



Financial report 2018

Green Vision Holding B.V.

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Directors' report

Bestuursverslag Green Vision Holding B.V. 2018

Algemene informatie

De statutaire doelen van de vennootschap zijn:

- Het ontwikkelen, produceren en verhandelen van producten en componenten ten behoeve van energie- en warmteconversie
- Het oprichten van, deelnemen in, het bestuur voeren over en het zich op enigerlei andere wijze financieel interesseren bij andere vennootschappen en ondernemingen
- Het verlenen van diensten op administratief, technisch, financieel economisch of bestuurlijk gebied aan andere vennootschappen, personen en ondernemingen
- Het verkrijgen, vervreemden, beheren en exploiteren van roerende en onroerende zaken en andere goederen, daaronder begrepen patenten, merkrechten, licenties, vergunningen en andere industriële eigendomsrechten
- Het er leen opnemen en/of ter leen verstrekken van gelden, alsmede het zekerheid stellen, zich op andere wijze sterk maken of zich hoofdelijk naast of voor anderen verbinden
- Het beleggen van vermogen in (hypothecaire) schuldvorderingen, registergoederen, valuta, effecten en vermogenswaarden in het algemeen
- Het exploiteren en verhandelen van patenten, merkrechten, vergunningen, know how en andere industriële en intellectuele eigendomsrechten

Het vorenstaande al of niet in samenwerking met derden en met inbegrip van het verrichten en bevorderen van alle handelingen die daarmee direct of indirect verband houden, alles in de ruimste zin van het woord.

De kernactiviteiten zijn het leveren van industriële gassen, met name waterstof, middels innovatieve "on-site" productietechnologie in combinatie met back-up capaciteit die we aanleveren met traditioneel vervoer over de weg.

Wij zijn wereldwijd actief met focus op Europa en Zuid Oost Azië. Dit zijn de gebieden waar we gascontracten sluiten en investeren in productiecapaciteit. In the rest van de wereld verkopen we installaties op projectbasis. De onderneming (Green Vision Holding) en gelieerde vennootschappen kunnen gekarakteriseerd worden als "high-tech" en "clean-tech" bedrijf. Het spreekt voor zich dat onderzoek en ontwikkeling een belangrijk aandachtsgebied zijn binnen onze bedrijven. Kern onderzoeksgebieden zijn:

- Onderzoek voor derden op commerciële basis; snelle cyclus van ontwikkeling, design van modules, constructie van onderzoeksprojecten tot fabricage en testen.
- Ontwikkeling en fabricage van on-site waterstof generatoren gebaseerd op stoomreforming technologie alsmede stikstof en zuurstofproductie middels luchtscheiding en zuiveringssystemen voor de recycling van gebruikte gassen in industriële toepassingen
- Ontwikkeling en fabricage van fuel cell producten en waterstof-energie toepassingen

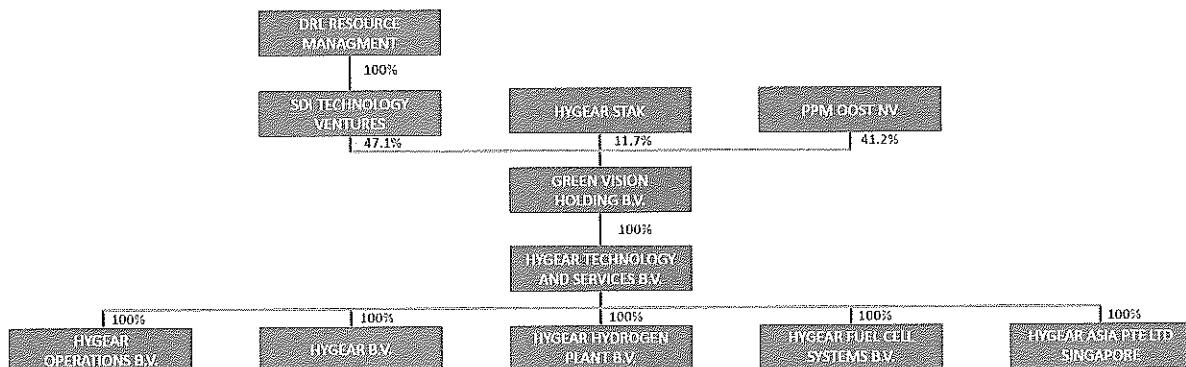
Al onze ontwikkelingen zijn gericht op nieuwe producten die vervolgens op commerciële basis worden aangeboden aan onze klanten wereldwijd

De onderneming wordt uitgeoefend in de vorm van een besloten vennootschap met beperkte aansprakelijkheid. De volgende ondernemingen maken deel uit van een economische eenheid.

- Green Vision Holding B.V., Arnhem (hoofd van de onderneming)
- HyGear Technology & Services B.V., Arnhem (100%)
- HyGear Fuel Cell Systems B.V., Arnhem (100%)
- HyGear B.V., Arnhem (100%)
- HyGear Operations B.V., Arnhem (100%)
- HyGear Hydrogen Plant B.V., Arnhem (100%)
- HyGear Asia PTE LTD, Singapore (100%)

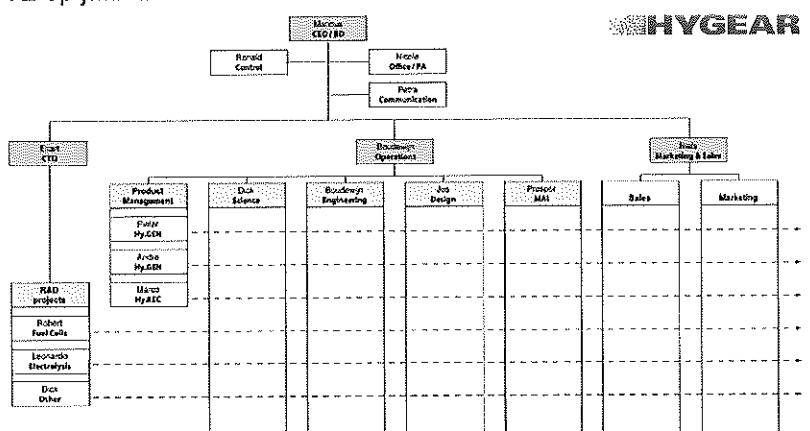
De statutaire vestigingsplaats is Westervoortsedijk 73 te Arnhem. We hebben een nevenvestiging in Singapore aan 62 Ubi Road 1, #8-13 Oxley Bizhub 2.

Onze aandeelhoudersstructuur is weergegeven in onderstaande diagram



SDI Techology Ventures en DRL Resource Management zijn de ondernemingen van oprichter en CEO Marinus van Driel. Oost NL is de investeringstak van Regionale Ontwikkelingsmaatschappij Oost NV en STAK HyGear is de Stichting Administratiekantoor HyGear waarin de aandelen gehouden worden die gecertificeerd zijn en verhandelbaar gesteld op het platform NPEX.

De interne organisatie structuur is weergegeven in onderstaande figuur. en personele bezetting is 58,1 FTE op jaareinde.



De structuur is een matrix organisatie waarbij drie ontwikkelingsmanagers en drie productmanagers gebruik maken van de expertise van functionele afdelingen binnen het bedrijf. Het Management Team bestaat uit vier leden met elk een eigen aandachtsgebied. Marinus van Driel is verantwoordelijk voor het algemeen management. Ellart de Wit is verantwoordelijk voor technologie, Niels Lanser is verantwoordelijk voor commercie en Boudewijn Creemers voor alle Operationele werkzaamheden.

Het gevoerde beleid in 2018

In het afgelopen jaar hebben we ons gericht op enerzijds het verwerven en versterken van onze marktpositie op het gebied van gaslevering middels lokale productie bij de eindgebruiker en anderzijds op de verdere ontwikkeling en verbetering van onze productportfolio.

In het kader van het eerste hebben we drie nieuwe HyGen's en 2 HyRec's verscheept en 5 afgebouwd voor verscheping in 2019. Daarbij zijn we erin geslaagd de productie verder te optimaliseren door het aantal manuren per systeem met 11% te reduceren ten opzichte van 2017 (25% vanaf 2016). Onze direct materiaalkosten namen iets toe, in lijn met normale prijsverhogingen van leveranciers.

Onze install base produceerde dit jaar in totaal bijna 4.5 miljoen m³ hetgeen in lijn was met de doelstellingen met een cumulatieve bedrijfstijd van 500.000 uur. Een belangrijke maat voor de onderhoudskosten is de MTBF (mean time between failure). Deze wisten we te verbeteren naar 22.38 dagen (van 16.66 dagen in 2017 en 10.2 dagen in 2016). De meeste faalgevallen waren het gevolg van externe omstandigheden en konden worden opgelost met "warme" herstarts. Hierdoor hebben we in geen enkel geval een situatie gehad waarbij we geen waterstof leverden aan de klant.

Aan de ontwikkelingskant hebben we ons vooral gericht op verdere verbetering van de HyGen technologie, het ontwerp van een groter systeem (HyGen 150) en de ontwikkeling van gas zuiveringstechnologie, vooral in het kader van HyRec. Hiervoor konden we in veel gevallen aansluiten bij EU projecten, waardoor de kosten van ontwikkeling voor een belangrijk deel gesubsidieerd werden.

In 2018 hebben we ook onze commerciële activiteiten geïntensiveerd. Dit heeft geresulteerd in de verkoop van 17 HyGen 50 (equivalent) systemen tegen een doelstelling van 10. Voor HyRec wisten we drie systemen te verkopen tegen een doelstelling van 2. Dit zal ertoe leiden dat we in 2019 moeten opschalen in productie. In eerste instantie zal dit moeten gebeuren met inhuiskrachten waardoor de kosten per systeem hoger uit zullen vallen. Na verloop van tijd willen we dit met interne krachten oplossen en we verwachten dan ook een sterke groei in aantal medewerkers in het komend jaar.

Tot slot is gewerkt aan het versterken van de financiële positie. We hebben in het tweede kwartaal een nieuwe obligatielening uitgegeven voor een bedrag van 5 miljoen euro waarmee we nieuwe GaaS contracten hebben gefinancierd. Voor 2019 is de verwachting dat we enerzijds meer werkcapitaal financiering nodig hebben voor de toename in commerciële opdrachten en anderzijds geld moeten aantrekken om nieuwe GaaS contracten te sluiten.

Financiële informatie

De omzet van de onderneming is in 2018 toegenomen met 2% en bedraagt 5.812.896 euro.

De solvabiliteit inclusief garantievermogen bedraagt 34%. ((Eigen vermogen + achtergestelde leningen) gedeeld door het balanstotaal). Dit was in 2017 45%. De daling komt vooral doordat wij veel installaties in eigen beheer bouwen welke op de balans erbij komen. De solvabiliteit exclusief garantievermogen (Eigen vermogen gedeeld door balanstotaal) is 26%, t.o.v. 39% in 2017.

Het gemiddeld aantal werknemers (FTE) steeg in 2018 met 2,5 tot 58,10 aan het einde van het jaar.

In 2018 wisten we ook een positieve kasstroom te realiseren, 1,193,683 euro. In 2017 bedroeg dit 1,056,884 euro.

De vloottende activa in 2018 tellen op tot 7,539,668 euro; de kortlopende schulden waren 4,087,456 euro. Dit leidt tot een current ratio van 1,84.

Risico's en onzekerheden

Onze onderneming ontwikkelt, bouwt en bedrijft kapitaalsintensieve installaties die vaak in langdurige contracten worden ingezet. Inherent hieraan ontstaan risico's die wij zoveel mogelijk proberen te beperken. Onderstaand overzicht beschrijft de.

Tegenpartijenrisico

Zoals elke onderneming, lopen we het risico dat een tegenpartij in een situatie kan komen te verkeren dat zij niet (geheel) aan haar financiële verplichtingen kan of wil voldoen. Dit risico kan onder andere bestaan wanneer sprake is van een insolvabele tegenpartij. Wij proberen deze risico's tot een minimum te beperken door voorafgaand aan het sluiten van overeenkomsten een inschatting te maken van dit risico en betaalschema's af te spreken waarin we een belangrijk deel van onze kosten gedekt hebben voordat we goederen uitleveren. Tegelijkertijd proberen we ervoor te zorgen dat we nooit volledige betalingen verrichten aan leveranciers voordat de goederen geleverd zijn en we hebben kunnen controleren of deze (technisch) in orde zijn.

Concurrentierisico

De markt voor industriële gassen en waterstof voor vervoerstoepassingen is omvangrijk en kent een aantal andere grote spelers, zowel nationaal als internationaal, die als directe concurrenten van ons bedrijf kunnen worden gezien. Het risico bestaat dat deze concurrenten op enig moment succesvoller zijn dan wij. Ontwikkelingen bij concurrenten kunnen ertoe leiden dat de (technische) ontwikkeling van activiteiten van ons bedrijf voorbijgestreefd worden. Dit kan ertoe leiden dat de toekomstverwachtingen niet gerealiseerd kunnen worden.

Om het concurrentierisico te beperken investeren we veel in productontwikkeling. Hiermee willen we onze technologie efficiënter, goedkoper en betrouwbaarder houden dan die van andere partijen. Verder investeren we in het verbeteren van onze propositie naar eindgebruikers, door het productenpakket te verbreden, internationale partnerships te sluiten en te investeren in eigen back-up capaciteit in de vorm van waterstofproductiefaciliteiten en trailers.

Het risico van de afhankelijkheid van haar bestuursleden

Feitelijk is het functioneren en opereren van ons bedrijf afhankelijk van de specifieke kennis en ervaring van haar statutaire bestuurder, leden van het management team en een kleine groep "key-employees". Het wegvalLEN van dit bestuurslid of leden van het management team of deze key-employees, zou kunnen betekenen dat die specifieke kennis en ervaring verloren gaan. Dit kan op de korte dan wel de langere termijn een negatief effect hebben op de bedrijfsvoering en financiële resultaten van ons bedrijf.

We zien dit risico als inherent aan de omvang van onze onderneming en trachten zoveel mogelijk kennis over meerdere medewerkers te spreiden.

Kostenrisico

Een groot deel van de kosten van ons bedrijf zijn vaste kosten, waaronder de kosten voor lonen, salarissen en huisvesting. Het vaste karakter van deze kosten brengt het risico met zich mee dat een vermindering van de brutomarge er toe zou kunnen leiden dat we onvoldoende middelen hebben om aan onze betalingsverplichtingen te voldoen. Om die reden investeren we vooral veel in marketing en verkoop om de omzet te laten groeien en tegelijkertijd in reductie van apparatuurstekosten om de brutomarge te verhogen.

Risico van de beperking van leveranciers

Ons bedrijf is voor componenten en sub-modules afhankelijk van toeleveranciers. In de meeste gevallen zijn componenten leverbaar door meerdere andere partijen, maar in enkele gevallen is het aantal leveranciers beperkt. Hierbij gaat het bijvoorbeeld om de leveranciers van katalysatoren en adsorbentia. Het wegvalLEN van dergelijke leveranciers kan (al dan niet tijdelijk) tot productie- en onderhoudsproblemen leiden. Om die reden blijven we een actief beleid van dual- of multiple-sourcing nastreven.

Risico van afhankelijkheid van grote accounts

Inherent aan de aard van de projecten voor lokale productie van industriële gassen, is het aantal afnemers beperkt en de omzet per project groot. Met name in de variant waar we zelf in de installatie investeren en wordt betaald voor het leveren van gas, kan het effect van het wegvalLEN van een klant negatieve effecten hebben op de bedrijfsvoering. Dit zal voornamelijk het geval zijn op het moment dat de installatie niet binnen afzienbare termijn elders kan worden ingezet. Indien dergelijke situaties zich verwezenlijken, kan dit gevolgen hebben voor de financiële resultaten van de onderneming. We zijn ons bewust van dit risico en zijn van mening dat dit risico kleinere effecten zal hebben naarmate de onderneming groeit.

Risico van subsidieverlening

Een van de redenen voor een relatief lagere winstgevendheid is dat we een high-tech groeionderneming zijn met een sterke focus op productontwikkeling. De meeste van deze ontwikkelingen vinden plaats met ondersteuning van subsidiegevers waarvan de grootste op dit moment het Horizon 2020 programma is van de Europese Unie. Indien deze subsidies op enig moment wegvalLEN verliezen we de leverage op onze onderzoeksinspanningen en zullen we de investeringen hierin moeten reduceren danwel accepteren dat ons bedrijfsresultaat onder druk komt te staan. We voeren dan ook actief beleid om onze subsidieportefeuille op niveau te houden of indien mogelijk te laten groeien.

Liquiditeitsrisico

Green Vision Holding B.V. is verantwoordelijk voor de verplichtingen naar kapitaalsverstrekkers zoals banken en obligatiehouders, die voornamelijk bestaan uit de betaling van de aflossing van de Hoofdsom van en Rente. Deze betalingen zullen worden voldaan uit de cashflow van de lopende operatie. Aangezien de cashflow ook wordt gebruikt ter financiering van de dagelijkse bedrijfsactiviteiten, kan het voorkomen dat bij een plotse stijging van de overige kosten voor de dagelijkse bedrijfsvoering, te weinig liquide middelen ter beschikking staan om aan de verplichtingen te voldoen.

Het risico van een dalende solvabiliteitsratio

Tot dusver hebben we een gezonde solvabiliteitsratio. Indien we verder groeien blijft het beleid om deze boven de 35% te houden. Hiertoe zal op enig moment ook nieuw eigen vermogen moeten worden aangetrokken. Het risico is dat aandeelhouders hier niet mee instemmen of dat er geen nieuwe aandeelhouders gevonden kunnen worden. Hierdoor zou het kunnen gebeuren dat we nieuwe kansen uit de markt moeten weigeren, onze ontwikkeling moeten vertragen of in het ergste geval het bedrijfsresultaat onder druk komt te staan.

Reputatierisico

De waterstofproductiesystemen van ons bedrijf worden sinds 2009 geleverd en zijn ontworpen voor een duur van ongeveer 15 jaar. Er is nog niet aangetoond dat de systemen werkelijk tegen de verwachte onderhoudskosten de volledige levensduur uit kunnen dienen. Indien er degradatie-effecten zijn die zich pas na langere tijd manifesteren en meerdere systemen zouden falen na verloop van tijd, kan dit tot reputatieschade leiden voor het bedrijf.

Technologisch risico

Inmiddels is bekend dat de werking van de on-site productiesystemen afhankelijk kan zijn van lokale omstandigheden als aardgaskwaliteit, luchtdruk, temperatuur, luchtvervuiling en waterkwaliteit. Het zou voor kunnen komen dat in de toekomst installaties onder specifieke lokale omstandigheden niet aan hun

specificaties kunnen voldoen, of dat de prestaties van de installaties versneld slechter worden ten gevolge van deze lokale omstandigheden. De gevolgen van slechtere prestaties kan leiden tot hogere garantie- en onderhoudskosten.

Een ander technologisch risico betreft de HyREC. Het systeem voor het terugwinnen van industriële procesgassen bij de eindgebruiker. Het systeem voor terugwinning van zuiver waterstof (HyREC-pure) is reeds geleverd, maar het systeem voor het terugwinnen van menggassen (HyREC-mix) is nog in ontwikkeling. Het kan zijn dat dit product op lange termijn technisch niet haalbaar blijkt of dat de kosten ervan te hoog uitvallen waardoor de business case geen stand houdt.

Indien dergelijke technologische risico's zich manifesteren kan dit een negatieve invloed hebben op zowel de bedrijfsvoering als de financiële resultaten van de onderneming.

Fiscaal risico

Wij passen op basis van artikel 12b Wet op de vennootschapsbelasting 1969 de innovatiebox toe. Op basis hiervan worden de opbrengsten uit innovatieve werkzaamheden uiteindelijk belast tegen een effectief tarief van 5% vennootschapsbelasting. De wetgeving inzake de innovatiebox zou kunnen wijzigen en dit zou een negatieve invloed kunnen hebben op de bedrijfsresultaten.

We zijn in gesprek met de belastingdienst over aftrek van BTW. De inspecteur is van mening dat de BTW teruggaaf over kosten die te maken hebben met het verkrijgen van obligatieleningen niet voor aftrek in aanmerking komen. Wij zijn van mening dat dit wel zo moet zijn omdat deze rechtstreeks verband houden met onze GaaS contracten. We schatten dit risico niet als materieel in omdat het om een relatief laag bedrag gaat. Het gevolg is wel dat de Belastingdienst onze BTW teruggave over het derde kwartaal 2018 achterhoudt hetgeen een liquiditeitsrisico met zich meebrengt als dit te lang voortduurt. Daarnaast heeft de inspecteur aangegeven dat een deel van onze onderzoekskosten mogelijk niet voor BTW aftrek in aanmerking komen indien dit onderzoek niet te relateren is aan toekomstige omzet. Daar al ons onderzoek gericht is op de ontwikkeling van nieuwe producten gaan we ervan uit dat dit een beperkt risico is.

Algemene juridische risico's

We lopen risico's wanneer anderen rechtszaken tegen ons aanspannen. Ongeacht of dergelijke vorderingen ontvankelijk zijn. De verdediging in een dergelijke procedure is kostbaar en deze kosten kunnen vaak slechts ten dele op de wederpartij verhaald worden, zelfs wanneer we in het gelijk wordt gesteld. De juridische kosten zijn slecht te verzekeren en we hebben vooral als beleid om vooraf bij belangrijke contracten, juridisch advies in te winnen om op die manier eventuele latere kosten te beperken.

Politiek en landenrisico

Een onzekere factor is de invloed van de politiek. Onder politieke risico's worden verstaan risico's met betrekking tot stabiliteit en legitimiteit van politieke instituten, ordelijke opvolging van de politieke leiders, transparantie bij de economische besluitvorming, nationale veiligheid en geopolitieke risico's. Genoemde risico's kunnen een negatieve invloed hebben op de bedrijfsresultaten maar zijn niet te ondervangen. Wel kiezen we ervoor om onze activiteiten zoveel mogelijk te richten op onze stabielere politieke doelgebieden, danwel te zorgen dat in minder stabiele gebieden, de veelal grotere industriële contractpartij, haar onderneming drijft in een van de stabielere doelgebieden

Valutarisico

Tot dusver worden vrijwel alle contracten in Euro afgesloten. Bij verdere internationalisering kan het voorkomen dat contracten in andere valuta worden gesloten, hetgeen een valutarisico met zich brengt. Voornamelijk voor langdurige gasleveringscontracten zal het management altijd het valutarisico moeten

afwegen tegen de kosten van het afdekken van deze risico's. In beide gevallen kan dit gevolgen hebben voor de lange termijn resultaten van dergelijke projecten.

Informatie over onderzoek en ontwikkeling

Ook dit jaar hebben we door de grote drukte in de operaties keuzes moeten maken in de productontwikkeling. Hierbij hebben we vooral gekozen voor de projecten die op kortere termijn tot nieuwe producten kunnen leiden. Daarnaast hebben we kostprijs- betrouwbaarheid- en efficiency-gerelateerde projecten door laten gaan.

Gelet op de vertrouwelijke aard van de werkzaamheden en de nauwe verwevenheid met toekomstige strategische sporen is besloten om in dit bestuursverslag geen beschrijving op te nemen van de individuele projecten en details ten aanzien van resultaten.

Wel melden we dat er geen onverhoopte tegenslagen te melden zijn die van wezenlijk belang zijn voor de toekomst van ons bedrijf in negatieve zin.

Verwachte gang van zaken / Toekomstparagraaf

Wij maken jaarlijks een complete update van onze SWOT analyse. Het doel hiervan is om te komen tot verbeter acties om sterkes uit te bouwen, zwaktes te verbeteren en zodoende bedreigingen te weerstaan en kansen te benutten. Eind vorig jaar hebben we meerder strategische sporen onder de loep genomen. De belangrijkste uitkomst is dat we de meeste beperkingen kunnen wegnemen door het full service model van "Pay-per-Use" verder te implementeren.

Ook hebben we ervoor gekozen om de eerder gekozen geografische strategie te handhaven. Hiertoe richten we ons op gebieden waar we aanwezig zijn en waar de markt groeit, in dit geval dus vooral Europa en Zuid-Oost Azie. In deze gebieden investeren we in eigen productiecapaciteit, trailers voor back-up en installaties die we in eigen beheer bij de klant plaatsen.

Om de druk op de financiële draagkracht te beperken blijven we daarnaast nog het model van verkoop van installaties voeren in andere geografieën. Dit leidt direct tot omzet en marge die we deels in kunnen zetten om onze eigen investeringen te bekostigen.

Voor het deel dat we tekort komen trekken we nieuw kapitaal aan. De uitgifte van obligatielening in 2018 was hiervoor van belang. In 2019 richten we ons op het verder versterken van de financiële positie. Hiervoor onderzoeken we verschillende mogelijkheden, variërend van aandelen, obligaties of andere vormen van schuldfinanciering.

Tot slot willen we onze bestaande producten verder verbeteren in efficiëntie, levensduur en kostprijs en willen we nieuwe producten ontwikkelen die complementair zijn op onze bestaande technologieën en waarmee we voor kunnen sorteren op de komst van de waterstofeconomie. Om de kosten van deze ontwikkelingen te kunnen dragen zullen we intensiever op zoek gaan naar onderzoeks- en ontwikkelingsfondsen van zowel de Nederlandse als Europese overheid.

Raad van Commissarissen

Onze raad van commissarissen aan het begin van 2018 bestond uit twee leden

- De heer Jan van der Vliet (voorzitter)
- De heer Bernard Fortuyn

Gedurende het jaar is de heer Martin Adler benoemd als derde RVC lid waarmee de raad weer compleet is.

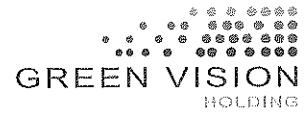


Verder heeft de heer Jan van der Vliet aangegeven om na drie termijnen van elk 4 jaar, zijn commissariaat te willen beëindigen. Vooruitlopend daarop hebben we per jaareinde het voorzitterschap overgedragen aan de heer Bernard Fortuyn. Jan van der Vliet zal aanblijven tot en met de goedkeuring van de jaarcijfers (verwacht eind april 2019). In de tussentijd zullen we op zoek gaan naar een geschikte vervanger.

Daarnaast heeft PPM Oost NV het recht om een toehoorder af te vaardigen naar elke vergadering.

In het jaar 2018 vonden 5 reguliere vergaderingen plaats. Deze vergaderingen handelen om een serie actuele onderwerpen, meestal gerelateerd aan tussentijdse cijfers en een aantal wederkerende onderwerpen zoals de commerciële en operationele voortgang.

Daarnaast zijn er geen officiële bijzondere vergaderingen van de Raad van Commissarissen geweest.



Consolidated financial statements

Consolidated balance sheet as at 31 December 2018
Before profit appropriation

	Note	31 December 2018	31 December 2017
		€	€
Non-current assets			
Intangible assets	5	534,681	9,327
Property, plant and equipment	6	11,986,641	8,432,887
Financial assets	7	0	0
		<hr/> 12,521,322	<hr/> 8,442,214
Current assets			
Inventories	8	935,429	419,280
Construction contracts	9	741,210	630,056
Receivables	10	2,661,731	2,163,150
Cash and cash equivalents	11	3,201,298	2,007,615
		<hr/> 7,539,668	<hr/> 5,220,101
		<hr/> 20,060,990	<hr/> 13,662,315

		31 December 2018	31 December 2017
	Note	€	€
<i>Equity and liabilities</i>			
Group equity *)			
Equity	12	5,175,484	5,350,519
		5,175,484	5,350,519
Provisions	13	0	380,129
Non-current liabilities *)	14	10,798,050	4,901,515
Current liabilities	15	4,087,456	3,030,152
		20,060,990	13,662,315

*) Liability capital consists of equity (group equity) and any subordinated loans recognised as non-current liabilities. Liability capital as at 31 December 2018 amounted to € 6,791,489 (31 December 2017: € 6,277,678).

Consolidated income statement for 2018

	Note	2018	2017
		€	€
Net turnover	18	5,155,242	3,405,131
Change Work in Progress Products / Services		1,158,108	2,937,750
Change Work in Progress R&D		-500,454	-669,470
Total Revenue		<hr/> 5,812,896	<hr/> 5,673,411
Direct material costs	19	1,821,322	2,277,829
Subcontracting and other external costs		164,841	189,528
Salaries and wages, temporary workers, less	20	1,325,295	868,161
WBSO wages subsidy			
Social security contributions	20	580,679	300,981
Pension contributions	20	202,237	236,334
Amortisation and depreciation	21	608,880	391,919
Other operating expenses	22	273,165	515,993
Total expenses		<hr/> 4,976,419	<hr/> 4,780,745
Operating profit		836,477	892,666
Finance income and costs	23	<hr/> -557,828	<hr/> -257,713
Profit before tax		278,649	634,953
Income tax	25	-43,581	0
Share of profit of group companies after tax	24	0	64,570
Profit for the year		<hr/> 235,068	<hr/> 699,523
		<hr/>	<hr/>

Consolidated cash flow statement for 2018

		2018	2017
	Note	€	€
Cash flows from operating activities			
Operating profit		836,477	892,666
<i>Adjustments for:</i>			
Amortisation and depreciation	21	608,880	391,919
Movements in provisions	13	-380,129	-146,466
Waiver of Uitdagerskrediet	14	0	-877,000
		<hr/> 228,751	<hr/> -631,547
<i>Changes in working capital:</i>			
Inventories	8	-516,149	-298,409
Construction contracts	9	-111,154	988,221
Receivables	10	-498,581	1,737,743
Current liabilities (exclusive of bank overdrafts)	15	1,057,304	-1,048,765
		<hr/> -68,580	<hr/> 1,378,790
Cash generated from operations		996,648	1,639,909
 Share of profit of group companies	24	0	64,570
Interest received	23	15	2,316
Income tax	25	-43,581	0
Interest paid	23	-557,843	-260,029
		<hr/> -601,409	<hr/> -193,143
Net cash generated from operating activities		395,239	1,446,766

	Note	2018	2017
		€	€
Cash flows from investing activities			
Purchases of intangible assets	5	-531,333	-3,645
Purchases of property, plant and equipment (PPE)	6	-4,156,655	-5,017,579
Proceeds from sale of (investment) property	6	0	10,328
Repayments of financial assets	7	0	250,000
Net cash used in investing activities		<u>-4,687,988</u>	<u>-4,760,896</u>
Cash flows from financing activities			
Repayments of borrowings minus amortised interest	14	-74,238	-117,437
Proceeds from borrowings	14	6,044,994	5,124,823
Change in reclassification from non current to current liabilities	14	-74,221	-34,152
Net dividends paid	31	-413,597	-342,777
Purchase and cancellation own ordinary shares	31	0	-2,460,810
Issue of Cum Pref shares	31	0	360,810
Issue of ordinary shares	31	0	2,289,756
Purchase of certificates of ordinary shares	31	0	-445,924
Net cash used in financing activities		<u>5,482,938</u>	<u>4,374,289</u>
Net cash flows	11	<u>1,190,189</u>	<u>1,060,159</u>
Net increase/(decrease) in cash and cash equivalents		<u>1,193,683</u>	<u>1,056,884</u>

Movements in cash and cash equivalents can be broken down as follows:

	2018	2017
	€	€
At 1 January	2,007,615	950,731
Movements during the year	1,190,189	1,060,159
Currency translation differences	3,494	-3,275
At 31 December	3,201,298	2,007,615

Notes to the consolidated financial statements

1 General information

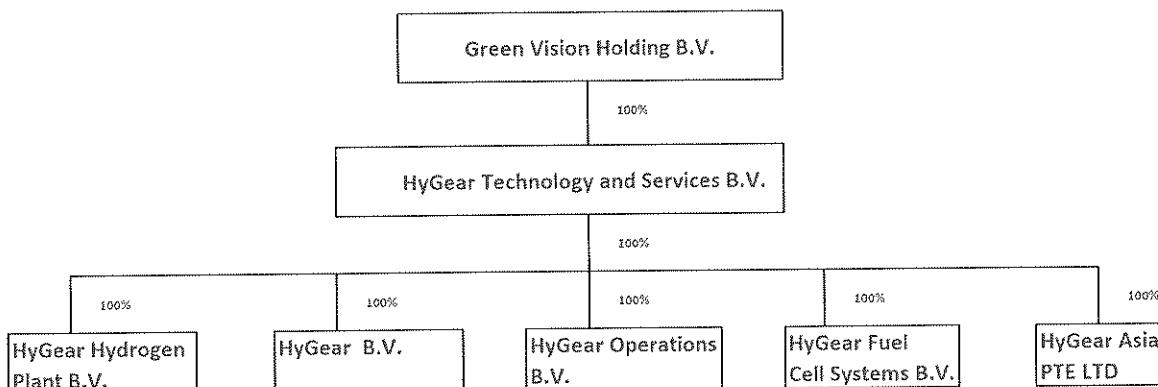
1.1 Operations

The operations of Green Vision Holding B.V., registered with the Chamber of Commerce under number 810587798, with its statutory seat in Arnhem and its group companies ("the Group") are mainly comprised of:

- Piloting for third parties; Fast cycle from development, design of modules, construction of pilot plant to commissioning and testing.
- Development and manufacturing of on-site hydrogen generators based on steam reforming technology.
- Development and manufacturing of fuel cell products.

Sales are made in both the domestic and foreign markets, with the countries of the European Union forming the most important markets.

1.2 Group structure



Green Vision Holding B.V. is part of the HyGear group. The head of this group is Green Vision Holding B.V.

1.3 *Consolidation*

The consolidation includes the financial information of Green Vision Holding B.V., its group companies and other entities in which it exercises control or whose central management it conducts. Group companies are entities in which Green Vision Holding B.V. exercises direct or indirect dominant control based on a shareholding of more than one half of the voting rights, or whose financial and operating policies it otherwise has the power to govern. Potential voting rights that can directly be exercised at the balance sheet date are also taken into account.

Group companies and other entities in which Green Vision Holding B.V. exercises control or whose central management it conducts are consolidated in full. Minority interests in group equity and group profit are disclosed separately.

Intercompany transactions, profits and balances among group companies and other consolidated entities are eliminated. Unrealised losses on intercompany transactions are eliminated as well, unless such a loss qualifies as an impairment. The accounting policies of group companies and other consolidated entities have been changed where necessary, in order to align them to the prevailing group accounting policies.

Since the income statement for 2018 of Green Vision Holding B.V. is included in the consolidated financial statements, an abridged income statement has been disclosed (in the company financial statements) in accordance with Section 402, Book 2, of the Dutch Civil Code.

The consolidated companies are listed below.

HyGear Technology & Services B.V., Arnhem (100%)
HyGear Fuel Cell Systems B.V., Arnhem (100%)
HyGear B.V., Arnhem (100%)
HyGear Operations B.V., Arnhem (100%)
HyGear Hydrogen Plant B.V., Arnhem (100%)
HyGear Asia PTE LTD, Singapore (100%)

Unless indicated otherwise, the above companies have their registered offices in the Netherlands.

1.4 *Acquisitions and disposals of group companies*

Identifiable assets acquired and liabilities assumed in a business combination are recognised in the consolidated financial statements from the acquisition date, being the moment that control can be exercised in the acquired company.

The acquisition price consists of the cash consideration, or equivalent, agreed for acquiring the company plus any directly attributable expenses. If the acquisition price exceeds the net amount of the fair value of the identifiable assets and liabilities, the excess is capitalised as goodwill under intangible assets. If the acquisition price is lower than the net amount of the fair value of the identifiable assets and liabilities, the difference (i.e. negative goodwill) is disclosed under accruals and deferred income.

Entities continue to be consolidated until they are sold; they are deconsolidated from the date that control ceases and if they are classified as disposal groups held for sale.

1.5 *Notes to the cash flow statement*

The cash flow statement has been prepared using the indirect method. The cash items disclosed in the cash flow statement are comprised of cash and cash equivalents. Cash flows denominated in foreign currencies have been translated at average estimated exchange rates. Exchange differences affecting cash items are shown separately in the cash flow statement. Interest paid and received, dividends received and income taxes are included in cash from operating activities. Dividends paid are recognised as cash used in financing activities. The purchase consideration paid for the acquired group company was recognised as cash used in investing activities where it was settled in cash. Any cash and cash equivalents in the acquired group company were deducted from the purchase consideration. Transactions not resulting in inflow or outflow of cash, including finance leases, are not recognised in the cash flow statement. Payments of finance lease instalments qualify as repayments of borrowings under cash used in financing activities and as interest paid under cash generated from operating activities.

1.6 *Estimates*

The preparation of financial statements in conformity with the relevant rules requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. If necessary for the purposes of providing the view required under Section 362(1), Book 2, of the Dutch Civil Code, the nature of these estimates and judgments, including the related assumptions, is disclosed in the notes to the financial statement items in question.

2 Accounting policies for the balance sheet

2.1 General information

The consolidated financial statements have been prepared in accordance with the statutory provisions of Part 9, Book 2, of the Dutch Civil Code and the firm pronouncements in the Guidelines for Annual Reporting in the Netherlands as issued by the Dutch Accounting Standards Board.

In general, assets and liabilities are stated at the amounts at which they were acquired or incurred, or current value. If not specifically stated otherwise, they are recognised at the amounts at which they were acquired or incurred. The balance sheet, income statement and cash flow statement include references to the notes.

2.2 Prior-year comparison

The accounting policies have been consistently applied to all the years presented.

2.3 Foreign currencies

Functional currency

Items included in the financial statements of group companies are measured using the currency of the primary economic environment in which the respective group company operates (the functional currency). The consolidated financial statements are presented in euros, which is the functional and presentation currency of Green Vision Holding B.V.

Transactions, receivables and debts

Foreign currency transactions in the reporting period are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the rate of exchange prevailing at the balance sheet date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates are recognised in the income statement, except when deferred in equity as qualifying hedges

2.4 Operational lease

The company may have lease contracts whereby a large part of the risks and rewards associated with ownership are not for the benefit of nor incurred by the company. The lease contracts are recognised as operational leasing. Lease payments are recorded on a straight-line basis, taking into account reimbursements received from the lessor, in the income statement for the duration of the contract.

2.5 *Intangible assets*

Intangible assets are stated at historical cost less amortisation. Allowance is made for any impairment losses expected; a loss qualifies as an impairment loss if the carrying amount of the asset (or of the cash-generating unit to which it belongs) exceeds its recoverable amount.

For details on how to determine whether an intangible asset is impaired, please refer to Note 2.8 below.

Development costs

Development costs comprise expenditure on the design and production of new or substantially improved products and processes. Development costs are capitalised only if the development costs can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Group intends to and has sufficient resources to complete the development and to use or sell the asset. The expenditure capitalised includes the cost of materials, direct labour and overhead costs that are directly attributable to preparing the asset for its intended use. Expenditure on development activities undertaken with the prospect of gaining new scientific or technical knowledge and understanding is recognised in the income statement as incurred.

Development costs are amortised over their estimated future useful lives (15 years) from the date that the developed products and processes become commercially viable and are actively marketed to our customer base.

Computer software

Software licences acquired are capitalised at acquisition cost and amortised over their estimated future useful lives. Expenditures that are attributable to the production of identifiable and unique software products controlled by the Group are capitalised. When internally produced, such assets are capitalised if future economic benefits are probable and the expenditure can be reliably measured. Costs associated with maintaining computer software and research expenditure are recognised in the income statement.

2.6 *Property, plant and equipment*

Land and buildings are stated at historical cost plus expenditure that is directly attributable to the acquisition of the items, less straight-line depreciation over their estimated future useful lives. Land is not depreciated. Allowance is made for any impairment losses expected on the balance sheet date. For details on how to determine whether property, plant or equipment is impaired, please refer to Note 2.8 below.

Lease equipment, productive equipment and assets under construction are valued at historical cost or manufacturing price including directly attributable expenditure, less straight-line depreciation over their estimated useful lives and impairment losses. The manufacturing price is comprised of the cost of raw materials and consumables plus expenditure directly attributable to an asset's manufacturing and installation, including own labour costs. Internal hours worked are capitalised at fixed rates that can include coverage for indirect operating expenses including premises and utilities expenses, selling and marketing expenses, transport expenses and general and administrative expenses.

Interest paid is included in the manufacturing price if it takes considerable time to put an asset into use. Investment subsidies are deducted from the historical cost or manufacturing price of the assets to which the subsidies relate.

2.7 *Financial assets*

Associates

Group companies and other associates in which the Company exercises significant influence, generally accompanying a shareholding of 20% or more of the voting rights, are stated at net asset value.

Net asset value is calculated using the accounting policies applied in these financial statements. Associates whose financial information cannot be aligned to these policies are valued based on their own accounting policies. Associates with an equity deficit are carried at nil. A provision is formed if and when Green Vision Holding B.V. is fully or partially liable for the debts of the associate, or has the firm intention to allow the associate to pay its debts.

Associates acquired are initially measured at the fair value of the identifiable assets and liabilities upon acquisition. Any subsequent valuation is based on the accounting policies that apply to these financial statements, taking into account the initial valuation.

Associates in which no significant influence can be exercised are recognised at cost. If an asset qualifies as impaired, it is measured at its impaired value; any write-offs are disclosed in the income statement (refer to note 2.8).

Loans to associates

Receivables disclosed under financial assets are stated at the fair value of the amount owed, which normally consists of its face value, net of any provisions considered necessary.

Other receivables

Other receivables disclosed under financial assets include issued loans and other receivables as well as purchased loans and debentures that will be held to their maturity date. These receivables are initially measured at fair value, and subsequently carried at amortised cost. If debentures are acquired or loans are issued at a discount or premium, the discount or premium is recognised through profit or loss over the maturities of the debentures or loans using the effective interest method. Also transaction costs are included in the initial valuation and recognised in profit or loss as part of the effective interest method. Impairment losses are deducted from amortised cost and expensed in the income statement.

2.8 *Impairment of non-current assets*

At each balance sheet date, the Company assesses whether there are any indications of assets being subject to impairment. If any such indications exist, the recoverable amount of the asset is determined. If this proves to be impossible, the recoverable amount of the cash-generating unit to which the asset belongs is identified. An asset is subject to impairment if its carrying amount exceeds its recoverable amount; the recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Fair value less costs to sell is determined based on the active market. For the purposes of determining value in use, cash flows are discounted. An impairment loss is directly expensed in the income statement.

If it is established that a previously recognised impairment loss no longer applies or has declined, the increased carrying amount of the assets in question is not set any higher than the carrying amount that would have been determined had no asset impairment been recognised.

The Company assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. If any such evidence exists, the impairment loss is determined and recognised in the income statement.

The amount of an impairment loss incurred on financial assets stated at amortised cost is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the financial asset's original effective interest rate (i.e. the effective interest rate computed at initial recognition). If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment loss shall be reversed. The reversal shall not result in a carrying amount of the financial asset that exceeds what the amortised cost would have been had the impairment not been recognised at the date the impairment is reversed. The amount of the reversal shall be recognised in profit or loss.

If an impairment loss has been incurred on an investment in an equity instrument carried at cost, the amount of the impairment loss is measured as the difference between the carrying amount of the financial assets and the present value of estimated future cash flows discounted at the current market rate of return for a similar financial asset. The impairment loss shall be reversed only if the evidence of impairment is objectively shown to have been removed.

2.9 *Inventories*

Inventories are valued at the lower of cost or net realisable value. Cost comprises direct materials. Net realisable value represents the estimated selling price less all estimated costs of completion and selling. Where necessary, provision is made for obsolete inventories.

2.10 *Construction contracts*

Construction contracts are carried at contract revenue generated, which is comprised of contract costs incurred and attributable profits (for details, see the accounting policy set out in Note 3.2). Where appropriate, recognised losses and progress billings are deducted from construction contracts. Construction contracts are recognised as a current liability where progress billings exceed contract revenue.

2.11 *Receivables*

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost. If payment of the receivable is postponed under an extended payment deadline, fair value is measured on the basis of the discounted value of the expected revenues. Interest gains are recognised using the effective interest method. When a trade receivable is uncollectible, it is written off against the allowance account for trade receivables.

2.12 Cash and cash equivalents

Cash and cash equivalents include cash in hand, bank balances and deposits held at call with maturities of less than 12 months. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet. Cash and cash equivalents are stated at face value.

2.13 Equity

Where the Company purchases treasury shares, the consideration paid is deducted from equity (retained earnings (other reserves) or any other reserve if the articles of association allow so) until the shares are cancelled or reissued. Where such shares are subsequently reissued, any consideration received is included in equity (other reserves or any other reserve). The consideration received will be added to the reserve from which earlier the purchase price has been deducted.

Incremental costs directly attributable to the purchase, sale and/or issue of new shares are shown in equity as a deduction, net of tax, from the proceeds. Other direct changes in equity are also recognised net of the relevant income tax effects.

2.14 Provisions

General information

Provisions are recognised for legally enforceable or constructive obligations existing at the balance sheet date, the settlement of which is probable to require an outflow of resources whose extent can be reliably estimated. Provisions are measured on the basis of the best estimate of the amounts required to settle the obligations at the balance sheet date. Unless indicated otherwise, provisions are stated at the present value of the expenditure expected to be required to settle the obligations

Where some or all of the expenditure required to settle a provision is expected to be reimbursed by another party, the reimbursement shall be recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement shall be treated as a separate asset.

A provision is recognised for the costs of major repairs so as to spread these charges evenly over several financial years.

2.15 Liabilities

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost, being the amount received taking account of any premium or discount, less transaction costs.

Any difference between the proceeds (net of transaction costs) and the redemption value is recognised as interest in the income statement over the period of the borrowings using the effective interest method.

3 Accounting policies for the income statement

3.1 General information

Profit or loss is determined as the difference between the realisable value of the goods delivered and services rendered, and the costs and other charges for the year. Revenues on transactions are recognised in the year in which they are realised.

3.2 Revenue recognition

Sales of goods

Revenue from sales of goods is recognised when all significant risks and rewards incidental to the ownership of the goods have been transferred to the buyer.

Sales of services

Revenue from sales of services is recognised under the percentage-of-completion method based on the services performed to the balance sheet date as a percentage of the total services to be performed.

Contract revenue and costs

When the outcome of a contract can be estimated reliably, contract revenue and costs are recognised as revenue and costs in the income statement under the percentage-of-completion method.

The stage of completion is measured by reference to the contract costs incurred up to the balance sheet date as a percentage of total estimated costs for each contract. When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognised as revenue in the income statement only to the extent of contract costs incurred that are likely to be recoverable; contract costs are recognised as expenses in the period in which they were incurred. When the outcome of a contract can be estimated reliably, revenue is recognised using the percentage-of-completion method by reference to the services provided up to the balance sheet date.

Profit or loss is determined as the difference between contract revenue and contract costs. Contract revenue comprises the initial amount agreed in the contract; variations in contract work, claims and incentive payments are also included in contract revenue to the extent that they may have been agreed with the customer and are capable of being reliably measured. Contract costs comprise costs that relate directly to the specific contract, costs that are attributable to contract activity in general and can be allocated to the contract, and such other costs as are specifically chargeable to the customer under the terms of the contract.

If it is probable that total contract costs will exceed total contract revenues, any expected excess of total contract costs over total contract revenue for the contract is recognised as an expense immediately within cost of sales. The provision for the loss is recognised within construction contracts.

3.3 *Exchange differences*

Exchange differences arising upon the settlement or conversion of monetary items are recognised in the income statement in the period that they arise, unless they are hedged.

3.4 *Revenue*

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Company's activities. Revenue is shown net of value-added tax, rebates and discounts and after eliminating sales within the group. Research & Development revenue relates to services usually performed upon request of governmental bodies. These projects include conditions and commitments regarding timing, delivering and performing the requested services.

3.5 *Cost of sales*

Cost of sales represents the direct and indirect expenses attributable to revenue, including raw materials and consumables, cost of work contracted out and other external expenses, the employee benefits expense in respect of production staff, depreciation charges for buildings and equipment, and other operating expenses that are attributable to cost of sales. Goodwill amortisation is recognised within cost of sales also.

Gains or losses on sales of non-current assets are recognised as a component of cost of sales.

3.6 *Amortisation and depreciation*

Intangible assets, including goodwill, are amortised and property, plant and equipment depreciated over their estimated useful lives as from the inception of their use. Land and investment property are not depreciated. Future depreciation and amortisation is adjusted if there is a change in estimated future useful life.

Negative goodwill is released to the income statement where charges and losses occur, provided that this has been recognised in accounting for the acquisition, and these charges and losses can be reliably measured. If no expected charges or losses have been taken into account, any negative goodwill is released in accordance with the weighted average of the remaining useful life of the depreciable or amortisable assets acquired. Where negative goodwill exceeds the fair value of the identified non-monetary assets, the excess is recognised directly through profit or loss.

Gains and losses on sales of property, plant and equipment are included in depreciation.

3.7 Employee benefits

Short-term employee benefits

Salaries, wages and social security contributions are taken to the income statement based on the terms of employment, where they are due to employees.

Pensions

Green Vision Holding B.V. has a defined contribution pension plan that is operated by an insurance company. Green Vision Holding B.V. pays premiums based on (legal) requirements, contractual or voluntary basis to this insurance company. Premiums are recognised as personnel costs when they are due. Prepaid contributions are recognised as deferred assets if these lead to a refund or reduction of future payments. Contributions that are due but have not been paid yet are presented as liabilities.

3.8 Government grants

Grants and subsidies are recognised in the income statement in the year in which the subsidised costs were incurred, income was lost or a subsidised operating deficit occurred. The grants are recognised where it is probable that they will be received and Green Vision Holding B.V. will comply with all attached conditions. Government grants are recognised as a discount on expenses when the issuing body does not demand specific deliverables against the grant. (e.g. Wages subsidy WBSO)

3.9 Finance income and costs

Interest paid and received

Interest paid and received is recognised on a time-weighted basis, taking account of the effective interest rate of the assets and liabilities concerned. When recognising interest paid, allowance is made for transaction costs on loans received as part of the calculation of effective interest.

Dividends

Dividends receivable from associates not carried at net asset value and securities are recognised as soon as Green Vision Holding B.V. acquires the right to them.

3.10 Income tax expense

Income tax is calculated on the profit/loss before tax in the income statement, taking into account any losses carried forward from previous financial years (where not included in deferred income tax assets) and tax-exempt items, and plus non-deductible expenses. Account is also taken of changes in deferred income tax assets and liabilities owing to changes in the applicable tax rates.

4 Financial instruments and risk management

4.1 Liquidity risk

Green Vision Holding B.V. uses several banks in order to avail itself of a range of overdraft facilities. Where necessary, further securities will be furnished to the bank for available overdraft facilities.

4.2 Price risk

Currency risk

Green Vision Holding B.V. bears no currency risk as all contracts are negotiated in EURO.

Market risk

Green Vision Holding B.V. incurs risk regarding the valuation of securities disclosed under financial assets and securities within current assets. The Company manages market risk by stratifying the portfolio and imposing limits.

Interest rate and cash flow risk

The Company incurs interest rate risk on interest-bearing receivables (in particular those included in financial assets, securities and cash) and on interest-bearing non-current and current liabilities (including borrowings).

Where floating-interest loans and receivables are concerned, Green Vision Holding B.V. incurs risk regarding future cash flows. In addition, Green Vision Holding B.V. incurs risks on fixed-interest loans and receivables with respect to the fair value due to changes in the market rate of interest. No financial derivatives for interest rate risk are contracted with regard to the receivables.

4.3 Credit risk

Green Vision Holding B.V. has a significant concentration of credit risk as the majority of the trade receivables are concentrated with a few large customers. Goods and services are sold subject to payment deadlines ranging between eight and 180 days. A different payment period may apply to major supplies, in which case additional securities are demanded, including guarantees.

For banks and financial institutions, only independently rated parties with a minimum rating of 'A' are accepted.

Green Vision Holding B.V. has issued loans to participants and associates. These counterparties do not have a history of non-performance.

5 Intangible assets

Movements in intangible assets can be broken down as follows:

	Development costs	Software	Total
	€	€	€
At 1 January 2018			
Cost or manufacturing price	-	51.537	51.537
Accumulated amortisation	-	-42.210	-42.210
Carrying amount	-	9.327	9.327
Movements			
Additions:			
Purchases	-	37.534	37.534
Internally generated assets	493.799	-	493.799
Amortised	-	-5.979	-5.979
Balance	493.799	31.555	525.354
At 31 December 2018			
Cost or manfacturing price	493.799	89.071	582.870
Accumulated amortisation	-	-48.189	-48.189
Carrying amount	493.799	40.882	534.681
Amortisation rate	6,66%	20%	

6 Property, plant and equipment

Movements in property, plant and equipment can be broken down as follows:

	Machinery & Equipment	Lease Equipment	Productive Equipment	Furniture & Fixtures	Transport Equipment	Assets Under Construction	Total
At 1 January 2018							
Cost or manufacturing price	1.123.024	3.298.306	1.654.700	346.822	113.681	3.147.028	9.683.561
Accumulated depreciation	-778.891	-143.944	-18.367	-263.673	-45.799	-	-1.250.674
Carrying amount	344.133	3.154.362	1.636.333	83.149	67.882	3.147.028	8.432.887
Movements							
Purchased	-	-	-	145.543	57.661	3.953.451	4.156.655
Reclassifications	-	-	619.025	468.803	-	-1.087.828	-
Depreciated	-139.983	-219.667	-147.994	-70.826	-24.431	-	-602.901
Balance	-139.983	-219.667	471.031	543.520	33.230	2.865.623	3.553.754
At 31 December 2018							
Cost or manfacturing price	1.123.024	3.298.306	2.273.725	961.168	171.342	6.012.651	13.840.216
Accumulated depreciation	-918.874	-363.611	-166.361	-334.499	-70.230	-	-1.853.575
Carrying amount	204.150	2.934.695	2.107.364	626.669	101.112	6.012.651	11.986.641
Depreciation rate	20%	6,66%	6,66%	20%	20%	-	

7 Financial assets

Movements in financial assets can be broken down as follows:

	2018	2017
	€	€
At 1 January	0	250,000
Repayments	0	-250,000
At 31 December	0	0

Financial assets included a loan to shareholder DRL Resource Management BV that was repaid in 2017.

8 Inventories

	31-12-2018	31-12-2017
	€	€
Raw materials	149,243	298,409
Prepayments purchased goods	786,186	120,871
	935,429	419,280

Inventories consist of raw materials kept in stock plus prepayments to suppliers of purchased goods.

9 Construction contracts

Accumulated revenue on construction contracts not completed on the balance sheet date was € 741,210 (2017: € 630,056). Total advance payments from customers for uncompleted projects amounted to € 2,554,530 (2017: € 1,663,047). Advance payments are balanced with accumulated revenue on construction contracts not completed on the balance sheet date. An amount of € 133,933 (2017: € 3,516) was retained by customers on progress billings. Construction contracts R&D projects include a provision amounting to € 1,063 (2017: € 135,316) for projects whose total accumulated revenue exceeds the maximum agreed total reimbursable project costs.

Construction contracts and progress billings can be broken down as follows:

	Generated contract revenue -/- recognised losses and progress billings > 0	Generated contract revenue -/- recognised losses and progress billings < 0	31-12-2018	31-12-2017
Construction contracts R&D projects	384,632	-1,584,632	-1,200,000	-892,530
Construction contracts commercial projects	356,578	-969,898	-613,320	-140,461
Total	741,210	-2,554,530	-1,813,320	-1,032,991

Construction contracts are recognised as a current liability where progress billings exceed contract revenue. Please refer to note 15 on page 42.

10 Receivables

	31-12-2018	31-12-2017
	€	€
Trade receivables	1,937,851	1,846,700
Taxes and social security contributions	644,723	231,778
Other receivables, prepayments and accrued income	79,157	84,672
	2,661,731	2,163,150

Trade receivables

	31-12-2018	31-12-2017
	€	€
Trade receivables	1,937,851	1,846,700
Provision trade receivables	0	0
	1,937,851	1,846,700

Taxes and social security contributions

	31-12-2018	31-12-2017
	€	€
Value-added tax	644,723	188,197
Income Tax	0	43,581
	644,723	231,778

Other receivables, prepayments and accrued income

	31-12-2018	31-12-2017
	€	€
Interest	15	34
Prepayments and accrued income	79,142	84,638
	79,157	84,672

11 Cash and cash equivalents

This item in the cash flow statement is comprised as follows:

31-12-2018	31-12-2017
€	€

Cash and cash equivalents	3,201,298	2,007,615
---------------------------	-----------	-----------

Cash and cash equivalents include non-maturity deposits to the amount of € 456,531. Of cash and cash equivalents € 686,917 is not at the Company's free disposal. An amount of € 681,792 is withheld by DBS Bank to cover bank guarantees provided by the bank for an Asian customer. The cash will be released upon shipment of the equipment, expected in 2019. Rabobank has issued bank guarantees for an amount of € 5,125.

A credit facility is available at the Rabobank for an amount of 107,375 euro. For this credit facility guarantees are issued in the form of a pledge of all present and future equipment, inventories, receivables and third parties and transport equipment. The facility is not used by the company.

12 Group equity

For details to equity, please refer to the notes to the company financial statements.

13 Provisions

	31-12-2018	31-12-2017
	€	€
Warranty provision	0	380,129
All warranties covering the warranty costs for Hydrogen Generation Systems sold have expired per yearend. Movements in provisions were as follows:		
At 1 January	380,129	526,595
Released/Added	-380,129	-353,393
Movements	0	173,202
	0	206,927
At 31 December	0	380,129

14 Non-current liabilities

	Balance 01.01.18	Proceeds from borrowings	Amortised costs	Repayments/ Waivers of borrowings	Remaining term < 1 year	Balance 31.12.18
	€	€	€	€	€	€
Bridge loan DRL Resource (sub)	285.765	-		-	-	285.765
Bridge loan Oost NL (sub)	250.000	-		-	-	250.000
Dividend loan DRL Resource (sub)	182.837	-		-	-	182.837
Dividend loan Oost NL (sub)	159.940	-		-	-	159.940
Dividend loan DRL Resource (sub)	-	214.340		-	-	214.340
Dividend loan Oost NL (sub)	-	187.332		-	-	187.332
Loan FHBG HHP (sub)	-	287.174		-	-	287.174
Financial lease DLL H2 Car	28.575	-		-8.074	-8.075	12.426
Financial lease DBS Car	-	40.363		-1.785	-5.031	33.547
Loan A Rabobank	238.096	-		-32.053	-54.948	151.095
Loan B Rabobank	626.771	-	6.177	-64.813	-111.108	457.027
Loan C Rabobank	95.238	-		-	-	95.238
Innovation loan HYREC (Innovatiekrediet)	713.403	462.554		-	-	1.175.957
NPEX Bonds 2017-2023	2.425.831	-	14.162	-	-	2.439.993
NPEX Bonds 2018-2024	-	4.853.231	12.148	-	-	4.865.379
	5.006.456	6.044.994	32.487	-106.725	-179.162	10.798.050
Remaining term < 1 year	-104.941					
	4.901.515					

Repayment obligations falling due within 12 months of the end of the financial year, are included in current liabilities. Non-current liabilities falling due after 5 years amount to € 5,531,061.

Subordinated loans shareholders

On 19 May 2017 subordinated bridge loans were issued by DRL Resource Management B.V. and Oost NL for an amount of € 285,765 and € 250,000. These loans bear 7% interest on an annual basis. Interest is paid quarterly. The loans are repayable per June 2023.

On 19 June 2017 subordinated dividend loans were issued by DRL Resource Management B.V. and Oost NL for an amount of € 159,940 and € 182,837. These loans bear 7% interest on an annual basis. Interest is paid quarterly. The loans are repayable six months after redemption of the 2017-2023 NPEX bonds.

On 01 July 2018 subordinated dividend loans were issued by DRL Resource Management B.V. and Oost NL for an amount of € 214,340 and 187,332. The DRL loan bears 7,5% interest on an annual basis and the Oost NL loan bears 7,8% interest on an annual basis. Interest is paid quarterly. The loans are repayable per July 2024.

Loan FHBG HPP

On 02 August 2018 a subordinated loan was issued by Fonds Herstructureren Bedrijventerreinen Gelderland (FHBG), part of Oost NL, for a total amount of € 800,000. The loan is to be issued in three tranches. The first tranche, amounting to € 300,000, was received in 2018..

Under the terms of the loan

- . Hygear Technology and Services BV and Green Vision Holding BV are jointly and severally liable for all loan obligations of Hygear Hydrogen Plant BV.
 - . The loan is subordinated to all current and future receivables by creditors of Hygear Hydrogen Plant BV.
 - . Receivables by SDI Technology Ventures BV and Oost N.L. NV on Hydrogen Power Plant BV are subordinated to receivables by the issuer of the loan.
 - . Hygear Hydrogen Plant BV can't make capital disbursements and shares in the company can't be transferred by its shareholders without approval of the loan issuer during the whole loan duration.
- The loan is included at amortised cost, being the amount received taking account of any premium or discount, less transaction costs.

Any difference between the proceeds (net of transaction costs) and the redemption value is recognised as interest in the income statement over the period of the loan using the effective interest method.

This loan bears 6,32% interest on an annual basis, fixed for a period of five years. Interest is paid quarterly. The loan is repayable in 32 quarterly instalments, with the first instalment due in December 2019 and the last instalment due in September 2027.

Loan DLL H2 Car

The financial lease issued by DLL on 2 May 2017 for an amount of € 33,878 for a H2 car is repayable over 5 years via monthly instalments.

Loan DBS Car

The financial lease issued by DBS on 21 September 2018 for an amount of SGD 62,930 for a car is repayable over 7 years via monthly instalments.

Loan A Rabobank

Loan A was issued by the Rabobank on 16 November 2017 for an amount of € 238,096. The loan carries a fixed 4,5% interest rate and is redeemable via monthly instalments of € 4,579, starting in May 2018 and ending in February 2023. Early redemption is possible. Security pledged by the company as per the general terms and conditions of Rabobank Nederland.

Loan B Rabobank

Loan B was issued by the Rabobank on 16 November 2017 for a nominal amount of € 666,666. The loan is included at amortised cost, being the amount received taking account of any premium or discount, less transaction costs. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised as interest in the income statement over the period of the loan using the effective interest method. The loan carries a fixed 2,4% interest rate and is redeemable via monthly instalments of € 9,259 , starting in May 2018 and ending in November 2024. Early redemption is possible. Security pledged by the company as per the general terms and conditions of Rabobank Nederland.

Loan C Rabobank

Loan C was issued by the Rabobank on 16 November 2017 for an amount of € 95,238. The loan carries a fixed 4,65% interest rate and is redeemable via a 100% instalment of € 95,238, in November 2024. Early redemption is possible. Security pledged by the company as per the general terms and conditions of Rabobank Nederland.

Innovation loan HYREC (Innovatiekrediet)

This loan was issued by RVO on December 16, 2016 for a maximum amount of € 1,777,410. The loan can only be used to fund the development of a HY.REC. The loan can be broken down as follows:

€	
Advance payments plus accrued interest per 31-12-17	713,403
Advance payment received 09-02-2018	131,174
Advance payment received 12-04-2018	131,174
Advance payment received 13-07-2018	131,174
Accrued interest over 2018	69,032
	—————
Advance payments plus accrued interest per 31-12-18	1,175,957

The repayment of the loan is due in the period 2020 – 2023. RVO issued the loan against security of all assets produced under this development project. This loan bears 7% interest on an annual basis.

NPEX Bonds 2017-2023

On 1 March 2017 HyGear Technology & Services BV concluded a nominal € 2,499,000 public bond placement via NPEX. The bonds are included at amortised cost, being the amount received taking account of any premium or discount, less transaction costs. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised as interest in the income statement over the period of the bonds using the effective interest method.

The bonds, having a nominal value of € 1.000 each, carry a 7% annualised interest rate and a six year duration. Interest is paid monthly and the bonds are redeemable on February 28, 2023. Early redemption is possible after three years. All Green Vision Holding B.V. group companies (see group structure on page 11) are jointly and severally liable for interest payments and redemptions.

Under the terms of the bond placement the shareholders of Green Vision Holding BV have signed a non-withdrawal statement. This stipulates that shareholders will refrain from dividend payments, capital repayments or any other cash pay-outs for the whole bond duration that would result in Green Vision Holding BV's solvency ratio declining below 35%.

NPEX Bonds 2018-2024

On 1 July 2018 HyGear Technology & Services BV concluded a nominal € 4,999,000 public bond placement via NPEX. The bonds are included at amortised cost, being the amount received taking account of any premium or discount, less transaction costs. Any difference between the proceeds (net of transaction costs) and the redemption value is recognised as interest in the income statement over the period of the bonds using the effective interest method.

The bonds, having a nominal value of € 1.000 each, carry a 7,5% annualised interest rate and a six year duration. Interest is paid monthly and the bonds are redeemable on June 16, 2024. Early redemption is possible after three years. All Green Vision Holding B.V. group companies (see group structure on page 11) are jointly and severally liable for interest payments and redemptions.

Under the terms of the bond placement the shareholders of Green Vision Holding BV have signed a non-withdrawal statement. This stipulates that shareholders will refrain from dividend payments, capital

repayments or any other cash pay-outs for the whole bond duration that would result in Green Vision Holding BV's solvency ratio declining below 35%.

15 Current liabilities

	31-12-2018	31-12-2017
	€	€
Construction contracts R&D projects	1,584,632	1,445,240
Construction contracts commercial projects	969,898	217,807
Repayment obligations	179,162	104,941
Payable shareholders	17,560	17,560
Trade payables	897,202	416,257
Payroll tax	96,826	37,036
Other debts, accruals and deferred income	342,176	291,313
Payable Shareholders Purchase Certificates of ordinary Shares (allocated bonusplan personnel)	0	499,998
	<hr/>	<hr/>
	4,087,456	3,030,152
	<hr/>	<hr/>

All current liabilities fall due in less than one year. The fair value of the current liabilities approximates the book value due to its short term character.

16 Commitments and contingencies not included in the balance sheet

16.1 Government grant- R&D revenues

For several R&D projects, the company recognised income resulting from (pre)payments of governmental bodies, the final settlement of which is subject to approval by the governmental bodies.

16.2 Bank guarantees

The following bank guarantees are issued:

	€
At 31 December 2018	
Service guarantee LHPU unit	5,125

16.3 Commitments

Commitments for the (operational) lease of cars for the sum of € 19,434 annually have not been included in the balance sheet. The contracts have different maturities extending until 2 October 2021.

Obligations to pay	€
No later than 1 year	19,434

Commitment for the rent of facilities in The Netherlands for the sum of € 327,213 annually have not been included in the balance sheet. The contract took effect on 12 July 2017 for a period of 10 years.
 Commitment for the rent of facilities in Singapore for the sum of € 17,683 annually have not been included in the balance sheet. The contract took effect on 15 May 2017 for a period of 2 years.

Obligations to pay	€
No later than 1 year	344,896

16.4 Going concern

The management of Green Vision Holding B.V. hereby declares that it shall assume liability for all the debts arising from legal transactions and the equity deficit of HyGear Fuel Cell Systems B.V. This liability undertaking guarantees compliance by Green Vision Holding with all the liabilities, obligations and commitments of HyGear Fuel Cell Systems B.V. in event of any shortage of funds. This undertaking shall be valid for a period 1 year following the financial year ended December 31, 2018.

16.5 Fiscal unity

Green Vision Holding B.V. is with the following companies included in the fiscal unity for corporate income tax and VAT:

- HyGear Technology and Services B.V.
- HyGear B.V.
- HyGear Fuel Cell Systems B.V.
- HyGear Operations B.V.
- HyGear Hydrogen Plant B.V.

17 Events after balance sheet date

There are no events after balance date to be mentioned.

18 Net turnover

	2018	2017
	€	€
Product Revenue	2,382,236	2,370,840
Service Revenue	156,254	224,496
Lease Revenue	247,026	141,224
R&D Revenue	2,303,311	668,571
Hydrogen Plant Revenue	66,415	0
 Total Revenue	 5,155,242	 3,405,131

19 Direct material costs

	2018	2017
	€	€
Direct material costs	1,821,322	2,716,329
Debt waiver – Direct material costs prior years	0	-438,500
 1,821,322	 2,277,829	

20 Personnel Expenses

	2018	2017
	€	€
Salaries and wages	3,190,271	3,260,749
Debt waiver - Salary costs previous years	0	-438,500
Temporary workers	128,871	142,896
WBSO wages subsidy	-599,781	-794,518

Social security contributions	580,679	300,981
Pension contributions	202,237	236,334
Capitalised expenses	-1,394,066	-1,302,466
	<hr/>	<hr/>
	2,108,211	1,405,476
	<hr/>	<hr/>

21 Amortisation and depreciation

	2018	2017
	€	€
Amortisation and depreciation	608,880	390,985
Loss on disposal	0	934
	<hr/>	<hr/>
	608,880	391,919
	<hr/>	<hr/>

22 Other operating expenses

	2018	2017
	€	€
Personnel expenses	130,102	133,714
Premises and utilities expenses	159,884	218,788
Selling and marketing expenses	-204,692	-51,998
Transport expenses	14,864	25,272
General and administrative expenses	173,007	190,217
	<hr/>	<hr/>
	273,165	515,993
	<hr/>	<hr/>

Personnel expenses

	2018	2017
	€	€
Cafeteria / food plan	11,121	8,758
Other fringe benefits	22,621	31,192
Education and training	14,012	12,371
Commuting allowance	60,753	63,888
Recruiting expenses	1,597	2,868
Professional fees salary administration	7,178	6,534

EHS expenses	13,764	8,103
Capitalised expenses	-944	0
	<hr/> 130,102	<hr/> 133,714

Premises and utilities expenses

	2018	2017
	€	€
Rent expenses facilities	340,536	283,924
Heat power and light	87,657	69,983
Cleaning expenses	8,023	6,432
Trash removal	12,302	8,044
Other facilities expenses	1,086	1,114
Capitalised expenses	-289,720	-150,709
	<hr/>	<hr/>
	159,884	218,788

Selling and marketing expenses

	2018	2017
	€	€
Travel and living	284,722	264,594
Allowance doubtful debtors	0	-154,130
Trade show and events	33,653	10,014
Warranty provisions	-380,129	-146,466
Membership industry grouping	-23,649	11,704
Marketing expenses	35,143	61,026
Capitalised expenses	-154,432	-98,740
	<hr/>	<hr/>
	-204,692	-51,998

Transport expenses

	2018	2017
	€	€
Car fuel expenses	14,328	11,799
Car repair and maintenance expenses	2,584	2,755
Car road taxes	2,915	3,109

Car insurance	5,633	6,494
Car rental (operational lease)	19,628	20,145
Other car expenses	1,103	0
VAT private usage lease cars	5,954	0
Reimbursed car expenses management / other	-3,827	-3,439
Capitalised expenses	-33,454	-15,591
	<hr/>	<hr/>
	14,864	25,272
	<hr/>	<hr/>

General and administrative expenses

	2018	2017
	€	€
Postage and courier expense	12,691	7,653
Telephone and internet expense	12,630	13,292
Stationary and office supplies	9,357	11,841
Tooling & maintenance expenses	29,625	15,299
Dues and subscriptions	1,383	1,271
Computer supplies	31,261	44,330
Insurance expense	33,626	33,433
Professional fees accounting	62,349	32,000
Professional fees legal and advisory	166,745	235,852
Patent expenses	77,263	49,892
Capitalised expenses	-263,923	-254,646
	<hr/>	<hr/>
	173,007	190,217
	<hr/>	<hr/>

23 Finance income and costs

	2018	2017
	€	€
Interest and similar income	15	2,316
Interest and similar expense	-557,843	-260,029
	<hr/>	<hr/>
	-557,828	-257,713
	<hr/>	<hr/>

24 Share of profit of group companies after tax

	2018	2017
	€	€
Non consolidated result 2016 HyGear Asia	0	64,570
	<hr/>	<hr/>
	0	64,570
	<hr/>	<hr/>

25 Income tax

	2018
	€
Income tax – prior years	-43,581
Income tax – current year	0
	<hr/> -43,581 <hr/>
Profit before tax – domestic	126,995
Profit before tax – foreign	151,654
	<hr/> 278,649 <hr/>
Effective tax rate	0%
Applicable tax rate	24%

The effective tax rate differs from the applicable tax rate, mainly as a result of the application of the Innovationbox and the EIA for the calculation of the domestic income tax. Foreign taxable profits relate to the Singapore based subsidiary that is exempt from income taxes during a three-year period after establishment of the company provided they do not exceed certain thresholds, which they don't. This leads to a tax loss in 2018 of € -447,204 which can be added to the cumulative taxable losses in prior years.

Total remaining tax losses carried forward amount to € 1,904,766.

These losses can be utilised to prevent paying income taxes up to that (taxable) amount in the coming years, however only if the fiscal unity as whole is making a profit and the entity which owns the tax losses carried forward as well. These tax losses were not recognised in the accounts as a deferred tax asset because there is insufficient certainty on if, how and when the tax losses will be compensated. This is also a result of the Innovation box.

26 Average number of employees

During the year 2018, the average number of employees, based on full-time equivalents, was 58,1 (2017: 55,6). 2 Employees were employed outside the Netherlands. (2017: 1,5).



Company financial statements

Company balance sheet as at 31 December 2018

(before profit appropriation)

		31 December 2018	31 December 2017
	Note	€	€
Non-current assets			
Financial assets	28	1,328,113	1,045,582
Current assets			
Receivables	29	4,803,300	5,615,835
Cash and cash equivalents	30	451,883	184,209
		5,255,183	5,800,044
		6,583,296	6,845,626

		31 December 2018	31 December 2017
	Note	€	€
<i>Equity and liabilities</i>			
Equity	31		
Share capital ordinary	32	21,843	21,843
Share capital Cum Pref	33	10	10
Share premium ordinary	34	2,780,331	2,780,331
Share premium Cum Pref	35	360,800	360,800
Currency translation reserves	36	218	-3,276
Legal reserves	37	493,799	0
Other reserves ordinary	38	1,265,375	1,491,288
Other reserves cum pref	39	18,040	0
Profit for the Year		235,068	699,523
		<hr/> 5,175,484	<hr/> 5,350,519
Non-current liabilities	40	1,280,214	878,542
Current liabilities	41	127,598	616,565
		<hr/> 6,583,296	<hr/> 6,845,626

Company income statement for 2018

		2018	2017
	Note	€	€
Share of profit of group companies after tax	28	279,037	-313,328
Company loss/profit after tax		-43,969	1,012,851
Profit for the year		235,068	699,523

Notes to the company financial statements

27 General information

The company financial statements have been prepared in accordance with the statutory provisions of Part 9, Book 2, of the Dutch Civil Code and the firm pronouncements in the Guidelines for Annual Reporting in the Netherlands as issued by the Dutch Accounting Standards Board.

The accounting policies for the company financial statements and the consolidated financial statements are the same. Group companies are stated at net asset value.

For the accounting policies for the company balance sheet and income statement, reference is made to the notes to the consolidated balance sheet and income statement on pages 9 to 32.

Pursuant to Article 402, Book 2, of the Dutch Civil Code, the company profit-and-loss account has been presented in abridged form.

28 Financial assets

Movements in financial assets can be broken down as follows:

	Associates
	€
At 1 January 2018	1,045,582
Currency translation	3,494
Share of profit of group companies after tax	279,037
At 31 December 2018	1,328,113

Long-term

Income tax expense within group companies equals € 0.

List of group companies

Green Vision Holding B.V. has direct interests in the following group company:

Name, registered office*

Share in
equity (%)

Fully consolidated

HyGear Technology & Services B.V., Arnhem

100.00

* Unless indicated otherwise, the above companies have their registered offices in the Netherlands.

Green Vision Holding B.V. exercises decisive control over the related parties. Other companies whose financial and operating activities it can control also qualify as related parties.

29 Receivables

	31-12-2018	31-12-2017
	€	€
Receivable from group companies	4,761,918	5,472,266
Tax and social security contributions	41,372	112,116
Other receivables, prepayments and accrued income	10	31,453
	<hr/>	<hr/>
	4,803,300	5,615,835
	<hr/>	<hr/>

Green Vision Holding BV has historically acted as the holding and financing entity supporting the growing operational activities of its subsidiaries resulting in an increasing net receivable from group companies balance.

Tax and social security contributions

	31-12-2018	31-12-2017
	€	€
Income Tax	0	43,581
Value Added Tax	41,372	68,535
	<hr/>	<hr/>
	41,372	112,116
	<hr/>	<hr/>

Receivable from group companies

	31-12-2018	31-12-2017
	€	€
Receivable from associate HyGear Technology & Services B.V.	4,761,918	5,472,266
	<hr/>	<hr/>

The average intercompany balances bear interest at 2% per annum. Nothing has been agreed in respect of repayment and securities.

Other receivables, prepayments and accrued income

	31-12-2018	31-12-2017
	€	€
Interest	10	28
Prepayments	0	31,425
	<hr/>	<hr/>
	10	31,453
	<hr/>	<hr/>

30 Cash and cash equivalents

	31-12-2018	31-12-2017
	€	€
ABN AMRO Bank N.V.	5,968	8,106
Rabobank	24,724	2,077
Deposits	421,191	174,026
	<hr/>	<hr/>
	451,883	184,209
	<hr/>	<hr/>

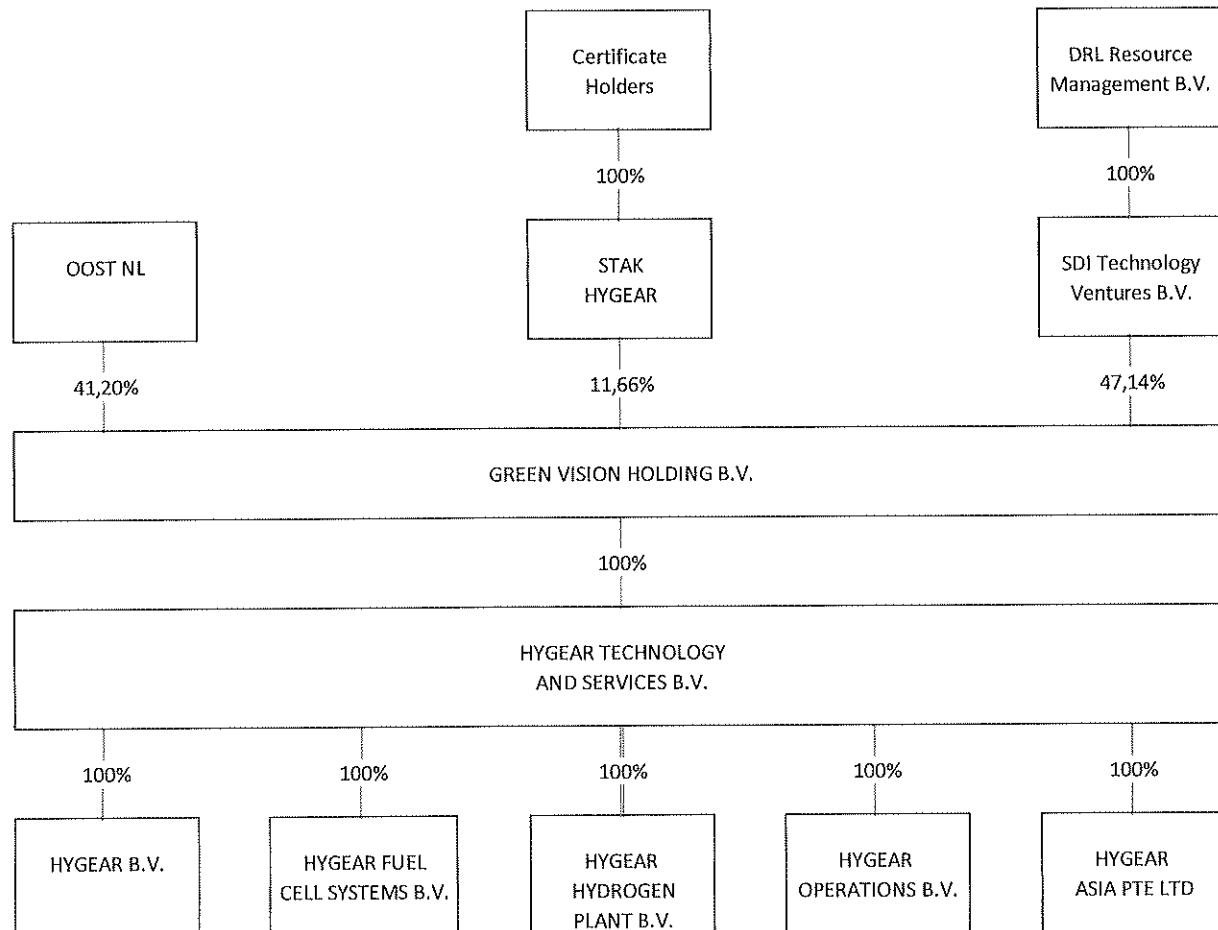
Cash and cash equivalents include non-maturity deposits of € 421,191.

31 Equity

	Issued share capital ordinary	Issued share capital Cum Pref	Share premium ordinary	Share premium Cum Pref	Exchange difference foreign entities	Legal reserves Ordinary	Other reserves Ordinary	Other reserves Cum Pref	Profit for the year	Total
At 1 January 2018	21.843	10	2.780.331	360.800	-3.276	-	1.491.288	-	699.523	5.350.519
Changes										
Profit appropriation 2018						681.483	18.040	-699.523		-
Dividend distribution 2018						-454.674				-454.674
Stock dividend via placement of repurchased certificates of ordinary shares						41.077				41.077
Legal reserves capitalised intangible development costs					493.799	-493.799				-
Profit for the year					3.494				235.068	235.068
Exchange difference foreign entity										3.494
At 31 December 2017	21.843	10	2.780.331	360.800	218	493.799	1.265.375	18.040	235.068	5.175.484

Share capital ordinary

The authorised ordinary share capital of Green Vision Holding B.V. amounts to € 21,843, divided into 4,368,600 ordinary shares of € 0,005 each. Alle ordinary shares are issued.



32 Share capital Cum Pref

The authorized cum pref share capital of Green Vision Holding B.V. amounts to € 10, dividend into 10 cum pref shares of € 1 each that were issued on 21-06-2017 to Oost NL raising total proceeds of € 360,810 for the company.

33 Share premium ordinary

No movements during 2018.

34 Share premium Cum Pref

No movements during 2018.

35 Currency translation reserves

The results and financial position of gorup companies that have a funcitonal currency different from the presentation currency are translated into the presentation currency as follows:

- . Assets and liabilities are translated at the closing rate at the balance sheet date and
- . Income and expenses are translated at average exchange rates.

Resulting exchange differences are recognised in equity as currency translation reserves.

36 Legal reserves ordinary

The legal reserves equal the capitalised development costs, included under intangible assets, per yearend. This is required by Dutch accounting regulations to reflect the non-disbursable character of these funds.

37 Other reserves ordinary

In 2017 a total of 67,009 certificates of ordinary shares were purchased by the company from STAK HyGear for a total consideration of € 494,541. In 2018 4,810 repurchased ordinary shares were placed as stock dividend for a total consideration of € 41,077.

38 Other reserves cum pref

Holders of the cum pref shares are entitled to a share of the company's profits equaling 5% of the paid share premium cum pref, starting from their year of placement (2017).

39 Non-current liabilities

	31-12-2018	31-12-2017
	€	€
Bridge loan DRL Resource (sub)	285,765	285,765
Bridge loan Oost NL (sub)	250,000	250,000
Dividend loan DRL Resource (sub)	182,837	182,837
Dividend loan Oost NL (sub)	159,940	159,940
Dividend loan DRL Resource (sub)	214,340	0
Dividend loan Oost NL (sub)	187,332	0
	<hr/>	<hr/>
	1,280,214	878,542
	<hr/>	<hr/>

Subordinated bridge and dividend loans shareholders

On 19 May 2017 subordinated bridge loans were issued by DRL Resource Management B.V. and Oost NL for an amount of € 285,765 and € 250,000. These loans bear 7% interest on an annual basis. Interest is paid quarterly. The loans are repayable per June 2023.

On 19 June 2017 subordinated dividend loans were issued by DRL Resource Management B.V. and Oost NL for an amount of € 159,940 and € 182,837. These loans bear 7% interest on an annual basis. Interest is paid quarterly. The loans are repayable six months after redemption of the 2017-2023 NPEX bonds.

On 01 July 2018 subordinated dividend loans were issued by DRL Resource Management B.V. and Oost NL for an amount of € 214,340 and 187,332. The DRL loan bears 7,5% interest on an annual basis and the Oost NL loan bears 7,8% interest on an annual basis. Interest is paid quarterly. The loans are repayable per July 2024.

40 Current liabilities

	31-12-2018	31-12-2017
	€	€
Payable Shareholders	17,560	17,560
Trade payables	49,487	40,009
Other debts, accruals and received prepayments	60,552	58,998
Payable Shareholders purchase Certificates of Ordinary Shares	0	499,998
	<hr/>	<hr/>
	127,599	616,565
	<hr/>	<hr/>

Commitments and contingencies not included in the balance sheet

Tax group liability

The Company forms an income tax group with HyGear B.V., HyGear Fuel Cell Systems B.V., HyGear Technology & Services B.V., HyGear Operations B.V. and HyGear Hydrogen Plant B.V.. Under the Dutch Collection of State Taxes Act, the Company and its fellow group members are jointly and severally liable for any taxes payable by the tax group.

The financial statements of HyGear B.V., HyGear Fuel Cell Systems B.V., HyGear Technology & Services B.V., HyGear Operations B.V. and HyGear Hydrogen Plant B.V. recognise a tax liability based on its profit for financial reporting purposes. Green Vision Holding B.V. settles its intercompany balances with its group companies based on the associate's profit for financial reporting purposes.

41 Average number of employees

During the year 2018, the average number of employees, based on full-time equivalents, was 0 (2017: 0). No employees were employed outside the Netherlands. (2017: 0)

42 Directors' remuneration

	2018	2017
	€	€
Current directors	254,625	222,161
Current supervisory directors	26,500	18,000
	<hr/>	<hr/>
	281,125	240,161
	<hr/>	<hr/>

The directors' remuneration includes managementfee payments, to the extent that these items were charged to Green Vision Holding BV and all its subsidiaries.

44 Proposed profit appropriation Ordinary Shareholders

The Management Board proposes to appropriate the result of € 235,068 as follows:

	€
Profit attributable to Cum Pref shareholders	18,040
At the disposal of the Annual General Meeting of Shareholders	217,028
<hr/>	
Profit for the year	<u>235,068</u>
<hr/>	

The profit appropriation is not reflected in these financial statements.

Arnhem, 23 April 2019

Green Vision Holding B.V.

The Management Board,

M. van Driel
was signed

The Supervisory Board,

J. van der Vliet
was signed

B. Fortuyn
was signed

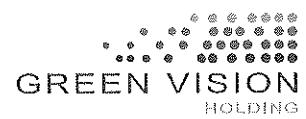
M. Adler
was signed

Other information

Articles of association governing profit appropriation

Clause 21 of the Green Vision Holding Articles of Association governs profit appropriation. This text of this clause is as follows:

- 21.1. The profit is at the free disposal of the General Meeting of Shareholders.
- 21.2. The Company may make distributions to the shareholders and other persons entitled to the distributable profits only to the extent that the company's shareholders' equity exceeds the sum of the paid-in capital and the legal reserves required by law to maintain.
- 21.3. Distribution of profit will take place after adoption of the income statement that demonstrates the legitimacy of distribution.
- 21.4. Any shares held by the company in its own capital are not counted when calculating the profit appropriation, except where the shares are encumbered with usufruct, or depositary receipts for shares have been issued with the company's consent.
- 21.5. Any shares for which the company holds certificates of shares or shares with a limited right of entitlement to the distributable profits are also not counted when calculating the profit appropriation.
- 21.6. The Management Board may decide to distribute an interim dividend in anticipation of the expected dividend, subject to the provisions of paragraph 2 above.



Independent Auditor's report

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e-mail Audit@Flynth.nl

INDEPENDENT AUDITOR'S REPORT

To the Supervisory Board and shareholders of Green Vision Holding B.V.

A. Report on the audit of the financial statements 2018 included in the financial report

Our opinion

We have audited the financial statements 2018 of Green Vision Holding B.V., based in Arnhem.

In our opinion the accompanying financial statements give a true and fair view of the financial position of Green Vision Holding B.V. as at 31 December 2018 and of its result for 2018 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The financial statements comprise:

1. the consolidated and company balance sheet as at 31 December 2018;
2. the consolidated and company profit and loss account for 2018; and
3. the notes comprising a summary of the accounting policies and other explanatory information.

Basis for our opinion

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our responsibilities for the audit of the financial statements' section of our report.

We are independent of Green Vision Holding B.V. in accordance with the "Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten" (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

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

B. Report on the other information included in the annual report

In addition to the financial statements and our auditor's report thereon, the annual report contains other information that consists of:

- the management board's report;
- other information as required by Part 9 of Book 2 of the Dutch Civil Code.

Based on the following procedures performed, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements;
- contains the information as required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

Management is responsible for the preparation of the management board's report in accordance with Part 9 of Book 2 of the Dutch Civil Code and other information as required by Part 9 of Book 2 of the Dutch Civil Code.

C. Description of responsibilities regarding the financial statements

Responsibilities of management for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, management is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, management is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, management should prepare the financial statements using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

Management should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

The Supervisory Board is responsible for the monitoring of the process related to the financial reporting of the company.

Our responsibilities for the audit of the financial statements

Our objective is to plan and perform the audit assignment in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional skepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included e.g.:

- * Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- * Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- * Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- * Concluding on the appropriateness of management's use of the going concern basis of accounting, and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion.

Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company to cease to continue as a going concern.

- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- Evaluating whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Because we are ultimately responsible for the opinion, we are also responsible for directing, supervising and performing the group audit. In this respect we have determined the nature and extent of the audit procedures to be carried out for group entities. Decisive were the size and/or the risk profile of the group entities or operations. On this basis, we selected group entities for which an audit or review had to be carried out on the complete set of financial information or specific items.

We communicate with the Supervisory Board, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

Arnhem, April 23, 2019

Flynth Audit B.V.

Was signed

drs. J.W.M. Verhagen RA CISA