

Annual report
for the year 2020
Van Aalst Group B.V.

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

Dordrecht, 22 November 2021

Dear Sir/Madam,

1.1 Message from the CEO

Please find enclosed the annual report of Van Aalst Group B.V. concerning the fiscal year 2020.

Management looks back on a very challenging year, due to the worldwide pandemic situation regarding COVID 19. This pandemic had a serious effect on both the order intake and the operational costs, due to the travel ban that was the result of the Corona crisis, causing a substantial decline in both revenue and operational results.

With support of our shareholders we were able to successfully restructure the organization and the financing arrangements with our stakeholders.

Based on growing demand in the offshore wind markets and a rise in oil price and infra structural investments we feel confident that we are able to face the challenges ahead in the year to come.

Yours sincerely,

G.A.W. van Aalst

1.2 Consolidated results

Analysis of the consolidated results

	2020		2019	
	€	%	€	%
Net Turnover	13.553.840	94,9	16.498.298	83,9
Changes in construction contracts	730.545	5,1	3.176.779	16,1
Total revenues	14.284.385	100,0	19.675.077	100,0
Cost of sales and projects	-10.902.051	-76,3	-10.328.822	-52,5
Cost of work contracted out	-388.510	-2,7	-677.757	-3,4
Gross margin	2.993.824	21,0	8.668.498	44,1
Other operating income	143.587	1,0	658.846	3,3
	<u>3.137.411</u>	<u>22,0</u>	<u>9.327.344</u>	<u>47,4</u>
Wages and salaries	2.228.786	15,6	2.073.674	10,5
Social security charges	283.022	2,0	117.401	0,6
Pension charges	200.618	1,4	192.198	1,0
Amortisation of intangible fixed assets	695.415	4,9	549.848	2,8
Depreciation of property, plant and equipment	1.165.596	8,2	953.879	4,8
Other value changes intangible fixed assets	337.144	2,4	-	-
Other operating expenses	3.150.201	22,1	3.059.904	15,5
Total operating expenses	<u>8.060.782</u>	<u>56,6</u>	<u>6.946.904</u>	<u>35,2</u>
Operating result	-4.923.371	-34,6	2.380.440	12,2
Financial income and expense	-544.145	-3,8	-646.370	-3,3
Result from normal activities before tax	-5.467.516	-38,4	1.734.070	8,9
Income tax expense	823.955	5,8	30.604	0,2
	-4.643.561	-32,6	1.764.674	9,1
Result from participations	-14.114	-0,1	-	-
Result after tax for the group	-4.657.675	-32,7	1.764.674	9,1
Minority Interest	349.120	2,4	-452.664	-2,3
Result after tax for the company	<u>-4.308.555</u>	<u>-30,3</u>	<u>1.312.010</u>	<u>6,8</u>

EBITDA for the year 2020: € -2.725.216 (2019: € 3.884.167).

1.3 Financial position

In order to gain an understanding of the group financial position, we have included the following overviews, which are based on the data set out in the financial statements.

Financial structure

	31-12-2020		31-12-2019	
	€	%	€	%
Assets				
Intangible assets	5.139.644	16,6	5.051.318	15,4
Property, plant and equipment	19.506.938	62,9	16.989.002	51,9
Financial assets	1.491.074	4,8	709.722	2,2
Inventories and work in progress	1.036.848	3,3	1.419.780	4,3
Construction contracts	1.482.366	4,8	-	-
Receivables	2.330.969	7,6	6.420.608	19,6
Cash and cash equivalents	2.848	-	2.148.357	6,6
	<u>30.990.687</u>	<u>100,0</u>	<u>32.738.787</u>	<u>100,0</u>
Equity and liabilities				
Group equity	8.391.080	27,1	12.199.635	37,3
Minority interest	-29.981	-0,1	394.115	1,2
Provisions	813.177	2,6	1.037.651	3,2
Long-term liabilities	12.802.329	41,3	9.701.234	29,6
Short-term liabilities	9.014.082	29,1	9.406.152	28,7
	<u>30.990.687</u>	<u>100,0</u>	<u>32.738.787</u>	<u>100,0</u>
Capital base				
			31-12-2020	31-12-2019
			€	€
Group Equity			8.391.080	12.199.635
Minority interest			-29.981	394.115
Subordinated loans			2.615.714	1.115.714
Bond loans			4.999.000	4.999.000
Total			<u>15.975.813</u>	<u>18.708.464</u>

2. Executive Board's Report

General

Van Aalst Group B.V. is a holding company with various activities in the oil & gas industry, building industry and in the market of renewables. With various companies in The Netherlands and Norway the group services shipyards and shipping companies all over the world in the field of bulkhandling equipment, motion compensated cranes and W2W solutions. Both in Norway and The Netherlands the group companies work together in the field of offshore fishfarming.

In every aspect 2020 was a very challenging year. The worldwide pandemic COVID-19 virus made travelling almost impossible which has a huge impact on an international company as we are. Our orderintake and operational challenges were effected significantly and therefore our results showed a substantial decrease.

Management focus shifted to managing working capital, flexibility in organizational options and freezing investments in our fleet of gangways. Due to all the limitations in travelling the Executive Board decided to restructure the Group and decided to change the “modus operandi” in several ways.

On the positive side we delivered our first Osprey gangway to our client in China and added Seagull #6 to our rental fleet.

The reduction of order intake resulted in a lower occupancy rate in our rental fleet which caused challenges in our working capital and liquidity position. Together with our stakeholders we were successful in refinancing the Group so we were able to meet our obligations to bondholders and other stakeholders.

Net turnover of rental revenues decreased significantly to 2.5 million. Occupancy rate of all Safeway Rental units decreased to about 30% which is significantly lower than the budgeted 60%. This decrease is mainly related to the COVID 19 situation which makes international travelling impossible. Servicing existing contracts was often challenging due to the travel restrictions causing significant higher operational costs.

Mulder Europe B.V. has been fully incorporated into the Van Aalst Group from January 1st 2019 onwards. During the year the company suffered from the continuous challenges caused by PFAS and the Nitrogen crisis. Revenue fell with about 40% but our sales force was able to improve the gross margin.

Market circumstances in the oil & gas market are still challenging but with oil prices rising and investments in infra structure rising the outlook for Van Aalst Marine & Offshore B.V. looks promising, both in the market for bulkhandling as cement carrier business. Due to COVID 19 a lot of investment budgets were frozen but the sales funnel is slowly growing and the outlook looks promising.

The Techano subsidiary also suffered a loss in the 2020 financial year. This was caused by a project that was completed at the beginning of 2020. In addition, personnel costs are no longer capitalized, which also affected the result. However, Techano is in a good position to close some new deals for fish farms and the outlook looks promising.

Together with four professional and experienced Norwegian entrepreneurs we started Nortek Services AS in Kristiansand, Norway. This company is established to develop and sell control and monitoring systems for motion compensated cranes and will service both our fleet of gangways as external clients. Nortek delivers field services as well as designs and was able to close a deal which enables the company to make a profit in 2021.

Performance and operational results

In 2020 the company reports a consolidated revenue of EUR 14,3 mln which is a decrease of about 27% in comparison to 2019. This decline, in combination with the (incidental) losses in the Osprey projects, causes the financial result of 2020 of EUR -4,3 mln to be the most negative in our history. The Board took the necessary steps to prevent this from happening again. Management has strongly focused on reviewing the strategy, preparing road-maps, re-assessing the personnel capacity and adjusting budgeting processes. These adjustments should eventually lead to the situation that VAG is better prepared for the ever adjusting working environment.

Gross margin for the year declined from 40% to 20%. The main reason for this material decline is the cost overrun the company experienced for the two newly developed Osprey projects which were more challenging than expected. Both engineering and projects costs were significantly higher than budgeted, resulting in substantial project losses and causing the overall gross margin to decline as presented.

The total sum of expenses grew with about 15%, mainly caused by the increase in staffing costs in Norway, the start of our new subsidiary Nortek Services AS and increasing depreciation costs. Early 2021 we executed another reorganization and brought the number of employees more in line with the economic reality.

The main costs are explained as follows :

- Despite significant NOW grants wages and salaries remained roughly on the level of 2019 because of a significant increase in wages in Norway, due to four new employees in Techano and the new team in Nortek Services. In contrast to 2019, no part of the personnel expenses of Techano has been balance sheet accounted as R&D.
- Social security charges increased significantly because we were unable to retain the levels of grants which were acquired for our initial innovations for the Safeway gangways.
- Amortization and depreciation costs increased, mainly because of the increase of the rental fleet
- Other costs remained on roughly the same level as 2019.

Financial position

The loss of 2020 causes the weakening of the financial position of the Group. The cash flow for the financial year is EUR 2.7 million negative. Solvency has fallen to 27% and liquidity (current ratio) is now 0,5. However, we are able to get the support of our shareholders on both increasing capital and issuing shareholders loans, amounting to 2,5 million. The financial position therefore remains relatively strong. The balance sheet will be discussed per section below:

Intangible fixed assets

Total intangible assets increased slightly to a total amount of EUR 5,1 million, mainly due to the innovations in the developments related to the newly developed Safeway Osprey.

Tangible fixed assets

Total tangible fixed assets have increased further to 19.5 million. This increase is caused by the continuing building program of the Safeway Rental Fleet. All other sections remained stable throughout 2020.

Current assets

The inventory position was decreased successfully by managing working capital intensively. By decreasing this position about EUR 400.000,-- we improved our liquidity basis successfully.

On balance sheet date the work in progress position of osprey 2 amounted to about 1.5 million.

Due to the decrease in revenue and the successful delivery of Osprey #1 the "receivables" position declined from 6,5 million to 2,6 mio.

Investments/capital expenditure

Total assets decreased in 2020 from 32,7 million to 31 million.

Based on the financial position of the Group, caused by the worldwide pandemic COVID 19 situation, management decided to cut the budget for further expanding the rental fleet. We finished Seagull # 6 and continued to work on # 7 but decided to freeze the investments in # 8 and #9 until we see the signs of recovery in the market. We are currently discussing with several interested buyers the sale of gangway #7 which will lead to a better financial position and a significant improvement of our liquidity situation.

Outlook

Unfortunately at this moment we still see challenging circumstances. COVID 19 has still a significant impact on the travel ban, especially in Asia where the focus of our commercial efforts is at this moment. Management expects that the challenging market circumstances for the oil & gas market remain unchanged despite the continuous rise in oil prices. We expect that changes are about to happen but until now we didn't succeed in closing deals in that area.

We see moderate improvements of activities and some positive signals about investments in the cement industry. Due to the extensive investment programs in infrastructure we are confident that we will close some deals for 2022.

In the market for offshore wind the outlook remains extremely positive with a huge potential for our W2W product portfolio. We significantly improved the occupancy rate in the second half of 2021 which will continue in 2022.

Our market view for the W2W market, both in renewables and oil & gas, remains very positive and

promising. We have upgraded the rental fleet to six units at this moment and will continue with finalizing number seven. All further project management focus will be related to finishing the second Osprey unit.

Corona: a changing world

Due to the coronavirus outbreak and the corona crisis the world was confronted with, the results of VAG for 2020 have decreased significantly in comparison to the projections made in early 2020. This decrease in results became visible for the first time during April 2020. The corona crisis had a significant impact on the result of our Group for 2020 and will influence 2021 as well.

We performed to the best of our abilities to organize the availability and distribution of products in the best possible way. To protect our staff we followed RIVM guidelines for our employees. In addition we used the subsidies/tax reductions and other offers of the government to keep as much qualified people in our organization. We continuously assess the liquidity position, partly in relation to the covenants set in the loan agreements. We estimate that with the continuous support of our shareholders we will be able to fully meet our financing needs in the coming period.

Cash flow and financing

In the budget for 2020 a substantial budget for R & D and expansion of the rental fleet was agreed upon between the Executive Board and the shareholders. However, as soon as the first signs of COVID 19 appeared the Board decided to evaluate those budgets intensively and eventually the budgets were frozen as mentioned earlier in this report.

In the year the Group was confronted with a negative cash flow and negative EBITDA which was financed by the shareholders by both increasing the capital base and the issuance of subordinated loans.

Sustainability strategy

The last few years we 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 and 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.

Summary

Management looks back on a very challenging 2020. The worldwide pandemic situation, caused by the Corona virus, had and still has, a massive impact on our business. Management and shareholders took their responsibility in this financial year and restructured the company in order to meet her obligations against the major stakeholders.

We see clear positive signs in the marketplace where our Seagull Gangway outperforms her competitors in challenging markets, creating a solid basis for future revenues and further growth. Occupancy rates increased significantly in Q3 and Q4 and will remain on these higher levels in 2022.

At this moment we are talking with our clients about repeat orders for our new gangway type, the Safeway Osprey as well as interested buyers for our Seagull #7. The results of these negotiations will result in a positive impact on liquidity of the group.

The market remains challenging. However, with oil prices rising above EUR 70 the oil & gas market is about to recover and new projects are available and in progress. 2021 will be a challenging year but with the markets for offshore wind growing and the W2W market getting more mature the future is looking a little brighter. With the continuous support of our shareholders and staff we feel that our strategy of diversification and a good product portfolio, together with a strict management of costs management enables us to face the challenges that lie in front of us.

Dordrecht, 22 November 2021


on behalf of the Executive Board:

G.A.W. van Aalst

C. Zuur

Van Aalst Group B.V.

FOR IDENTIFICATION
PURPOSES

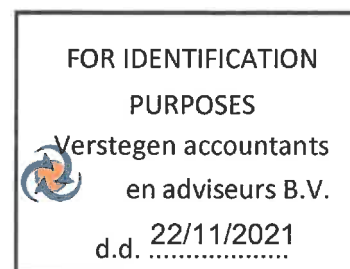
 Verstegen accountants
en adviseurs B.V.
d.d. 22/11/2021

3.1 Consolidated balance sheet as at 31 December 2020

(After proposal of distribution of profit)

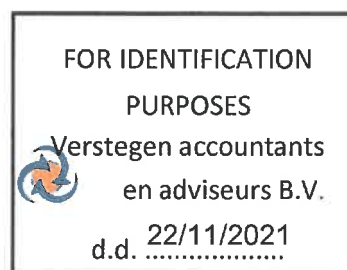
	31-12-2020		31-12-2019	
	€	€	€	€
ASSETS				
Fixed assets				
<i>Intangible assets</i>				
Development costs	4.714.455		4.466.428	
Patents, trademarks and other rights	15.000		30.000	
Goodwill	410.189		554.890	
		5.139.644		5.051.318
<i>Property, plant and equipment</i>				
Land and Buildings	47.044		47.524	
Transportation	286.853		185.876	
Other fixed assets	19.173.041		16.755.602	
		19.506.938		16.989.002
<i>Financial assets</i>				
Participations in group companies	1		-	
Deferred tax assets	1.491.073		709.722	
		1.491.074		709.722
Current assets				
<i>Inventories and work in progress</i>		1.036.848		1.419.780
<i>Construction contracts</i>		1.482.366		-
<i>Receivables</i>				
Trade receivables	1.904.025		3.609.439	
Receivables from group companies	143.996		-	
Taxes and social security charges	53.616		873.140	
Other receivables	89.694		13.052	
Accrued income and prepaid expenses	139.638		1.924.977	
		2.330.969		6.420.608
<i>Cash and cash equivalents</i>		2.848		2.148.357
Total assets		<u>30.990.687</u>		<u>32.738.787</u>

Van Aalst Group B.V.



	31-12-2020		31-12-2019	
	€	€	€	€
EQUITY AND LIABILITIES				
Group equity				
Equity	8.391.080		12.199.635	
Minority interest	<u>-29.981</u>		<u>394.115</u>	
		8.361.099		12.593.750
Provisions				
Deferred tax liabilities	758.177		953.401	
Other provisions	<u>55.000</u>		<u>84.250</u>	
		813.177		1.037.651
Long-term liabilities				
Subordinated loans	2.215.714		1.115.714	
Bond loans	4.999.000		4.999.000	
Lease liabilities	5.391.540		3.341.470	
Other long-term liabilities	<u>196.075</u>		<u>245.050</u>	
		12.802.329		9.701.234
Short-term liabilities				
Payables to banks	509.957		-	
Current portion of long-term debt	2.216.659		1.013.054	
Trade payables	3.629.689		5.814.300	
Liabilities to shareholders	-		232.945	
Taxes and social security contributions	1.150.671		108.602	
Construction contracts	-		449.122	
Accruals and deferred income	<u>1.507.106</u>		<u>1.788.129</u>	
		9.014.082		9.406.152
Total equity and liabilities		<u>30.990.687</u>		<u>32.738.787</u>

Van Aalst Group B.V.



3.2 Consolidated profit and loss account for the year 2020

	2020		2019	
	€	€	€	€
Net Turnover	13.553.840		16.498.298	
Changes in construction contracts	730.545		3.176.779	
Total revenues	14.284.385		19.675.077	
Cost of sales and projects	-10.902.051		-10.328.822	
Cost of work contracted out	-388.510		-677.757	
Gross margin	2.993.824		8.668.498	
Other operating income	143.587		658.846	
		3.137.411		9.327.344
Wages and salaries	2.228.786		2.073.674	
Social security charges	283.022		117.401	
Pension charges	200.618		192.198	
Amortisation of intangible fixed assets	695.415		549.848	
Depreciation of property, plant and equipment	1.165.596		953.879	
Other value changes intangible fixed assets	337.144		-	
Other operating expenses	3.150.201		3.059.904	
Total operating expenses		8.060.782		6.946.904
Operating result		-4.923.371		2.380.440
Financial income and expense		-544.145		-646.370
Result from normal activities before tax		-5.467.516		1.734.070
Income tax expense		823.955		30.604
		-4.643.561		1.764.674
Result from participations		-14.114		-
Result after tax for the group		-4.657.675		1.764.674
Minority Interest		349.120		-452.664
Result after tax for the company		-4.308.555		1.312.010

3.3 Consolidated cash flow statement for the year 2020

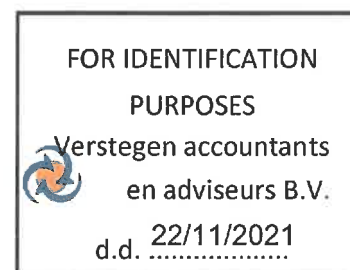
	2020		2019	
	€	€	€	€
Cash flow from operating activities				
Operating result		-4.923.371		2.380.440
<i>Adjustments for</i>				
Depreciation	1.799.761		1.503.727	
Other reductions in value of intangible and tangible fixed assets	337.144		-	
Decrease in provisions	-29.250		-	
Exchange rate differences	-13.726		-	
		2.093.929		1.503.727
<i>Changes in working capital</i>				
Decrease (increase) in inventories	382.932		-108.995	
Decrease (increase) in construction contracts	-1.931.488		449.122	
Decrease (increase) in trade receivables	1.705.414		-2.078.941	
Receivables from group companies	-156.029		-	
Decrease (increase) in other receivable	652.354		61.522	
Accrued income and prepaid expenses	1.785.339		326.458	
Increase (decrease) in other payables	-1.423.565		1.268.637	
New consolidations	-		305.180	
		1.014.957		222.983
Cash flow from business activities		-1.814.485		4.107.150
Interest paid	-544.145		-646.370	
Income tax paid	-62.092		5.720	
		-606.237		-640.650
Cash flow from operating activities (transport)		-2.420.722		3.466.500

3.3 Consolidated cash flow statement for the year 2020

	2020		2019	
	€	€	€	€
Carry forward		-2.420.722		3.466.500
Cash flow from investment activities				
Purchase of intangible assets	-1.120.885		-1.910.902	
Purchase of property, plant and equipment	-3.648.029		-8.932.292	
Purchase of financial assets	-2.082		-537.983	
Proceeds from sales of property, plant and equipment	106.286		18.165	
New consolidations	-		97.544	
Cash flow from investment activities		-4.664.710		-11.265.468
Cash flow from financing activities				
Share premium in financial year	500.000		-	
Proceeds from borrowings	5.983.636		10.462.345	
Repayments from borrowings	-2.053.670		-1.349.671	
New consolidations	-		-126.386	
Deconsolidations	-		65.590	
Cash flow from financing activities		4.429.966		9.051.878
Net cash flow		-2.655.466		1.252.910
Exchange rate and translation differences on cash		-		37.983
Movements cash		-2.655.466		1.290.893
Turnover movement cash and cash equivalents				
Cash and cash equivalents at the beginning of the period		2.148.357		918.316
Increase (decrease) cash and cash equivalents		-2.655.466		1.290.893
Cash and cash equivalents at the end of the period		-507.109		2.148.357

Total movement in working capital includes an increase in wage tax payable amounting to € 598.035 by using a special government covid-19 arrangement for postponing tax payments. This incoming cash flow can also be characterized as cash flow from financing activities.

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 the Netherlands. 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. In 2020 the activities in Norway have been expanded by establishing Nortek Services AS in which Van Aalst Group B.V. participates for 80%.

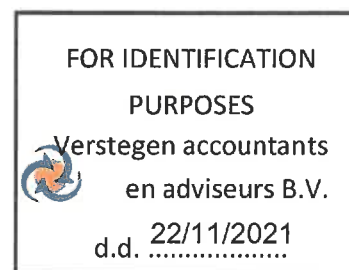
Today, the companies have established to become a reference point thanks to the short communication lines and their highly skilled enthusiastic professionals whom dedicate themselves to deliver sustainable products that meet business specific processes.

Close collaboration and decades 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 going concern

In fiscal year 2020, the company had to deal with a drop in total revenue of more than 25% due to the COVID pandemic and its consequences. This, in combination with a decrease in margin from 44% to 21% mainly due to costs overruns for the two newly developed Osprey projects, has resulted in a loss and a sharp decrease in equity, reducing solvency to 27%. Accompanied by a negative cash flow of € 2.655.000, the liquidity expressed in the current ratio has decreased to 0,5.

Management has recognized this situation and has called on government support in the form of the specific COVID-19 arrangements for fixed and labour cost. In addition, the arrangement to suspend the payment of taxes has been used. Both shareholders have also contributed additional capital in the form of share premium payments and subordinated loans, and the banker has expanded its credit facilities. For the time being, with this the entity has been able to continue to meet its obligations to a sufficient extent.

In recent years, the company has invested heavily in the development and construction of the gangways. This has had a major impact on capital. Just when the investments had to start paying off, the activities worldwide were largely at a standstill due to the outbreak of COVID-19. Various rental contracts for longer terms have now been concluded and a sales contract has been concluded for one gangway. These rental contracts guarantee a constant incoming cash flow. The budget for further expansion of the number of gangways has been put on hold pending the development of the pandemic, so that solvency and liquidity can recover.

These measures and developments are reason for the board to rely on the sustainable continuation of the business activities, which is supported by an updated business plan up to and including 2022. Therefore, there is no reasonable doubt about the going concern and the financial statements have been prepared on the basis of the going concern assumption.

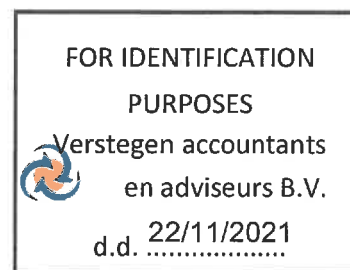
Disclosure of estimates

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.

Van Aalst Group B.V.



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.

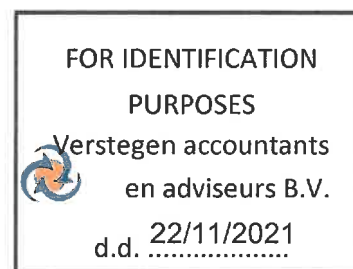
Costs of goodwill acquired from third party

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

Van Aalst Group B.V.



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.

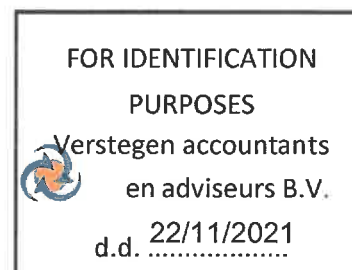
Inventories

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

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.

Van Aalst Group B.V.



Construction contracts

Construction contracts commissioned by third parties comprises the balance of project costs realised, profit attributed, and if applicable, recognised losses and instalments already invoiced. Construction contracts 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

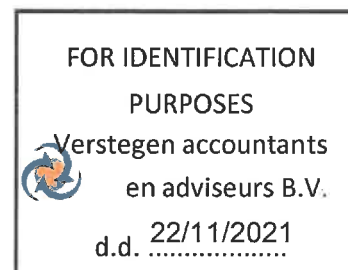
Deferred tax liabilities are recognised for temporary differences between the value of the assets and liabilities under tax regulations on the one hand and the book values applied in these financial statements on the other. The computation of the deferred tax liabilities is based on the tax rates prevailing 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 have been performed, if the legal entity has an obligation because the agreed quality standards have not been met.

Van Aalst Group B.V.



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.

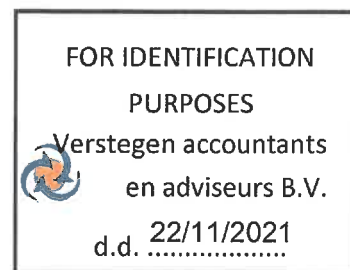
Government subsidies

Operating subsidies are recorded as income in the consolidated profit and loss account in the year in which the subsidised costs were incurred or income was lost or when there was a subsidised operating deficit. Income is recognised when it is probable that it will be received.

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.

Van Aalst Group B.V.



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.

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.

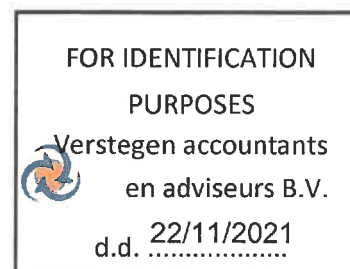
Income tax expense

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.

The group uses a tax facility whereby profits from innovative activities are taxed at a lower than the normal tax rate. The group had made agreements for the use of this facility with the Dutch tax authorities with a validity up to and including the financial year 2018. No new agreements have yet been made for the years 2019 en 2020. In anticipation of this, the group maintains in using the agreements that applied up to and including 2018. The financial effect of deviations in the determination of the taxable result for the years from 2019 onwards, if the new agreements deviate from the old agreements, will be accounted for in the year in which the new agreements will be made.

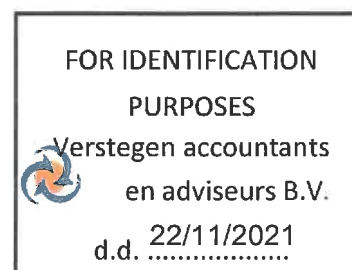
Van Aalst Group B.V.



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	Patents, trademarks and other rights	Goodwill	Total
	€	€	€	€
Balance as at 1 January 2020				
Cost or manufacturing price	5.198.583	75.000	808.493	6.082.076
Accumulated amortisation	-732.155	-45.000	-253.603	-1.030.758
Book value as at 1 January 2020	<u>4.466.428</u>	<u>30.000</u>	<u>554.890</u>	<u>5.051.318</u>
<i>Movements</i>				
Additions	1.120.885	-	-	1.120.885
Amortisations	-535.714	-15.000	-144.701	-695.415
Impairments	-337.144	-	-	-337.144
Balance movements	<u>248.027</u>	<u>-15.000</u>	<u>-144.701</u>	<u>88.326</u>
Balance as at 31 December 2020				
Cost or manufacturing price	5.781.200	75.000	808.493	6.664.693
Accumulated amortisation	-1.066.745	-60.000	-398.304	-1.525.049
Book value as at 31 December 2020	<u>4.714.455</u>	<u>15.000</u>	<u>410.189</u>	<u>5.139.644</u>

Disclosure of intangible assets

Depreciation percentages used:

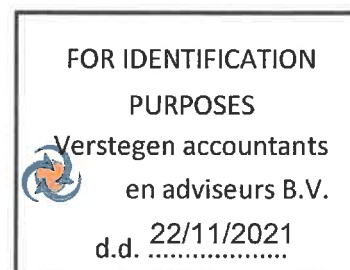
Development costs: 10%

Patents: 20%

Goodwill: 20%

Van Aalst Group B.V.

Property, plant and equipment



	Land and Buildings	Transportation	Other fixed assets	Total
	€	€	€	€
Balance as at 1 January 2020				
Cost or manufacturing price	274.097	394.365	18.268.492	18.936.954
Accumulated depreciation	-226.573	-208.489	-1.512.890	-1.947.952
Book value as at 1 January 2020	<u>47.524</u>	<u>185.876</u>	<u>16.755.602</u>	<u>16.989.002</u>
<i>Movements</i>				
Additions	6.829	235.617	3.547.372	3.789.818
Depreciation	-7.309	-47.536	-1.129.933	-1.184.778
Disposals	-	-268.038	-	-268.038
Depreciation on disposals	-	180.934	-	180.934
Balance movements	<u>-480</u>	<u>100.977</u>	<u>2.417.439</u>	<u>2.517.936</u>
Balance as at 31 December 2020				
Cost or manufacturing price	280.926	406.321	21.780.157	22.467.404
Accumulated depreciation	-233.882	-119.468	-2.607.116	-2.960.466
Book value as at 31 December 2020	<u>47.044</u>	<u>286.853</u>	<u>19.173.041</u>	<u>19.506.938</u>

An amount of € 8.939.424 of other fixed assets are related to fixed assets in progress.

Disclosure of property, plant and equipment

Depreciation percentages used:

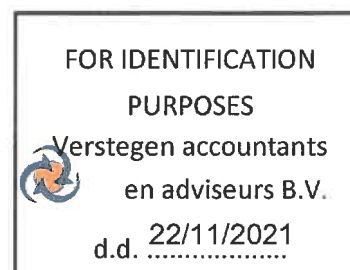
Land and building: 20%

Transportation: 20%

Other fixed assets: 10-20%

Property, plant and equipment of which the legal entity does not have legal ownership

Tangible fixed assets include assets for which, as a result of leasing, legal ownership does not belong to the group. The book value of these assets on balance sheet date is € 9.451.369.

Van Aalst Group B.V.**Financial assets****Participations in group companies**

Nortek Services AS

<u>31-12-2020</u>	<u>31-12-2019</u>
€	€
<u>1</u>	<u>-</u>

2020

€

Nortek Services AS

Book value as at 1 January

Investments

Profit/(Loss)

Write off receivable

Book value as at 31 December

-

2.082

-14.114

12.0331

In the financial year 2020 Van Aalst Group B.V. has acquired a 80% participation in Nortek Services AS, a Norwegian company. In accordance with Dutch accounting standard 217.304, Van Aalst Group B.V. has not consolidated this new participation in the financial statement 2020 given that the significance of the participation for the group is negligible.

Deferred tax asset

Balance as at 1 January

Increase

Decrease

Balance as at 31 December

<u>2020</u>	<u>2019</u>
€	€
709.722	553.940
793.404	155.782
<u>-12.053</u>	<u>-</u>
<u>1.491.073</u>	<u>709.722</u>

Movements in deferred tax assets relate mostly to (future) fiscal loss settlement.

Current assets**Construction contracts**

Capitalised expenses construction contracts

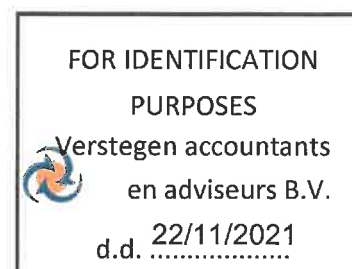
Allocated result

Invoiced installments

<u>31-12-2020</u>	<u>31-12-2019</u>
€	€
4.457.163	-
-172.964	-
<u>-2.801.833</u>	<u>-</u>
<u>1.482.366</u>	<u>-</u>

Group equity

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

Van Aalst Group B.V.

	<u>31-12-2020</u>	<u>31-12-2019</u>
	€	€
Minority interest		
Minority interest in Cargomaxx Drilling B.V.	-8.330	-7.370
Minority interest in Safeway B.V.	-80.162	-17.632
Minority interest in Techano Group AS	<u>58.511</u>	<u>419.117</u>
	<u>-29.981</u>	<u>394.115</u>

Provisions**Deferred tax liabilities**

	<u>2020</u>	<u>2019</u>
	€	€
Balance as at 1 January	953.401	710.718
Movement resulting from tax rate change	-324.458	-
Other movements	<u>129.234</u>	<u>242.683</u>
Balance as at 31 December	<u>758.177</u>	<u>953.401</u>

Deferred tax liabilities relate to temporary differences between the value of intangible fixed assets under tax regulations and the book value applied in these financial statements.

	<u>31-12-2020</u>	<u>31-12-2019</u>
	€	€
Other provisions		
Warranty provision	-	24.250
Other provisions	<u>55.000</u>	<u>60.000</u>
	<u>55.000</u>	<u>84.250</u>

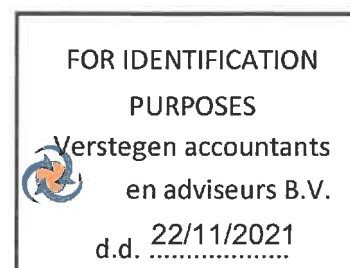
	<u>2020</u>	<u>2019</u>
	€	€
<i>Warranty provision</i>		
Balance as at 1 January	24.250	14.250
Warranty costs charged to warranty provision	-24.250	-14.250
Additions	<u>-</u>	<u>24.250</u>
Balance as at 31 December	<u>-</u>	<u>24.250</u>

Provision commissioning

Balance as at 1 January	60.000	70.000
Commissioning costs charged to commissioning provision	<u>-5.000</u>	<u>-10.000</u>
Balance as at 31 December	<u>55.000</u>	<u>60.000</u>

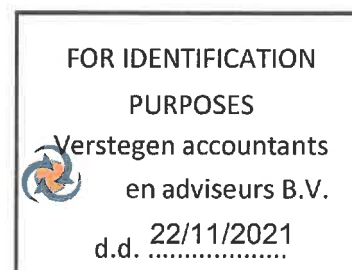
Van Aalst Group B.V.

Long-term liabilities



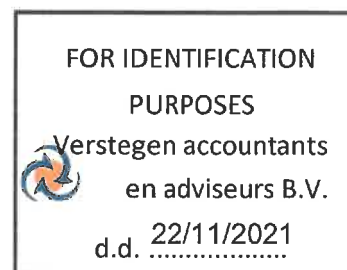
	<u>31-12-2020</u>	<u>31-12-2019</u>
	€	€
<i>Subordinated loans</i>		
Welkom Beheer B.V.	-	1.000.000
G.A.W. van Aalst	115.714	115.714
Welkom Beheer B.V.	1.100.000	-
Motus Investment B.V.	1.000.000	-
	<u>2.215.714</u>	<u>1.115.714</u>
	<u>2020</u>	<u>2019</u>
	€	€
<u>Welkom Beheer B.V.</u>		
Balance as at 1 January	1.000.000	1.341.861
Increase	-	161.023
Repayment	-1.000.000	-502.884
Balance as at 31 December	<u>-</u>	<u>1.000.000</u>
Interest percentage		12%
<u>G.A.W. van Aalst</u>		
Balance as at 1 January	115.714	115.714
Balance movements	-	-
Balance as at 31 December	<u>115.714</u>	<u>115.714</u>
Interest percentage	7,5%	7,5%
Term	indefinite	indefinite
<u>Welkom Beheer B.V.</u>		
Balance as at 1 January	-	-
Increase	<u>1.100.000</u>	-
Balance as at 31 December	<u>1.100.000</u>	-
Interest percentage	10%	
Term	indefinite	

Van Aalst Group B.V.



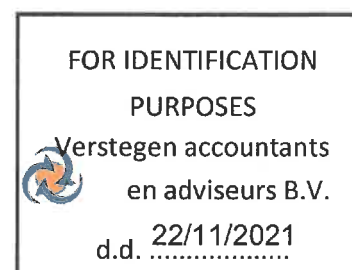
	<u>2020</u>	<u>2019</u>
	€	€
Motus Investment B.V.		
Balance as at 1 January	-	-
Increase	<u>1.000.000</u>	<u>-</u>
Balance as at 31 December	<u>1.000.000</u>	<u>-</u>
Interest percentage	10%	
Term	indefinite	
	<u>31-12-2020</u>	<u>31-12-2019</u>
	€	€
<i>Bond loans</i>		
Bond loan, NPEX	<u>4.999.000</u>	<u>4.999.000</u>
	<u>2020</u>	<u>2019</u>
	€	€
<u>Bond loan, NPEX</u>		
Balance as at 1 January	4.999.000	-
Increase	<u>-</u>	<u>4.999.000</u>
Balance as at 31 December	<u>4.999.000</u>	<u>4.999.000</u>
Interest percentage	7,5%	
Term	19-12-2024	
	<u>31-12-2020</u>	<u>31-12-2019</u>
	€	€
<i>Lease liabilities</i>		
Lease liability SG 23.0.-01	1.315.944	1.738.538
Lease liability SG 23.0.-02	1.000.875	1.602.932
Asset Lease Beequip 1	1.717.954	-
Asset Lease Beequip 2	1.232.671	-
Asset Lease PFL	<u>124.096</u>	<u>-</u>
	<u>5.391.540</u>	<u>3.341.470</u>

Van Aalst Group B.V.



Lease liabilities

	Lease liability SG 23.0.-01 €	Lease liability SG 23.0.-02 €	Asset Lease Beequip 1 €	Asset Lease Beequip 2 €
Balance as at 1 January 2020				
Principal amount	2.500.000	2.500.000	-	-
Cumulative repayments	-359.991	-285.485	-	-
Balance as at 1 January 2020	<u>2.140.009</u>	<u>2.214.515</u>	-	-
Increase	-	-	2.250.000	1.500.000
Redemption	-212.530	-233.365	-191.726	-
Balance movements	<u>-212.530</u>	<u>-233.365</u>	<u>2.058.274</u>	<u>1.500.000</u>
Balance as at 31 December 2020				
Principal amount	2.500.000	2.500.000	2.250.000	1.500.000
Cumulative repayments	-572.521	-518.850	-191.726	-
Current portion	-611.535	-980.275	-340.320	-267.329
Balance as at 31 December 2020	<u>1.315.944</u>	<u>1.000.875</u>	<u>1.717.954</u>	<u>1.232.671</u>
Interest percentage	2,35%	1,98%	4,4%	4,9%
Term	48 months	30 months	65 months	60 months
			Asset Lease PFL €	Total €
Balance as at 1 January 2020				
Principal amount			-	5.000.000
Cumulative repayments			-	-645.476
Balance as at 1 January 2020			-	<u>4.354.524</u>
Increase			170.000	3.920.000
Redemption			-28.704	-666.325
Balance movements			<u>141.296</u>	<u>3.253.675</u>
Balance as at 31 December 2020				
Principal amount			170.000	8.920.000
Cumulative repayments			-28.704	-1.311.801
Current portion			-17.200	-2.216.659
Balance as at 31 December 2020			<u>124.096</u>	<u>5.391.540</u>
Interest percentage			4,99%	
Term			60 months	

Van Aalst Group B.V.

	<u>< 1 year</u>	<u>2-5 years</u>	<u>> 5 years</u>
	€	€	€
Minimal lease payment			
Lease liabilities related to gangway systems	2.455.837	5.369.500	266.223
Other financial lease liabilities	23.718	138.417	-
Total	<u>2.479.555</u>	<u>5.507.917</u>	<u>266.223</u>
		<u>31-12-2020</u>	<u>31-12-2019</u>
		€	€
<i>Other long-term liabilities</i>			
Other long-term liabilities		<u>196.075</u>	<u>245.050</u>

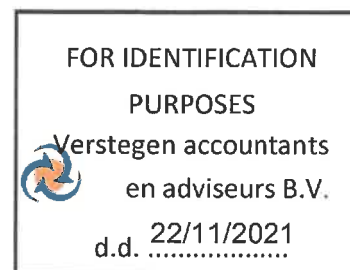
These other long-term liabilities relate to Techano AS. At year-end 2020 the remaining liabilities carry a interest rate of 6% with a duration of 2-3 years.

In the financial year 2020 the total increase of these other long-term liabilities amounted to € 133.636 and the total repayment to € 182.611.

Short-term liabilities

	<u>31-12-2020</u>	<u>31-12-2019</u>
	€	€
<i>Liabilities to shareholders</i>		
Welkom Beheer B.V., current account	<u>-</u>	<u>232.945</u>

Van Aalst Group B.V.



Off-balance-sheet rights, obligations and arrangements

Disclosure of off-balance sheet commitments

Rental obligations relating to office rent amount to € 189.000 on an annual basis.

Other rental obligations amount to € 35.000 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:

- pledge on stocks, inventory and receivables
- pledge of intellectual property
- pledge on receivables and rights from past and future contracts for work

The off-balance sheet liabilities relating to the fiscal unity

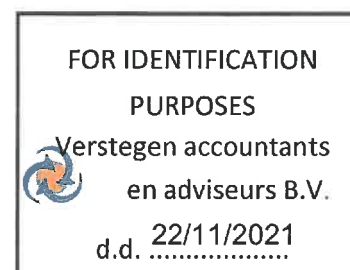
In connection with the existence of a fiscal unity for corporate income tax as well as value added tax, the company is severally liable for the corporate income tax and value added tax liabilities of the fiscal unity in The Netherlands.

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, 2020 ABN AMRO Bank had an outstanding amount of bank guarantees on behalf of the Van Aalst Group of € 919.235.

Van Aalst Group B.V.



3.6 Notes to the consolidated profit and loss account

Average number of employees

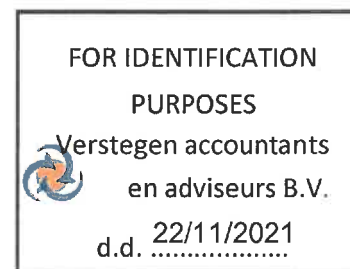
2020

	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	12,00	2,00	14,00
Sales	4,00	1,00	5,00
Support and warehouse	14,00	-	14,00
Average number of employees	35,00	10,00	45,00

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

Van Aalst Group B.V.

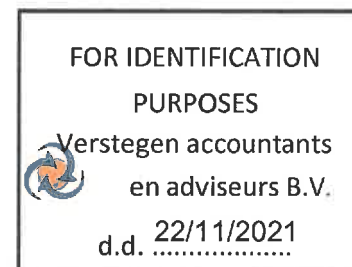


4.1 Company-only balance sheet as at 31 December 2020

(After proposal appropriation of result)

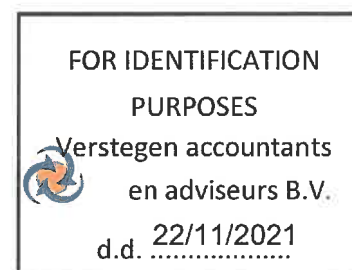
	31-12-2020		31-12-2019	
	€	€	€	€
ASSETS				
Fixed assets				
<i>Intangible assets</i>				
Patents, trademarks and other rights	15.000		30.000	
Goodwill	<u>410.189</u>		<u>554.890</u>	
		425.189		584.890
<i>Property, plant and equipment</i>				
Other fixed assets		221.340		245.933
<i>Financial assets</i>				
Participations in group companies	2.326.181		3.545.372	
Deferred tax assets	1.364.836		622.546	
Other amounts receivable	<u>421.500</u>		<u>-</u>	
		4.112.517		4.167.918
Current assets				
<i>Receivables</i>				
Receivables from group companies	13.824.938		12.768.080	
Taxes and social security charges	-		902.830	
Other receivables	42.972		857	
Accrued income and prepaid expenses	<u>3.259</u>		<u>-</u>	
		13.871.169		13.671.767
<i>Cash and cash equivalents</i>		-		566.390
Total assets		<u>18.630.215</u>		<u>19.236.898</u>

Van Aalst Group B.V.



	31-12-2020		31-12-2019	
	€	€	€	€
EQUITY AND LIABILITIES				
Equity				
Issued share capital	27.272		27.272	
Share premium	8.227.479		7.727.479	
Legal and statutory reserves	4.714.958		4.466.427	
General reserve	<u>-4.578.629</u>		<u>-21.543</u>	
		8.391.080		12.199.635
Provisions				
Provision participations		-		24.979
Long-term liabilities				
Subordinated loans	2.100.000		-	
Bond loans	<u>4.999.000</u>		<u>4.999.000</u>	
		7.099.000		4.999.000
Short-term liabilities				
Payables to banks	196.627		-	
Trade payables	498.101		226.654	
Liabilities to group companies	1.992.318		1.762.995	
Taxes and social security contributions	399.760		-	
Accruals and deferred income	<u>53.329</u>		<u>23.635</u>	
		3.140.135		2.013.284
Total equity and liabilities		<u>18.630.215</u>		<u>19.236.898</u>

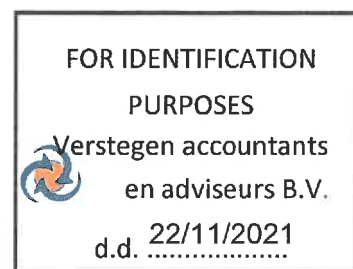
Van Aalst Group B.V.



4.2 Company-only abridged profit and loss account for the year 2020

	2020		2019	
	€	€	€	€
Result from participations	-3.681.159		1.707.105	
Company result after taxes	<u>-627.396</u>		<u>-395.095</u>	
Result after taxation		<u>-4.308.555</u>		<u>1.312.010</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 company-only 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

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 company-only 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 company-only 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.

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.

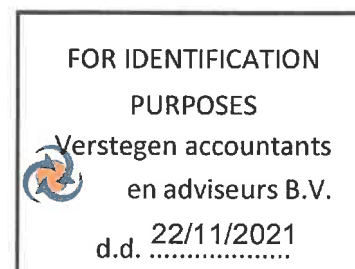
Exchange differences that arise from the settlement or translation of monetary items are recorded in the profit and loss account in the period in which they occur, unless hedge-accounting is applied.

Income tax expense

Tax on the result is calculated based on the result before tax in the company-only 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-only balance sheet

Fixed assets

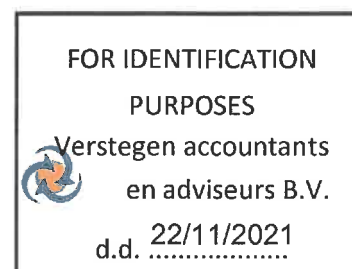
Intangible assets

	Patents, trademarks and other rights	Goodwill	Total
	€	€	€
Balance as at 1 January 2020			
Cost or manufacturing price	75.000	808.493	883.493
Accumulated amortisation	-45.000	-253.603	-298.603
Book value as at 1 January 2020	<u>30.000</u>	<u>554.890</u>	<u>584.890</u>
<i>Movements</i>			
Amortisations	-15.000	-144.701	-159.701
Balance movements	<u>-15.000</u>	<u>-144.701</u>	<u>-159.701</u>
Balance as at 31 December 2020			
Cost or manufacturing price	75.000	808.493	883.493
Accumulated amortisation	-60.000	-398.304	-458.304
Book value as at 31 December 2020	<u>15.000</u>	<u>410.189</u>	<u>425.189</u>

Disclosure of intangible assets

Amortisation percentages used: 20%

Van Aalst Group B.V.



Property, plant and equipment

	Other fixed as- sets
	€
Balance as at 1 January 2020	
Cost or manufacturing price	245.933
Book value as at 1 January 2020	245.933
<i>Movements</i>	
Depreciation	-24.593
Balance movements	-24.593
Balance as at 31 December 2020	
Cost or manufacturing price	245.933
Accumulated depreciation	-24.593
Book value as at 31 December 2020	221.340

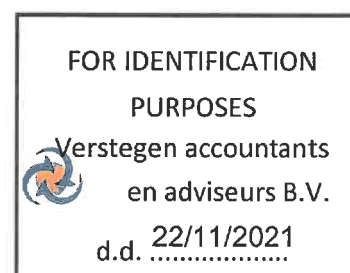
Disclosure of property, plant and equipment

Depreciation percentages used: 10%.

Financial assets

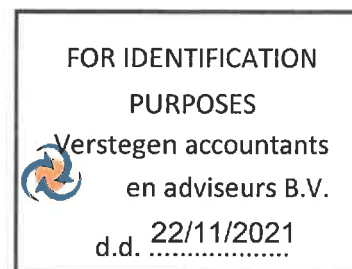
Register of participations

	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
Nortek Services AS, Norway	80,00
Mulder Europe B.V., Dordrecht	100,00

Van Aalst Group B.V.

	31-12-2020	31-12-2019
	€	€
<i>Participations in group companies</i>		
Van Aalst Marine & Offshore B.V.	1.941.530	2.845.305
Cargomaxx B.V.	326.113	342.054
Techano Group AS	58.534	358.010
Safeway B.V.	1	1
Cargomaxx Drilling B.V.	1	1
Mulder Europe B.V.	1	1
Nortek Services AS	1	-
	<u>2.326.181</u>	<u>3.545.372</u>
	2020	2019
	€	€
<i>Deferred tax asset</i>		
Balance as at 1 January	622.546	553.940
Increase	742.290	68.606
Balance as at 31 December	<u>1.364.836</u>	<u>622.546</u>
	31-12-2020	31-12-2019
	€	€
<i>Other amounts receivable</i>		
Mulder Europe B.V., loan	<u>421.500</u>	<u>-</u>
	2020	2019
	€	€
<u>Mulder Europe B.V., subordinated loan</u>		
Book value as at 1 January	-	115.714
Repayment/Additions in financial year	-8.679	8.679
Impairments	-	-124.393
Reversal of impairments	8.679	-
Book value as at 31 December	<u>-</u>	<u>-</u>
	2020	2019
	€	€
<u>Mulder Europe B.V., loan</u>		
Book value as at 1 January	-	-
Additions in financial year	321.500	100.000
Impairments	-	-100.000
Reversal of impairments	100.000	-
Book value as at 31 December	<u>421.500</u>	<u>-</u>

Van Aalst Group B.V.



Current assets

	<u>31-12-2020</u>	<u>31-12-2019</u>
	€	€
<i>Receivables from group companies</i>		
Safeway B.V., current account	13.121.391	12.166.855
Mulder Europe B.V., current account	104.152	-
Cargomaxx B.V., current account	187.038	165.755
Cargomaxx Drilling B.V., current account	259.241	289.030
Techano Group AS, current account	9.120	146.440
Nortek Services AS, current account	143.996	-
	<u>13.824.938</u>	<u>12.768.080</u>

The negative equity of group companies has been deducted from the outstanding receivables from group companies for the amount of € 3.463.314 (2019: € 869.772).

The nominal value of receivables from group companies amounts to € 17.288.252 (2019: € 13.637.852).

	<u>31-12-2020</u>	<u>31-12-2019</u>
	€	€
<i>Other receivables</i>		
Current account shareholders	42.115	-
Van Aalst Foundation	857	857
	<u>42.972</u>	<u>857</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

Share premium

Balance as at 1 January

Share premium in financial year

Balance as at 31 December

Legal and statutory reserves

Legal reserve participating interest

Other legal reserves

Legal reserve participating interest

Balance as at 1 January

Addition in financial year

Balance as at 31 December

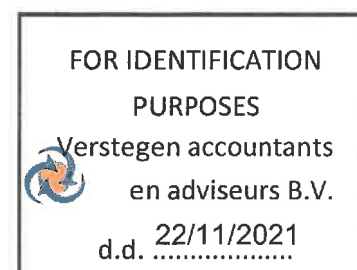
This legal reserve relates to capitalized development costs at several group companies.

Other legal reserves

Balance as at 1 January

Addition in financial year

Balance as at 31 December



	2020	2019
	€	€
Balance as at 1 January	7.727.479	7.727.479
Share premium in financial year	500.000	-
Balance as at 31 December	<u>8.227.479</u>	<u>7.727.479</u>
	<u>31-12-2020</u>	<u>31-12-2019</u>
	€	€
Legal reserve participating interest	4.714.455	4.466.279
Other legal reserves	503	148
	<u>4.714.958</u>	<u>4.466.427</u>
	<u>2020</u>	<u>2019</u>
	€	€
Balance as at 1 January	4.466.279	2.834.049
Addition in financial year	248.176	1.632.230
Balance as at 31 December	<u>4.714.455</u>	<u>4.466.279</u>
	<u>2020</u>	<u>2019</u>
	€	€
Balance as at 1 January	148	148
Addition in financial year	355	-
Balance as at 31 December	<u>503</u>	<u>148</u>

Van Aalst Group B.V.

	2020	2019
	€	€
<i>General reserve</i>		
Balance as at 1 January	-21.543	298.677
Appropriation of result	-4.308.555	1.312.010
Movement of legal reserves	-248.531	-1.632.230
Balance as at 31 December	<u>-4.578.629</u>	<u>-21.543</u>

Provisions

	31-12-2020	31-12-2019
	€	€
Provision participations		
Mulder Europe B.V.	<u>-</u>	<u>24.979</u>

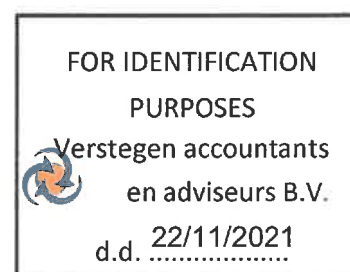
Long-term liabilities

	31-12-2020	31-12-2019
	€	€
<i>Subordinated loans</i>		
Welkom Beheer B.V.	1.100.000	-
Motus Investment B.V.	1.000.000	-
	<u>2.100.000</u>	<u>-</u>

	2020
	€
<u>Welkom Beheer B.V.</u>	
Balance as at 1 January	-
Increase	<u>1.100.000</u>
Balance as at 31 December	<u>1.100.000</u>
Interest percentage	10%

	2020
	€
<u>Motus Investment B.V.</u>	
Balance as at 1 January	-
Increase	<u>1.000.000</u>
Balance as at 31 December	<u>1.000.000</u>
Interest percentage	10%

Van Aalst Group B.V.



	<u>31-12-2020</u>	<u>31-12-2019</u>
	€	€
<i>Bond loans</i>		
Bond loan, NPEX	<u>4.999.000</u>	<u>4.999.000</u>
	<u>2020</u>	<u>2019</u>
	€	€
<u>Bond loan, NPEX</u>		
Balance as at 1 January	4.999.000	-
Increase	-	4.999.000
Balance as at 31 December	<u>4.999.000</u>	<u>4.999.000</u>
Interest percentage	7,5%	7,5%
Term	19-12-2024	19-12-2024

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:

- pledge on stocks, inventory and receivables
- pledge of intellectual property
- pledge on receivables and rights from past and future contracts for work

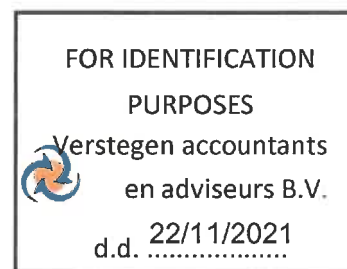
The off-balance sheet liabilities relating to the fiscal unity

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 The Van Aalst Group B.V. and her subsidiaries to come to 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, 2020 ABN AMRO Bank had an outstanding amount of bank guarantees on behalf of the Van Aalst Group of € 281.860

Van Aalst Group B.V.



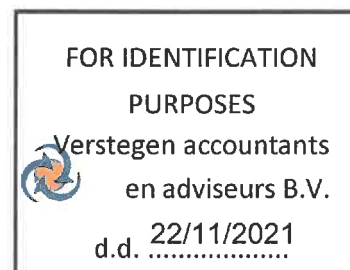
Appropriation of result

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

The loss for the year 2020 in the amount of € 4.308.555 will be deducted from the general reserve.

This proposal needs to be determined by the General Meeting, but has already been processed in anticipation in the annual accounts 2020 of the company.

Van Aalst Group B.V.



4.5 Notes to the company-only 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 for the financial year 2020 is not disclosed, as it relates to a single person.

Average number of employees

2020

Average number of employees
2019

Active within the Netherlands	Active outside the Netherlands	Total
-	-	-

Average number of employees

Active within the Netherlands	Active outside the Netherlands	Total
-	-	-

Dordrecht, 22 November 2021

Welkom Beheer B.V.
Represented by:
G.A.W. van Aalst
Director

C. Zuur
Director

To the board of directors of
Van Aalst Group B.V.
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Independent auditor's report

A. Report on the audit of the financial statements 2020

Our opinion

We have audited the financial statements 2020 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 2020, and of its result for 2020 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 2020;
2. the consolidated and company profit and loss account for 2020; 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), the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

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

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

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

- The management 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.

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 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, November 22, 2021

Verstegen accountants en adviseurs B.V.

Signed by

Drs. E.D. van den Berg RA