

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

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To all stakeholders of
Van Aalst Group B.V.
Baanhoekweg 16
3313 LA DORDRECHT

Dordrecht, 10 August 2020

Dear Sir/Madam

1.1 Message from the CEO

For the Van Aalst Group we can report that 2019 has been a very successful year in many aspects. From the transition year 2018 we managed to implement our new vision and strategy from 2017 with big success due to fantastic team efforts. We managed to succeed in making the turnaround from our Group's first ever loss making year 2018 into sound profits in 2019. The revenues have been increased in excess of 50% in combination with a good operating result. We increased our Safeway rental fleet with 150% which will ensure sound income for many years to come. The Safeway rental business, the Cement Carrier business and our Norwegian subsidiary Techano were all adding significantly to these positive results.

Challenges arisen due to Netherlands PFAS and Stikstof (nitrogen) rules prohibiting and halting construction works affected truck mixer producing company Mulder. Further the offshore Oil & Gas market remained challenging throughout the year resulting into weak order intake in this sector for VAMO and CargoMaxx companies. Focus will be on further streamlining the organization in 2020 with regards to these activities. Challenges are further ahead on poor visibility on 2020 with regards to effects of Brexit and trade disputes between USA and P.R. China.

Highlights of 2019:

- Cement carriers for CSL discharged at fastest ever speeds of up to 1.200 ton per hour which is unprecedented in the market of cement carriers.
- The performance of the Safeway Seagull type remains to positively surprise our customers. This resulted into the award of a 'Certificate of 10.000 safe transfers on the technically challenging project for Shell Nigeria.
- Establishing a foothold of Safeway in Asia by locking in new contract. Safeway is destined to remain here and expand in this important strategic geographic area for more jobs in the region.
- Safeway managed to secure a highly prestigious contract in Australia with the vessel owner MMA, resulting in a first of its kind W2W (Walk to work) operations in Australia according to the client Woodside. Operating at heights of 30 meters above the water, whilst maintaining workability and shaving off 30% of anticipated time needed, proved the outstanding performance of Safeway gangways in the market.

- Achieved ISO certification 45001 (Health & Safety) together with ISO 14001 (Environment) now together with our already existing ISO 9001 (Quality)
- Construction progress of custom-made load handling equipment on world's largest offshore fish farm project, the Havfarm1, under construction in the Yantai yard, P.R. China for operations in Lofoten in Northern Norway.
- Two (2) important contracts received for custom built Safeway gangway of Osprey type for a permanent installation on windfarm installation vessels.
- NPEX bond listing successfully concluded, which was oversubscribed, securing sound financial profile and liquidity position year end 2019.

G.A.W. van Aalst

1.2 Consolidated result

In 2019 Van Aalst Group B.V. acquired the remaining 50% of the shares in Mulder Europe B.V. As a result the financial data of Mulder Europe B.V. has been included in the group consolidation as of 1 January 2019, positively effecting net-turnover for approximately € 3,6 million. The effect on the net result was approximately € 156.000 negative.

Analysis of the consolidated result

	2019		2018	
	€	%	€	%
Net turnover	17.157.144	84,4	13.050.432	100,0
Changes in construction contracts	3.176.779	15,6	-	-
Total revenues	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
Gross margin	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 operating expenses	3.059.904	15,1	1.856.175	14,2
Sum of expenses	6.946.904	34,2	4.104.742	31,4
Operating result	2.380.440	11,7	-424.813	-3,3
Financial income and expense	-646.370	-3,2	-215.288	-1,6
Result from normal activities before tax	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
Result after tax for the group	1.764.674	8,7	-405.750	-3,1
Minority interest	-452.664	-2,2	121.498	0,9
Result after tax for the company	1.312.010	6,5	-284.252	-2,2

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

1.3 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.

Financial structure

	31-12-2019		31-12-2018	
	€	%	€	%
Assets				
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>
Liabilities				
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>
Capital base				
			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

General

Van Aalst Group B.V. ("Group") is a holding company with a number of subsidiaries in The Netherlands and Norway. These group companies have various activities in the oil & gas industry, construction industry and in the renewables market. With various companies the Group services shipyards and shipping companies all over the world in the field of bulk handling equipment and W2W solutions.

The staff in Dordrecht is organized in a structural way, identifying project management, engineering, planning, assembly, and operations and the traditional staff functions like purchasing, finance and control, HR. The staff works for all the relevant subsidiaries.

The main focus for the Board in 2019 was related to the Safeway organization. Within this legal entity, the group is establishing a rental fleet of motion compensated gangway systems, which differs (organization wise) from the structure of the other group companies. Within Safeway B.V. the organization shifts from a project related organization to a rental company, with a specialized assembly crew. During 2019 we have further developed the Safeway organization. Major steps were taken to further improve the Safeway Operations department. We invested and completed the Safeway Academy to train operators, using technologies like Virtual-Reality and using independent auditors for examination and certification.

A milestone for our young team and the objective proof that we are on track is the successful certification by Bureau Veritas for ISO 14001 and ISO 45001, both highly valued quality certificates. It is clear that realizing this certification took a lot of effort of management and staff but it is very helpful, both for the organization as for prospective clients.

And finally, organization wise, the maintenance program of the various Safeway gangways has been intensified, where as a consequence each individual Safeway has its own fundamental maintenance program.

During 2019 we have succeeded in delivering three Safeways for Rental (#3, #4 and #5). Furthermore, we closed two contracts for end users for the building of a new type of gangway, which goes under the name of 'Osprey'. These Osprey-types are not intended for the Rental-market, but used as mission equipment for their owners. Their expected delivery will be around the end of 2020. This accomplishment leads us to penetrate further into the market of offshore wind energy. This market is very promising and suitable for the use of our various types of gangways.

Expanding our fleet of rental gangways (Seagulls) and the new Osprey-type meant a further use of capital during 2019. To succeed in further extending the building program, we targeted to obtain further financing, using a mix of leasing contracts and subordinated loans. We successfully launched a listed bond issuance using the NPEX Exchange. With these additional funds we have tried to get a stronger foothold in the dynamic market of W2W.

Net turnover of rental revenues increased significantly to nearly EUR 6 million. Occupancy rate of all Safeway Rental units totals 79%, which is significantly higher than the budgeted 60%. Safeway #1 exceeded far above expectations during its assignment in the Australian oil fields of Woodside, Pluto

and North Rankin. Our client Woodside awarded us with a beautiful movie of our Safeway as part of their commercial campaign.

Safeway #2 performed the whole year on the Bonga oil field, which is near the Nigerian coast line. This project, with Royal Dutch Shell as the end-customer – has been a very important step in the further recognition of Safeway as a reliable business partner for gangway rental market. The gangway was operating in the technical challenging environment connecting a WTW vessel to a moving Floating Production Storage and Offloading vessel (“FPSO”).

During 2019 our subsidiary Techano AS outperformed her forecast and presented very positive results. The delivery of the Havfarm1 project, which is the biggest Fish Farm in the world, influenced these results substantially and proved the success of this acquisition. Furthermore, Techano AS further capitalized on this success with new contracts being awarded in the market of slipways. Slipways are flexible systems for safe and easy access for fast crew boats and lifeboats. The outlook for Techano AS for 2020 looks very promising. In 2020 we have the goal to further integrate Techano into our Group, and we try to further intensify the cross-selling possibilities in the various markets in which we operate.

From the 2nd of January 2019, Mulder Europe B.V. has been fully incorporated into the Van Aalst Group. During the year several steps have been taken to integrate Mulder Europe on operational level and administrative level into the Group. Cross-selling opportunities were found and will be exploited during 2020. However, revenues of Mulder Europe B.V. have declined because of uncertainty surrounding PFAS and Nitrogen leading to a lower demand for concrete mixers. As a result, Mulder Europe B.V. needs to adjust to its changing environment. Various options have been explored to further extend its offtake markets.

Unfortunately, market circumstances in the oil & gas are still challenging. We have seen very small signs of recovery, but unfortunately these signs did not result in new orders yet for the traditional cargo handling equipment. Adjustments in the organization are planned and will be executed.

The demand for cement carriers continues to be very promising, however investment trends are shifting negatively because of poor visibility on effects on Brexit and trade disputes between USA and P.R. China.

Intensified focus on lowering cost in both renewables and oil & gas, in which W2W solutions play an important role, translates in a very positive and promising outlook for both of these markets. We have grown our fleet to five units and will continue with construction of numbers six, seven and eight during 2020. All further project management focus will be related to completing the two aforementioned Osprey units.

Corona: a changing world

Due to the coronavirus outbreak and the corona crisis that has arisen, the results of VAG for early 2020 have decreased in comparison to the projections. This decrease in results became visible during April 2020. The corona crisis is expected to further negatively affect the result of our Group for the rest of 2020. When drawing up the annual accounts, the full impact of the coronavirus outbreak is not yet clear. This will depend in part on how the coronavirus outbreak can be managed. Due to the great uncertainty, it is difficult to map the different scenarios. The coronavirus outbreak is expected to have significant

economic implications in a number of markets in which we operate. We do everything we can to organize the availability and distribution of products in the best possible way. We follow RIVM guidelines for our employees. In addition, if necessary, we will use the subsidies/tax reductions and other offers of the government. We continuously assess the liquidity position, partly in relation to the covenants set in the loan agreements. We estimate that we will be able to fully meet our financing needs in the coming period.

Sustainability strategy

The last few years we have developed a sustainability strategy in order to accelerate our actions across the topics most material to our business. This strategy has been formulated by our top management to ensure the ambition and action is closely aligned with our business strategy. As we move forward in our sustainability journey, we will continue to prioritize these ambitions and actions throughout our business, with clients, suppliers and involving our employees.

Our sustainability strategy is structured around three basic elements: shared value focus areas, sustainability focus areas and responsible business areas.

The shared value focus areas recognize Van Aalst's capability to create economic value while addressing societal needs and challenges. Our motion compensated gangway systems are playing a key role to advance the energy transition. By investing in innovative solutions, we advance our societal contribution to these shared value focus areas while at the same time strengthening our business.

The second element comprises two sustainable focus areas: climate change and safety. In these two areas we want to invest, innovate and collaborate to develop and apply new technologies and approaches that can help minimize the negative and enhance the positive impact of our business. The final element and foundation of our strategy, like mentioned in our mission statement, is to keep managing our business and projects in a profitable and responsible manner.

Performance and operational results

As mentioned earlier, the main focus of our management has been to build an organization for the rental activities of Safeway and executing the Road Map as presented in 2017. We are proud to mention that we made significant steps forward in creating a robust organization, ready to execute the planning we made and the strategy we presented to our shareholders.

Financially we report a revenue of EUR 20,3 mln, which is an increase of more than 50% in comparison to 2018, caused mainly by the significant increase in revenues of the Safeway Rental, the increase in the results of our subsidiary Techano AS and the acquiring of the remaining 50% of Mulder Europe B.V. resulting in the consolidation of its revenues as of the financial year 2019.

Costs of sales increased to EUR 11,0 mln from EUR 9,3 mln in 2018. The gross margin effectively increased from EUR 3,68 mln to EUR 9,3 mln (+153%). This increase is mainly due to higher attribution of the margin generated by the Safeway Rental business.

The presented gross margin of EUR 9,3 mln was enough to cover the operational costs, resulting in a positive operating result of more than EUR 2,4 million and a EBITDA of nearly EUR 3,9 million.

The total sum of expenses changed from 4,1 mln to 6,9 (+69,2%). This is mainly attributable to the following:

- Wages and salaries increased in line with the growth of the organization.
- Social security charges increased due to lower levels of fiscal grants which were available for our initial innovations for the Safeway gangways.
- Pension contributions increased in line with higher number of employees.
- Amortization and depreciation costs doubled, mainly in line with the increase of the rental fleet being completed
- Housing expenses increased due to the use of an extra warehouse on our terrain. Energy costs nearly doubled due to the extensive building program of the Safeway gangways and using the premises ourselves.
- Selling expenses more than doubled during 2019. We have visited more trade fairs, made more travelling costs and wrote-off doubtful debtors for 134k

Financial expenses increased among other due to incidental emission costs of approximately 200K for entering the NPEX bond exchange.

Financial position

As mentioned earlier, VAG was able to attract extra capital using ABN AMRO and NPEX. Solvency equaled a healthy 37% as of year-end 2019. The financial position of the group remains robust.

Intangible fixed assets

Total intangible fixed assets increased in line with the capitalization of development costs related to Safeway Seagulls and Ospreys. Furthermore, goodwill increased due to acquiring Mulder Europe for 100%.

Tangible fixed assets

Total tangible fixed assets have increased in line with the continuing building program of the Safeway Rental Fleet. All other sections remained stable throughout 2019.

Working capital

Although there was a significant increase in trade receivables, the total change in (net) working capital was minimized.

Investments/capital expenditure

Like in previous years the Group invested substantially in Research & Development ("R&D") and the rental fleet. In 2019 the Group invested nearly EUR 9 mln in the newbuilding program of the Safeway fleet. Furthermore, it invested EUR 1,9 mln in R&D.

Cash flow and financing

The investments resulted in a cash outflow of EUR 11,3 mln. The investments were mainly financed by a combination of cash from operations, financial leases and emission of the subordinated NPEX bond. Based on our current expectations and commitments the Group is able to meet their obligations to suppliers and external stake holders. We continue to evaluate various strategies and opportunities to further finance our growth.

Outlook

Management expects that the market circumstances for the oil & gas market remain unchanged. We see moderate improvements of activities and some previously delayed and cancelled orders being restarted. For that reason, the focus remains on cement carriers and the W2W markets. In these markets management sees ample possibilities for both revenues and gain of market share.

Summary

Management looks back on a successful 2019. The changes in the organization, initiated in 2018 and further implemented in 2019, resulted in gaining market share in new and existing markets leading to a successful turnaround of the results. We succeeded in increasing rental revenue contribution substantially, enabling us to invest in a further expansion of the fleet and developing a new type of gangway, the Osprey. This led to 2 orders to two different global players in the offshore wind market. Fish-farm and slipway markets remain interesting new offtake markets.

The short-term market outlook is challenging. The oil & gas market is in turmoil and oil prices are extremely volatile. The Covid-19 pandemic makes investors and vessel owners hesitant to invest, resulting in a delay in order intake at this moment. These circumstances force management to be cautious.

2020 will be a challenging year with opportunities and we remain confident about our product portfolio and the long-term market outlook. Our strategy of diversification and a technologically advanced product portfolio, together with a strict costs management, gives us confidence that we are going to be able to face the challenges.

Dordrecht, 10 August 2020

on behalf of the Executive Board:

G.A.W. van Aalst

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	
	€	€	€	€
ASSETS				
Fixed assets				
<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
Current assets				
<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
Total assets		32.781.633		20.007.549

Van Aalst Group B.V.

	<u>31-12-2019</u>		<u>31-12-2018</u>	
	€	€	€	€
LIABILITIES				
Group equity				
Equity	12.199.635		10.886.490	
Minority interest	<u>394.115</u>		<u>-123.004</u>	
		12.593.750		10.763.486
Provisions				
Deferred tax liabilities	953.401		710.718	
Other provisions	<u>84.250</u>		<u>84.250</u>	
		1.037.651		794.968
Long-term liabilities				
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	<u>182.611</u>		<u>201.311</u>	
		9.701.234		1.601.614
Short-term liabilities				
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	<u>1.830.975</u>		<u>2.845.791</u>	
		9.448.998		6.847.481
Total liabilities		<u><u>32.781.633</u></u>		<u><u>20.007.549</u></u>

Van Aalst Group B.V.

3.2 Consolidated profit and loss account for the year 2019

	2019		2018	
	€	€	€	€
Net turnover	17.157.144		13.050.432	
Changes in construction contracts	3.176.779		-	
Total revenues	20.333.923		13.050.432	
Cost of sales and projects	-10.328.822		-9.350.774	
Cost of work contracted out	-677.757		-19.729	
Gross margin		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 equip- ment	953.879		478.603	
Other operating expenses	3.059.904		1.856.175	
Sum of expenses		6.946.904		4.104.742
Operating result		2.380.440		-424.813
Financial income and expense		-646.370		-215.288
Result from normal activities before tax		1.734.070		-640.101
Income tax expense		30.604		195.068
		1.764.674		-445.033
Result from participations		-		39.283
Result after tax for the group		1.764.674		-405.750
Minority interest		-452.664		121.498
Result after tax for the company		1.312.010		-284.252

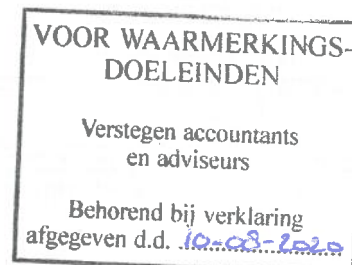
Van Aalst Group B.V.

VOOR WAARMERKINGS-
DOELEINDEN
Verstegen accountants
en adviseurs
Behorend bij verklaring
afgegeven d.d. 10-03-2020

3.3 Consolidated cash flow statement for the year 2019

	2019		2018	
	€	€	€	€
Total of cash flows from (used in) operating activities				
Operating result		2.380.440		-424.813
<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
Total of cash flows from (used in) operations		4.107.150		627.772
Dividend from participations	-		53.800	
Interest paid	-646.370		-215.288	
Income tax received	5.720		3.008	
		-640.650		-158.480
Total of cash flows from (used in) operating activities (transport)		3.466.500		469.292

Van Aalst Group B.V.



3.3 Consolidated cash flow statement for the year 2019

	2019		2018	
	€	€	€	€
Carry forward		3.466.500		469.292
Total of cash flows from (used in) investment activities				
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	
Total of cash flows from (used in) investment activities		-11.265.468		-5.393.502
Total of cash flows from (used in) financing activities				
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		-	
Total of cash flows from (used in) financing activities		9.062.550		303.124
Total of increase (decrease) in cash and cash equivalents		<u>1.263.582</u>		<u>-4.621.086</u>
Movement in cash and cash equivalents				
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>2.181.898</u>		<u>918.316</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 9000m² with 3000m² 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.

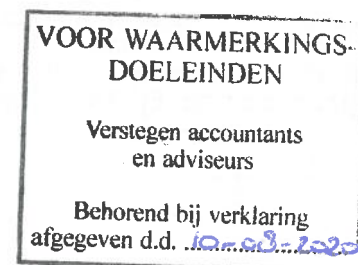
Applied policy of pension costs

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.

Van Aalst Group B.V.

3.5 Notes to the consolidated balance sheet

Fixed assets

Intangible assets

	Development costs	Concessions and licenses	Goodwill ac- quired 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	-394.884	-30.000	-115.902	-540.786
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	-397.147	-15.000	-137.701	-549.848
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	-732.155	-45.000	-253.603	-1.030.758
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>	

VOOR WAARMERKINGS-
DOELEINDEN

Verstegen accountants
en adviseurs

Behorend bij verklaring
afgegeven d.d. 10-08-2020

Van Aalst Group B.V.

Property, plant and equipment

	Land and build- dings	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>
Movements					
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

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

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

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

Current assets

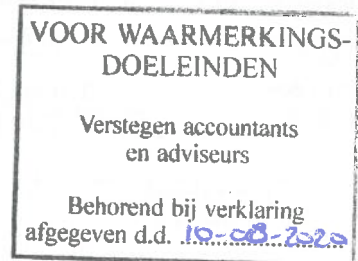
Inventories and work in progress		
Raw materials and consumables	1.338.195	596.806
Work in progress	81.585	-
Prepayments on stock	-	713.979
	1.419.780	1.310.785

Receivables

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

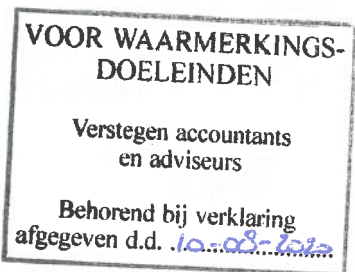
Taxes and social security contributions

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	-
	902.086	791.179



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>
<i>Cash and cash equivalents</i>		
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>
	€	€
Minority interest		
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	<u>419.117</u>	<u>-76.401</u>
	<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	<u>242.683</u>	<u>-11.781</u>
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	<u>24.250</u>	<u>14.250</u>
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	<u>-10.000</u>	<u>-125.000</u>
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
Total	10.714.288	1.013.054	9.701.234	1.115.714	

	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

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

Leasehold obligations

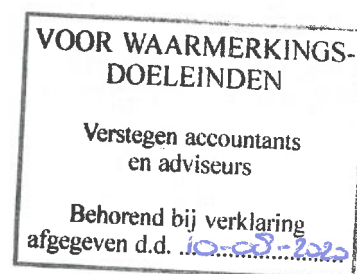
	Lease liability SG 23.0.-01	Lease liability SG 23.0.-02	Total
	€	€	€
Increase	2.500.000	2.500.000	5.000.000
Redemption	-359.991	-285.485	-645.476
Balance movements	2.140.009	2.214.515	4.354.524
Balance as at 31 December 2019			
Principal amount	2.500.000	2.500.000	5.000.000
Cumulative repayment	-359.991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

	2019	2018
	€	€
<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	62.439	58.442
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>182.611</u>	<u>201.311</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>182.611</u>	<u>-</u>
Interest percentage	4,7%	
Term	4,1 yrs	
<i>Short-term liabilities</i>		
	<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>1.013.054</u>	<u>129.296</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>1.013.054</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.

Van Aalst Group B.V.

3.6 Notes to the consolidated profit and loss account

	2019	2018
	€	€
Net turnover		
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>
Cost of sales and projects		
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>
Cost of work contracted out		
External services and subcontractors	<u>677.757</u>	<u>19.729</u>
Wages and salaries		
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
Average number of employees	35,00	10,00	45,00

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
Average number of employees	13,00	6,00	19,00

Social security charges

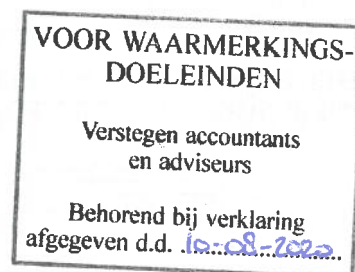
	2019 €	2018 €
Social security contributions	316.533	193.461
Wage tax refund (WBSO)	-199.132	-190.372
	117.401	3.089

Pension charges

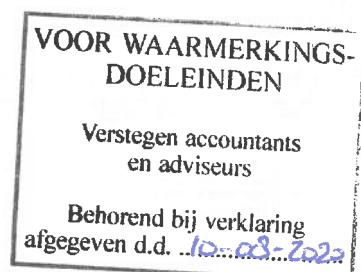
Pension scheme contributions	192.198	115.186
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Amortisation of intangible fixed assets

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

Van Aalst Group B.V.

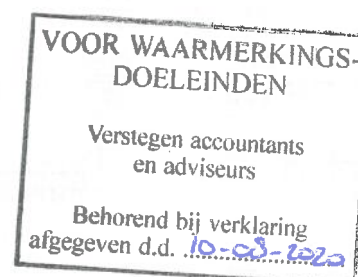
	<u>2019</u>	<u>2018</u>
	€	€
<i>Depreciation of property, plant and equipment</i>		
Buildings and land	9.921	5.980
Inventory	16.288	-
Vehicles	63.753	50.122
Other fixed assets	857.754	423.244
	<u>947.716</u>	<u>479.346</u>
Book profit vehicles	6.163	-743
	<u>953.879</u>	<u>478.603</u>
<i>Other operating expenses</i>		
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	918.666	778.701
	<u>3.059.904</u>	<u>1.856.175</u>
<i>Other expenses of employee benefits</i>		
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	30.747	15.330
	<u>459.751</u>	<u>316.413</u>

Van Aalst Group B.V.

	2019	2018
	€	€
<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	6.413	710
	<u>437.713</u>	<u>144.995</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	10.572	-
	<u>59.196</u>	<u>1.034</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	11.036	41.086
	<u>791.824</u>	<u>407.120</u>

Van Aalst Group B.V.

	2019	2018
	€	€
<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>		
Managementfee	380.000	300.000
Insurance	198.369	113.573
Audit costs and 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.

	2019	2018
	€	€
<i>Financial income and expense</i>		
Interest and similar expenses	-542.582	-264.533
Currency translation differences	-103.788	49.245
	<u>-646.370</u>	<u>-215.288</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	18.032	-
	<u>542.582</u>	<u>264.533</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	34.774	-
	<u>226.457</u>	<u>-</u>
<i>Result from participations</i>		
Mulder Europe B.V.	-	35.319
Van Aalst Houston LLC, liquidation	-	-6.504
Van Aalst Singapore Pte. Ltd., liquidation	-	10.468
	<u>-</u>	<u>39.283</u>
<i>Minority interest</i>		
Cargomaxx Drilling B.V.	722	610
Safeway B.V.	-22.322	6.720
Techano Group AS	-431.064	114.168
	<u>-452.664</u>	<u>121.498</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	
	€	€	€	€
ASSETS				
Fixed assets				
<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
Current assets				
<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
Total assets		19.211.919		12.824.299

Van Aalst Group B.V.

**VOOR WAARMERKINGS-
DOELEINDEN**

 Verstege accountants
en adviseurs

 Behorend bij verklaring
afgegeven d.d. 10-06-2020

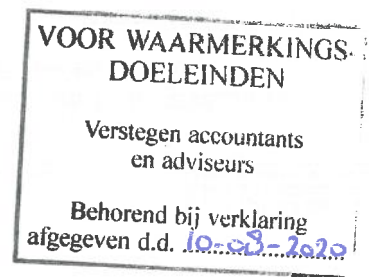
	31-12-2019		31-12-2018	
	€	€	€	€
LIABILITIES				
Equity				
Issued share capital	27.272		27.272	
Share premium reserve	7.727.479		7.727.479	
Legal and statutory reserves	4.466.427		2.834.197	
General reserve	-21.543		298.677	
		12.199.635		10.887.625
Long-term liabilities				
Bond loans		4.999.000		-
Short-term liabilities				
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
Total liabilities		19.211.919		12.824.299

VOOR WAARMERKINGS-
DOELEINDEN
Verstegen accountants
en adviseurs
Behorend bij verklaring
afgegeven d.d. 10-09-2020

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.

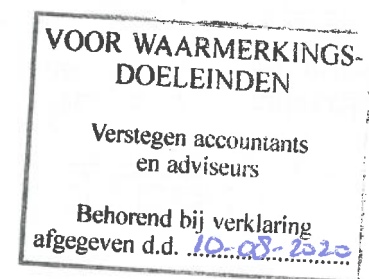
Cash and cash equivalents

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.

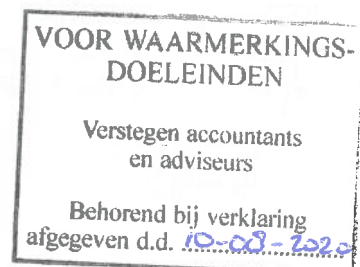
Exchange differences that arise from the settlement or translation of monetary items are recorded in the profit and loss account in the period in which they occur, unless hedge-accounting is applied.

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.

Van Aalst Group B.V.

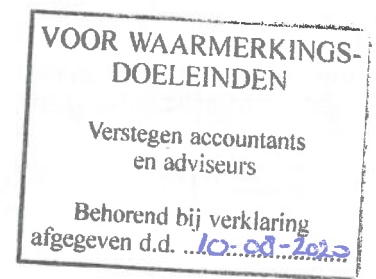


4.4 Notes to the company balance sheet

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	-30.000	-115.902	-145.902
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	-15.000	-137.701	-152.701
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	-45.000	-253.603	-298.603
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
	€
Balance as at 1 January 2019	
Cost or manufacturing price	<u>245.933</u>
Book value as at 1 January 2019	<u>245.933</u>
<i>Movements</i>	
Balance movements	<u>-</u>
Balance as at 31 December 2019	
Cost or manufacturing price	<u>245.933</u>
Book value as at 31 December 2019	<u>245.933</u>

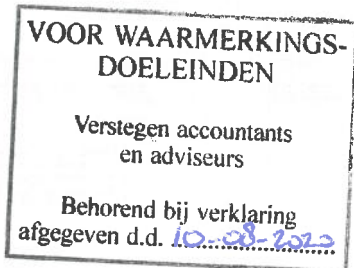
Financial assets

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.

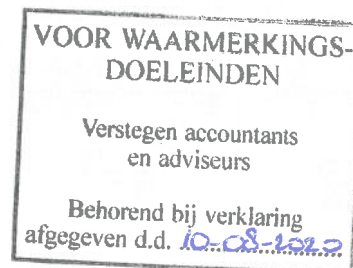
	<u>31-12-2019</u>	<u>31-12-2018</u>
	€	€
<i>Participations in group companies</i>		
Cargomaxx B.V.	342.054	344.054
Cargomaxx Drilling B.V.	-182.096	-164.252
Van Aalst Marine & Offshore B.V.	2.845.305	3.910.965
Safeway B.V.	-687.674	-1.558.248
Techano Group AS	358.010	-
Mulder Europe B.V.	-249.371	66.657
	<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	146.440	74.274
	<u>13.637.852</u>	<u>7.184.698</u>
On the current account 2% interest is allocated. No repayment obligation has been agreed upon.		
<i>Taxes and social security contributions</i>		
Value added tax	801.231	755.433
Company tax	101.599	3.008
	<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	-	1.240
	<u>-</u>	<u>506.233</u>
Cash and cash equivalents		
ABN-AMRO bank, current account (EUR)	437.367	646.586
ABN-AMRO bank, current account (USD)	129.023	-95.360
	<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

	<u>2019</u>	<u>2018</u>
	€	€
<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>

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

	<u>2019</u>	<u>2018</u>
	€	€
<u>Legal reserve participating interests</u>		
Balance as at 1 January	2.834.049	2.862.877
Movement in financial year	1.632.230	-28.828
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	-	-286
	<u>148</u>	<u>-286</u>
Currency translation differences	-	434
Balance as at 31 December	<u>148</u>	<u>148</u>

Van Aalst Group B.V.

	2019	2018
	€	€
<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	-1.632.230	28.828
Balance as at 31 December	<u>-21.543</u>	<u>298.677</u>

Long-term liabilities

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

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

Short-term liabilities

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

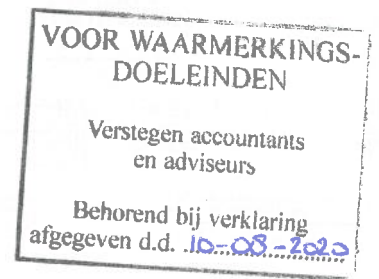
On the current accounts 2% interest is allocated.
No repayment obligation has been agreed upon.

Liabilities to participants

Welkom Beheer B.V., current account	<u>-</u>	<u>100.008</u>
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Accruals and deferred income

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



Van Aalst Group B.V.

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 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, August 10, 2020

Verstegen accountants en adviseurs B.V.

Signed by:

Drs. E.D. van den Berg RA