Format »), in particular using iXBRL tags. This delegated regulation applies in Belgium to the annual financial reports for the financial years beginning on or after 1 January 2020. Nevertheless, in their decision of 15 December 2020, the Council of the European Union and the European Parliament have granted an additional period of one year before the entry into force of the above-mentioned Delegated Regulation. Taking into account the communication from the FSMA (FSMA_2021_01 of 11/01/2021), Campine NV has nevertheless opted to apply the 'XBRL tagging' for the consolidated financial statements on December 31, 2020 already.
A unaudited version of the annual report including the consolidated financial statements in the iXBRL format can be found separately on our website.

Auditor
DELOITTE Bedrijfsrevisoren / Réviseurs d'Entreprises BV/SRL
Represented by Luc Van Coppenolle

Financial calendar

26 May 2021	General Meeting of Shareholders
11 June 2021	Payment of dividend
10 June 2021	Record date
9 June 2021	Ex-date
Last week of September 2021	Announcement of half-year results 2021
Last week of March 2022	Announcement of 2021 annual results

Recover.
Renew.
Repeat.

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