

Annual report  
for the year 2019  
Van Aalst Group B.V.

## Table of contents

	Page
<b>1. Accountants report</b>	
1.1 Consolidated result	4
1.2 Financial position	5
<b>2. Executive Board's Report</b>	<b>6</b>
<b>3. Consolidated accounts</b>	
3.1 Consolidated balance sheet as at 31 December 2019	7
3.2 Consolidated profit and loss account for the year 2019	9
3.3 Consolidated cash flow statement for the year 2019	10
3.4 Notes to the consolidated financial statements	12
3.5 Notes to the consolidated balance sheet	18
3.6 Notes to the consolidated profit and loss account	28
<b>4. Corporate accounts</b>	
4.1 Corporate balance sheet as at 31 December 2019	34
4.2 Corporate abridged statement of income and expenses for the year 2019	36
4.3 Notes to the company-only financial statements	37
4.4 Notes to the company balance sheet	40
4.5 Notes to the corporate profit and loss account	47
<b>5 Independent auditors' report</b>	<b>48</b>

To the board of Directors  
Van Aalst Group B.V.  
Baanhoekweg 16  
3313 LA DORDRECHT

Dordrecht, 10 August 2020

Dear Sirs,

Please find enclosed the annual report of Van Aalst Group B.V. concerning the fiscal year 2019. Management is proud to report that we successfully realized a turn around in both revenue and net profit in comparison to the year 2018.

We focused on a further expansion of our rental fleet of Seagull type gangways and all the related challenges like organizational issues and financing this growth. We successfully issued a subordinated bond on the NPEX exchange to secure the finances needed to establish further growth.

Unfortunately, like many companies in the world, we were confronted with the unexpected Corona crisis, resulting in a significant decrease of demand.

However, based on the very positive feedback of the market of our Seagull type gangways, our diversified portfolio and the successful market introduction of our offshore fish farm in Norway we feel confident that we are able to face the challenges ahead in the year to come.

## 1.1 Consolidated result

### *Analysis of the consolidated result*

	2019		2018	
	€	%	€	%
<b>Net turnover</b>	17.157.144	84,4	13.050.432	100,0
Changes in construction contracts	3.176.779	15,6	-	-
<b>Total</b>	20.333.923	100,0	13.050.432	100,0
Cost of sales and projects	-10.328.822	-50,8	-9.350.774	-71,7
Cost of work contracted out	-677.757	-3,3	-19.729	-0,2
<b>Gross margin</b>	9.327.344	45,9	3.679.929	28,1
Wages and salaries	2.073.674	10,2	1.254.775	9,6
Social security charges	117.401	0,6	3.089	-
Pension charges	192.198	0,9	115.186	0,9
Amortisation of intangible fixed assets	549.848	2,7	396.914	3,0
Depreciation of property, plant and equipment	953.879	4,7	478.603	3,7
Other expenses of employee benefits	459.751	2,3	316.413	2,4
Housing expenses	437.713	2,2	144.995	1,1
Operating and machine expenses	59.196	0,3	1.034	-
Selling expenses	791.824	3,9	407.120	3,1
Car expenses	111.442	0,5	54.242	0,4
Office expenses	281.312	1,4	153.670	1,2
General expenses	918.666	4,5	778.701	6,0
<b>Sum of expenses</b>	6.946.904	34,2	4.104.742	31,4
<b>Operating result</b>	2.380.440	11,7	-424.813	-3,3
Financial income and expense	-646.370	-3,2	-215.288	-1,6
<b>Result from normal activities before tax</b>	1.734.070	8,5	-640.101	-4,9
Income tax expense	30.604	0,2	195.068	1,5
	1.764.674	8,7	-445.033	-3,4
Result from participations	-	-	39.283	0,3
<b>Result for the group after tax</b>	1.764.674	8,7	-405.750	-3,1
Minority interest	-452.664	-2,2	121.498	0,9
<b>Result for the company after tax</b>	1.312.010	6,5	-284.252	-2,2

EBITDA for the year 2019: € 3.884.167 (2018: € 450.704).

## 1.2 Financial position

In order to gain an understanding of the company's financial position, we have included the following overviews, which are based on the data set out in the financial statements. The following table is the summarized balance sheet as at 31 December 2019.

### Financial structure

	31-12-2019		31-12-2018	
	€	%	€	%
<b>Assets</b>				
Intangible assets	5.051.318	15,4	3.256.920	16,3
Property, plant and equipment	16.989.002	51,8	9.028.754	45,1
Financial assets	680.776	2,1	736.311	3,7
Inventories and work in progress	1.419.780	4,3	1.310.785	6,6
Receivables	6.458.859	19,7	4.627.167	23,1
Cash and cash equivalents	2.181.898	6,7	1.047.612	5,2
	<u>32.781.633</u>	<u>100,0</u>	<u>20.007.549</u>	<u>100,0</u>
<b>Liabilities</b>				
Group equity	12.199.635	37,2	10.886.490	54,4
Minority interest	394.115	1,2	-123.004	-0,6
Provisions	1.037.651	3,2	794.968	4,0
Long-term liabilities	9.701.234	29,6	1.601.614	8,0
Short-term liabilities	9.448.998	28,8	6.847.481	34,2
	<u>32.781.633</u>	<u>100,0</u>	<u>20.007.549</u>	<u>100,0</u>
<b>Capital base</b>				
			31-12-2019	31-12-2018
			€	€
Group equity			12.199.635	10.886.490
Minority interest			394.115	-123.004
Subordinated loans			1.115.714	1.341.861
Bond loans			4.999.000	-
Total			<u>18.708.464</u>	<u>12.105.347</u>

## **2. Executive Board's Report**

The executive board's report is available at the company's office.

Dordrecht, 10 August 2020

on behalf of Welkom Beheer B.V.:

G.A.W. van Aalst  
Director

**Van Aalst Group B.V.**

**3.1 Consolidated balance sheet as at 31 December 2019**

*(After proposal distribution of result)*

	31-12-2019		31-12-2018	
	€	€	€	€
<b>ASSETS</b>				
<b>Fixed assets</b>				
<i>Intangible assets</i>				
Development costs	4.466.428		2.987.673	
Concessions and licenses	30.000		45.000	
Goodwill acquired from third party	554.890		224.247	
		5.051.318		3.256.920
<i>Property, plant and equipment</i>				
Land and buildings	47.524		7.941	
Furniture, fixtures and fittings	272.579		245.933	
Vehicles	185.876		126.772	
Other fixed assets	16.483.023		8.648.108	
		16.989.002		9.028.754
<i>Financial assets</i>				
Participations in affiliated companies	-		66.657	
Deferred tax assets	680.776		553.940	
Other amounts receivable	-		115.714	
		680.776		736.311
<b>Current assets</b>				
<i>Inventories and work in progress</i>		1.419.780		1.310.785
<i>Receivables</i>				
Trade receivables	3.609.439		1.530.498	
Taxes and social security contributions	902.086		791.179	
Current account shareholders	-		38.838	
Other receivables	13.052		5.912	
Accrued income and prepaid expenses	1.934.282		2.260.740	
		6.458.859		4.627.167
<i>Cash and cash equivalents</i>		2.181.898		1.047.612
<b>Total assets</b>		32.781.633		20.007.549

**Van Aalst Group B.V.**

	31-12-2019		31-12-2018	
	€	€	€	€
<b>LIABILITIES</b>				
<b>Group equity</b>				
Equity	12.199.635		10.886.490	
Minority interest	394.115		-123.004	
		12.593.750		10.763.486
<b>Provisions</b>				
Deferred tax liabilities	953.401		710.718	
Other provisions	84.250		84.250	
		1.037.651		794.968
<b>Long-term liabilities</b>				
Subordinated loans	1.115.714		1.341.861	
Bond loans	4.999.000		-	
Payables to banks	3.341.470		-	
Liabilities to other participations	62.439		58.442	
Other long-term liabilities	182.611		201.311	
		9.701.234		1.601.614
<b>Short-term liabilities</b>				
Payables to banks	1.013.054		129.296	
Trade payables	5.814.300		3.681.246	
Liabilities to participants	232.945		117.607	
Payables relating to taxes and social security contributions	108.602		73.541	
Construction contracts	449.122		-	
Accruals and deferred income	1.830.975		2.845.791	
		9.448.998		6.847.481
Total liabilities		32.781.633		20.007.549



### 3.2 Consolidated profit and loss account for the year 2019

	2019		2018	
	€	€	€	€
<b>Net turnover</b>	17.157.144		13.050.432	
Changes in construction contracts	<u>3.176.779</u>		-	
<b>Total</b>	20.333.923		13.050.432	
Cost of sales and projects	-10.328.822		-9.350.774	
Cost of work contracted out	<u>-677.757</u>		<u>-19.729</u>	
<b>Gross margin</b>		9.327.344		3.679.929
Wages and salaries	2.073.674		1.254.775	
Social security charges	117.401		3.089	
Pension charges	192.198		115.186	
Amortisation of intangible fixed assets	549.848		396.914	
Depreciation of property, plant and equipment	953.879		478.603	
Other operating expenses	<u>3.059.904</u>		<u>1.856.175</u>	
<b>Sum of expenses</b>		<u>6.946.904</u>		<u>4.104.742</u>
<b>Operating result</b>		2.380.440		-424.813
Financial income and expense		<u>-646.370</u>		<u>-215.288</u>
<b>Result from normal activities before tax</b>		1.734.070		-640.101
Income tax expense		<u>30.604</u>		<u>195.068</u>
		1.764.674		-445.033
Result from participations		-		<u>39.283</u>
<b>Result for the group after tax</b>		1.764.674		-405.750
Minority interest		<u>-452.664</u>		<u>121.498</u>
<b>Result for the company after tax</b>		<u>1.312.010</u>		<u>-284.252</u>

### 3.3 Consolidated cash flow statement for the year 2019

	2019		2018	
	€	€	€	€
<b>Total of cash flows from (used in) operating activities</b>				
Operating result		2.380.440		-375.568
<i>Adjustments for</i>				
Amortization	1.503.727		875.517	
Movements in provisions	-		-166.250	
New consolidations	-		-1.721	
		1.503.727		707.546
<i>Movement in working capital</i>				
Decrease (increase) in inventories	-108.995		-415.465	
Decrease (increase) in construction contracts	449.122		-	
Decrease (increase) in trade receivables	-2.078.941		2.490.011	
Decrease (increase) in other receivable	61.522		363.544	
Accrued income and prepaid expenses	326.458		-1.810.507	
Increase (decrease) in other payables	1.268.637		-280.846	
New consolidations	305.180		-1.698	
		222.983		345.039
<b>Total of cash flows from (used in) operations</b>		4.107.150		677.017
Dividend from participations	-		53.800	
Interest paid	-646.370		-264.533	
Income tax received	5.720		3.008	
		-640.650		-207.725
<b>Total of cash flows from (used in) operating activities (transport)</b>		3.466.500		469.292

### 3.3 Consolidated cash flow statement for the year 2019

	2019		2018	
	€	€	€	€
Carry forward		3.466.500		469.292
<b>Total of cash flows from (used in) investment activities</b>				
Purchase of intangible assets	-1.910.902		-481.194	
Purchase of property, plant and equipment	-8.932.292		-4.891.290	
Purchase of financial assets	-537.983		-175.714	
Proceeds from sales of property, plant and equipment	18.165		16.164	
Proceeds from sales of financial assets	-		3.965	
New consolidations	97.544		153.292	
Other cash flows	-		-18.725	
<b>Total of cash flows from (used in) investment activities</b>		-11.265.468		-5.393.502
<b>Total of cash flows from (used in) financing activities</b>				
Proceeds from borrowings	10.462.345		408.881	
Repayments from borrowings	-1.349.671		-50.000	
New consolidations	-115.714		-55.757	
Other cash flows	65.590		-	
<b>Total of cash flows from (used in) financing activities</b>		9.062.550		303.124
<b>Total of increase (decrease) in cash and cash equivalents</b>		<u>1.263.582</u>		<u>-4.621.086</u>
<b>Movement in cash and cash equivalents</b>				
Cash and cash equivalents at the beginning of the period		918.316		5.539.402
Increase (decrease) cash and cash equivalents		<u>1.263.582</u>		<u>-4.621.086</u>
Cash and cash equivalents at the end of the period		<u><u>2.181.898</u></u>		<u><u>918.316</u></u>

**Van Aalst Group B.V.**

### **3.4 Notes to the consolidated financial statements**

#### ***Entity information***

##### **Registered address and registration number trade register**

The registered and actual address of Van Aalst Group B.V. is Baanhoekweg 16, 3313 LA in Dordrecht. Van Aalst Group B.V. is registered at the Chamber of Commerce under number 50103539.

#### ***General notes***

##### **The most important activities of the entity**

Van Aalst Group institutes around a group of independent companies that specialize in specific fields within the pneumatic cargo handling of machinery, equipment and its development, for transport and distribution to the Marine & Offshore and the Construction Industry worldwide.

In 2015 Safeway B.V. was established and within this legal entity the development of a motion compensated gangway was started. In 2017 the first Seagull Motion Compensated gangway was introduced to the market and well received, resulting in various jobs in the oil & gas market and offshore wind. With year-round workability at serious levels above seawater (> 25 meters) Safeway redefines the state of affairs in offshore access systems.

In 2017 Van Aalst group B.V. acquired the majority of the shares of Techano Group AS, a company established in Kristiansand, Norway. Started as an engineering company in the oil- and gasmarket, Techano gradually developed to an innovative manufacturer of motion compensated offshore cranes and subsea winches with clients in the oil- and gas industry, (offshore) wind industry and offshore fish farming. Nowadays Techano delivers design work, engineering and production of a wide range of advanced load handling equipment

Today, the companies have established to become a reference point thanks to the short communication lines and their highly skilled enthusiastic professionals whom dedicate themselves to deliver sustainable products that meet business specific processes.

Close collaboration and decade of surround field knowledge has led to great technological advances as a result of the customer driven approach and dedication. With the core design principles being reliable, durable, efficient and safe, the companies continually delivered top quality products that reflects in the latest products. Van Aalst Group works with determination to deliver environmental friendly solutions for now and in the future.

With the recently expanded Pneumatic R&D center Van Aalst Group aims to establish the leading position in the current operating markets and to further explore new market opportunities.

The office in Dordrecht situated on the same industrial ground holds a facility of approximately 9000m<sup>2</sup> with 3000m<sup>2</sup> for offices, production, training center and research and development. The facility has easy road access and a waterfront of 150m with easy waterway access via the Rotterdam harbor to the North Sea. The waterfronts permits construction and conversions of cargo vessels up to DWT 10.000 at location.

## **Van Aalst Group B.V.**

### **Disclosure of estimates**

In applying the principles and policies for drawing up the financial statements, the directors of Van Aalst Group B.V. make different estimates and judgments that may be essential to the amounts disclosed in the financial statements. If it is necessary in order to provide the transparency required under Book 2, article 362, paragraph 1, the nature of these estimates and judgments, including related assumptions, is disclosed in the notes to the relevant financial statement item.

### **Disclosure of consolidation**

The consolidated financial statements of Van Aalst Group B.V. comprise the financial figures of Van Aalst Group B.V. and her subsidiaries.

### ***General accounting principles***

#### **The accounting standards used to prepare the financial statements**

The consolidated financial statement is drawn up in accordance with the provisions of Title 9, Book 2 of the Dutch Civil Code and the Dutch Accounting Standards, as published by the Dutch Accounting Standards Board ('Raad voor de Jaarverslaggeving').

Assets and liabilities are generally valued at historical cost, production cost or at fair value at the time of acquisition. If no specific valuation principle has been stated, valuation is at historical cost.

#### **Conversion of amounts denominated in foreign currency**

Items included in the financial statements of Van Aalst Group B.V. are valued with due regard for the currency in the economic environment in which the corporation carries out most of its activities (the functional currency). The financial statements are denominated in euros; this is both the functional currency and presentation currency of Van Aalst Group B.V.

Assets and liabilities in foreign currencies are converted into euro at the spot rates of exchange prevailing at balance sheet date. Translation differences are taken to the profit and loss account.

### ***Accounting principles***

#### **Intangible assets**

Intangible fixed assets are stated at historical cost less amortisation. Impairments are taken into consideration; this is relevant in the event that the carrying amount of the asset is higher than its realisable value.

#### **Development costs**

Research costs are recognised in the profit and loss account. Expenditure on development projects is capitalised as part of the production cost if it is likely from both a commercial and technical perspective that the project will be successful and the cost can be determined reliably. A legal reserve has been formed within equity with regard to the recognised development costs for the capitalised amount. The amortisation of capitalised development costs commences at the time when the commercial production starts and takes place over the expected future useful life of the asset.

#### **Costs of goodwill acquired from third party**

Goodwill is the positive difference between the acquisition price of the participations concerned and the

## **Van Aalst Group B.V.**

net asset value at the time of their acquisition, less amortization. Capitalized goodwill is amortized, on a straight line basis, over a period of five years

### **Property, plant and equipment**

Tangible fixed assets are valued at acquisition costs or production costs plus additional costs less straight-line depreciation based on the expected life, unless stated otherwise. Impairments expected on the balance sheet date are taken into account.

### **Financial assets**

Participations, over which significant influence can be exercised, are valued according to the net asset value method. In the event that 20% or more of the voting rights can be exercised, it may be assumed that there is significant influence.

The net asset value is calculated in accordance with the accounting principles that apply for these financial statements; with regard to participations in which insufficient data is available for adopting these principles, the valuation principles of the respective participation are applied.

If the valuation of a participation based on the net asset value is negative, it will be stated at nil. If and insofar as Van Aalst Group B.V. can be held fully or partially liable for the debts of the participation, or has the firm intention of enabling the participation to settle its debts, a provision is recognised for this.

Newly acquired participations are initially recognised on the basis of the fair value of their identifiable assets and liabilities at the acquisition date. For subsequent valuations, the principles that apply for these financial statements are used, with the values upon their initial recognition as the basis.

The amount by which the carrying amount of the participation has changed since the previous financial statements as a result of the net result achieved by the participation is recognised in the consolidated profit and loss account.

Receivables recognised under financial fixed assets are initially valued at the fair value less transaction costs. These receivables are subsequently valued at amortised cost price, which is, in general, equal to the nominal value. For determining the value, any depreciation is taken into account.

Deferred tax assets are recognised for all deductible temporary differences between the value of the assets and liabilities under tax regulations on the one hand and the accounting policies used in these financial statements on the other, on the understanding that deferred tax assets are only recognised insofar as it is probable that future taxable profits will be available to offset the temporary differences and available tax losses.

The calculation of the deferred tax assets is based on the tax rates prevailing at the end of the reporting year or the rates applicable in future years, to the extent that they have already been enacted by law.

Deferred tax assets are valued at their nominal value.

### **Inventories**

Inventories (stocks) are valued at cost price or lower realisable value.

## **Van Aalst Group B.V.**

The cost price consists of the historical cost or production cost and costs incurred in order to bring the stocks to their current location and current condition.

The realisable value is the estimated sales price less directly attributable sales costs. In determining the realisable value the obsolescence of the inventories is taken into account.

### **Work in progress**

Work in progress commissioned by third parties comprises the balance of project costs realised, profit attributed, and if applicable, recognised losses and instalments already invoiced. Work in progress are separately presented in the balance sheet under current assets. If it shows a credit balance, this will be presented under current liabilities.

Expenditure relating to project costs for work not yet performed is recognised under inventories.

### **Receivables**

Receivables are initially valued at the fair value of the consideration provided. Receivables are subsequently valued at the amortised cost price. If there is no premium or discount and there are no transaction costs, the amortised cost price equals the nominal value of the accounts receivable. 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. Provisions for bad debts are deducted from the carrying amount of the receivable.

### **Cash and cash equivalents**

Cash at banks and in hand represent cash in hand, bank balances and deposits with terms of less than twelve months. Overdrafts at banks are recognised as part of debts to lending institutions under current liabilities. Cash at banks and in hand is valued at nominal value.

### **Provisions**

Provisions are measured at the best estimate of the amount that is necessary to settle the obligation as per the balance sheet date.

If obligations are expected to be reimbursed by a third party, such reimbursement is included as an asset in the balance sheet if it is probable that such reimbursement will be received when the obligation is settled.

### **Provision for tax liabilities**

Deferred tax liabilities are recognised for temporary differences between the value of the assets and liabilities under tax regulations on the one hand and the book values applied in these financial statements on the other. The computation of the deferred tax liabilities is based on the tax rates prevailing at the end of the reporting year or the rates applicable in future years, to the extent that they have already been enacted by law.

Deferred tax balances are valued at nominal value.

### **Warranty provision**

This provision relates to costs that must be reimbursed for products that have been sold or services that

## **Van Aalst Group B.V.**

have been performed, if the legal entity has an obligation because the agreed quality standards have not been met.

### **Other provisions**

Other kinds of provision are included in accordance with the nominal value of the expenditure which is expected to be necessary to settle the obligations.

### **Non-current liabilities**

On initial recognition long-term debts are recognised at fair value. Transaction costs which can be directly attributed to the acquisition of the long-term debts are included in the initial recognition. After initial recognition long-term debts are recognised at the amortised cost price, being the amount received taking into account premiums or discounts and minus transaction costs. If there is no premium or discount or if there are no transaction costs, the amortised cost price is the same as the nominal value of the debt.

The difference between stated book value and the mature redemption value is accounted for as interest cost in the consolidated profit and loss account on the basis of the effective interest rate during the estimated term of the long-term debts.

### **Current liabilities**

On initial recognition current liabilities are recognised at fair value. After initial recognition current liabilities are recognised at the amortised cost price, being the amount received taking into account premiums or discounts and minus transaction costs. This is usually the nominal value.

### **Accounting principles for determining the result**

The result is the difference between the realisable value of the goods/services provided and the costs and other charges during the year. The results on transactions are recognised in the year in which they are realised.

### **Revenue recognition**

Revenues comprise net turnover, which is the income from the supply of goods and services, and realised income from construction contracts, after deduction of discounts and such like and of taxes levied on the turnover.

### **Applied policy of pension costs**

Van Aalst Group B.V. applies the liability approach to account for all pension schemes. The premium payable during the reporting year is recorded as an expense. The contributions are recorded as personnel costs from the date that they become payable. Prepaid contributions are reported as accrual if this results in a repayment or a reduction in future payments. Contributions that are not yet paid are included as a liability in the balance sheet.

### **Amortisation of intangible assets**

Intangible fixed assets, including goodwill are amortised from the date of initial use over the expected future economic life of the asset, while taking into account any applicable restrictions with respect to capitalised goodwill.

Future amortisation is adjusted if there is a change in estimated future useful life.



## **Van Aalst Group B.V.**

### **Depreciation of property, plant and equipment**

Tangible fixed assets are depreciated from the date of initial use over the expected future economic life of the asset.

Future depreciation is adjusted if there is a change in estimated future useful life.

Gains and losses from the occasional sale of property, plant or equipment are included in depreciation.

### **Other operating expenses**

Costs are determined on a historical basis and are attributed to the reporting year to which they relate.

### **Interest expenses and related expenses**

Interest expenses are recognised on a pro rata basis, taking account of the effective interest rate of the liabilities to which they relate. In accounting for interest expenses, the recognised transaction expenses for loans received are taken into consideration.

Exchange differences that arise from the settlement or translation of monetary items are recorded in the profit and loss account in the period in which they occur, unless hedge-accounting is applied.

### **Income tax expense**

Tax on the result is calculated based on the result before tax in the consolidated profit and loss account, taking account of the losses available for set-off from previous financial years and exempt profit components and after the addition of non-deductible costs. Due account is also taken of changes which occur in the deferred tax assets and deferred tax liabilities in respect of changes in the applicable tax rate.

In the financial statements of group companies a tax charge is calculated on the basis of the accounting result. The corporate income tax that is due by these group companies is charged into the current accounts with Van Aalst Group B.V.

### **Cash flow statement**

The cash flow statement has been prepared using the indirect method. The cash items disclosed in the cash flow statement comprise cash at banks and in hand except for deposits with a maturity longer than three months. 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 corporation has been recognised as cash used in investing activities where it was settled in cash. Any cash at banks and in hand in the acquired group corporation have been 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.

### 3.5 Notes to the consolidated balance sheet

*Fixed assets*

**Intangible assets**

	Development costs	Concessions and licenses	Goodwill acquired from third party	Total
	€	€	€	€
Balance as at 1 January 2019				
Cost or manufacturing price	3.382.557	75.000	340.149	3.797.706
Accumulated amortization	<u>-394.884</u>	<u>-30.000</u>	<u>-115.902</u>	<u>-540.786</u>
Book value as at 1 January 2019	<u>2.987.673</u>	<u>45.000</u>	<u>224.247</u>	<u>3.256.920</u>
<i>Movements</i>				
Additions	1.875.902	-	468.344	2.344.246
Amortisations	<u>-397.147</u>	<u>-15.000</u>	<u>-137.701</u>	<u>-549.848</u>
Balance movements	<u>1.478.755</u>	<u>-15.000</u>	<u>330.643</u>	<u>1.794.398</u>
Balance as at 31 December 2019				
Cost or manufacturing price	5.198.583	75.000	808.493	6.082.076
Accumulated amortization	<u>-732.155</u>	<u>-45.000</u>	<u>-253.603</u>	<u>-1.030.758</u>
Book value as at 31 December 2019	<u>4.466.428</u>	<u>30.000</u>	<u>554.890</u>	<u>5.051.318</u>
Amortisation percentages	<u>10%</u>	<u>20%</u>	<u>20%</u>	

**Van Aalst Group B.V.**

**Property, plant and equipment**

	Land and buildings	Furniture, fixtures and fittings	Vehicles	Other fixed assets	Total
	€	€	€	€	€
Balance as at 1 January 2019					
Cost or manufacturing price	224.593	442.432	289.334	9.234.214	10.190.573
Accumulated depreciation	-216.652	-196.499	-162.562	-586.106	-1.161.819
Book value as at 1 January 2019	<u>7.941</u>	<u>245.933</u>	<u>126.772</u>	<u>8.648.108</u>	<u>9.028.754</u>
<i>Movements</i>					
Additions	49.504	691	91.884	8.609.368	8.751.447
New consolidations	-	42.243	55.301	83.301	180.845
Amortization	-9.921	-16.288	-63.753	-857.754	-947.716
Disposals	-	-196.499	-93.197	-	-289.696
Depreciation on disposals	-	196.499	68.869	-	265.368
Balance movements	<u>39.583</u>	<u>26.646</u>	<u>59.104</u>	<u>7.834.915</u>	<u>7.960.248</u>
Balance as at 31 December 2019					
Cost or manufacturing price	274.097	341.609	394.365	17.926.883	18.936.954
Accumulated depreciation	-226.573	-69.030	-208.489	-1.443.860	-1.947.952
Book value as at 31 December 2019	<u>47.524</u>	<u>272.579</u>	<u>185.876</u>	<u>16.483.023</u>	<u>16.989.002</u>
Depreciation percentages	<u>20%</u>	<u>20%</u>	<u>20%</u>	<u>10%-20%</u>	

## Van Aalst Group B.V.

### Financial assets

	<u>31-12-2019</u>	<u>31-12-2018</u>
	€	€
<i>Participations in affiliated companies</i>		
Mulder Europe B.V.	-	66.657

	<u>2019</u>	<u>2018</u>
	€	€
<i>Deferred tax asset</i>		
Balance as at 1 January	553.940	373.661
Increasing	126.836	180.279
Balance as at 31 December	<u>680.776</u>	<u>553.940</u>

	<u>31-12-2019</u>	<u>31-12-2018</u>
	€	€
<i>Other amounts receivable</i>		
Mulder Europe B.V., subordinated loan	-	115.714

### Current assets

#### Inventories and work in progress

Raw materials and consumables	1.338.195	596.806
Work in progress	81.585	-
Prepayments on stock	-	713.979
	<u>1.419.780</u>	<u>1.310.785</u>

### Receivables

#### Trade receivables

Trade debtors	3.614.908	1.530.498
Provision for doubtful debts	-5.469	-
	<u>3.609.439</u>	<u>1.530.498</u>

#### Taxes and social security contributions

Value added tax	728.523	728.442
Company tax	143.739	3.008
Pension contributions	878	-
Other taxes	-	59.729
Deferred tax assets	28.946	-
	<u>902.086</u>	<u>791.179</u>

**Van Aalst Group B.V.**

	<u>31-12-2019</u>	<u>31-12-2018</u>
	€	€
<i>Current account shareholders</i>		
J.R. de Boer B.V., current account	-	4
G.A.W. van Aalst, current account	-	38.834
	<u>-</u>	<u>38.838</u>
<i>Other receivables</i>		
Guarantee deposit	1.800	-
Security deposit	5.800	800
Wang Yan Ziang, security deposit (\$ 5.000)	4.128	4.128
Van Aalst Foundation	1.324	984
	<u>13.052</u>	<u>5.912</u>
<i>Accrued income and prepaid expenses</i>		
Accrued income	133.789	581.292
Prepaid expenses projects	531.714	1.405.240
(Final) installments of projects still to be invoiced	156.856	274.207
Insurance claim	1.111.923	1
	<u>1.934.282</u>	<u>2.260.740</u>
<b>Cash and cash equivalents</b>		
Cash	2.848	2.848
ABN-AMRO bank, current account (EUR)	1.506.975	-273.485
ABN-AMRO bank, current account (USD)	403.525	1.161.163
ABN-AMRO bank, current account (NOK)	235.009	157.086
Chase Bank, current account (USD)	33.541	-
	<u>2.181.898</u>	<u>1.047.612</u>

## Van Aalst Group B.V.

### Group equity

The shareholders' equity is disclosed in the notes to the company balance sheet.

	<u>31-12-2019</u>	<u>31-12-2018</u>
	€	€
<b>Minority interest</b>		
Minority interest in Cargomaxx Drilling B.V.	-7.370	-6.648
Minority interest in Safeway B.V.	-17.632	-39.955
Minority interest in Techano Group AS	419.117	-76.401
	<u>394.115</u>	<u>-123.004</u>

### Provisions

#### Deferred tax liabilities

	<u>2019</u>	<u>2018</u>
	€	€
Balance as at 1 January	710.718	722.499
Movements	242.683	-11.781
Balance as at 31 December	<u>953.401</u>	<u>710.718</u>

#### Other provisions

##### *Warranty provision*

Balance as at 1 January	14.250	55.500
Warranty costs charged to warranty provision	-14.250	-55.500
Additions	24.250	14.250
Balance as at 31 December	<u>24.250</u>	<u>14.250</u>

##### *Provision commissioning*

Balance as at 1 January	70.000	195.000
Commissioning costs charged to commissioning provision	-10.000	-125.000
Balance as at 31 December	<u>60.000</u>	<u>70.000</u>

## Van Aalst Group B.V.

### Long-term liabilities

	Balance as at 31 December 2019	Short-term portion	Remaining pay-back time > 1 year	Remaining pay-back time > 5 year	Interest percentage
	€	€	€	€	%
Subordinated loans	1.115.714	-	1.115.714	1.115.714	12,00
Bond loans	4.999.000	-	4.999.000	-	7,50
Payables to banks	4.354.524	1.013.054	3.341.470	-	2,35
Liabilities to other participations	62.439	-	62.439	-	6,00
Other long-term liabilities	182.611	-	182.611	-	4,70
<b>Total</b>	<b>10.714.288</b>	<b>1.013.054</b>	<b>9.701.234</b>	<b>1.115.714</b>	

	31-12-2019	31-12-2018
	€	€
<i>Subordinated loans</i>		
Welkom Beheer B.V., loan	1.000.000	1.341.861
G.A.W. van Aalst., loan	115.714	-
	<u>1.115.714</u>	<u>1.341.861</u>

	2019	2018
	€	€
<u>Welkom Beheer B.V., loan</u>		
Balance as at 1 January	1.341.861	1.242.733
Increase	161.023	149.128
Repayment	-502.884	-50.000
Balance as at 31 December	<u>1.000.000</u>	<u>1.341.861</u>

<u>G.A.W. van Aalst., loan</u>		
Balance as at 1 January	-	-
New consolidations	115.714	-
Balance as at 31 December	<u>115.714</u>	<u>-</u>

	31-12-2019	31-12-2018
	€	€
<i>Bond loans</i>		
Bond loan, NPEX	<u>4.999.000</u>	<u>-</u>

## Van Aalst Group B.V.

### Bond loans

	Bond loan, NPEX
	€
Increase	4.999.000
Balance as at 31 December 2019	4.999.000
Interest percentage	7,5%
Term	19-12-2024

	<u>31-12-2019</u>	<u>31-12-2018</u>
	€	€
<i>Payables to banks</i>		
Leasehold obligations	<u>3.341.470</u>	<u>-</u>

### Leasehold obligations

	Lease liability SG 23.0.-01	Lease liability SG 23.0.-02	Total
	€	€	€
Increase	2.500.000	2.500.000	5.000.000
Redemption	-359.991	-285.485	-645.476
Balance movements	<u>2.140.009</u>	<u>2.214.515</u>	<u>4.354.524</u>
Balance as at 31 December 2019			
Principal amount	2.500.000	2.500.000	5.000.000
Cumulative repayment	-359.991	-285.485	-645.476
Current portion	-401.471	-611.583	-1.013.054
Balance as at 31 December 2019	<u>1.738.538</u>	<u>1.602.932</u>	<u>3.341.470</u>
Interest percentage	2,35%	1,98%	
Term	60 months	42 months	

	<u>2019</u>	<u>2018</u>
	€	€
<i>Liability to other participations</i>		
Balance as at 1 January	58.442	55.757
Increase	3.997	2.685
Balance as at 31 December	<u>62.439</u>	<u>58.442</u>
Interest percentage	6%	6%
Term	3-4 yrs	4-5 yrs



**Van Aalst Group B.V.**

	<u>31-12-2019</u>	<u>31-12-2018</u>
	€	€
<i>Other long-term liabilities</i>		
Government loan Norway	-	201.311
Other long-term liability	<u>182.611</u>	<u>-</u>
	<u><u>182.611</u></u>	<u><u>201.311</u></u>

	<u>2019</u>	<u>2018</u>
	€	€
<u>Government loan Norway</u>		
Balance as at 1 January	201.311	-
Increase of other long-term liability	-	201.311
Repayment other long-term liability	<u>-201.311</u>	<u>-</u>
Balance as at 31 December	<u>-</u>	<u>201.311</u>
Interest percentage	4,7%	4,7%
Term		6 yrs

<u>Other long-term liability</u>		
Balance as at 1 January	-	-
Increase of other long-term liability	<u>182.611</u>	<u>-</u>
Balance as at 31 December	<u><u>182.611</u></u>	<u><u>-</u></u>
Interest percentage	4,7%	
Term	4,1 yrs	

***Short-term liabilities***

	<u>31-12-2019</u>	<u>31-12-2018</u>
	€	€
<i>Payables to banks</i>		
Payables to banks	-	129.296
Current portion of long-term debt	<u>1.013.054</u>	<u>-</u>
	<u><u>1.013.054</u></u>	<u><u>129.296</u></u>

<i>Current portion of long-term debt</i>		
Short-term portion lease liability SG 23.0.-01	401.471	-
Short-term portion lease liability SG 23.0.-02	<u>611.583</u>	<u>-</u>
	<u><u>1.013.054</u></u>	<u><u>-</u></u>

<i>Liabilities to participants</i>		
Welkom Beheer B.V., current account	<u>232.945</u>	<u>117.607</u>

**Van Aalst Group B.V.**

	<u>31-12-2019</u>	<u>31-12-2018</u>
	€	€
<i>Payables relating to taxes and social security contributions</i>		
Wage tax	78.517	54.367
Social security premiums	<u>30.085</u>	<u>19.174</u>
	<u>108.602</u>	<u>73.541</u>
 <i>Construction contracts</i>		
Capitalized expenses construction contracts	-3.998.622	-
Allocated result	-158.289	-
Provision construction contracts	161.945	-
Invoiced installments	<u>4.444.088</u>	<u>-</u>
	<u>449.122</u>	<u>-</u>
 <i>Accruals and deferred income</i>		
Holiday allowance	188.181	90.250
Outstanding Holidays	43.396	37.328
Accrued income	139.421	372.770
Costs still to be expected for projects	264.066	966.462
Invoices still to be received	505.839	1.296.286
Interest expenses	8.679	-
Miscellaneous	<u>681.393</u>	<u>82.695</u>
	<u>1.830.975</u>	<u>2.845.791</u>

**Van Aalst Group B.V.**

## **Off-balance-sheet rights, obligations and arrangements**

### ***Disclosure of off-balance sheet commitments***

Rental obligations amount to € 45.000 on an annual basis.

Rental obligations relating to office rent amount to € 124.000 on an annual basis.

### ***Disclosure of contingent liabilities on behalf of group companies***

Van Aalst Group B.V. and its Dutch subsidiaries have a joint credit agreement with ABN AMRO Bank that consists of a current account facility for € 1.800.000 and a bank guarantee facility for € 2.500.000.

For these facilities the following collateral has been granted:

- Possessory pledge of stocks and inventories;
- Silent pledge of accounts receivable.

### ***The off-balance sheet liabilities relating to the fiscal unity***

In connection with the existence of a fiscal unity for corporate income tax as well as value added tax, the company is severally liable for the corporate income tax and value added tax liabilities of the fiscal unity in The Netherlands.

### ***Off-balance sheet commitments relating to guarantees***

It is common practice to Van Aalst Group B.V. and her subsidiaries to enter into the specific payment arrangements with their clients, based on the progress of the projects. It is therefore not unusual to agree to prepayments which are backed by a prepayment guarantee from our banker.

On december 31th, 2019 ABN AMRO Bank had an outstanding amount of bank guarantees on behalf of the Van Aalst Group of € 2.138.703.

### 3.6 Notes to the consolidated profit and loss account

	<u>2019</u>	<u>2018</u>
	€	€
<b>Net turnover</b>		
Rental revenues	5.639.573	1.684.751
Cement mixers revenues	3.906.124	-
Project revenues	6.551.315	10.514.378
Replacements/spareparts revenues	1.002.777	773.187
Miscellaneous	55.755	68.238
Engineering assistance revenues	1.600	9.878
	<u>17.157.144</u>	<u>13.050.432</u>
<b>Cost of sales and projects</b>		
Project expenses	4.538.171	6.203.502
Temporary staff	1.482.789	968.841
Transport costs	88.098	87.409
Cost of sales miscellaneous (replacements/spareparts)	1.635.750	725.295
Other project costs	2.138.102	1.142.373
Travel expenses	90.709	153.068
Commission	107.090	182.998
Movement in warranty provision	321.383	48.825
Exchange rate and payment differences	-63.270	-41.537
Movement in commissioning provision	-10.000	-120.000
	<u>10.328.822</u>	<u>9.350.774</u>
<b>Cost of work contracted out</b>		
External services and subcontractors	<u>677.757</u>	<u>19.729</u>
<b>Wages and salaries</b>		
Salaries and wages	2.073.674	1.324.463
Re-charged salaries and wages	-	-69.688
	<u>2.073.674</u>	<u>1.254.775</u>

**Van Aalst Group B.V.**

***Average number of employees***

2019

	Active within the Netherlands	Active outside the Netherlands	Total
Engineering	1,00	5,00	6,00
Management	4,00	2,00	6,00
Project management	13,00	2,00	15,00
Sales	3,00	1,00	4,00
Support and warehouse	14,00	-	14,00
<b>Average number of employees</b>	<b>35,00</b>	<b>10,00</b>	<b>45,00</b>

2018

	Active within the Netherlands	Active outside the Netherlands	Total
Engineering	-	1,00	1,00
Management	4,00	2,00	6,00
Project management	5,00	2,00	7,00
Sales	1,00	1,00	2,00
Support and warehouse	3,00	-	3,00
<b>Average number of employees</b>	<b>13,00</b>	<b>6,00</b>	<b>19,00</b>

	2019	2018
	€	€

***Social security charges***

Social security contributions	316.533	193.461
Wage tax refund (WBSO)	-199.132	-190.372
	<u>117.401</u>	<u>3.089</u>

***Pension charges***

Pension scheme contributions	<u>192.198</u>	<u>115.186</u>
------------------------------	----------------	----------------

***Amortisation of intangible fixed assets***

Development costs	397.147	356.398
Concessions and licenses	15.000	15.000
Goodwill acquired from third party	<u>137.701</u>	<u>25.516</u>
	<u>549.848</u>	<u>396.914</u>

**Van Aalst Group B.V.**

	<u>2019</u>	<u>2018</u>
	€	€
<b><i>Depreciation of property, plant and equipment</i></b>		
Buildings and land	9.921	5.980
Inventory	16.288	-
Vehicles	63.753	50.122
Other fixed assets	<u>857.754</u>	<u>423.244</u>
	947.716	479.346
Book profit vehicles	<u>6.163</u>	<u>-743</u>
	<u><u>953.879</u></u>	<u><u>478.603</u></u>
<b><i>Other operating expenses</i></b>		
Other expenses of employee benefits	459.751	316.413
Housing expenses	437.713	144.995
Operating and machine expenses	59.196	1.034
Selling expenses	791.824	407.120
Car expenses	111.442	54.242
Office expenses	281.312	153.670
General expenses	<u>918.666</u>	<u>778.701</u>
	<u><u>3.059.904</u></u>	<u><u>1.856.175</u></u>
<b><i>Other expenses of employee benefits</i></b>		
Third party services	203.346	180.383
Recruitment expenses	98.786	67.297
Travelling and entertainment	54.762	26.533
Study and training expenses	48.498	13.288
Canteen expenses	16.291	13.012
Other allowances	4.417	-20
Industrial clothing	2.783	133
Motor car allowance	121	457
Other staff expenses	<u>30.747</u>	<u>15.330</u>
	<u><u>459.751</u></u>	<u><u>316.413</u></u>

**Van Aalst Group B.V.**

	<u>2019</u>	<u>2018</u>
	€	€
<i>Housing expenses</i>		
Rent	267.726	111.990
Gas, water and electricity	96.564	12.040
Maintenance buildings	58.080	20.255
Cleaning	8.760	-
Property tax	170	-
Other housing expenses	<u>6.413</u>	<u>710</u>
	<u><u>437.713</u></u>	<u><u>144.995</u></u>
<i>Operating and machine expenses</i>		
Small investments inventory	24.533	648
Repair and maintenance of inventory	22.999	386
Tool expenses	1.092	-
Other expenses inventory	<u>10.572</u>	<u>-</u>
	<u><u>59.196</u></u>	<u><u>1.034</u></u>
<i>Selling expenses</i>		
Selling expenses foreign offices	253.026	125.810
Exhibitions and fairs	128.036	72.333
Write off doubtful debtor	80.341	-
Patent expenses	68.141	24.601
Travelling and entertainment	60.222	99.703
Addition to provision doubtful debtor	53.917	-
Freight	38.601	1.535
Engineering	34.217	3.251
Credit insurance	28.667	25.053
Advertising	20.731	13.748
Representation expenses	9.240	-
Visual merchandising	5.649	-
Miscellaneous	<u>11.036</u>	<u>41.086</u>
	<u><u>791.824</u></u>	<u><u>407.120</u></u>

**Van Aalst Group B.V.**

	<u>2019</u>	<u>2018</u>
	€	€
<i>Car expenses</i>		
Fuel	48.410	14.393
Repair and maintenance	17.231	10.491
Other car expenses	15.797	7.049
Insurance	9.762	7.171
Road tax	8.389	4.236
Private use cars	7.400	8.754
Fines	3.760	2.148
Operational lease cars	693	-
	<u>111.442</u>	<u>54.242</u>
<i>Office expenses</i>		
Automation expenses	103.718	67.685
Office supplies	96.475	34.381
Telephone, fax and internet	42.005	33.369
Other office expenses	24.218	8.191
Repair and maintenance office furniture	10.440	5.085
Printed matter	4.010	4.938
Mail and postage	446	21
	<u>281.312</u>	<u>153.670</u>
<i>General expenses</i>		
Management fee	380.000	300.000
Insurance	198.369	113.573
Audit costs, other non-audit services	156.511	127.984
Consultancy	106.506	178.746
QHSE expenses	27.767	14.039
Subscriptions	19.509	11.830
Bank expenses	14.333	15.898
Donations	11.754	11.250
Other general expenses	3.152	2.799
Notarial expenses	812	-
Miscellaneous expenses	-47	2.582
	<u>918.666</u>	<u>778.701</u>



**Van Aalst Group B.V.**

	<u>2019</u>	<u>2018</u>
	€	€
<b><i>Financial income and expense</i></b>		
Interest and similar expenses	-542.582	-264.533
Currency translation differences	<u>-103.788</u>	<u>49.245</u>
	<u><u>-646.370</u></u>	<u><u>-215.288</u></u>
 <i>Interest and similar expenses</i>		
Interest loans contracted	172.202	149.128
Interest current account shareholder	25.666	-
Interest other liabilities	226.457	-
Bank interest	100.225	115.405
Other interest expenses	<u>18.032</u>	<u>-</u>
	<u><u>542.582</u></u>	<u><u>264.533</u></u>
 Interest loans contracted		
Welkom Beheer B.V., lening	<u>172.202</u>	<u>149.128</u>
 Interest current account shareholder		
Welkom Beheer B.V., current account	<u>25.666</u>	<u>-</u>
 Interest other liabilities		
NPEX, loan	191.683	-
Bond expenses	<u>34.774</u>	<u>-</u>
	<u><u>226.457</u></u>	<u><u>-</u></u>
 <b><i>Result from participations</i></b>		
Mulder Europe B.V.	-	35.319
Van Aalst Houston LLC, liquidation	-	-6.504
Van Aalst Singapore Pte. Ltd., liquidation	<u>-</u>	<u>10.468</u>
	<u><u>-</u></u>	<u><u>39.283</u></u>
 <b><i>Minority interest</i></b>		
Cargomaxx Drilling B.V.	722	610
Safeway B.V.	-22.322	6.720
Techano Group AS	<u>-431.064</u>	<u>114.168</u>
	<u><u>-452.664</u></u>	<u><u>121.498</u></u>

**Van Aalst Group B.V.**

**4.1 Corporate balance sheet as at 31 December 2019**

*(After proposal appropriation of result)*

	31-12-2019		31-12-2018	
	€	€	€	€
<b>ASSETS</b>				
<b>Fixed assets</b>				
<i>Intangible assets</i>				
Concessions and licenses	30.000		45.000	
Goodwill acquired from third party	554.890		224.247	
		584.890		269.247
<i>Property, plant and equipment</i>				
Other fixed assets		245.933		245.933
<i>Financial assets</i>				
Participations in group companies	2.426.228		2.599.176	
Deferred tax assets	622.546		553.940	
Other amounts receivable	224.393		115.714	
		3.273.167		3.268.830
<b>Current assets</b>				
<i>Receivables</i>				
Receivables from group companies	13.637.852		7.184.698	
Taxes and social security contributions	902.830		758.441	
Current account shareholders	-		38.834	
Other receivables	857		857	
Accrued income and prepaid expenses	-		506.233	
		14.541.539		8.489.063
<i>Cash and cash equivalents</i>		566.390		551.226
<b>Total assets</b>		19.211.919		12.824.299

**Van Aalst Group B.V.**

	31-12-2019		31-12-2018	
	€	€	€	€
<b>LIABILITIES</b>				
<b>Equity</b>				
Issued share capital	27.272		27.272	
Share premium reserve	7.727.479		7.727.479	
Legal and statutory reserves	4.466.427		2.834.197	
General reserve	-21.543		298.677	
		12.199.635		10.887.625
<b>Long-term liabilities</b>				
Bond loans		4.999.000		-
<b>Short-term liabilities</b>				
Trade payables	226.654		48.513	
Liabilities to group companies	1.762.995		1.788.153	
Liabilities to participants	-		100.008	
Accruals and deferred income	23.635		-	
		2.013.284		1.936.674
<b>Total liabilities</b>		19.211.919		12.824.299

Van Aalst Group B.V.

#### 4.2 Corporate abridged statement of income and expenses for the year 2019

	2019		2018	
	€	€	€	€
Result from participations	1.707.105		82.622	
Company result after taxes	<u>-395.095</u>		<u>-366.874</u>	
Result after taxation		<u>1.312.010</u>		<u>-284.252</u>

Van Aalst Group B.V.

## 4.3 Notes to the company-only financial statements

### *General accounting principles*

#### **The accounting standards used to prepare the financial statements**

The corporate financial statement is drawn up in accordance with the provisions of Title 9, Book 2 of the Dutch Civil Code and the Dutch Accounting Standards, as published by the Dutch Accounting Standards Board ('Raad voor de Jaarverslaggeving').

Assets and liabilities are generally valued at historical cost, production cost or at fair value at the time of acquisition. If no specific valuation principle has been stated, valuation is at historical cost.

#### **Conversion of amounts denominated in foreign currency**

Items included in the financial statements of Van Aalst Group B.V. are valued with due regard for the currency in the economic environment in which the corporation carries out most of its activities (the functional currency). The financial statements are denominated in euros; this is both the functional currency and presentation currency of Van Aalst Group B.V.

Assets and liabilities in foreign currencies are converted into euro at the spot rates of exchange prevailing at balance sheet date. Translation differences are taken to the profit and loss account.

### *Accounting principles*

#### **Intangible assets**

Intangible fixed assets are stated at historical cost less amortisation. Impairments are taken into consideration; this is relevant in the event that the carrying amount of the asset is higher than its realisable value.

#### **Property, plant and equipment**

Tangible fixed assets are valued at historical cost less accumulated depreciation. Depreciation is based on the estimated useful life and calculated as a fixed percentage of cost, taking into account any residual value. Depreciation is provided from the date as asset comes into use.

#### **Financial assets**

Participations, over which significant influence can be exercised, are valued according to the net asset value method. In the event that 20% or more of the voting rights can be exercised, it may be assumed that there is significant influence.

The net asset value is calculated in accordance with the accounting principles that apply for these financial statements; with regard to participations in which insufficient data is available for adopting these principles, the valuation principles of the respective participation are applied.

If the valuation of a participation based on the net asset value is negative, it will be stated at nil. If and insofar as Van Aalst Group B.V. can be held fully or partially liable for the debts of the participation, or has the firm intention of enabling the participation to settle its debts, a provision is recognised for this.

Newly acquired participations are initially recognised on the basis of the fair value of their identifiable

## **Van Aalst Group B.V.**

assets and liabilities at the acquisition date. For subsequent valuations, the principles that apply for these financial statements are used, with the values upon their initial recognition as the basis.

In the event of an impairment loss, valuation takes place at the recoverable amount; an impairment is recognised and charged to the corporate profit and loss account.

Receivables recognised under financial fixed assets are initially valued at the fair value less transaction costs. These receivables are subsequently valued at amortised cost price, which is, in general, equal to the nominal value. For determining the value, any depreciation is taken into account.

Deferred tax assets are recognised for all deductible temporary differences between the value of the assets and liabilities under tax regulations on the one hand and the accounting policies used in these financial statements on the other, on the understanding that deferred tax assets are only recognised insofar as it is probable that future taxable profits will be available to offset the temporary differences and available tax losses.

The calculation of the deferred tax assets is based on the tax rates prevailing at the end of the reporting year or the rates applicable in future years, to the extent that they have already been enacted by law.

Deferred tax assets are valued at their nominal value.

### **Receivables**

Receivables are initially valued at the fair value of the consideration provided. Receivables are subsequently valued at the amortised cost price. If there is no premium or discount and there are no transaction costs, the amortised cost price equals the nominal value of the accounts receivable. 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. Provisions for bad debts are deducted from the carrying amount of the receivable.

### **Cash and cash equivalents**

Cash at banks and in hand represent cash in hand, bank balances and deposits with terms of less than twelve months. Overdrafts at banks are recognised as part of debts to lending institutions under current liabilities. Cash at banks and in hand is valued at nominal value.

### **Non-current liabilities**

On initial recognition long-term debts are recognised at fair value. Transaction costs which can be directly attributed to the acquisition of the long-term debts are included in the initial recognition. After initial recognition long-term debts are recognised at the amortised cost price, being the amount received taking into account premiums or discounts and minus transaction costs. If there is no premium or discount or if there are no transaction costs, the amortised cost price is the same as the nominal value of the debt.

The difference between stated book value and the mature redemption value is accounted for as interest cost in the corporate profit and loss account on the basis of the effective interest rate during the estimated term of the long-term debts.

## **Van Aalst Group B.V.**

### **Current liabilities**

On initial recognition current liabilities are recognised at fair value. After initial recognition current liabilities are recognised at the amortised cost price, being the amount received taking into account premiums or discounts and minus transaction costs. This is usually the nominal value.

### **Accounting principles for determining the result**

The result is the difference between the realisable value of the goods/services provided and the costs and other charges during the year. The results on transactions are recognised in the year in which they are realised.

### **Amortisation of intangible assets**

Intangible fixed assets, including goodwill are amortised from the date of initial use over the expected future economic life of the asset, while taking into account any applicable restrictions with respect to capitalised goodwill.

Future amortisation is adjusted if there is a change in estimated future useful life.

### **Depreciation of property, plant and equipment**

Tangible fixed assets are depreciated from the date of initial use over the expected future economic life of the asset.

Future depreciation is adjusted if there is a change in estimated future useful life.

Gains and losses from the occasional sale of property, plant or equipment are included in depreciation.

### **Other operating expenses**

Costs are determined on a historical basis and are attributed to the reporting year to which they relate.

### **Financial income and expenses**

Interest income and expenses are recognised on a pro rata basis, taking account of the effective interest rate of the assets and liabilities to which they relate. In accounting for interest expenses, the recognised transaction expenses for loans received are taken into consideration.

Exchange differences that arise from the settlement or translation of monetary items are recorded in the profit and loss account in the period in which they occur, unless hedge-accounting is applied.

### **Income tax expense**

Tax on the result is calculated based on the result before tax in the corporate profit and loss account, taking account of the losses available for set-off from previous financial years and exempt profit components and after the addition of non-deductible costs. Due account is also taken of changes which occur in the deferred tax assets and deferred tax liabilities in respect of changes in the applicable tax rate.

In the financial statements of group companies a tax charge is calculated on the basis of the accounting result. The corporate income tax that is due by these group companies is charged into the current accounts with Van Aalst Group B.V.

#### 4.4 Notes to the company balance sheet

*Fixed assets*

**Intangible assets**

	Concessions and licenses	Goodwill ac- quired from third party	Total
	€	€	€
Balance as at 1 January 2019			
Cost or manufacturing price	75.000	340.149	415.149
Accumulated amortization	<u>-30.000</u>	<u>-115.902</u>	<u>-145.902</u>
Book value as at 1 January 2019	<u>45.000</u>	<u>224.247</u>	<u>269.247</u>
<i>Movements</i>			
Additions	-	468.344	468.344
Amortisations	<u>-15.000</u>	<u>-137.701</u>	<u>-152.701</u>
Balance movements	<u>-15.000</u>	<u>330.643</u>	<u>315.643</u>
Balance as at 31 December 2019			
Cost or manufacturing price	75.000	808.493	883.493
Accumulated amortization	<u>-45.000</u>	<u>-253.603</u>	<u>-298.603</u>
Book value as at 31 December 2019	<u>30.000</u>	<u>554.890</u>	<u>584.890</u>
Amortisation percentages	<u>20%</u>	<u>20%</u>	



## Van Aalst Group B.V.

### Property, plant and equipment

	Other fixed assets
	<u>€</u>
Balance as at 1 January 2019	
Cost or manufacturing price	<u>245.933</u>
Book value as at 1 January 2019	<u><u>245.933</u></u>
<i>Movements</i>	
Balance movements	<u><u>-</u></u>
Balance as at 31 December 2019	
Cost or manufacturing price	<u>245.933</u>
Book value as at 31 December 2019	<u><u>245.933</u></u>

### Financial assets

#### *List of participations*

	Share in issued capital in %
Cargomaxx B.V., Dordrecht	100,00
Cargomaxx Drilling B.V., Dordrecht	96,11
Van Aalst Marine & Offshore B.V., Dordrecht	100,00
Safeway B.V., Dordrecht	97,50
Techano Group AS, Norway	50,01
Mulder Europe B.V., Dordrecht	100,00

## Van Aalst Group B.V.

	<u>31-12-2019</u>	<u>31-12-2018</u>
	€	€
<i>Participations in group companies</i>		
Cargomaxx B.V.	342.054	344.054
Cargomaxx Drilling B.V.	-182.096	-164.252
Van Aalst Marine & Offshore B.V.	2.845.305	3.910.965
Safeway B.V.	-687.674	-1.558.248
Techano Group AS	358.010	-
Mulder Europe B.V.	-249.371	66.657
	<u>2.426.228</u>	<u>2.599.176</u>
	<u>2019</u>	<u>2018</u>
	€	€
<i>Deferred tax asset</i>		
Balance as at 1 January	553.940	373.661
Increasing	68.606	180.279
Balance as at 31 December	<u>622.546</u>	<u>553.940</u>
	<u>31-12-2019</u>	<u>31-12-2018</u>
	€	€
<i>Other amounts receivable</i>		
Mulder Europe B.V., subordinated loan	124.393	115.714
Mulder Europe B.V., loan	100.000	-
	<u>224.393</u>	<u>115.714</u>
	<u>2019</u>	<u>2018</u>
	€	€
<u>Mulder Europe B.V., subordinated loan</u>		
Book value as at 1 January	115.714	-
Additions in financial year	8.679	115.714
Book value as at 31 December	<u>124.393</u>	<u>115.714</u>
<u>Mulder Europe B.V., loan</u>		
Book value as at 1 January	-	-
Additions in financial year	100.000	-
Book value as at 31 December	<u>100.000</u>	<u>-</u>

## Van Aalst Group B.V.

### *Current assets*

	<u>31-12-2019</u>	<u>31-12-2018</u>
	€	€
<i>Receivables from group companies</i>		
Safeway B.V., current account	12.854.530	6.573.580
Cargomaxx B.V., current account	165.755	55.065
Cargomaxx Drilling B.V., current account	471.127	481.779
Techano Group AS, current account	<u>146.440</u>	<u>74.274</u>
	<u>13.637.852</u>	<u>7.184.698</u>
<p>On the current account 2% interest is allocated. No repayment obligation has been agreed upon.</p>		
<i>Taxes and social security contributions</i>		
Value added tax	801.231	755.433
Company tax	<u>101.599</u>	<u>3.008</u>
	<u>902.830</u>	<u>758.441</u>
<i>Current account shareholders</i>		
G.A.W. van Aalst, current account	<u>-</u>	<u>38.834</u>
<i>Other receivables</i>		
Van Aalst Foundation	<u>857</u>	<u>857</u>
<i>Accrued income and prepaid expenses</i>		
Accrued income	-	504.993
Prepaid expenses	<u>-</u>	<u>1.240</u>
	<u>-</u>	<u>506.233</u>
<b>Cash and cash equivalents</b>		
ABN-AMRO bank, current account (EUR)	437.367	646.586
ABN-AMRO bank, current account (USD)	<u>129.023</u>	<u>-95.360</u>
	<u>566.390</u>	<u>551.226</u>

## Van Aalst Group B.V.

### Equity

#### Issued share capital

Issued and fully paid up:

- 18.000 shares A of € 1

- 9.272 shares B of € 1

	2019	2018
	€	€
<i>Share premium reserve</i>		
Balance as at 1 January	7.727.479	7.727.479
Movements	-	-
Balance as at 31 December	<u>7.727.479</u>	<u>7.727.479</u>

	31-12-2019	31-12-2018
	€	€
<i>Legal and statutory reserves</i>		
Legal reserve participating interests	4.466.279	2.834.049
Other legal reserves	<u>148</u>	<u>148</u>
	<u>4.466.427</u>	<u>2.834.197</u>

	2019	2018
	€	€
<u>Legal reserve participating interests</u>		
Balance as at 1 January	2.834.049	2.862.877
Movement in financial year	<u>1.632.230</u>	<u>-28.828</u>
Balance as at 31 December	<u>4.466.279</u>	<u>2.834.049</u>

This legal reserve relates to capitalized development costs at several group companies.

#### Other legal reserves

Balance as at 1 January	148	-
Addition in financial year	<u>-</u>	<u>-286</u>
	148	-286
Currency translation differences	<u>-</u>	<u>434</u>
Balance as at 31 December	<u>148</u>	<u>148</u>

**Van Aalst Group B.V.**

	<u>2019</u>	<u>2018</u>
	€	€
<i>General reserve</i>		
Balance as at 1 January	298.677	554.101
Appropriation of result	1.312.010	-284.252
Movement of legal reserve	<u>-1.632.230</u>	<u>28.828</u>
Balance as at 31 December	<u><u>-21.543</u></u>	<u><u>298.677</u></u>

***Long-term liabilities***

	<u>31-12-2019</u>	<u>31-12-2018</u>
	€	€
<i>Bond loans</i>		
Bond loan, NPEX	<u>4.999.000</u>	<u>-</u>

	<u>2019</u>	<u>2018</u>
	€	€
<u>Bond loan, NPEX</u>		
Balance as at 1 January	-	-
Increase	<u>4.999.000</u>	<u>-</u>
Balance as at 31 December	<u><u>4.999.000</u></u>	<u><u>-</u></u>
Interest percentage	7,5%	
Term	19-12-2024	

***Short-term liabilities***

	<u>31-12-2019</u>	<u>31-12-2018</u>
	€	€
<i>Liabilities to group companies</i>		
Van Aalst Marine & Offshore B.V., current account	<u>1.762.995</u>	<u>1.788.153</u>

On the current accounts 2% interest is allocated.  
No repayment obligation has been agreed upon.

***Liabilities to participants***

Welkom Beheer B.V., current account	<u>-</u>	<u>100.008</u>
-------------------------------------	----------	----------------

***Accruals and deferred income***

Miscellaneous	<u>23.635</u>	<u>-</u>
---------------	---------------	----------

**Van Aalst Group B.V.**

## **Off-balance-sheet rights, obligations and arrangements**

### ***Disclosure of contingent liabilities on behalf of group companies***

Van Aalst Group B.V. and its Dutch subsidiaries have a joint credit agreement with ABN AMRO Bank that consists of a current account facility for € 1.800.000 and a bank guarantee facility for € 2.500.000.

For these facilities the following collateral has been granted:

- Possessory pledge of stocks and inventories;
- Silent pledge of accounts receivable.

### ***The off-balance sheet liabilities relating to the fiscal unity***

In connection with the existence of a fiscal unity for corporate income tax as well as value added tax, the company is severally liable for the corporate income tax and value added tax liabilities of the fiscal unity in The Netherlands.

## **Appropriation of appropriation of result**

The management of the company proposes to appropriate the result as follows:

The profit for the year 2019 in the amount of € 1.312.010 will be added to the general reserves.

This proposal needs to be determined by the General Meeting, but has already been processed in anticipation in the annual accounts 2019 of the company.

Van Aalst Group B.V.

## **4.5 Notes to the corporate profit and loss account**

### ***Wages and salaries***

#### **Remuneration of directors**

As permitted by article 2:383 of the Dutch Civil Code, the remuneration of directors is not disclosed, because it relates to a single person.

#### ***Average number of employees***

The company did not employ any staff in 2019, as in the previous year.

Dordrecht, 10 August 2020

Van Aalst Group B.V.

Welkom Beheer B.V.

Represented by:

G.A.W. van Aalst

Director

## 5 Independent auditors' report

### ***A. Report on the audit of the financial statements 2019***

#### ***Our opinion***

We have audited the financial statements 2019 of Van Aalst Group B.V., based in Dordrecht.

In our opinion the accompanying financial statements give a true and fair view of the financial position of Van Aalst Group B.V. as at 31 December 2019, and of its result for 2019 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 2019;
2. the consolidated and company profit and loss account for 2019; 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 Van Aalst Group B.V. in accordance with the Wet toezicht accountantsorganisaties (Wta, Audit firms supervision act), 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.



## **Van Aalst Group B.V.**

### ***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 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 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 the board for the financial statements***

The board 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, the board is responsible for such internal control as the board determines is necessary to enable the preparation of the financial statements that are free from material misstatements, whether due to fraud or error.

As part of the preparation of the financial statements, the board is responsible for assessing the company's ability to continue as a going concern. Based on the financial reporting framework mentioned, the board should prepare the financial statements using the going concern basis of accounting unless the board 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.

## **Van Aalst Group B.V.**

### ***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 this financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

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

- Identifying and assessing the risks of material misstatements 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 misstatements 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 the board;
- Concluding on the appropriateness of the board'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 represents the underlying transactions and events free from material misstatements.

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

**Van Aalst Group B.V.**

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 board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant findings in internal control that we identify during our audit.

Dordrecht, 10 August 2020

Verstegen accountants en adviseurs B.V.

Drs. E.D. van den Berg RA