

B&S publishes outcomes of governance review

Mensdorf, Luxembourg – March 30, 2023 (18.00 CET)

B&S Group S.A. (“B&S” or the “Company”), tech company in the consumer goods industry, announces it has finalized the review of its control framework and governance practices and publishes the outcomes hereof today.

As per the end of 2022 a financial relation between B&S CEO at the time, and a company owned by the majority shareholder surfaced that should have been disclosed in the Annual Reports of 2020 and 2021. As a result, the Company decided to initiate a full examination of its governance policies and practices during the preparation of the 2022 Annual Accounts, as communicated on February 20, 2023.

This review has now been concluded and all parties concerned have provided full cooperation. Although the transactions that surfaced in the examination have not directly materially disadvantaged B&S in any manner, these have not been in accordance with the Company’s strict policies to avoid conflicts of interest. The Company reiterates the issues that were identified in the review have no material impact on the 2022 financial results nor on the financial position of B&S. The Company expects to publish its FY 2022 Results shortly.

The review

In addition to the transaction described above that surfaced prior to the examination, the review has shown several other transactions between the majority shareholder (directly or indirectly) and certain members of the Company’s management. In addition to these management transactions, two loans were provided to employees. B&S was not involved in any manner in any of these transactions. All transactions originated prior to the financial year 2022. These transactions, which should have been disclosed in previous Annual Reports of the Company, are detailed in the appendix of this press release.

The Company has now concluded its review, leading to full disclosure in the Annual Report of 2022 of all seven transactions. Upon conclusion of the examination, there were no longer any financial relationships between Executive Board members or management and the majority shareholder.

As part of the review, B&S has also assessed two related party rental agreements that were renewed in 2022. Independent valuers have confirmed, in a separate assignment, the market conformity (at arm’s length) of both rental agreements.

Furthermore, the Company has noted certain dual roles as some of the Company’s employees occasionally performed services for entities of the majority shareholder. These services were concluded to be non-material over the past years as part of the Company’s related party transaction analysis, but in light of this examination, the Company decided to re-evaluate the period since 2018 in full. An in-depth analysis was conducted for the period up to and including 2022, and the fees relating to the services for the full period have been paid by the majority shareholder. As per the end of 2022, all these dual roles have been cancelled.

This press release contains information within the meaning of Article 7(a) of the Market Abuse Regulation.

For additional information please contact

Uneke Dekkers / CFF Communications

M: +31(0) 50261626

E: uneke.dekkers@cffcommunications.nl / investor.relations@bs-group-sa.com

About B&S

B&S (EURONEXT:BSGR) exists to make premium consumer goods available to everyone, anywhere. We believe that getting access to consumer products that bring joy and comfort into everyday lives, should be easy around the globe.

With our ever-growing international network and physical local presence, we bring suppliers, brand owners, logistics partners, wholesalers, retailers and consumers all over the world together that are in many ways difficult to connect.

We work with the world's premium consumer brands in beauty, liquors, personal care, food, health and consumer electronics to serve millions of consumers daily - either directly or through our wholesaler and reseller partners.

Powered by our high-tech platform and arising from supply chain expertise, we provide sourcing, warehousing, distribution, digital commerce, marketing and brand development solutions that enhance choice, speed up delivery, drive conversion and increase reach.

Additional information can be found on our [website](#) and on [LinkedIn](#).

Forward Looking Statements

This press release includes forward-looking statements. Other than reported financial results and historical information, all statements included in this press release, including, without limitation, those regarding our financial position, business strategy and management plans and objectives for future operations, are, or may be deemed to be, forward-looking statements. These forward-looking statements may be identified by the use of forward-looking terminology, including the terms "believes", "estimates", "plans", "projects", "anticipates", "expects", "intends", "may", "will" or "should" or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. These forward-looking statements are based on our current expectations and projections about future events and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed in the forward-looking statements. Many of these risks and uncertainties relate to factors that are beyond B&S's ability to control or estimate precisely, such as future market conditions, the behaviour of other market participants and the actions of governmental regulators. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this press release and are subject to change without notice. Other than as required by applicable law or the applicable rules of any exchange on which our securities may be traded, we have no intention or obligation to update forward-looking statements.

ANNEX: Transactions with majority shareholder*1) Bonus payment*

Mid 2018, an Executive Board member received a Bonus payment directly from the majority shareholder amounting to € 1 million for special services he had rendered to B&S.

2) Mortgage Loan

During 2020, B&S CEO at the time received a Mortgage Loan indirectly from the majority shareholder. This Mortgage Loan has a term of 30 years, has no re-payment schedule and carries a fixed interest of 0.75% per annum. The Mortgage Loan has been evaluated by a reputable Dutch financial institution. This external expert concluded that the amount of the Loan fits within the criteria of a regulated bank, based on property value (Loan to value) and base income. The external expert also concluded that, although less common, a 30-year interest-only mortgage for more than 50% of the property value could have been obtained at that time, provided there would be additional pledges. However, taking into account all aspects of the Mortgage Loan, the external expert concluded that a regulated bank would not have been able to issue a comparable mortgage loan. As such it has been concluded that the Mortgage Loan was not at arms' length. In January 2023, parties entered into a Settlement Agreement in which it was agreed between the parties that the Mortgage Loan will be refinanced by a third party.

3&4) Investment Loan and corresponding Option Agreement

In December 2020, a private entity of the majority shareholder transferred part of its investment in an externally managed investment fund in the name of B&S CEO at the time for a consideration of \$ 2.5 million whereby the transfer price was converted into a loan. The Loan did not have a fixed term, carried an interest rate of 1.5% and had the investment as a pledge. At the same moment, parties entered into an Option Agreement under which B&S CEO at the time would be able to sell back the investment for a minimum consideration of \$ 2.5 million, and whereby the majority shareholder indirectly would have the option to buy back the investment at fair market value, with the total consideration not exceeding \$ 6.25 million.

In January 2023, parties entered into a Settlement Agreement in respect of the above. Early 2023 (with effective date January 1, 2023) the investment has been transferred back to the legal entity of the majority shareholder for a consideration of \$ 2.5 million, therewith settling the Investment Loan. The option agreement has been cancelled.

5) Private Loan

In 2020, the majority shareholder (indirectly) provided a personal loan to a member of the B&S Leadership Team for a total amount of € 2 million. The total outstanding loan balance was re-paid early 2022.

6) Private Loan

In 2020, the majority shareholder (indirectly) provided a personal loan to an employee of B&S for a total amount of € 20,000.

7) Mortgage Loan

In 2020, the majority shareholder (indirectly) provided a mortgage loan to an employee of B&S for a total amount of € 90,000.