Annual Report 2020

Oranjewoud N.V.

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Foreword

In this annual report, we present our figures for 2020 and update you on the development of the various segments within Oranjewoud N.V.

Oranjewoud N.V. was listed on Euronext Amsterdam during 2020. As of February 7, 2022 Oranjewoud N.V. has been delisted. As at the date of these financial statements, Oranjewoud N.V. is 99.09% owned by Sanderink Investments B.V. Since June 1, 2023 all the shares held by Sanderink Investments B.V. minus one have been placed into custody with a custodian *(beheerder)* due to a decision of the Enterprise Chamber of the Court in Amsterdam. Oranjewoud N.V. had almost 10,000 employees as at December 31, 2020 and recorded a total revenue of €2.3 billion in 2020.

Since 2005, Oranjewoud N.V. has been expanding, both autonomously and through acquisitions. In 2020 and beyond, until the date of these financial statements, no material acquisitions have been done. On August 18, 2021, Oranjewoud has sold 100% of the shares in Edel Grass B.V. and on January 27, 2022 the 100% stake in Strukton Worksphere has been sold.

In 2020, total revenue decreased slightly to €2.3 billion (2019: €2.4 billion). The operational result (EBITDA) came in at €53.9 million negative, compared to €107.6 million positive in 2019 (restated). This is a €161.5 million decrease.

The net result for 2020 was a loss of €218.5 million (2019: a loss of €3.9 million), caused by the effects of several loss-making contracts within Strukton Groep as well as – to a lesser extent – the outbreak of the Covid-19 pandemic, resulting in a stop or delay in some activities.

Of all the segments, Consultancy and Engineering Services (Antea Group) and Rail Infrastructure achieved positive operational results in 2020. The other segments did not contribute to the Group's operational result.

The Board of Directors

Corporate profile

Oranjewoud N.V., which is the top holding of Strukton Groep and Antea Group, has been a listed company until February 7, 2022. Its subsidiaries operate both nationally and internationally. The companies that were part of Oranjewoud N.V. in 2020 were active in the fields of rail infrastructure, civil infrastructure, technology and buildings, environment, spatial planning, water and recreation. This covers the whole process, from preliminary studies, consultancy, design, planning and organization, right up to realization, management and operation.

Strukton Groep is passionate about technology and professionalism, focusing primarily on railroad and civil engineering, as well as on technology-driven specialist products and services. These latter specialist products and services are unique in the industry and really set Strukton apart from the competition. Maintenance and management using high-end technology, domain expertise, and professionalism are the basis of Strukton's operations. Strukton has clients both in Europe and beyond.

Strukton Groep operated in three markets in 2020:

- Rail Infrastructure: design, construction, refurbishment, management, and maintenance of light and heavy railroad infrastructure, and mobility systems (Strukton Rail);
- Civil Infrastructure: design, implementation, management, and maintenance as part of infrastructure projects (Strukton Civiel);
- Technology and Buildings: design, development, implementation, maintenance, and operation of technical systems and buildings across the Netherlands (Strukton Worksphere). Strukton Worksphere was sold on January 27, 2022.

Strukton Groep also provides integrated railroad and civil infrastructure solutions on an international scale, which are used primarily in the construction of transport systems in densely populated areas, in ports, and as part of port hinterland connectivity infrastructure.

Antea Group is an internationally operating Consulting and Engineering firm that specializes in full-service solutions in the areas of the environment, infrastructure, spatial planning, and water. By combining strategic thinking, engineering expertise, and a pragmatic approach, Antea Group is able to deliver effective and sustainable solutions for its clients.

In the area of sports and leisure facilities, Antea Group can take care of the whole process, from preliminary studies, consultancy, design, planning and organization, right up to realization, management and operation.

The temporary staff business focuses on the secondment of engineering staff in a broad range of fields, including architectural engineering, civil engineering, industrial automation, mechanical engineering, electrical engineering and technical business administration.

Oranjewoud N.V. operating companies work under contract from national and local government bodies and the private sector.

Key figures

Revenue and results	2020	2019 *	2018 **	2017	2016
Results (in millions of euros)					
Total revenue	2,313.2	2,386.6	2,268.8	2,384.7	2,315.6
Ebitda ***	(53.9)	107.6	79.6	109.3	83.0
Net result	(218.5)	(3.9)	15.4	40.1	13.9
Total net cash flow	13.4	10.4	86.0	(11.7)	43.9
Equity (in millions of euros)					
Equity (E)	67.8	285.9	285.4	311.3	273.9
Total assets (TA)	1,513.9	1,656.5	1,629.3	1,436.9	1,632.8
E/TA	4.5%	17.3%	17.5%	21.7%	16.8%
Employees (headcount)					
Number at end of financial year	9801	10086	10275	10232	9864
Backlog (in millions of euros)					
Consulting and Engineering Services	271.7	272.3	239.0	241.7	234.9
Rail Infrastructure	1,444.3	1,499.5	1,881.4	1,896.8	1,486.0
Civil Infrastructure	497.6	585.9	442.0	612.5	861.0
Technology and Buildings	839.4	767.2	619.3	549.3	502.0
Other	14.7	17.7	16.7	16.9	16.4
Total	3,067.8	3,142.7	3,198.3	3,317.2	3,100.3

* After adjustment in the principles for financial reporting concerning Lease accounting (IFRS 16).
2019 Restated for reporting purposes. Please refer for the restated figures of 2019 to note 30.

** After adjustments in the principles for financial reporting concerning Financial instruments (IFRS 9) and Revenue from contracts with customers (IFRS 15).

*** Ebitda is the sum of the operating result plus the depreciation, amortisation and impairment charges.

Member profiles

Board of Directors

Mr. G.P. Sanderink has been the CEO of Oranjewoud N.V. and its predecessor since 1997. On March 17, 2023 the Supervisory Board suspended Mr. Sanderink as CEO of Oranjewoud N.V. with immediate effect for a period of three months. In addition, at the request of the Supervisory Board, the Enterprise Chamber rendered its ruling on June 1, 2023. In this ruling, the Enterprise Chamber (in short) decided that a continuation of the involvement of Mr. Sanderink was not in the interest of Oranjewoud N.V. Therefore, the Enterprise Chamber suspended Mr. Sanderink as statutory director of Oranjewoud and granted the inquiry request. The members of the Supervisory Board initially took over management as per March 17, 2023. Per July 15, 2023 the Supervisory Board appointed Mr. Rob van Wingerden and Mr. Yde van Hijum as interim board members of Oranjewoud N.V. In the General Shareholder's Meeting of July 26, 2023 both interim board members were formally appointed as board members.

Supervisory Board

The company installed a Supervisory Board in 2010. The Supervisory Board members in the reporting year 2020 were Mr. H.G.B. Spenkelink (Chairman), Mr. W.G.B. te Kamp and (until February 12, 2020) Mr. M. J.C. Janmaat. Both Mr. Spenkelink and Mr. Te Kamp resigned as members of the Supervisory Board as per March 22, 2022. As of the same date Mr. J.M. Kuling and Mr. A. Schoots were appointed as Supervisory Board members. Mr. B.C. Fortuyn was appointed as Supervisory Board member as of April 1, 2022 and Mr. J.J.A. van Leeuwen was appointed as member as of May 1, 2022. Mr. Schoots has stepped down as member of the Supervisory Board as of July 8, 2023.

Mr. H. G. B. Spenkelink (1947, nationality: Dutch)
Herman Spenkelink was a member of the Board of Directors at Dura Vermeer Groep N.V. between 1983 and 2008. Starting from 1974 he held various positions at the Dura Vermeer Groep. Since stepping down as director in 2008, he has continued to serve Dura Vermeer Groep in various advisory roles. Owing to his long tenure at Dura Vermeer, Herman Spenkelink can boast considerable experience and expertise in the construction and real estate market segments. He also holds a number of directorships and sits on several supervisory boards ("Aqua+" Beheer B.V. in Goor, AGAR Holding B.V. in Hengelo, Stichting Sacon Administratiekantoor in Zwolle and Van Kamperdijk Exploitatie B.V. in Almelo, all in the Netherlands).

Mr. W. G. B. te Kamp (1945, nationality: Dutch)
Wim te Kamp's forte is his specific knowledge and expertise of the engineering sector. Between 1967 and 1983 he held different positions at Fugro B.V., and in 1983 he became managing director at consulting and engineering firm Tauw B.V., a position he held until 1998. As the managing director of the venture capital company Wadinko B.V., Wim te Kamp added experience and expertise in the area of finance and investment to his credentials. Since 2007, he has served in various advisory and managerial roles and sits on several supervisory boards (Rudico Beheer B.V. in Eerbeek, IJsseltechnologie Groep B.V. in Zwolle, Leferink Office Works Holding B.V. in Haaksbergen and Calder Holding B.V. in Zwolle).

Mr. M. J. C. Janmaat (1954, nationality: Dutch, until February 12, 2020)
Following his career as a legal counsel in the public sector and as a management consultant in the technology industry, Martijn Janmaat has gained wide-ranging experience in the international business-to-business software industry as an entrepreneur, CEO and industry regulator over a period of thirty years, including at Nedgraphics Holding N.V. and most recently at BlueCielo B.V., Exact Holding N.V. and Centric Holding B.V. In his previous position as a non-executive board member at Centric Holding B.V., he became familiar with the organization and activities of Oranjewoud N.V. Besides general operational management, commercial and product development strategy are his main focus areas. Martijn Janmaat has a degree in business and public law from Leiden University. His sideline jobs are Member of the Supervisory Board of CCV Group B.V. and Managing Director of Makmende Media B.V.

Mr. J.M. Kuling (1963, nationality: Dutch, as per March 22, 2022)
Joseph Kuling has demonstrated his acumen in developing a vision and strategy. He has experience in guiding the cultural transition that follows on the heels of organizational changes. For him, constructive collaboration in a culture of openness and creating new challenges with perspective are key factors that help a business succeed. He considers room for entrepreneurship and social responsibility to be vital conditions for achieving challenging goals.

Mr. A. Schoots (1951, nationality: Dutch, as per March 22, 2022 until July 8, 2023)
Aike Schoots has extensive experience as a director of a large company encompassing a variety of disciplines. There he helped initiate the company's transformation from a nationally focused business to an internationally operating company. He is an experienced director who is familiar with cultural differences and has an extensive network (national and international).

Mr. B.C. Fortuyn (1954, nationality: Dutch, as per April 1, 2022)
Bernard Fortuyn is a seasoned leader, having held positions both on management and supervisory boards in various sectors, from energy, industry and consultancy and engineering to the cultural sector. Restructuring organizations and developing management teams are areas in which he has a wealth of experience. Thanks in part to his empathic capacity and his decisiveness, he has built a track record in cultural change processes at major companies and organizations. He is commercially driven and has a hands-on mentality when it comes to winning major tenders and securing large projects.

Mr. J.J.A. van Leeuwen (1966, nationality: Dutch, as per May 1, 2022)
Hans van Leeuwen is a seasoned CFO with extensive experience at large and medium-sized companies, in the rail sector, civil construction and the telecom sector. He has been active both for multinationals and in the public sector. He is future-oriented, results-oriented, decisive and pragmatic. His experience as CFO makes him a good fit for the financial profile that is essential for a company like Oranjewoud N.V.

Board of Directors' report

Introduction

Oranjewoud N.V. (“Oranjewoud”) is a leading partner in the development and application of sustainable and integral solutions for all facets of the environment in which we live, work, play and travel. Oranjewoud N.V. has pinpointed four strategic growth sectors for the medium to long term – environment, water, infrastructure, and spatial planning.

Oranjewoud N.V. consists of two groups, Antea Group and Strukton Groep (jointly: the “Group”). In 2020, both the Antea Group Board and the Strukton Groep Board dedicated significant effort towards evolving and refining strategies to distinguish their respective groups within the competitive landscape.

Publishing the 2020 Annual Report in 2024 is unusual and undesirable. The delay was due to a combination of circumstances, including parting ways with our previous auditor in 2020, the complexity of our organisation, the issues with Mr. Sanderink which finally resulted in the intervention of the Enterprise Chamber, the restructurings within Strukton Groep and Covid-19. We are grateful that our new auditor Mazars Accountants has accepted the engagement. The delay in completing the 2020 annual accounts also impacts the completion of the 2021, 2022 and 2023 annual accounts. The auditing and subsequently the publishing of the annual report of these years is expected to take place in 2024. We regret this inconvenience for our stakeholders and do our utmost to minimise the delays of the 2021, 2022 and 2023 audits any further. We keep our stakeholders informed of developments through other channels (such as our website).

Going-concern assumption

The 2020 financial statements of Oranjewoud are prepared on a going-concern basis, integrating a comprehensive assessment of the Group's ability to continue operations. This evaluation considers significant events like the development of the results of Oranjewoud in 2021, 2022 and 2023, the sizable divestment of Strukton Worksphere in 2022, divestments of non-core portfolio companies within the Group till date, the operating plan 2024 and beyond, and developments in the backlog and working capital improvement, alongside the envisaged attracting of external financing. Despite the operational and financial impacts of Covid-19, the current situation does not give rise to uncertainty on the ability of the company to continue as a going concern in this respect.

The assessment acknowledges the depressed 2020 results mainly due to certain high-risk Strukton Groep projects (extensively described in the section “Accounting considerations on key projects”), prompting immediate measures to ensure business continuity, reduce costs, and protect liquidity.

This includes the construction of the new office for the Dutch National Institute for Public Health and the Environment (RIVM), called “MEET RIVM”. The MEET RIVM project is highly complex, in particular due to the high requirements on laboratories. A number of historic developments had a mainly negative impact on progress and profitability. In October 2023 we received an (interim) verdict about the compensation of substantial costs related to further contract modifications to the laboratories, which were requested by the client at a late stage of the project's realisation phase and without a clear scoping with required output specifications. The verdict confirms the project valuation taken into account at December 31, 2020.

The key project Hoofdstation Groningen has been delayed and the planning has moved backwards several times. Due to the complexity of the design, the Covid-19 lockdown, and the technical complexities involved in realising certain aspects of the design, there were delays incurred along with increased costs. Since the project will take time to complete up until June 2026, there are risks and uncertainties for which the Group identified its best estimate. The key project A15 faces a disagreement with the client regarding the use of quieter but less durable asphalt with respect to the recoverability of the costs of this asphalt. This shift requires a modified maintenance strategy leading to an expected project loss and uncertainties regarding the outcome of the dispute with the client.

Oranjewoud continued to accelerate its strategic decision to withdraw from major project operations in the Middle East and has finalised the settlement with its consortium partners on the Riyadh Metro Project during 2023.

These high-risk Strukton Groep projects also affected the results of Oranjewoud in 2021, 2022 and 2023. At year-end 2022, Strukton Groep had repaid and closed a significant financing agreement, which was made possible by selling Strukton Services B.V. (Worksphere) to SPIE Nederland B.V. in January 2022, significantly improving the financial position and solvency. The strategic decision to exit major project operations in the Middle East, including the Riyadh Metro Project settlement in 2023, is also part of the improvements. Furthermore, the shareholder's equity of Strukton Groep N.V. has been strengthened in December 2023 through a conversion of subordinated and other loans from Oranjewoud N.V. to share premium.

The preliminary unaudited results of Oranjewoud show a loss of approximately €134 million in 2021, a profit of approximately €239 million in 2022 (mainly due to the sale of Strukton Worksphere) and a profit of approximately €50 million in 2023. Forecasts for 2024 and beyond show a positive trend compared to the actual 2023 result.

A 'stress test' of the going-concern assessment was conducted against the challenges, including potential economic downturns and further project losses. For the projects and contracts with a relative high-risk profile the assessment has been done for the entire contract period. Financing major loss making projects causes that there are material uncertainties that may cast significant doubt on the company's ability to continue as a going concern. These material uncertainties lead to a potential funding gap which is being mitigated through measures such as attracting (external) funding, divestment of (portfolio) companies and improvement of working capital.

Our current evaluation indicates that additional funding after all these measures taken may be required in the future.

Oranjewoud has issued a support letter to Strukton Groep N.V. guaranteeing support until December 31, 2025, for an amount up to €140 million, minus the total cash from ongoing and identified mitigating measures. Only if the ongoing and identified mitigating measures and attracting additional financing arrangements prove insufficient, Oranjewoud may ultimately fund this support guarantee by selling (parts of) Strukton Groep or (parts of) Antea Group to supplement the remaining part of the funding gap. Such decision, to be taken at that time, will be weighed taking into account the other options available at that moment.

Consequently, while acknowledging the potential funding gap and material uncertainties, Oranjewoud believes the mitigating measures sufficiently address these issues, supporting the preparation of financial statements based on the going- concern assumption.

Key points

The results for 2020 were impacted negatively by a number of severely loss making Strukton Groep projects. The projects with the most material negative result impact are:

- RIVM €90.8 million
- Riyadh Metro Project €46.9 million
- Hoofdstation Groningen €42.0 million
- Qatar €11.0 million
- A-Pier Schiphol € 9.4 million
- Wintrack Zuid € 4.5 million

Financial results

Oranjewoud recorded €2.3 billion in total revenue in 2020 (2019: €2.4 billion). The Group is satisfied with the total revenue, given that revenue growth is not a goal in its own.

The total revenue in the Consulting and Engineering Services segment (Antea Group) decreased by €19.2 million to €419.4 million. This decrease was caused by Antea Group France and Antea Group USA as a result of the Covid-19 pandemic. The Rail Infrastructure segment saw its revenue increase by €3.4 million to €893.5 million. At Civil Infrastructure total revenue was down €159.5 million to €415.6 million. Revenue in the Technology and Buildings segment reached €519.5 million, a €111.4 million increase.

Operational results (EBITDA) were down €161.5 million in 2020, from €107.6 million positive to negative €53.9 million. This decrease comes as a result of the Strukton Groep projects mentioned above. Civil Infrastructure (- €120.4 million), Technology and Buildings (- €62.6 million) and the Other segment (- €2.4 million) were the responsible segments. Consulting and Engineering Services (- €6.2 million) saw its operational result decrease due to Covid. Rail Infrastructure (€30.0 million) saw the result increase.

The net result fell by €214.6 million in 2020, from a loss of €3.9 million to a loss of €218.5 million.

The cash and cash equivalents at year end 2020 were €292.3 million (2019: €282.8 million). The liquidity position as of December 31, 2020 as detailed in the consolidated statement of cash flows was €275.3 millon (2019: €265.9 million). The operational cash flow in 2020 was €131.0 million (2019: €107.7 million). These positions and developments are considered adequate.

For further details on the segments for which the Group presents figures, please refer to the Segmentation section of the Board of Directors' Report.

Strategy

The key points of the strategy are targeted at:

- creating and capitalizing on our ability to set ourselves apart from the competition;
- investing in technology and specialist products;
- focusing on innovation and digital transformation;
- optimizing the risk profile of projects;
- realizing a balance between revenue-risk-reward;
- pursuing business development in selected industries and countries;
- achieving synergy within and across segments.

The specific strategic focus of the segments for which the Group presents figures will be detailed below.

Facing challenging market conditions, Strukton Groep revised its strategy, starting in 2020 by reorganizing its rail activities in Europe and progressing through 2021-2022 in other segments such as Civil Infrastructure. In 2021, Strukton Groep refocused its strategy on becoming a leader in sustainable European infrastructure, emphasizing green transportation and electrification, and drawing on its extensive 100-year history. The initial outcomes are visible, but faster results were deemed necessary for which steps have been taken in 2023.

Our approach to project acquisition is shifting towards risk-based tendering, wherein we avoid large and/or complex projects outside our core competencies or markets. We choose to leverage our strengths by aligning our capabilities to opportunities in the market. We have set up an improved and standardised process for evaluating risks in projects and earlier assessment of the overall risks and returns. With this framework we aim for earlier and improved evaluation of opportunities through an objective risk-based framework. Risk adverse is the rule, with educated and motivated exemptions in core competencies. We want to further improve project monitoring and control, which also includes technical monitoring. In our operations, digital tools increasingly enable us to model and visualize projects and products beforehand, thus identifying risks at an earlier stage and reducing construction and production risk.

We have a stronger focus on works with a repetitive character and on maintenance services. The aging European infrastructure requires smart and effective management of renovation and maintenance programs. To maintain our strong positions within the competitive landscape we continuously invest in the development of technologies and skills to apply integrated solutions for our clients. Investing in information technology and data analysis helps us to think ahead and define the best approach. Using data-driven predictions, we can select the best times for maintenance and think along with our customers to extend the life cycle of their assets.

We are limiting our scope of activities to markets and jurisdictions on the European continent which we understand well. Currently, Strukton Groep concentrates on selected countries in Europe: the Netherlands, Belgium (rail & civil engineering activities), the Nordic countries (rail activities) and Italy (rail activities). We have therefore withdrawn our rail asset management activities from Australia and North-America in the course of 2021. And we have accelerated our withdrawal from the Middle-East and completed this in June 2023.

In 2020, Strukton Groep started gradually to reduce its financing facilities. Since mid-2021, this roadmap is formalised wherein Strukton Groep continues a strategy to harmonize its financing landscape initially in Northern Europe, exempting the non-recourse project financing for RIVM and the ringfenced facilities in Italy which continue to exist at the time of writing. The absence of cash financiers permits the Strukton Groep countries to collaborate across borders due to the reduced existence of restrictive country-based financing arrangements and pledges.

Since the divestment of Strukton Worksphere in January 2022, financing requirements mainly constitute of (bank) guarantees, transaction banking, (equipment) lease and transactions. Cash or credit facilities have been repaid, reduced or not materially utilized since early 2022. In view of the loss making Strukton Groep projects we expect a substantial one-off financing requirement in 2024.

Rail Infrastructure (Strukton Rail)
Business-wise, the focus will lie on the interests of the group and activities that strengthen it. The rail-related activities will play a more important role, with support from the civil-engineering activities. In addition, we will invest in identified growth markets to support the energy transition. Steps to adapt the organization to reflect the new strategy began in 2020 and we continued to implement them in 2021 and 2022, although with a slower pace than desired.

Rail Netherlands focused on right-sizing the business in 2020 for a dip in project revenues and optimizing personnel by increasing productivity, improving capacity planning in 2020-2021 and intensifying collaboration with Belgium. The Rail holding was replaced with a flatter structure in 2020, in which the three new rail business units (Belgium-Netherlands, Nordics and Italy) are now directly reporting to Strukton Groep.

Civil Infrastructure (Strukton Civiel)
The Strukton Civiel organization was restructured in 2021 and 2022, reducing overhead, organisational complexity and reorientating the organisation to four distinct product market combinations. The civil segment now consists of two Dutch business units: Strukton Roads & Concrete and Strukton Infrastructure Specialties. Specialized companies that used to be partially integrated mainly within the Dutch civil division are now operating more autonomously. With the new orientation and structure, the Dutch civil segment is expected to improve financial performance and lower the risk profile as from 2023 onwards.

Technology and Buildings (Strukton Worksphere)
In line with the strategic refocus on sustainable infrastructure, Strukton Groep has divested its relatively stand-alone business active in maintenance of accommodation and the built environment. The segment named 'Worksphere' was sold to SPIE Netherlands for a purchase price of over EUR 220 million in January 2022. Strukton Groep needed the cash proceeds amongst others to repay cash facilities in January 2022 and substantially strengthen its capital base as of that date.

Consultancy and Engineering Services (Antea Group)
Antea Group is an international consulting and engineering firm that specializes in full-service solutions in the areas of environment, water, infrastructure and spatial planning. By combining strategic thinking, multidisciplinary perspectives and engineering expertise, we are able to deliver sustainable results for a better future and solve our clients' challenges in the most effective way possible. The various country organizations that make up Antea Group each focus on providing services in their respective countries. As the overarching organization, Antea Group bids for international contracts — such as from donor agencies — and is active in product development, innovation, and digital transformation, as well as in international focus areas such as water, remediation, and data and asset management.

With about 3350 employees across the globe, we serve clients ranging from international energy companies and manufacturers to donor agencies, national governments and local authorities. Every day, we set out to make our activities grow sustainably by building an international enterprise that makes the most of its expertise from its sources to deliver innovative solutions to partners and clients across the globe.

We offer client value through a varied range of consulting and engineering services that are aligned with current challenges in the market and that promote fit-for-purpose solutions. Our employees are passionate about what they do and committed to translating complex requirements to workable solutions. Thanks to our agility and capacity for adaptation, we are able to innovate and make the most of our global resources to continue to be a leading player in the industry. By engaging Antea Group, customers will reap the benefits of successful projects that protect the planet, enable business growth and guarantee social well-being.

Antea Group's performance, processes, employees and all other stakeholders were impacted by Covid-19. Covid-19 also forced us to be agile, to work remote, to change processes and procedures and in this way to innovate. We were also able to further expand our position as an international firm, for instance, by reinforcing the international connections between the various country organizations.

In 2020, Antea Group Netherlands achieved its best result ever for the fourth consecutive year. Antea Group Belgium performed well in 2020 and where the revenue was modestly below 2019, the operational result was significantly above 2019.

The positive trend in two countries that are highly important for Antea Group, France and the United States, could not be continued in 2020 due to Covid-19. Revenues and operational results reduced.

Antea Iberolatam in Spain and Latin America contributed positively to the Group's operational profits in both 2020 and 2019, as did Antea Group Poland, Antea Group India and Antea Group Brazil.

Disruptive developments

In the various countries where they have operations, the segments are being impacted directly or indirectly, and to varying degrees, by disruptive conditions such as Covid-19, availability of adequately qualified staff, (lack of clarity on future) legislation and regulations, currency exchange rates, availability and prices of resources and commodities, digitalization and robotization. The Board and the management of the segments and units are working dynamically on analyzing the potential risks and designing measures to mitigate the impact of the expected disruptions. In the area of the digital transformation and innovation, several initiatives were launched and are now underway at both segment level (Antea Group's Innovation Hub in Orléans, France) and more broadly across the organization.

The Covid-19 pandemic that started beginning of 2020 had a major impact on our day-to-day operations. The main focus in 2020 was to do everything we could to continue business and provide a safe and healthy working environment for staff, partners and representatives of clients. While some of our activities were less efficient and/or delayed, less traffic on roads and rail opened up opportunities for accelerating other activities, like (early) maintenance projects. On the other hand, Covid also led to the delay of projects throughout the company. Covid continued to impact the company in 2021 and 2022. Some segments lost revenue, people suffered from the virus and debates with customers on cost reimbursements are still ongoing. Further details about the impact of Covid is included in the Covid-19 paragraph in the financial statements as part of the chapter Financial risk management.

Research & Develoment

Both parts of Oranjewoud, being Antea Group and Strukton Groep, encourage their employees to develop new initiatives with regard to research and development in order to enhance and improve the business, business processes and performance. They focus on innovation and digital transformation including artificial intelligence.

Acquisitions

If deemed expedient for the development of the strategy of and long-term value creation for the Group's segments, the Group will make acquisitions as and when the opportunity arises. Decisions to take part in an acquisition process will not be made until various conditions are met, such as the conditions that the acquiring segment must have sufficient cash and cash equivalents available, also in relation to current bank covenants, that the acquisition target must conform to a certain profile (minimum scope, spread of customer base and products, limited financial, legal, and tax risks, ratios), and that the target business must be able to contribute promptly to the development of the segment's strategy and long-term value creation. The value of a business that is an acquisition target is measured using various measurement methods, factoring in considerations such as future cash flows and capital costs.

After acquisition, the acquired entity will be monitored as an independent unit or as part of a larger cash-generating unit (CGU), while its figures will be presented as an integrated part of the Group's regular reports. The value of the business combination is reviewed on a regular basis, which will again take account of future cash flows and capital costs. The outcome of this review is a key status indicator.

In the event that any Group unit does not contribute or no longer contributes to the Group's strategy and long-term value creation, a decision can be made to sell the business unit in question. This kind of decision will never be made lightly and will be made only after careful consideration of all potential risks (including reputation-related risks) and adverse effects.

In 2020 the ownership in JPL Rail AS was increased from 30% to 70%. On May 29, 2019, the Group acquired a 100% stake in Antea Polska S.A.

Financing and Equity Interest

Financing

On April 13, 2018, Strukton Groep concluded a financing arrangement for the Dutch companies with a term of three years and an extension option. In May 2020 a share premium amounting to €20 million was paid by Oranjewoud N.V. In June 2020, Strukton Groep extended the current financing for a period of six months until October 13, 2021 and reduced it to €80 million. In December 2020, the current facility was further reduced to €60 million as part of reshuffling of guarantee and current facilities. In October 2021 the current facility was again extended by three months until January 15, 2022 and reduced to €36.2 million.

In the course of 2021, Strukton Groep started the divestment process for the Buildings division 'Worksphere' which no longer matched the strategic orientation of Strukton Groep. The division was procured by SPIE providing a solid new home for our (former) employees. Strukton Groep utilized the cash proceeds amongst others to repay cash facilities in January 2022 and substantially strengthen its capital base.

Strukton Groep's liquidity requirement is being forecasted on a frequent basis, and the application of the facilities is continually monitored. The main financing documentation, applicable until the January 2022 repayments, sets out various covenants that are mainly related to the company's cash-generating capability. These covenants are assessed on a frequent basis as well. Most of these covenants became obsolete upon repayment of the facilities early 2022. Strukton Groep's investment and depositing commitments pursuant to current investment programs, projects and ppp shares are included in this liquidity requirement. Realisation of the liquidity forecast is strongly dependent on the development of external market conditions, order intake, development of project results and the development of the net working capital. Due to the project-based character of the company, one-off negative project results may affect both the financing requirement and the covenants. This risk is limited by strongly steering on process control and by increasing the share of non-project based activities. Additionally, we aim to further reduce the company's net debt, and to dispose of some specific assets that are not directly necessary for the core operations. Our financial policy aims to maintain and where possible improve our credit rating in order to assure our access to the banking and financial markets at conditions acceptable to Strukton Groep. We do not have any specific indications that certain market conditions, such as price development with both principals, and suppliers and contractors, or agreements with suppliers and credit insurers are developing in any way unfavourably. This also applies to the order intake and timely conversion into operating income and development of project results within the expected bandwidths.

Strukton Groep's Executive Board identified various measures that may ensure additional financial room. These measures concern, among other things:

- Better payment conditions, quicker invoicing and collection of invoices, improving the working capital
- Securing dividends from non-credit base subsidiaries, associates and related investments
- Sales of specific assets and non-core portfolio companies
- Agreeing on additional remuneration for specific projects with clients.

Bank Covenants
Oranjewoud N.V. is compliant with the conditions agreed with the banks for the entirety of 2020 and as of December 31, 2020.

Strukton Groep N.V. has its own financing arrangement that is fully ring-fenced from Oranjewoud N.V.'s financing. Strukton Groep was unable to meet the minimum EBITDA threshold as at June 30, 2021, as well as the minimum EBITDA, interest cover ratio and solvency ratio as at September 30, 2021. Subsequently Strukton Groep has submitted a waiver request to the financial institutions involved. The financial institutions involved have stated that they will not make use of their rights regarding the exigibility of the financing during the period of the facility until January 15, 2022. Strukton Groep N.V. has sold the shares of Strukton Services B.V. on January 27, 2022 to SPIE Nederland B.V. The proceeds of this transaction have significantly improved Strukton's financial position and solvency. In the context of this transaction a refinancing of the credit and guarantee facility has been completed. Due to this refinancing the cash facility has been fully repaid and closed and there are no longer any financial covenants.

Equity Interest
As at the date of the financial statements, Oranjewoud N.V. is 99.09% owned by Sanderink Investments B.V. (year-end 2020: 98.96%), however since June 1, 2023 all the shares minus one have been put in custody with a custodian *(beheerder)* due to a decision of the Enterprise Chamber of the Court in Amsterdam.

Separate Companies
Antea Group's consulting and engineering services and Strukton Groep's implementation activities have not been and will not be merged. There will, of course, be collaboration whenever clients can be given the opportunity to take advantage of the Group's combined knowledge, capabilities and references, and the Group will also exchange knowledge and share best practices.

Antea Group and Strukton Groep each have their respective strategic objectives. Oranjewoud N.V.'s policy in terms of preventing possible conflicts of interest has been shaped by compartmentalizing companies and procedures that will be adapted to internal organizational changes and the requirements set by tender legislation and regulations. These procedures comprise: organizational separation of projects, separation of companies, separation of management systems, securing confidentiality and the corporate code (of conduct). Staff at Oranjewoud N.V.'s relevant entities will be briefed on conflicts of interest, integrity and the importance of compliance with (internal) regulations. Antea Group and Strukton Groep have separate IT systems and management teams.

Subsequent Events
We are aware of global and geopolitical events (including climate change, the war in Ukraine and Gaza and changing powers in the world arena) and the challenging macroeconomic market developments (like tightness in the labour market, inflation, supply chain disruptions) and the possible negative impact on our company has our attention. At the same time, there are many business opportunities and we are committed to contribute to that important development. In the next paragraph and more in detail in note 28, the significant subsequent events are disclosed.

Segmentation
Oranjewoud N.V. reports on the following segments: Consulting and Engineering Services, Rail Infrastructure, Civil Infrastructure, Technology and Buildings and Other.

Consulting and Engineering Services

in millions of €	**2020**	**2019**
Total revenue	419.4	438.6
Operational result (EBITDA)	37.6	43.8
Backlog	272	272
Number of employees (at year-end)	3232	3267

Total revenue in the Consultancy and Engineering Services segment came in at €419.4 million in 2020 (2019: €438.6 million). The operational result totaled €37.6 million (2019: €43.8 million). By year-end 2020, the workforce had reduced to 3232 (2019: 3267).

The Dutch economy was challenging in 2020. The impact of Covid-19 with remote working and lockdowns was significant on the processes and the mental well-being of the employees, however the operating profit of Antea Netherlands exceeded 2019's. The labor market continued to be a challenge. In 2020, Antea Netherlands managed to hang on to its leading position, once again increasing its operational profit. The backlog grew to €108.2 million (2019: €104.1 million). Standing at 1475, the number of employees fell slightly compared to 2019 (1481).

Covid-19 impacted the way of working and the agility of Antea Group in Belgium as well. As a result, Antea Belgium's revenue has reduced modest, while the operational profit was up. The backlog grew to €37.5 million (2019: €35.9 million). The number of employees in Belgium has grown (2020: 219 and 2019: 202).

The economy in France was impacted by Covid-19 in 2020, and so was Antea France. In November 2019, Antea France celebrated its 25th anniversary. Both revenue and operational result were down in 2020 due to Covid-19, but recovered in 2021 and beyond. The backlog grew to €68.7 million (2018: €58.8 million). The workforce decreased to 850 (2019: 855).

Antea Group in the United States was also impacted by Covid-19 in 2020. Both revenue and operationalresult were down, but recovered in 2021 and beyond. The backlog decreased to €38.7 million (2019: €52.1 million), while the number of employees reduced to 375 (2019: 399).

Antea Iberolatam in Spain and Latin America, as well as Antea Group in Brazil, India and Poland, all dealt with the impact of Covid-19 in 2020. Revenue grew and operational results from these operations decreased but remained positive and recovered in 2021 and, in general, have shown growth in the years 2022 and 2023.

Rail Infrastructure

The Rail Infrastructure segment has realised a better operational result than in 2019 (increase in EBITDA of € 30.0 million) due to a good performance of Strukton Rail Sweden, Italy and the Netherlands.

In millions of €	**2020**	**2019**
Total revenue	893.5	890.1
Operational result (EBITDA)	60.0	30.0
Backlog	1,444	1,500
Number of employees (at year-end)	3539	3747

The growing importance of rail as a segment is also reflected in the results over 2020 with a revenue of €893.5 million and an EBITDA of €60.0 million positive.

Demand for sustainable mobility is growing in all our home countries and the EU Green deal is an impulse for the rail transport market across the European Union. The great craftsmanship, knowledge and skills that we have in these areas, combined with high-end technology, give us a strong position in maintenance and management. The importance of Rail Infrastructure will therefore grow further, which is also in line with Strukton Groep's strategy.

The organisational structure of the rail segment was simplified in 2020, in which the three divisions (Belgium-Netherlands, Nordics and Italy) are directly reporting to Strukton Groep. Processes were streamlined and improved to increase efficiency and uniformity and therefore making the Rail segment financially healthy.

Rail Netherlands focused on right-sizing the business in 2020 to compensate for a reduction in project revenues and optimizing workforce utilisation by increasing productivity and improving capacity planning in 2020-2021. The latter is also important given the scarcity of highly qualified personnel to realise the full potential of production. The prospects for Rail Be-Ne are positive. The market in the Netherlands is expected to grow and safety regulations ask for an upgrade of the old train safety systems. In 2022, the Belgian division became a certified rail operator, which provides further growth opportunities.

Rail has a long maintenance history in Sweden and Denmark and works on a smaller-scale project basis in Norway. The business unit is one of few companies that takes care of rail maintenance, where we can grow with projects and machines. We can cover large parts of the market with our broad competence, even geographically through the Nordic countries. The Nordics division was introduced in 2020 when the Rail holding was replaced with a leaner simplified organisational structure and a reduced number of overhead staff. Integration of processes and systems throughout Sweden, Denmark and Norway is ongoing, with focus on machine coordination and shared experience.

The prospects for Rail Nordics are positive. The market is looking for a proactive and more efficient way of maintaining the track facilities, which Strukton can offer. The Danish F-Bane project was lossmaking in the years before 2020 and had an a-typical contract mechanism with regards to very high bank guarantee requirements. This is altered to a more proportional mechanism with regards to bank guarantees in an agreement in May 2022. The introduction of ERTMS across Europe also provides good opportunities, where we can leverage experience from the stabilized F-Bane project in Denmark.

CLF has a rich history in Italy as a full-service provider for railways, building on good relationships with customers and market participants. The company can supply the entire track portfolio with a specialist machinery fleet and has a strong ability to react to changes in operating conditions. In 2020 and onwards, cooperation in Strukton is increasing. From the strong production base in Italy, staff and machinery are occasionally mobilized in projects in the Netherlands, Belgium and the Nordics.

Civil Infrastructure

The Civil Infrastructure segment has realised a worse result than in 2019 (decrease in EBITDA of € 120.4 million) due to losses on, among others, the projects in Riyadh, Qatar (both Strukton International) and Hoofdstation Groningen (Strukton Civiel).

In millions of €	**2020**	**2019**
Total revenue	415.6	575.1
Operational result (EBITDA)	(105.4)	15.0
Backlog	498	586
Number of employees (at year-end)	1124	1187

2020 was a difficult year for the Dutch Civil Infrastructure division including our international activities, which is also shown in the disappointing financial results. The revenue for the year was € 415.6 million and the EBITDA was €105.4 million negative, due to negative project results, a complex organisation and high cost base.

Apart from our international loss-making activities which are explained below, three specific projects within our Dutch Civil activities had a significant negative impact on the results.

Strukton Civiel Projecten B.V. is working on the Hoofdstation Groningen project on behalf of ProRail. The project has been delayed and the planning has been shifted backwards several times. The delays were caused by the complexity of the project and material external circumstances, both resulting in a longer and more expensive design process.

This was not foreseeable and has arisen during the important execution phase of the project. We are in constructive and active dialogue with ProRail, which has not yet led to an agreement on additional remuneration and the time consequences. Consequently, no reliable estimate of compensation can be made and thus no significant reimbursements for these events are accounted for, whereas management expects (partial) recovery of such amounts. A provision is formed of €42.0 million in 2020, and further provisions are recognized in and attributable to 2021 and 2022.

TenneT is increasing the capacity of the electricity network with new 380 kV high-voltage connections. Strukton Groep (50%) and Mobilis (50%) have been contracted for the foundation constructions at two projects in connection herewith, in the Dutch provinces of Groningen and Zeeland. The Zeeland project (Wintrack Zuid) has suffered delays due to the non-availability of land and permits. It also encounters problems with the reinforcement of some of the completed foundation piles. We have presented a solution towards TenneT to solve the issue whilst adhering to the specifications of the contract.

The combination Strukton/Mobilis is in a constructive and active dialogue with TenneT, which has not yet led to an agreement on additional remuneration and the time consequences. The best estimate on potential remuneration from the client on these matters, together with the additional costs related to the repair works, has been included in the evaluation of the expected project result. A provision is formed for Strukton Groep's share of the net balance amounting to €4.5 million, and further provisions are recognized in and attributable to 2021. If no remuneration will be granted from the client, which Strukton Groep deems unlikely, an additional loss would have to be recognised.

In 2018, the legal predecessor of Strukton Roads & Concrete (50%) formed a joint venture with Ballast Nedam Road Specialties (50%) for a subcontract regarding the realisation of specific civil works on the A-Pier at Schiphol, as subcontractor for the main contractor, a JV between Ballast Nedam and TAV. In the execution of the project, Ballast Nedam TAV was involved in discussions with Schiphol based whereon ultimately Schiphol decided to terminate the contract with Ballast Nedam TAV. Subsequently, the main contractor terminated the contracts with its subcontractors. There is currently a dispute with Ballast Nedam TAV as to the amount of compensation we are entitled to receive for this premature termination.

The outcome of the current process between Schiphol and Ballast Nedam TAV, and the subsequent implication for Ballast Nedam Road Specialties and Strukton Roads & Concrete is uncertain. The process has not yet led to an agreement on (additional) remuneration and the time consequences. The best estimate on potential remuneration from the client on these matters has been included in the evaluation of the expected project result. A provision is formed for Strukton Groep's share of the net balance amounting to €9.4 million per 31 December 2020, and further provisions are recognised in and attributable to 2021. If no remuneration will be granted, which Strukton Groep deems unlikely, an additional loss would have to be recognised.

On top of the major projects described above, Strukton Civil has also executed a number of smaller loss-making projects. The broad strategy, complex organizational responsibilities and challenging risk management all contributed to poor performance across the board. Strukton Civil also experienced a number of smaller disputes with partners, subcontractors and clients. Furthermore, Strukton Civil ventured in all markets and in all disciplines in a traditional market approach until 2020, which was typical for civil companies in the Netherlands. Strukton Groep perceives this market as a high-risk market with low profitability, worsened by significant competition and overcapacity in the asphalt market. Management evaluation of the project portfolio of the Civil segment during 2021 and 2022 has led to a significant number of adjustments and write-offs to project valuations which led to a combined negative result of €22.4 million. The combination of these matters led management to implement a new approach to the Civil market and strengthen internal organisation and controls.

Strukton International's single largest project (acting through Strukton Civiel Projecten B.V.) was the Riyadh Metro project in Saudi Arabia with the Royal Commission for Riyadh City as the client (RCRC). Strukton was part of the so-called FAST consortium with FCC Construccion S.A., Samsung C&T Corporation, Freyssinet Saudi Arabia and ALSTOM Transport S.A. as the consortium members. The project reached the 90% completion milestone in 2020. However, Strukton's relationship with RCRC and the other consortium members deteriorated significantly due to a complex legal event regarding our operations in the country. A Saudi citizen, Mr Al-Shattery, obtained a judgement against Strukton in his favour on 3 May

2021 in the Kingdom of Saudi Arabia. Pursuant to this judgement, Strukton was ordered to pay this individual an amount of €25.25 million. Strukton strongly disputes the validity of this claim. We also believe this judgement has been obtained in breach of our rights of due process.

Notwithstanding the aforementioned, RCRC has used this court ruling as a ground for withholding a similar amount to the entire FAST Consortium in the summer of 2021. Strukton perceives this action by RCRC as legally incorrect. However, this event has led to a material breach of confidence between the FAST Consortium members and Strukton, ultimately leading to the exclusion by the other consortium members of Strukton in November 2021.

Discussions between Strukton and the other consortium members have since been continuing as to the lawfulness of the exclusion(s) and the consequences of such exclusions. We have reached an agreement on a process with the other consortium members in January 2023. This agreement aimed to regulate a process pursuant to which Strukton transfers the bank guarantees and its participation in the various consortia, joint ventures and entities of the Riyadh metro project to the other members. The agreement handed over responsibilities with regards to the project to the consortium and was effected during June 2023. Strukton is also party in a number of statutory and tax disputes for which we have formed a provision.

The above matters have arisen during the important execution phase of the project. The adverse consequences of the current verdicts of the legal proceedings with Mr. Al-Shattery, combined with the financial implications of the exclusion have resulted in steep write-offs and provisions in 2020 and costs relating to ceasing our operations in the country for a combined amount of €46.9 million, and further provisions are recognised in and attributable to 2021 and 2022, being management best estimate. From this amount in 2020, €29.6 million relates to write-off of participation values and (other) receivables, €10.8 million to tax provisions and €6.5 million to other matters such as (provisions for) legal and financial costs. Considering the finalisation of the agreement, no further negative financial impact is expected relating to the Riyadh Metro Project.

Strukton Groep initially entered the market of Qatar as a platform to market its premium grade asphalt products that perform well in the local climate. Strukton Groep is involved in multiple medium-size road work contracts supporting the overall infrastructure investments the country of Qatar made in recent years. Execution inefficiencies, cultural differences with partners, travel restrictions during the COVID-pandemic and minor local legal disputes all contributed to a negative result and also the decision of Strukton Groep not to continue in the region. At the time of writing, the three most material projects are materially complete and progressing towards handover and latent defects phase. In 2020, a provision of €11.0 million has been recognised as management best estimate of the projects valuation and cost relating to ceasing our operations in the country.

Technology and Buildings

The Technology and Buildings segment has realised a worse result than in 2019 (decrease in EBITDA of €62.6 million). This is mainly due to the loss on the RIVM project.

in millions of €	**2020**	**2019**
Total revenue	519.5	408.1
Operational result (EBITDA)	(45.3)	17.3
Backlog	839	767
Number of employees (at year-end)	1763	1717

Worksphere performed well in 2020, excluding the MEET RIVM project which is described below. The RIVM project was transferred to Strukton Assets mid-2021 and is not part of the divestment of Worksphere. Worksphere signed a contract with De Nederlandsche Bank, the Dutch central bank, for the sustainable renovation of its headquarters. The project clearly illustrated the growing importance of sustainability and circularity in Worksphere's business. It also enabled Worksphere to make good use of its expertise in many different areas: civil engineering, electrical engineering, construction, sustainability and digitalisation.

In line with the strategic refocus on sustainable infrastructure, Strukton Groep has divested Worksphere, which was a relatively stand-alone business active in maintenance of accommodation and the built environment. The divestment effectuated on 27 January 2022 offered both Strukton Groep and Worksphere the opportunity to grow. Where Strukton Groep will specialize more in sustainable infrastructure and energy, Worksphere will focus on the built environment, as a part of SPIE.

Starting 2014, Strukton's 100% subsidiary MEET RIVM CBG B.V. (MEET) executed the works on the new accommodation of the RIVM (Rijksinstituut voor Volksgezondheid en Milieu, Dutch National Institute for Public Health and the Environment) and CBG (College ter Beoordeling van Geneesmiddelen, Dutch Medicines Evaluation Board). MEET is the special purpose vehicle responsible for the design, building, financing, maintenance and operation (DBFMO) of the RIVM Project. A separate Strukton owned special purpose vehicle, MEET Strukton B.V., is responsible for attracting the initial non-recourse project-financing for the RIVM Project. The one-off project has faced significant complexities, the two most material of which have resulted in formal dispute resolution proceedings with the Dutch State (represented by Rijksvastgoedbedrijf) (Contracting Authority). These relate to (1) the continuous VC-C vibration measures which are applied to the new building and (2) several major Change Orders to the laboratories requested by the Contracting Authority. These issues cause (critical) delays and have therefore significant financial consequences which the Contracting Authority does not agree with. The DBFMO Agreement contains a dispute resolution mechanism for these issues.

The abovementioned issues were brought before several Committees of Experts (bindend adviseurs) during the timeframe 2020-2023. The outcome of two of these procedures is still uncertain. The two main dispute procedures are highlighted below.

Mitigating Measures (Committee of Experts (02))
To meet the contractually stipulated VC-C vibration requirements, various vibration mitigation measures have been taken. During the dispute procedure in 2017, the first Committee of Experts judged that the cost scope of these measures was EUR 20.7 million, of which 40% was to be remunerated by the Contracting Authority. Thereafter, further continuous measures were taken and the actual costs of the measures were proven higher than judged in 2017. A new dispute resolution proceeding is active to determine the amount of the extra costs and division thereof between the parties. By the end of July 2021, the Committee of Experts (02) rendered its binding interim advice on the costs of the measures and determined that 50% of the higher costs are to be compensated by the Contracting Authority. In order to form a final binding advice, the Committee has appointed a cost expert to determine and report on the amount of the costs. Following this the procedure is expected to be completed in the beginning of 2024.

The basis for current result valuation are the compensations granted under the final (interim) verdict and the incurred financial consequences for implementing the vibration measures. This forms the basis of management's current best estimates, which lead to a combined negative project result of €90.8 million, and further provisions are recognised in and attributable to 2021. The procedure has not yet led to a final conclusion on additional remuneration. Consequently, no reliable estimate of further compensation can be made and thus no compensation on top of the final (interim) verdict for these events are accounted for, whereas management expects (partial) recovery of such amounts.

Change Orders Contracting Authority GAP III and Recalibration Process 1 (Committee of Experts (03))
In recent years, the Contracting Authority has requested several Change Orders, which have – together with COVID-19-situation within the same timeframe – caused (critical) delays and resulted in significant financial consequences. These Change Orders relate amongst others to changing of the classification of the generic laboratories in the Tower ('Recalibration Process 1') and modifications required to realize a polio laboratory in the special labs wing. As a result thereof, the building was not available at the original Scheduled Availability Date (31 August 2021). Parties disagree on both the amount of the financial consequences and the duration of the so-called "Critical Delay" and have therefore started the contractual dispute procedure.

During the main procedure (hoofdzaak) the GAP III Committee issued a binding interim advice in two interim provisions (voorlopige voorzieningen) (March 2022 and September 2022). The Committee ordered that MEET is to immediately start and continue to work on the GAP III Change Order, while the Contracting Authority must pay (monthly) advance payments to secure MEET's liquidity position until November 2022 and subsequent remuneration of direct costs. MEET has requested a third interim provision for further liquidity for the period until the final verdict, however such provision has not been granted.

In the main procedure, MEET has extensively elaborated on the financial consequences of the Critical Delay caused by the Change Orders GAP III, the Recalibration Process 1 and the other circumstances. In addition, MEET has claimed a delay of obtaining the Availability Certificate of 40 months so-called “Critical Delay” to approximately year end 2024. MEET has determined that the related financial consequences amount to EUR 227 million.

On 26 October 2023, the GAP III Committee rendered its binding interim advice. The Committee determined that the Critical Delay is 15 months, meaning that the Scheduled Availability Date becomes 30 November 2022 and that MEET is entitled to compensation for the damages that it incurred in connection herewith. The Committee has given the parties a period of three months to reach agreement on the amount of compensation. MEET is currently considering its options. If it desires to challenge the binding interim advice, it should commence a procedure at the District Court within 28 days after 26 October 2023.

We are confident in the strength of our legal position and that our rights under the contract will be honoured. However, due to the high uncertainty, management’s current best estimate is to only take into account the outcomes of the three above interim provisions, which also align with the newest (interim) verdict of October 2023.

The combined negative project result including the negative results and provisions formed for the vibration issue and the neutral effect foreseen from the GAP III Committee cumulatively lead to a negative project result of €90.8 million in 2020. The procedure has not yet led to a final conclusion on additional remuneration. Consequently, no reliable estimate of further compensation can be made and thus no compensation on top of the final (interim) verdict for these events is accounted for, whereas management expects (partial) recovery of such amounts. As the case is with a committee of experts, different outcomes are possible which may significantly impact our results from 2021 onwards.

Construction progress
By the start of Q3 2023, the structural, electrical and mechanical construction progress of the Tower, plint and the special labs wing is approximately 90 percent. Finishing works – such as the laying down of the floors, painting works and the instalment of lab furniture – and the commissioning and qualification phase are to be completed. Besides that, the project company is progressing with the structural works in the terrain and expedition area.

Other

in millions of €	**2020**	**2019**
Total revenue	65.1	74.7
Operational result (EBITDA)	-0.9	1.5
Backlog	15	18
Number of employees (at year-end)	143	168

The Other segment includes reporting on Sports, Temporary Staff and Other activities.

Sports
The Sports activities consist of Antea Sport Netherlands, J&E Sports, and Edel Grass. Sports’ revenue was down on the previous year, while the operational result grew. At €13.3 million (2019: €15.5 million), the backlog is good, while the workforce decreased to 53 (2019: 55).

Temporary Staff
Compared to last year, revenue fell and operational result was positive. The backlog was down. The workforce decreased to 65 (2019: 113).

Internal control

Oranjewoud N.V.'s operations are wide-ranging and performed by a varied group of operating companies that are active in the fields of civil infrastructure, Rail Infrastructure, technology and buildings, environment, spatial planning, water and recreation. Internal control is handled by each of the operating companies separately, so there is only limited internal control at the level of Oranjewoud N.V. itself.

Organizing internal control in this way was a conscious choice, prompted by the fact that it fosters entrepreneurship. However, due to increased complexity of the environment in which the group operates (in terms of risks, legal context and increased international business), a need has arisen to design and implement additional procedures at Oranjewoud N.V. level, in the area of internal auditing and related processes for example, on top of existing procedures. These procedures will be detailed in a handbook and, as a minimum requirement, they will govern the activities of the operating companies.

The Group's strategy is focused on reducing risk exposure in the backlog and order intake. In 2020, important steps were taken in this area.

Amortization

Total gross amortization of intangible fixed assets, Purchase Price Allocation (PPA) depreciation and other amortizations amount to €21.4 million (2019: €7.7 million). Out of this amount €16.5 million relates to impairments of goodwill (2019: €3.0 million). Thus amortization of intangible fixed assets had a significant impact on net results in 2020.

In the 2020 financial year, a gross amount (non-cash) of €0.8 million (2019: €1.7 million) relating to PPA's was amortized at the expense of the results.

Capital Structure

As at December 31, 2020, the authorized share capital of Oranjewoud amounted to €10,000,000, consisting of 50,000,000 A and 50,000,000 B shares of €0.10 each. As at such date, the subscribed and paid-up share capital amounted to €6,287,286.90 and consisted of 29,553,066 A shares and 33,319,803 B shares. During 2020, the A shares were listed on Euronext Amsterdam. Such listing ended on February 7, 2022. There was no difference in terms of voting and financial rights between the A shares and B shares. On the date of the change of the articles of association (August 22, 2023) the A shares and B shares were converted into one class of ordinary shares.

On June 4, 2021, Sanderink Investments B.V. started a buy-out procedure against the minority shareholders in Oranjewoud N.V. On December 21, 2021, the Enterprise Chamber of the Amsterdam Court ruled in its interim judgment that Sanderink Investments B.V. met all the conditions for buy-out. According to the Enterprise Chamber there are no grounds for rejection with regard to the claim for buy-out of Oranjewoud's minority shareholders. In its interim judgment, the Enterprise Chamber also decided, among other things, to appoint an expert. This expert was to determine the value of the Oranjewoud shares as of the reference date December 31, 2021, or another date as close as possible, taking into account all relevant facts and circumstances.

The Enterprise Chamber ruled on November 28, 2023, among other things, that the minority shareholders are condemned to transfer the unencumbered right to the shares in the issued capital of Oranjewoud N.V. to Sanderink Investments B.V., that the price of the shares to be transferred was determined as of December 31, 2021 at €10.06 per share, and that the price, as long and insofar it has not been paid, will be increased by the statutory interest from December 31, 2021 until the day of transfer or the day of consignment of the price with interest and ordered Sanderink Investments B.V. to pay the determined price, with interest, to those to whom the shares belong upon delivery of the unencumbered right to the shares.

Financing and Financial Instruments

General

The Group's main financial instruments comprise bank loans and credits and cash and cash equivalents. The Group also uses interest rate swaps and (foreign) currency forward to hedge interest and currency risks arising from corporate and project financing. The main purpose of the financial instruments is to attract financing for the Group's operating activities. In addition, there are various other financial fixed assets and liabilities, including trade receivables and debts to suppliers, which arise directly from the operating activities. No derivatives or financial instruments are held for trading purposes.

Financial Covenants

Oranjewoud N.V. is compliant with the conditions agreed with the banks for the entirety of 2020 and as of December 31, 2020.

Strukton Groep N.V. has its own financing arrangement that is fully ring-fenced from Oranjewoud N.V.'s financing. Strukton Groep was unable to meet the minimum EBITDA threshold as at June 30, 2021, as well as the minimum EBITDA, interest cover ratio and solvency ratio as at September 30, 2021. Subsequently Strukton Groep has submitted a waiver request to the financial institutions involved. The financial institutions involved have stated that they will not make use of their rights regarding the exigibility of the financing during the period of the facility until January 15, 2022.

Interest Rate Risk

Loans and credit are needed due to the mismatch between receivables and liabilities. Loans and credit with a variable rate of interest are exposed to the risk of cash flow changing due to interest rate fluctuations. The Group's policy aims to acquire long-term financing at a fixed rate of interest by taking out interest rate swaps. Interest rate swaps are always used to hedge interest rate risks on the financing of ppp projects.

Currency Risk

The majority of the Group's activities are carried out in the eurozone. Outside Europe, the Riyadh subway project in Saudi Arabia got underway in 2013. In 2014 and 2016, the company closed forward exchange contracts for the Riyadh metro project, hedging the currency risk on future cash flows in USD until early 2020 and an on balance sheet hedge terminated by the end of 2022. Incidental non-euro positions are hedged using forward exchange contracts. Currency risk on foreign subsidiaries' shareholders' equity and on long-term loans granted to these subsidiaries, known as the translation risk, is not hedged, with the exception of Antea United States.

Credit Risk

Given that a large number of our clients are public-sector organizations (governments), our exposure to credit risk is minimal. For projects above a certain value for private-sector clients, credit risk is also a factor in the assessment of the contract. Aside from that, billing for contracts (in advance) is based on project progress. The available cash and cash equivalents are held with credit-worthy banking institutions.

Liquidity Risk

Liquidity risk is the risk of the Group being unable to meet its financial obligations at the required time. The basic principles of liquidity management are that there must be sufficient liquidity to be able to meet current and future financial obligations, both under normal and exceptional circumstances, without incurring unacceptable losses or jeopardizing the Group's reputation. The Group uses ongoing liquidity forecasting to monitor whether the available liquidity is sufficient. In case of long-term contracts, clients are generally asked to pay installments to cover the financing of project expenditure.

Bank Guarantees

Bank guarantees have been issued by the Group for projects, lease agreements and investment relief.

Corporate Social Responsibility and Sustainability

Investing in the future

Finding a balance between financial/economic results, social and staff interests and the environment; not only thinking about the here and now, but also thinking about future generations: Oranjewoud N.V. actively works to ensure corporate social responsibility. This includes sustainability in business, sustainable operational management, volunteer work by employees and sponsorship of social initiatives. We are seeing a constant increase in market demand for sustainable solutions and applications. Oranjewoud N.V. is keeping pace with this significant development. For specific information about activities and projects in the context of corporate social responsibility and sustainability, reference is made to the notes in Segmentation.

Integrity

We are committed to integrity. Integrity means that we always work to the highest professional and ethical standards, and that we earn trust by being transparent and fair to all stakeholders, including clients, shareholders, partners, and employees.

Reliable Partner

We are a reliable partner to our clients, and our overriding aim is to deliver our products and services without ever losing sight of our partners' interests. We offer our products and services under terms and conditions that do not impair our independent professional judgment or obstruct our pursuit of optimum value creation for clients.

Dilemmas

Although it would simply be impossible to plan for all eventualities, we do encourage our employees to discuss dilemmas with each other and the management.

Anti-Corruption

We are committed to the principles of the free market and fair competition, and we adhere to all applicable rules. Our company code offers specific guidelines on gifts, hospitality, and payments to third parties. Specific instructions to combat corruption are also given. All employees are quizzed on their knowledge of the company code every year.

Responsible Employer

Our employees are our assets and the key to the Group's success. Aside from offering our employees a broad and flexible package of employment conditions and employee benefits, we are committed to supporting our employees in developing their knowledge and skills. And we want them to work and develop in a healthy, safe, and professional work environment. All employees have equal opportunity when it comes to personal recognition, general and career development, and remuneration, regardless of their gender, age, background, or beliefs.

Social Affairs

In all countries where the Group has a presence, we abide by current legislation and regulations and respect the local culture and interests of society. We aim to improve the quality of the world around us.

Personal Affairs

The Group appreciates its staff and respects their human and workers' rights, so that they can work in a safe, healthy, and professional work environment, an environment where co-workers work together. The Group has the ambition to be one of the top employers in every country in which it operates. All employees have equal opportunity when it comes to personal recognition, general and career development, and remuneration, regardless of their gender, age, background, or beliefs. When it comes to discrimination and intimidation, the Group has a zero-tolerance policy. Personal data are only processed and handled in compliance with current data protection legislation.

Human and Workers' Rights

The Group respects human rights and workers' rights as an integral part of responsible business conduct; prohibits the use of any kind of form of forced labor and human trafficking, including child labor; does not accept intimidation or disrespectful or inappropriate behavior; focuses on safety, health, and well-being; promotes work-life balance, and strives for competitive pay.

Diversity Policy
With a view to being a reflection of society, workforce diversity is an important consideration for the Group. Diversity inspires appreciation of all aspects of our internal and external environment and of our relationship with all stakeholders, and it supports our strategy internationally and in the areas of innovation and digital transformation. Our aim for 2024 is to define our diversity policy.

Outlook
We are aware of global and geopolitical events (including climate change, the war in Ukraine and Gaza and changing powers in the world arena) and the challenging macroeconomic market developments (like tightness in the labour market, inflation, supply chain disruptions) and the possible negative impact on our company has our attention. At the same time, there are many business opportunities and we are committed to contribute to that important development.

Statement from the Board as per Section 5:25C(2c) of the Dutch Financial Supervision Act (*Wet op het financieel toezicht*)
We confirm that, to the best of our knowledge, the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profits of Oranjewoud N.V. and its consolidated companies, and that the annual report prepared by the Board of Directors gives a true and fair view regarding the situation as at the balance sheet date and developments during the financial year of Oranjewoud N.V. and its consolidated companies, and that important risks the Group is facing have been reflected in the annual report.

Corporate Governance
Organization
Oranjewoud N.V. is governed by a Board of Directors, which is supervised by a Supervisory Board. According to the current articles of association (as amended on August 22, 2023), the members of the Board of Directors are appointed and dismissed by the Supervisory Board. The members of the Supervisory Board are appointed and dismissed by the general shareholders' meeting (the "General Meeting") from a nomination drawn up by the Supervisory Board.

Board of Directors
The Board of Directors is in charge of running the company, guided by the interests of the company and associated companies. Members of the Board of Directors are appointed by the Supervisory Board. The Supervisory Board notifies the general meeting of a proposed appointment of a member of the Board of Directors. A member of the Board of Directors must step down by no later than the day on which the annual general meeting is held in the fourth calendar year following his or her last appointment and will also immediately qualify for reappointment – provided that the candidate has stepped down in accordance with this clause. The Supervisory Board may suspend or dismiss a member of the Board of Directors at any time, on the understanding that it will not dismiss a member of the Board of Directors until after the general meeting has been heard about the proposed dismissal.

Supervisory Board
The Supervisory Board is charged with monitoring the company's management policies and general operations at the company and associated companies. The Supervisory Board also advises the Board of Directors. In fulfilling their task, Supervisory Board members are guided by the interests of the company and associated companies and its stakeholders. The Supervisory Board must have at least three members and five members at the most. Supervisory Board members are appointed by the General Meeting on the nomination of the Supervisory Board. Each Supervisory Board member must step down by no later than the day of the first General Meeting held in the fourth calendar year following his or her last appointment. A Supervisory Board member who steps down periodically is immediately eligible for reappointment. If an interim vacancy occurs on the Supervisory Board, the Supervisory Board will be considered fully composed; in that case, however, a definitive provision will be made as soon as possible. A member of the Supervisory Board can be suspended

by the Supervisory Board. The suspension will lapse by operation of law if the company does not submit a request to the Enterprise Chamber aimed at dismissing the suspended member, within one month after the start of the suspension.

Shareholders' Meeting

Oranjewoud N.V. convenes a general shareholders' meeting at least annually. The General Meeting is convened either by the Supervisory Board or by the Board of Directors. The Annual General Meeting will deal with the annual report of the Board of Directors, the financial statements, the granting of discharge to members of the Board of Directors and the Supervisory Board, the proposal for appropriation of the profits (if applicable), and the appointment of the external auditor and any other issues that may be put on the agenda and announced by the Supervisory Board or the Board of Directors, under observance of the relevant provisions in the articles of association.

Articles of Association

Oranjewoud N.V. is a public limited liability company under Dutch law. The General Meeting is authorized to amend the articles of association, on the understanding that a decision to that effect can only be made at the proposal of the Board of Directors. A proposal by the Board of Directors to amend the articles of association is subject to the approval of the Supervisory Board. Oranjewoud N.V.'s articles of association were last amended on August 22, 2023.

New Share Issues

Shares are issued by virtue of a resolution of the General Meeting which resolution can only be taken on the proposal of the Board of Directors. Shares can also be issued by virtue of a resolution of the Board of Directors, if and insofar as the Board of Directors has been authorized to do so by the General Meeting. The duration of this authority is defined by the resolution of the General Meeting and shall be five years at most.

Acquisition of Shares in the Company's Own Capital

The company is permitted to acquire its own fully paid-up shares, albeit only for no consideration or if the company's equity, less the acquisition price, is not less than the paid-up and called-up part of the capital, plus the reserves as established by law. Acquisition, other than acquisition for no consideration, is only possible if the General Meeting has authorized the Board of Directors to do so.

Corporate Governance Code

Unless stated otherwise, Oranjewoud N.V.'s Board of Directors and Supervisory Board endorsed and adhered to the principles and best practice provisions of the Dutch Corporate Governance Code of December 8, 2016 (the Code) until February 7, 2022, the day on which the listing of Oranjewoud's shares on Euronext Amsterdam ended. During 2020, Oranjewoud N.V. deviated from the following best practice provisions of the Code:

- 1.3.6: During 2020, the company has not embedded an internal audit function or department. The supervisory board is aware of this and has put other measures in place to ensure proper control and reliable reporting.
- 2.2.1: Oranjewoud N.V. had one director, Mr. G.P. Sanderink, who was appointed for an indefinite term. This was due to the fact that he was also (indirectly) the company's major shareholder.
- 2.5.2: Oranjewoud N.V. did not publish a code of conduct on its website. Oranjewoud N.V.'s operations are performed by the various operating companies. Strukton Groep and Antea Group have published their codes of conduct on their respective websites. The management of the operating companies sees to compliance with these codes of conduct.
- Oranjewoud N.V. did not apply best practices provision 2.7.3 insofar as it concerns the reporting of transactions with a potential conflict of interest to the Board of Directors; Oranjewoud N.V. had one director.
- 4.2.2: The company did not formulate an outlined policy on bilateral contacts with the shareholders and this is therefore also not posted on the website of the company.
- 4.2.6: Oranjewoud N.V. did not implement anti-takeover measures.
- 4.3.2: Oranjewoud N.V. did not provide voting proxies or voting instructions to independent third parties.

In 2020, there were no transactions of any significance involving a conflict of interests between the director, the majority shareholder and members of the Supervisory Board and Oranjewoud N.V. Please refer to note 23 regarding related parties.

Risk management

Business is about taking and managing risks. The Oranjewoud N.V. risk management policy is geared towards protecting the Group from events which may impede achievement of strategic objectives and which may have a material impact on the Group's financial position. A targeted market approach, consistent and regular reporting, and raising awareness across all echelons of the company are the mainstays of Oranjewoud N.V.’s risk management policy.

Oranjewoud N.V. minimizes risks by requiring effective internal risk management and control systems at the business units and also oversees application of and compliance with these systems. Key factors of risk management include employee commitment, exemplary behavior by management, and transparency and openness when it comes to voicing opinions and discussing dilemmas.

The different Oranjewoud N.V. business units focus on engineering and consulting services provided by Antea Group on the one hand, and on construction and implementation activities by Strukton Groep on the other. Strukton Groep and Antea Group each have their own risk management systems within the framework of Oranjewoud N.V.’s overarching risk management policy. Responsibility for maintenance, adaptation and application of these risk management systems primarily lies with the business units themselves.

The business units also have a code of conduct in place specifying things such as the managers’ level of authorization. These codes of conduct are subjected to regular audits. These audits are conducted both on an ongoing basis (part of the planning and control cycle within the group) and on an as-needed basis (audits conducted by certification institutes or auditors).

Strukton Groep Risk Management

Although we have been identifying and monitoring risks in a structural way, we must conclude that risk identification and awareness has not been optimally integrated company-wide in the past years. We are therefore tightening the selection criteria for new projects and implementing stronger group wide controls. We have started to implement a new strategy mid-2021 and since then we only tender for maintenance and management projects that are a good match with our core competencies, with limited risks and justified expectations of healthy earning capacity. Projects with a mid-term maintenance and management component are particularly interesting to us as they align to core competencies and contribute to stabilizing our financial performance.

Antea Group Risk Management

In day-to-day operations, achieving business objectives and managing risk go hand in hand. When it comes to raising awareness of and preventing business risk, the following factors play a key role: attainability of targets, employee commitment and exemplary behavior by management, transparency and openness in voicing opinions and discussing dilemmas, and adherence to and monitoring of risk management systems. The risk management systems are aligned with the nature and scale of clients and contracts. For contracts involving a lower level of complexity, a simpler, but still tried-and-tested and effective, model is used, such as rules of conduct, authorized signatory instructions, a risk assessment protocol, and uniform terms and conditions for entering into obligations.

For cross-border and large-scale projects, a risk management system is used which is derived from the risk management systems of the major oil companies commissioning the work. Quotations and project progress are discussed in full with the responsible management and financial and legal managers. When putting together multinational bids and contracts, the Decision Making Framework is used to assess the various project-related and other risks, such as financial risks, local legislation and regulations, dealing with cultural differences, etc. Employees receive regular training in the use of this risk management system. Application of the risk management system is audited on a regular basis by Antea Group’s financial and legal managers.

International (Legislation and Regulations)

As internationalization advances, Oranjewoud N.V. business units increasingly operate on an international scale. The board of Oranjewoud N.V. has drafted clear, verifiable rules for the management of the business units. Each of the countries where Oranjewoud N.V. has operations presents some special focus points. All country organizations are subject to the rules on matters such as hospitality, bribery, donations to political organizations or charities, and compliance with national legislation and regulations in the area of working conditions and employment terms. All business units have risk management systems, each with local focus points for legislation and regulations, governance and compliance, insurance terms and conditions, and risk management. Strategy, risk management, claims, clients, compliance and governance are fixtures on the agenda of those meetings. This provides a good picture of the financial and project administration and the operational state of affairs in the company.

IT
IT governance is focused on IT security and business continuity: effective and efficient use of IT resources and information security management. Means used to this end include technical solutions such as the creation of a secure IT environment, data backups, arranging and maintaining fallback and recovery plans, and awareness programs for employees who work in the area of personal data processing.

Information security
The Group's technological solutions depend on availability and continuity of information provision. Without information, the Group's processes will come to a standstill and operations will cease to be possible. Unavailability or public disclosure of the information used could have major impact on the Group. Risks with respect to information provision increase as a result of the various developments of the current age. To stay in control, the Group maintains a continuous and structured focus on protecting information and connections.

Financial Instruments
Please refer to note 19 'Financial Instruments' for details on financial risk management measures.

Sensitivity of the Results
Governments and private-sector parties acting on behalf of government bodies are important clients for Oranjewoud N.V.'s business units. The policies of these clients and the associated budgets are a critical factor for the operation of the companies within the Group. Delays in political decisions and adjustments in government investment budgets affect contract volumes. The impact of these cuts cannot be predicted. Through a targeted market approach and diversification, both in the Netherlands and on an international scale, Oranjewoud N.V. seeks to appeal to a more diverse range of clients and reduce dependency on large public-sector clients.

Joint Ventures
Joint ventures with different partners on an operational and financial level are always set up under the internal and external stewardship of specialists. As part of day-to-day operations, financial and project-related activities and results are discussed with the management of the unit participating in the joint venture, as well as with financial and legal experts of Antea Group and Strukton Groep.

Safety
The safety policy at the business units is geared toward control and preventing operational activities from leading to accidents, injury and loss of reputation, as well as toward ensuring activities are not in breach of legislation and regulations. Employees have access to the Quality, Labor and Environment (QLE) systems. The QLE systems are tested regularly by independently accredited certification institutes. Prevention takes top priority at the Group. Its safety policy also stresses human behavior as a risk factor. These risks must be minimized using careful work preparation, analysis of near-accidents and toolbox meetings.

Liability Risks
The Oranjewoud N.V. business units have an insurance policy primarily geared towards prevention of fluctuations in profits due to damage and/or losses in projects under the responsibility of a company in the Group. Oranjewoud N.V. has therefore formulated cover requirements and takes out insurance, such as liability insurance, professional indemnity insurance and more specific forms of insurance. Given the wide variety of projects, both in terms of size and complexity, as well as the requirements imposed by local and other legislation and regulations in the various countries where the companies operate, several supplementary insurance policies that take this diversity into account have been procured.

Agency Contracts
The Group makes and has made limited use of agents in the past. There was one agent contract that could be considered as particularly relevant. This concerns the contract with the local agent for the metro project in Riyadh, Saudi Arabia. This project was started in the course of 2013. The contract with the local agent was concluded in the first quarter of 2013 and is subject to an investigation of the Dutch Fiscal Information and Investigation Service (*Fiscale inlichtingen- en opsoringsdienst,* FIOD).

In February 2019, Strukton Groep was surprised by a raid of the FIOD based on a suspicion of bribery (*ambtelijke omkoping)* and forgery (*valsheid in geschrifte)* in being awarded an order for the Riyadh metro project. We started an internal investigation immediately after the raid. We have assessed the list of information confiscated by the FIOD for any indications of irregularities. From this investigation, we have not found anything that could indicate any non-compliance with the applicable legislation and regulations. An independent expert concluded that the internal investigation was conducted adequately and with due care.

At the time of publication of this report, the investigation is still ongoing and consequently, no prosecution decision has been made. No new developments can be reported as to the FIOD investigation. During 2019, the FIOD digitally provided their report based on which they initiated the raid. At the beginning of 2020, they also digitally provided us with the information they took during the raid. We have established that this information does not impart new insights nor calls for further investigation as to the reason for the raid.

In addition, Strukton Groep has implemented a policy in 2021 with a renewed focus on the European continent, and especially the core countries being The Netherlands, Belgium, the Nordics and Italy. Such renewed strategy ensures that Strukton Groep is able to operate in those countries where it understands the jurisdiction, knows the market conditions and is able to digest the appropriate risk appetite. In line therewith, Strukton Groep has strategically abolished the use of agency contracts in full.

Insurance
The necessary risks are insured as a supplement to controlling operational and financial risks in particular. Our policy relating to insurance concerns insurance of risks that we are not able or willing to bear. We assess the insurance policies for amended legislation and regulations, sums insured and new risks on an annual basis. We adjust the insurance programme where necessary.

Business Continuity
Major external events like an influenza pandemic, wars or climate change can have a material effect on Strukton's operation and business results. We learned from the Covid-19 outbreak that we must always be prepared for such an event. Our multidisciplinary business continuity organisation is able to ensure continuity in a safe and healthy manner on project and contract sites, in our offices and at home, though it is impossible to predict the impact of any major event when this happens unexpectedly.

Status
The status of risk management efforts at Oranjewoud N.V. was discussed several times in 2020 during individual and joint meetings of the Board of Directors and the Supervisory Board. The conclusion was that internal risk management was effective in the financial year under review.

The Board of Directors

R.P. van Wingerden
Y.F. van Hijum

February 28, 2024

Supervisory Board Report

General

The Supervisory Board members in the 2020 reporting year were Mr. H.G.B. Spenkelink (Chairman) and Mr. W.G.B. te Kamp and (until February 12, 2020) Mr. M.J.C. Janmaat. Both Mr. Spenkelink and Mr. Te Kamp resigned as members of the Supervisory Board as per March 22, 2022. As of the same date Mr. J.M. Kuling and Mr. A. Schoots were appointed as Supervisory Board members. Mr. Kuling has been appointed as chairman, while no vice-chairmen has been appointed. Mr. B.C. Fortuyn was appointed as Supervisory Board member as of April 1, 2022 and Mr. J.J.A. van Leeuwen was appointed as member as of May 1, 2022. Mr. Schoots has stepped down as member of the Supervisory Board as of July 8, 2023.

The current members of the Supervisory Board were not in function during 2020.

All members of the Supervisory Board are independent, as stipulated in best practice provisions 2.1.7 to 2.1.9 of the Dutch Corporate Governance Code.

The Supervisory Board held seven ordinary meetings in 2020 with the Board of Oranjewoud N.V. and the complete Supervisory Board attended these meeting. Discussions on agenda items concerning Strukton Groep and Antea Group were attended by board members of these respective subsidiaries. The Supervisory Board and the members separately met with various people from across the organization and from outside the organization as and when deemed useful for the performance of its or their supervisory duties.

The purpose of these meetings and discussions was to, among other things, discuss the strategy and arrive at an effective and efficient working relationship between the Supervisory Board and the Board of Directors. Moreover, meetings were also used to provide insight into the strategic, operational and financial goals of the organization.

Reports have been prepared of all regular Supervisory Board meetings.

Auditor appointment

Mazars Accountants N.V. (Mazars) was appointed for the 2020 financial year. 2020 was Mazars' first year as Oranjewoud's auditor. To gain better insight in the organization, Mazars visited various group companies outside the Netherlands in 2022 and 2023.

State of Affairs

The Group's results for 2020 were impacted considerably by poor performance on a number of Strukton Groep projects. Also Covid-19 had an impact on the 2020 results, however the impact is difficult to quantify.

Oranjewoud achieved €2.3 billion in total revenue in 2020 (2019: €2.4 billion). The Group posted a net result of €218.5 million negative in 2020. The net result fell by €214.6 million, from a loss of €3.9 million to a loss of €218.5 million. Operational results (EBITDA) were down €161.5 million in 2020, from €107.6 million to negative €53.9 million. This decrease comes as a result of the Strukton Groep loss-making projects. Civil Infrastructure (- €120.4 million), Technology and Buildings (- €62.6 million) and the Other segment (-€2.4 million) were the responsible segments.
The performance and strategy, and other circumstances and their consequences, were regular topics of discussion at meetings of the Supervisory Board.

The urgency to improve financial performance is obvious given Strukton Groep's highly disappointing results in 2020. In the Supervisory Board's opinion, the new strategy will in combination with the shift towards risk-based tendering, avoiding complex projects outside Strukton Groep's core competencies or markets and the stronger focus on works with a repetitive character and on maintenance services will make Strukton Groep well-established to play a leading role in sustainable infrastructure and help the organisation grow in a stable and sustainable way.

Performance of the Supervisory Board and the Board of Directors

The Board of Directors and the Supervisory Board met on several occasions to discuss their respective performance, focusing on the allocation of roles between the Boards and the performance of individual members. The Supervisory Board concluded that the desired areas of expertise and experience for the organization were represented adequately in the composition of its Board.

Supervisory Board Profile

Oranjewoud N.V.'s Supervisory Board compiled a profile of the Supervisory Board, in consultation with the Board of Directors and the works council. It was agreed that this profile would be subject to periodic reviews of its compatibility with social developments (such as corporate governance) and Oranjewoud N.V.'s policy and where necessary amended in consultation with the Board of Directors and the works council.

Diversity

With a view to being a reflection of society, workforce diversity is an important consideration for the Group. Diversity inspires appreciation of all aspects of our internal and external environment and of our relationship with all stakeholders, and it supports our strategy internationally and in the areas of innovation and digital transformation. Our aim for 2024 is to define our diversity policy.

Committees

During 2020, the Supervisory Board only had two or three members. Given the size of the Supervisory Board, the Board collectively fulfilled the roles of audit committee and remuneration committee. Specific items for the audit and remuneration committees were discussed during the ordinary Supervisory Board meetings. We refer to note 23. Related Parties for the remuneration of the Board.

Remuneration of the Board of Directors

During 2020, the Board of Directors consisted of Mr. G. P. Sanderink only. Sanderink Investments B.V. (whose ultimate beneficial owner is Mr. Sanderink) received a management fee from Oranjewoud N.V. for the services rendered by Mr. Sanderink as director. According best practice 2.7.5 of the code, all transactions between the company and legal or natural persons who hold at least ten percent of the shares in the company, being solely the transactions with parent company Sanderink Investments B.V., owned by mr. Sanderink, are agreed on terms that are customary in the market. For further details, please refer to note 23 in the financial statements. For further details, please refer to note 23 in the financial statements.

There were no special agreements between the members of the Board of Directors and Oranjewoud N.V. that provided for a payment on termination of employment or dismissal as a member of the Board of Directors after a public takeover bid on the company. There were no changes to the system of remuneration for the members of the Board of Directors in 2020 in comparison to the 2019 financial year.

Financial Statements

The 2020 financial statements have been drawn up and signed by the current members of the Board of Directors in accordance with Section 2:101(2) of the Dutch Civil Code. The management report and the financial statements were discussed by the Supervisory Board in the presence of the external auditor. After assessing the external auditor’s findings, summarized in a report submitted to the Supervisory Board and the Board of Directors, and after reviewing the auditor’s report issued by Mazars Accountants N.V., the financial statements were approved and signed by all current members of the Supervisory Board in accordance with Section 2:101(2) of the Dutch Civil Code. The Supervisory Board proposes that the Shareholders’ Meeting will adopt the financial statements. In view of the enquiry proceedings (*enquêteprocedure*) relating to the company which are still pending with the Enterprise Chamber, the granting of discharge to members of the Board of Directors and the Supervisory Board who were in office in 2020 will not be on the agenda for the Shareholders’ Meeting. By the way, please be aware that the former Supervisory Board members have already been discharged upon their departure.

Dividend

Total equity decreased sharply in 2020. Realized results (-€219.0 million) were negative. Unrealized results (-€1.3 million) were also negative. There was a one-off positive change in the total equity due to cash flow hedges (+€2.2 million). On balance, total equity was down €218.1 million in 2020. The balance sheet total has decreased, which, together with the negative net result, caused solvency to fall from 17.3% to 4.5%. This is below the internal target of 25%.

The company needs sufficient resources to be able to cover possible operating capital growth resulting from an increase in the scale of our operations. Aside from that, the financing terms and conditions impose certain restrictions with respect to dividend distribution. The combination of these facts prompted the proposal from the Board of Directors and the Supervisory Board that the net loss of €218.5 million, as shown in the financial statements for the financial year 2020, shall be charged against the general reserve.

FIOD

The Group makes and has made limited use of agents in the past. There was one agent contract that could be considered as particularly relevant. This concerns the contract with the local agent for the metro project in Riyadh, Saudi Arabia. This project was started in the course of 2013. The contract with the local agent was concluded in the first quarter of 2013 and is subject to an investigation of the Dutch Fiscal Information and Investigation Service (FIOD).

In February 2019, Strukton Groep was surprised by a raid of the FIOD (Fiscal Information and Investigation Service) based on a suspicion of corruption and forgery in being awarded an order for the Riyadh metro project. An internal investigation was started immediately after the raid. The list of information confiscated by the FIOD has been assessed for any indications of irregularities. From this investigation, nothing has been found that could indicate any non-compliance with the applicable legislation and regulations. An independent expert concluded that the internal investigation was conducted adequately and with due care.

At the time of publication of this report, the investigation is still ongoing and consequently, no prosecution decision has been made. No new developments can be reported as to the FIOD investigation. During 2019, the FIOD digitally provided their report based on which they initiated the raid. At the beginning of 2020, they also digitally provided the information they took during the raid. It has been established that this information does not impart new insights nor calls for further investigation as to the reason for the raid. Therefore currently no financial impact is expected.

COVID

Covid had a major impact on the Group's operations, staff, partners and principals in the year under review. Management and staff did everything they could to continue business while securing a safe and healthy working environment. Covid led to the delay of some projects, which is elaborated on in the relevant paragraphs in this report. Covid continued to impact the organisation in 2021 and 2022, though to a lesser extent.

To conclude

The year 2020 was challenging for Oranjewoud in total, but especially for the Strukton Groep part. The Supervisory Board is convinced that Strukton Groep is on track to become a future-proof and profitable company where Antea Group already is a future-proof and profitable company. Strukton Groep is implementing a clear strategy and the de-risking of the portfolio is on track.

We express our thanks to Oranjewoud, Antea Group and Strukton Groep colleagues and management for the efforts they contributed in 2020. We also wish to thank the Supervisory Board members Mr. H.G.B. Spenkelink and Mr. W.G.B. te Kamp who were in function during the year under review.

The Supervisory Board is also very grateful to the new Board of Directors and the employees of the Group for the hard work in the period after the reporting period (2021, 2022 and 2023). Developments were intensive and stormy, especially in 2023, but necessary to guarantee the continuity of the Group.

The Supervisory Board
Mr. J.M. Kuling (Chairman)
Mr. B.C. Fortuyn
Mr. J.J.A. van Leeuwen

February 28, 2024

Financial Statements 2020

Oranjewoud N.V.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(in thousands of euros)

	12-31-2020		12-31-2019 *)		1-1-2019 *)	
Non-current assets						
Intangible assets (1)	**55,077**		74,216		79,554	
Property, plant and equipment (2)	**143,223**		153,494		154,214	
Right-of-use assets (3)	**154,297**		146,101		143,573	
Investment property (4)	**257**		4,864		4,950	
Investments in associates and joint ventures (5)	**25,531**		41,871		40,535	
Financial non-current assets (6)	**42,120**		44,939		36,372	
Deferred tax assets (7)	**39,352**		48,206		49,710	
		459,858		**513,691**		**508,908**
Current assets						
Inventories (8)	**31,145**		25,905		27,613	
Receivables (9)	**423,394**		542,838		627,566	
Contract assets (10)	**301,992**		278,528		276,176	
Corporate income tax receivable	**5,222**		12,736		17,154	
Cash and cash equivalents (11)	**292,303**		282,763		276,114	
		1,054,056		**1,142,770**		**1,224,623**
Total assets		**1,513,913**		**1,656,461**		**1,733,531**
Equity						
Issued capital	**6,287**		6,287		6,287	
Share premium	**201,896**		201,896		201,896	
Translation reserve	**3,151**		4,420		3,920	
Hedging reserve	**(1,909)**		(4,116)		(3,446)	
Actuarial reserve	**(26,058)**		(26,067)		(15,379)	
Retained earnings	**103,467**		107,846		81,191	
Undistributed result for the year	**(219,038)**		(4,379)		10,919	
Total equity	**67,796**		285,887		285,388	
Non-controlling interests	**890**		1,719		41,727	
Total group equity (12)		**68,686**		**287,606**		**327,115**
Non-current liabilities						
Deferred employee benefits (13)	**76,604**		74,637		58,889	
Provisions (14)	**122,378**		51,091		41,809	
Deferred tax liabilities (7)	**6,090**		7,696		6,002	
Lease liabilities (15)	**101,500**		95,667		96,508	
Subordinated loans (16)	**26,000**		11,000		1,000	
Loans and other financing obligations (16)	**199,027**		221,073		198,786	
Total non-current liabilities		**531,599**		**461,164**		**402,994**
Current liabilities						
Trade and other payables (17)	**639,079**		596,823		631,918	
Debt to financial institutions (11)	**16,979**		56,888		62,325	
Contract liabilities (10)	**181,019**		184,529		233,342	
Corporate income tax payable	**3,990**		4,667		10,890	
Provisions (14)	**28,342**		22,032		29,125	
Lease liabilities (15)	**44,219**		42,752		35,822	
Total current liabilities		**913,628**		**907,691**		**1,003,422**
Total equity and liabilities		**1,513,913**		**1,656,460**		**1,733,531**

*) Revised and restated for reporting purposes. Please refer for the revised and restated figures of 2019 to note 30.

CONSOLIDATED STATEMENT OF INCOME

(in thousands of euros)	**2020**	**2019 *)**
Total revenue (20)	**2,313,152**	**2,386,601**
Cost of materials, services of third parties and subcontractors	(1,292,321)	(1,181,696)
Staff costs (22)	(835,797)	(892,013)
Other operating expenses (24)	(235,956)	(210,347)
Costs of sales	**(2,364,074)**	**(2,284,056)**
Share of result from associates and joint ventures (5)	(3,017)	5,028
Operational result (EBITDA)	**(53,938)**	**107,573**
Depreciation and amortisation charges	(83,820)	(75,382)
Impairment charges	(33,116)	(3,003)
Operating result (EBIT)	**(170,874)**	**29,188**
Financial income (25)	8,771	6,840
Financial expenses (25)	(22,517)	(18,272)
Net financial income/(expenses)	**(13,746)**	(11,432)
Result before taxes	**(184,620)**	**17,756**
Income tax (26)	(33,908)	(21,687)
Net result for the year	**(218,528)**	**(3,931)**
Attributable to:		
Shareholders of the parent company	**(219,038)**	**(4,379)**
Non-controlling interests	**510**	**448**

*) Restated for reporting purposes. Please refer for the restated figures of 2019 to note 30.

EARNINGS PER SHARE (in euros)

Net earnings per share attributable to equity holders of the parent company (basic and diluted)	(3.48)	(0.07)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
(in thousands of euros)

		2020		2019	
Net result for the year			**(218,528)**		**(3,931)**
<u>Items that may be subsequently reclassified to the statement of income</u>					
Changes in fair value of derivatives for hedge accounting		**-**		(846)	
Effect of income tax		**-**		176	
			-		(670)
Translation differences foreign currencies	note 37	**(1,269)**		500	
Effect of income tax		**-**		-	
			(1,269)		500
Total items that may subsequently be reclassified to the statement of income			**(1,269)**		**(170)**
<u>Items that will not be reclassified to the statement of income, net of tax</u>					
Changes in actuarial reserve	note 13	**(66)**		(13,662)	
Effect of income tax		**75**		2,974	
			9		**(10,688)**
Other movements		**-**		5	
Effect of income tax		**-**		-	
			-		**5**
Total items that will not be reclassified to the statement of income	note 37		**9**		**(10,683)**
Total comprehensive Income for the year			**(219,788)**		**(14,784)**
Attributable to:					
Shareholders of the parent company			**(220,298)**		(15,232)
Non-controlling interests			**510**		448
Total comprehensive Income for the year			**(219,788)**		**(14,784)**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
(in thousands of euros)

Group equity	Attributable to equity holders of the parent company									Total
	Issued share capital	Share premium	Transla-tion dif-ferences reserve	Hedging-reserve	Actua-rial reserve	Retained earnings	Net result for the year	Total capital and reserves	Non-control-ling in-terests	
Balance at January 1, 2019	6,287	201,896	3,920	(3,446)	(15,379)	81,191	10,919	285,388	41,727	327,115
Appropriation of result 2018	-	-	-	-	-	10,919	(10,919)	-	-	-
Subtotal	6,287	201,896	3,920	(3,446)	(15,379)	92,110	-	285,388	41,727	327,115
Net result for the year	-	-	-	-	-	-	(4,379)	(4,379)	448	(3,931)
Unrealized gains and losses	-	-	500	(670)	(10,688)	5	-	(10,853)	-	(10,853)
Total comprehensive income after taxes	-	-	500	(670)	(10,688)	5	(4,379)	(15,232)	448	(14,784)
Transactions of non-controlling interest (note 12)	-	-	-	-	-	15,731	-	15,731	(40,328)	(24,597)
Other changes	-	-	-	-	-	-	-	-	(128)	(128)
Balance at December 31, 2019	6,287	201,896	4,420	(4,116)	(26,067)	107,846	(4,379)	285,887	1,719	287,606
Balance at January 1, 2020	6,287	201,896	4,420	(4,116)	(26,067)	107,846	(4,379)	285,887	1,719	287,606
Appropriation of result 2019	-	-	-	-	-	(4,379)	4,379	-	-	-
Subtotal	6,287	201,896	4,420	(4,116)	(26,067)	103,467	-	285,887	1,719	287,606
Net result for the year	-	-	-	-	-	-	(219,038)	(219,038)	510	(218,528)
Unrealized gains and losses	-	-	(1,269)	-	9	-	-	(1,260)	-	(1,260)
Total comprehensive income after taxes	-	-	(1,269)	-	9	-	(219,038)	(220,298)	510	(219,788)
Acquisition of subsidiaries	-	-	-	-	-	-	-	-	(1,085)	(1,085)
Cash flow hedges	-	-	-	2,207	-	-	-	2,207	-	2,207
Transactions of non-controlling interest (note 12)	-	-	-	-	-	-	-	-	(254)	(254)
Balance at December 31, 2020	6,287	201,896	3,151	(1,909)	(26,058)	103,467	(219,038)	67,796	890	68,686

CONSOLIDATED STATEMENT OF CASH FLOWS
(in thousands of euros)

		2020		2019 *)	
Net result for the year		**(218,528)**		(3,931)	
Adjustments for non-cash items:					
Share of result from associates and joint ventures	note 5	**3,017**		(5,028)	
Corporate income tax	note 26	**33,908**		21,687	
Financial income and expenses	note 25	**13,746**		11,432	
Depreciation, amortisation and impairment on fixed assets		**116,936**		78,385	
Result from disposals of fixed assets		**-**		(214)	
Other movements leases		**126**		258	
Changes in provisions and employee benefits		**73,254**		30,055	
Cash flow from operating activities before *changes in working capital*		**22,459**		132,644	
Changes in working capital:					
Changes in trade payables		**4,256**		(9,119)	
Changes in other current liabilities		**30,473**		(12,806)	
Changes in inventories		**(5,240)**		1,708	
Changes in projects in progress and contract balances		**6,296**		(55,725)	
Changes in trade receivables		**72,160**		37,391	
Changes in other receivables		**39,241**		35,243	
Change in working capital		**147,186**		(3,308)	
Dividends distributed by associates and investments		**3,628**		7,412	
Interest received		**6,284**		3,239	
Interest paid		**(22,426)**		(16,142)	
Income tax paid		**(26,150)**		(16,140)	
		108,522		(24,939)	
Net cash (used in)/generated by operating activities			**130,982**		107,705
Investments in intangible assets	note 1	**(2,282)**		(1,812)	
Investments in property, plant and equipment	note 2	**(22,516)**		(27,028)	
Acquisitions of joint ventures, associares and other investments	note 5	**398**		(3,947)	
Other movements in shares in associates		**-**		334	
Disposals of property, plant and equipment		**-**		(861)	
Disposal of investment property		**1,844**		-	
Disposal of joint ventures, associares and other investments		**4,102**		75	
Investments in ppp projects and other non-current financial assets	note 6	**(67,951)**		(22,933)	
Repayments on ppp projects and other non-current financial assets	note 6	**38,787**		5,745	
Change in other non-current financial assets		**(2,299)**		(3,190)	
Net cash (used in)/generated by investing activities			**(49,917)**		(53,617)
Acquisition Non-controlling interest	note 12	**(1,085)**		(22,600)	
Drawings subordinated loans	note 16	**20,000**		10,000	
Repayment of subordinated loans	note 16	**(5,000)**		-	
Drawings loans	note 16	**22,501**		25,990	
Repayments loans	note 16	**(11,869)**		(14,061)	
Repayments bankdebt	note 11	**(40,000)**		-	
Payment arising from lease liabilities	note 15	**(51,819)**		(41,974)	
Other movements		**(392)**		(1,079)	
Net cash (used in)/generated by financing activities			**(67,664)**		(43,724)
Composition net cash (used)/generated					
Net cash (used in)/generated by operating activities			**130,982**		**107,705**
Net cash (used in)/generated by investing activities			**(49,917)**		**(53,617)**
Net cash (used in)/generated by financing activities			**(67,664)**		**(43,724)**
Total net cash (used)/generated			**13,401**		10,364
Liquidity position as at January 1			**265,875**		253,625
Exchange differences on cash and cash equivalents			**(3,952)**		1,886
Liquidity position as at December 31	note 11		**275,324**		265,875

*) Restated for reporting purposes. Please refer for the restated figures of 2019 to note 30.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

General information

Oranjewoud N.V. is a public limited liability company under Dutch law, headquartered at Westkanaaldijk 2, Utrecht, the Netherlands. Shares in the company were listed on Euronext Amsterdam. As of February 7, 2022 Oranjewoud N.V. has been delisted. Oranjewoud N.V. is 99.09% owned by Sanderink Investments B.V. Since June 1, 2023 all these shares minus one have been put in custody with a custodian *(beheerder)* due to a decision of the Enterprise Chamber of the Court in Amsterdam. All shares in the capital of Sanderink Investments B.V. are in the form of depositary receipts (*certificaten van aandelen*). Stichting Administratiekantoor Sanderink Investments ('Administratiekantoor') is sole shareholder of Sanderink Investments. Mr. Gerard Sanderink is sole board member of Administratiekantoor and (as far as we know) also holder of all depositary receipts issued by Administratiekantoor.

Oranjewoud N.V. is active in the areas of consulting and engineering services, sports and leisure facilities, staffing, rail infrastructure, civil infrastructure, technology and buildings (divested January 27, 2022), and ppp/concession projects. The organization is a provider of high-quality services across a wide-ranging field covering infrastructure and accommodation solutions, urban development, construction, nature and landscape, environment and safety and sports & leisure. Oranjewoud N.V. takes care of the whole process, from preliminary studies, consultancy, design, planning and organization, right up to realization, management and operation.

The consolidated financial statements were drafted by the Board of Directors on February 28, 2024 and approved by the Supervisory Board members and will be submitted to the General Meeting of Shareholders of March 21, 2024 for adoption.

Summary of significant accounting policies

Basis of preparation

The consolidated financial statements have been prepared in accordance with IFRS Accounting Standards as adopted by the European Union ('IFRS Accounting Standards-EU') and comply with the financial reporting requirements included in Part 9 of Book 2 of the Dutch Civil Code, where applicable.

The consolidated and Company financial statements are presented in euros, which is the company's functional currency. All financial figures in euros are rounded off to the nearest thousand, unless where stated otherwise.

Going-concern assumption

Oranjewoud N.V.'s 2020 financial statements are prepared based on the going-concern assumption.

The 2020 financial statements of Oranjewoud are prepared on a going-concern basis, integrating a comprehensive assessment of the Group's ability to continue operations. This evaluation considers significant events like the development of the results of Oranjewoud in 2021, 2022 and 2023, the sizable divestment of Strukton Worksphere in 2022, divestments of non-core portfolio companies within the Group till date, the operating plan 2024 and beyond, and developments in the backlog and working capital improvement, alongside attracting external financing. Despite the operational and financial impacts of Covid-19, the current situation does not give rise to uncertainty on the ability of the company to continue as a going concern in this respect.

The assessment acknowledges the depressed 2020 results mainly due to certain high-risk Strukton Groep projects (extensively described in the section "Accounting considerations on key projects"), prompting immediate measures to ensure business continuity, reduce costs, and protect liquidity.

This includes the construction of the new office for the Dutch National Institute for Public Health and the Environment (RIVM), called "MEET RIVM". The MEET RIVM project is highly complex, in particular due to the high requirements on laboratories. A number of historic developments had a mainly negative impact on progress and profitability. In October 2023 we received an (interim) verdict about the compensation of substantial costs related to further contract modifications to the laboratories, which were requested by the client at a late stage of the project's realisation phase and without a clear scoping with required output specifications. The verdict confirms the project valuation taken into account at December 31, 2020.

The key project Hoofdstation Groningen has been delayed and the planning has moved backwards several times. Due to the complexity of the design, the Covid-19 lockdown, and the technical complexities involved in realising certain aspects of the design, there were delays incurred along with increased costs. Since the project will take time to complete up until June 2026, there are risks and uncertainties for which the Group identified its best estimate. The key project A15 faces a disagreement with the client regarding the use of quieter but less durable asphalt with respect to the recoverability of the costs of this asphalt. This shift requires a modified maintenance strategy leading to an expected project loss and uncertainties regarding the outcome of the dispute with the client.

Oranjewoud continued to accelerate its strategic decision to withdraw from major project operations in the Middle East and has finalised the settlement with its consortium partners on the Riyadh Metro Project during 2023.

These high-risk Strukton Groep projects also affected the results of Oranjewoud in 2021, 2022 and 2023. At year-end 2022, Strukton Groep had repaid and closed a significant financing agreement, which was made possible by selling Strukton Services B.V. (Worksphere) to SPIE Nederland B.V. in January 2022, significantly improving the financial position and solvency. The strategic decision to exit major project operations in the Middle East, including the Riyadh Metro Project settlement in 2023, is also part of the improvements. Furthermore, the shareholder’s equity of Strukton Groep N.V. has been strengthened in December 2023 through a conversion of subordinated and other loans from Oranjewoud N.V. to share premium.

The preliminary unaudited results of Oranjewoud show a loss of approximately €134 million in 2021, a profit of approximately €239 million in 2022 (mainly due to the sale of Strukton Worksphere) and a profit of approximately €50 million in 2023. Forecasts for 2024 and beyond show a positive trend compared to the actual 2023 result.

A 'stress test' of the going-concern assessment was conducted against the challenges, including potential economic downturns and further project losses. For the projects and contracts with a relative high-risk profile the assessment has been done for the entire contract period. Financing major loss making projects causes that there are material uncertainties that may cast significant doubt on the company’s ability to continue as a going concern. These material uncertainties lead to a potential funding gap which is being mitigated through measures such as attracting (external) funding, divestment of (portfolio) companies and improvement of working capital.

Our current evaluation indicates that additional funding after all these measures taken may be required in the future.

Oranjewoud has issued a support letter to Strukton Groep N.V. guaranteeing support until December 31, 2025, for an amount up to €140 million, minus the total cash from ongoing and identified mitigating measures. Only if the ongoing and identified mitigating measures and attracting additional financing arrangements prove insufficient, Oranjewoud may ultimately fund this support guarantee by selling (parts of) Strukton Groep or (parts of) Antea Group to supplement the remaining part of the funding gap. Such decision, to be taken at that time, will be weighed taking into account the other options available at that moment.

Consequently, while acknowledging the potential funding gap and material uncertainties, Oranjewoud believes the mitigating measures sufficiently address these issues, supporting the preparation of financial statements based on the going-concern assumption.

Accounting policies for the preparation of the consolidated financial statements

The consolidated financial statements have been prepared under the historical cost convention, unless otherwise stated. The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to make judgements, estimates and assumptions that affect the application of Oranjewoud’s accounting policies and the reported amounts of assets and liabilities, income and expense.

The accounting policies described below have been applied consistently to the periods presented in these consolidated financial statements, except for the standards and interpretations that have not yet been implemented.

Revisions and restatements of comparative numbers 2019

The 2019 comparative numbers have been revised and restated in order to reflect the correct comparative numbers for 2019. Please refer for a summary of these revisions and restatements to note 30.

Application of new and revised standards and interpretations

Amendments to IFRS 3: definition of a business

In the amended IFRS 3 standard (Business combinations) the definition of a business has been changed. This change helps companies to analyse whether a set of acquired activities or assets qualifies as a business. The amendment consists of the following elements:

- Further explanation of the criteria to be considered as a business
- The analysis of whether market players can replace missing elements is no longer necessary
- Instructions to help companies determine whether purchased processes are significant
- Tightening the definitions of a business and of output
- Introduction of an optional market value concentration test

The amendment did not have a material impact on the consolidated financial statements of Oranjewoud N.V.

Amendments to IFRS 7, IAS 39 and IFRS 9 'Interest Rate Benchmark Reform'

The amendments to IFRS 9 Financial Instruments: Recognition and Measurement provide a number of reliefs, which apply to all hedging relationships that are directly affected by interest rate benchmark reform. A hedging relationship is affected if the reform gives rise to uncertainty about the timing and/or amount of benchmark-based cash flows of the hedged item or the hedging instrument. These amendments have no material impact on the consolidated financial statements of Oranjewoud.

These amendments did not have a material impact on the consolidated financial statements of Oranjewoud N.V.

Amendments to IAS 1 and IAS 8 'Definition of Material'

The amendments provide a new definition of material that states, "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general-purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. These amendments had no impact on the consolidated financial statements of, nor is there expected to be any future impact to Oranjewoud N.V.

New Standards and interpretations in issue but not yet effective

Amendments to IFRS 16 'COVID-19 Related Rent Concessions'

On 28 May 2020, the IASB issued COVID-19-Related Rent Concessions - amendment to IFRS 16 Leases. The amendments provide relief to lessees from applying IFRS 16 guidance on lease modification accounting for rent concessions arising as a direct consequence of the COVID-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a COVID-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the COVID-19 related rent concession the same way it would account for the change under IFRS 16, if the change were not a lease modification. The amendment applies to annual reporting periods beginning on or after 1 June 2020. Earlier application is permitted. Although Oranjewoud N.V. has received rental concessions in some contracts, this amendment has no impact on the consolidated financial statements of Oranjewoud N.V. as it has chosen not to apply and does not plan to adopt the practical expedient.

The amendments have no material impact on the consolidated financial statements.

Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 'Interest Rate Benchmark Reform Phase 2'
The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR). The amendments include the following practical expedients:

- A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest;
- Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued; and
- Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component.

These amendments have no material impact on the consolidated financial statements.

Onerous Contracts – Costs of Fulfilling a Contract – Amendments to IAS 37
In May 2020, the IASB issued amendments to IAS 37 to specify which costs an entity needs to include when assessing whether a contract is onerous or loss-making. The amendments apply a "directly related cost approach". The costs that relate directly to a contract to provide goods or services include both incremental costs and an allocation of costs directly related to contract activities. General and administrative costs do not relate directly to a contract and are excluded unless they are explicitly chargeable to the counterparty under the contract. The amendments are effective for annual reporting periods beginning on or after 1 January 2022.

Oranjewoud N.V. will apply these amendments to contracts for which it has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments. The current accounting policies are not expected to deviate significantly from the amendments to IAS 37, but a further detailed assessment of the impact of the amendments is required.

Classification of liabilities as current or non-current - Amendments to IAS 1
The amendments clarify topics such as:

- What is meant by a right to defer settlement;
- That a right to defer must exist at the end of the reporting period; and
- That classification is unaffected by the likelihood that an entity will exercise its deferral right.

Companies are required to apply the amendments for annual periods beginning on or after 1 January 2024, with early application permitted. A further detailed assessment of the impact of the amendments is required.

Amendments to IAS 12 Income taxes 'Deferred Tax related to Assets and Liabilities arising from a single transaction'
The amendment clarifies how a company accounts for income tax, including deferred tax, which represents tax payable or recoverable in the future. In specified circumstances, companies are exempt from recognising deferred tax when they recognise assets or liabilities for the first time. The aim of the amendments is to reduce diversity in the reporting of deferred tax on leases and decommissioning obligations, by clarifying when the exemption from recognising deferred tax would apply to the initial recognition of such items.

Amendments to IFRS 3 Business Combinations 'Reference to the Conceptual Framework'
The amendment updates a reference in IFRS 3 to the Conceptual Framework for Financial Reporting without changing the accounting requirements for business combinations.

Amendments to IAS 16 Property, Plant and Equipment 'Proceeds before Intended Use'
The amendments prohibit an entity from deducting from the cost of an item of property, plant and equipment any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the cost of producing those items, in the statement of income.

Amendments to IAS 8 'Definition of Accounting Estimates'
The amendments clarify how companies should distinguish changes in accounting policies from changes in accounting estimates, by replacing the definition of a change in accounting estimates with a new definition of accounting estimates. Under the new definition, accounting estimates are 'monetary amounts in financial statements that are subject to measurement uncertainty'. The requirements for recognising the effect of change in accounting prospectively remain unchanged.

Annual Improvements 2018-2020
The annual improvements are not expected to have a material impact on Oranjewoud N.V.

Amendments to IFRS 4 Insurance contracts
This standard relates to companies that issue insurance contracts and is not applicable to Oranjewoud N.V.

IFRS 17 Insurance contracts
This new standard relates to companies that issue insurance contracts. This standard contains a complete description of all aspects that apply to the recording and accounting of insurance contracts. This standard is not applicable to Oranjewoud N.V.

Amendments to IAS 12 Income taxes: International Tax Reform – Pillar Two Model Rules
This amendment introduces a temporary exception to the accounting for deferred tax assets and liabilities related to Pillar Two income taxes. The amendment also adds targeted disclosure requirements for affected entities, including information about an entity's exposure to Pillar Two income taxes (before Pillar Two legislation is effective) and current tax expense related to Pillar Two income taxes (when Pillar Two legislation is effective).

Amendments to IFRS 16 Leases: Lease Liability in a Sale and Leaseback
The amendments clarify how a seller-lessee subsequently measures sale and leaseback transactions that satisfy the requirements in IFRS 15 to be accounted for as a sale. These amendments are not expected to have a material impact on Oranjewoud.

Amendments to IAS 1 Presentation of Financial Statements 'Classification of Liabilities as Current or Non-current', 'Classification of Liabilities as Current or Non-current – Deferral of Effective Date' and 'Non-current Liabilities with Covenants'
The amendments entail several adjustments on the classification of liabilities as current or non-current. These amendments are not expected to have a material impact on Oranjewoud.

There are no other IFRSs or IFRIC interpretations that are not yet effective that would be expected to have a material impact on Oranjewoud N.V.

Accounting policies for consolidation

Subsidiaries
Subsidiaries are entities in which Oranjewoud N.V. has a direct or indirect controlling interest. Controlling interest is achieved if Oranjewoud N.V.:

- has the power to direct the relevant activities of an organization to acquire benefits from its activities;
- is exposed or entitled to a variable return from its involvement in the organization; and
- has the option of exercising its power to manage or influence the return.

Subsidiaries are consolidated from the first date of decisive control being transferred to the Group. Deconsolidation is implemented on the first date where the Group no longer has decisive control.

The Group recognizes the acquisition of subsidiaries based on the acquisition method. The transferred consideration is valued based on the fair value of the assets transferred by the Group, the equity instruments issued as per the acquisition date, and the liabilities accepted or incurred by the Group. The transferred consideration also includes the fair value of the assets, fees and liabilities pursuant to contractual contingent liabilities. Transaction fees in the context of an acquisition are recognised at the moment these are incurred and charged to the result.

The acquired identifiable assets and the identifiable (contingent) liabilities are stated at fair value as per the acquisition date upon initial recognition in the financial statements. For each acquisition, the Group states any non-controlling interests at either the fair value or at the share of the non-controlling interest in the identified net assets of the party acquired.

If the transferred consideration, the non-controlling interest and the fair value as at the acquisition date of a share in the acquired party that existed on the acquisition date is higher than the fair value of the Group's share in the identifiable net assets, then the difference is stated as goodwill. If the transferred consideration is lower than the fair value of the identifiable net assets, the difference is directly taken to the statement of income.

Joint Arrangements
Based on IFRS 11 'Joint arrangements', joint arrangements are classified as 'joint venture' or as 'joint operation'. The classification depends on the rights and obligations of each shareholder or partner and is not based on its legal form. The Group has both joint operations and joint ventures.

<u>Joint Operations</u>
Joint operations are interests in entities or contracts in which the Group has contractually agreed to exercise joint control with third parties. The Group recognises its interest in the revenues and costs, and assets and liabilities of the joint operation and combines them, item by item, with the corresponding items in the Group's consolidated financial statements.

<u>Joint Ventures</u>
Joint ventures are entities over which the Group exercises joint control with one or more third parties, with this control set out in an agreement. The Group is entitled to a share of the net results generated by such entities, and it is entitled to a share in the net assets. The joint ventures are recognised in the consolidated financial statements using the equity method. The valuation of the joint ventures includes the goodwill as recognised upon acquisition, deducting any cumulative impairments. The parties involved concluded a contract agreeing to share control; any decisions relating to relevant activities require the unanimous approval of the parties who have joint control of the joint venture.

Associates
Associates are entities in which the Group has significant influence on the financial and operational policies, but in which it does not have a controlling interest, and which are not joint ventures or joint operations. The consolidated financial statements include the Group's share in the overall result of associates according to the equity method, after adjustment of the policies to bring them in line with the Group's policies, from the date on which significant influence by the Group commences until the date on which significant influence ceases. The valuation of the associates includes the goodwill as recognised upon acquisition, deducting any cumulative impairments.

Elimination of transactions upon consolidation
Intra-group balances and any unrealized gains and losses on transactions within the Group or income and expenses from similar transactions are eliminated in the preparation of the consolidated financial statements. Unrealized gains and losses from transactions with associates and entities over which joint control is exercised are eliminated in proportion to the Group's share in the entity.

Consolidated interests
The consolidated participations and the percentage of the interest are detailed in note 31.

Accounting policies regarding measurement and presentation

Foreign currency transactions and investments in foreign activities
Foreign currency transactions are initially recognised at the exchange rate of the functional currency at the transaction date. Cash and cash equivalents, receivables, debts and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rates prevailing at the balance sheet date. Any translation differences ensuing from the conversion are charged to the statement of income. This does not apply to the differences on loans denominated in foreign currencies as a hedge for an investment in foreign activities. Such differences are recognised in other comprehensive income and accumulated in a translation reserve until the date the foreign activities are sold. On this date the amount (plus or minus) is taken to the statement of income.

The assets and liabilities of foreign operations are translated into euros at the applicable exchange rate at the balance sheet date. Exchange differences arising from this translation are recognised in other comprehensive income and accumulated in the translation reserve. The translation differences are transferred to the statement of income on the full or partial disposal of foreign subsidiaries, joint operations, joint ventures and associates as a result of which the Group ceases to exercise decisive control. The income and expenses arising from foreign operations are converted to euros at a rate approximating the exchange rate on the transaction date.

Derivative financial instruments
The Group makes use of interest rate swaps and forward exchange contracts in order to hedge the interest rate risks pursuant to concern and project financing, and in order to hedge currency risks on future USD cash flows. The interest-rate swaps and forward exchange contracts are stated at fair value. This is equal to the present value of the projected cash flows.

Cash flow hedge accounting is applied for the interest rate swaps and forward exchange contracts. Changes in the fair value of interest rate swaps and forward exchange contracts that serve to hedge the interest rate risks and currency risks arising from future interest rate payments and future USD cash flows are recognised in other comprehensive income and accumulated in equity to the extent that the hedge can be classified as effective. The deferred amounts in equity are taken to the statement of income on the completion date of the forward exchange contracts and as soon as the hedged future interest coupons are taken to the result.

A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is 'an economic relationship' between the hedged item and the hedging instrument;
- The effect of credit risk does not 'dominate the value changes' that result from that economic relationship; and
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Group actually hedges and the quantity of the hedging instrument that the Group actually uses to hedge that quantity of hedged item.

For the portion of which the hedge effectiveness of the hedge cannot be shown, the change in the value is directly taken to the statement of income. If an interest rate swap is sold or terminated or if the hedge relationship is no longer effective, the cumulative gain or loss up to that point remains recognised in equity unless there is no longer an expectation of the original hedged future cash flows taking place. The results deferred in equity are then recognised immediately in the statement of income within 'financial income/expenses'.

Intangible assets
Patents and Intellectual Property
Patents and Intellectual Property are stated at cost less accumulated amortization and any cumulative impairment losses. Patents are amortized on a straight-line basis over their useful lives of five years. The lifespan of Intellectual Property is seven years.

Software
Software is stated at historical cost, including capitalised financing costs, deducting the annual straight-line amortization based on expected useful life and any cumulative impairments. The lifespan of software is between two and five years.

Business combinations and goodwill
Business combinations are accounted for using the acquisition method. When the Group acquires an enterprise, it evaluates the acquired financial assets and liabilities so they can be classified properly and, in accordance with the contractual conditions, so economic circumstances and other applicable circumstances can be identified. This also includes the separation of embedded derivatives by the acquired party. If the business combination is carried out in various phases, then the fair value as of the acquisition date of the interest in the acquired party held previously by the Group is recalculated, incorporating changes in value into the statement of income.

Any contingent fee to be transferred by the Group shall be recognized at fair value as of the acquisition date. Future changes in the fair value of the contingent fee regarded as a liability shall be accounted for in the statement of income. If the contingent fee is classified as equity, then it shall only be reevaluated on final settlement in the equity.

Goodwill is first valued at its cost price, which is the amount by which the transferred fee exceeds the balance of the assets acquired and the liabilities taken on. If this fee is less than the fair value of the net assets of the acquired subsidiary, then the difference shall be accounted for in the statement of income.

After initial recognition, the goodwill is valued at cost price minus any accumulated impairment losses. To check for impairment, the goodwill resulting from a business combination starting from the acquisition date is allocated to the cash flow-generating units expected to profit from the business combination, regardless of whether assets or liabilities from the acquired entity have been allocated to these units.

If goodwill is part of a cash flow-generating unit and some of the business activity within the unit is disposed, then the goodwill pertaining to the disposed activity will be included in that activity's carrying amount to determine the earnings resulting from the disposal. Goodwill that is disposed under the conditions described above is determined on the basis of the relative proportions of the values of the disposed activity and the part of the cash flow-generating unit to be retained.

Other intangible assets
If separately identifiable intangible assets can be discerned upon acquisition of an entity, these are capitalised and amortized within the relevant applicable amortization period. An amortization period varying between 4 to 12 years applies to client bases, depending on their nature and expected churn rate. An amortization period of 0.5 to 6 years is applied to the value of a backlog. Amortization periods are reviewed annually.

Property, plant and equipment
Land and buildings
Buildings are carried at cost less linear depreciation, based on their expected life-cycle, taking into account a residual value, and accumulated impairment. The lifespan of buildings is twenty-five years. If major repairs are carried out, the amount is capitalized and depreciated. Land is not depreciated (excluding land hardening (ten years)).

Plant, tools, fixtures, fitting and other
Plant, tools, fixtures, fittings and other (including inventories) are carried at cost less straight-line depreciation, based on their expected useful lives and residual value, and accumulated impairment. Cost includes the cost of replacing spare parts in the plant and tools, provided that those costs meet the requirements for recognition in the statement of financial position. The lifespan of plant, tools, fixtures and fittings are between two and six years, and of other between three and ten years.

Assets under construction
Assets under construction are valued at incurred costs and consist mainly of term payments for the acquisition of equipment that is not already in use.

Derecognition
An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition is recognized in the statement of income in the year in which the item is derecognized. Residual values, useful lives and measurement methods are reviewed and adjusted, if appropriate, at the end of each financial year.

Where tangible fixed assets consist of significant parts, they are listed as separate items (major components) under tangible fixed assets.

Leases
Initial recognition of right-of-use assets and lease liabilities
Recognition of leases on the balance sheet leads to recognition of a liability that represents the present value of future lease payments and recognition of an asset that represents a right-of-use to the leased asset during the lease term. Upon initial recognition, the right-of-use asset is measured at the amount of the initial measurement of the lease liability, to which any lease payments made on or before the effective date have been added. If applicable, initial direct costs incurred by the Group to enter into the lease and compulsory estimated costs for restoration and dismantling that have been factored in are included in the measurement of the right-of-use asset as per the conditions of the lease.

Lease payments
Upon initial recognition, the liability equals the present value of the future lease payments over the lease term. Lease payments are split up into lease and non-lease components. The value of the lease and non-lease components is measured based on the relative stand-alone price of the various components. The non-lease components are not included in the measurement of the liability and are recognized directly in the income statement on a straight-line basis. Measurement of the lease components includes the fixed payments, variable lease payments that depend on an index or percentage (initially measured using the index or percentage that applied on the lease effective date), the strike price of a purchase option when it is reasonably certain that this option will be exercised, amounts that are expected to be payable by the lessee under residual value guarantees, and payment of penalties for early lease termination, if the lease term reflects that the lessee exercises an option to terminate the lease.

Determining the lease term
The lease term equals the lease's non-cancellable period, whereby the legally enforceable extension and termination options included in the contract must be taken into account, if there is a reasonable level of certainty that these options will be exercised. The non-cancellable period ends as soon as both the lessor and the lessee can terminate the contract.

Treatment of right-of-use assets after initial recognition
After initial recognition, the right-of-use asset is depreciated over the service life of the underlying asset or, if this is shorter, the lease term. In the event of purchase options that are reasonably likely to be exercised, the depreciation term equals the service life of the underlying asset. In this case, the exception for short-term contracts (term of 12 months or under) cannot be used.

Treatment of liabilities after initial recognition
After initial recognition, the lease liability is measured based on a process that is comparable to the amortized cost method using the discount rate, whereby the liability is increased by the interest accrued on the back of the discounting of the lease liability at the start of the lease term, less payments that were already made. The interest costs for the term, as well as variable payments not factored into the initial measurement of the lease liability and that were made during the relevant term, are recognized as costs.

Remeasurement of lease liabilities
The lease liability is revalued in case of a change to the lease term, to the estimate in the assessment of the reasonable extent of certainty that an option will be exercised, to the estimate of the assessment of the likelihood of the residual value guarantee and/or to the rates or indexes used to measure the future lease payments. In the event of revaluations ensuing from a change to the lease term or the estimate in the assessment of the reasonable extent of certainty that an option will be exercised, a revised discount rate is used for the revaluation. In the event of revaluations ensuing from a change to the estimate of the assessment of the likelihood of the residual value guarantee and/or the rates or indexes used to measure the future lease payments, the discount rate that was determined upon initial recognition is used. The difference compared to the lease liability prior to the revaluation is corrected in the capitalized right-of-use asset.

Contract amendments
A contract change is when the purport of the contract has been changed and this change was not part of the original contract. If the change ensues from an increase in the price of the rented property and the price increase equals the stand-alone price of the additionally rented asset, the change is recognized as a separate contract. If the change is not recognized as a separate contract, the lease liability is recalculated based on a revised discount rate. The difference compared to the lease liability prior to the contract change is corrected in the capitalized right-of-use asset.

A decrease in the price of the rented property will lead to a decrease in the value of the right-of-use asset. Any resulting losses or gains are recognized directly in the income statement.

Capitalizedd right-of-use assets
<u>Land</u>
Land is rented primarily for material storage purposes. These leases include annual indexation based on the consumer price index. Initial recognition is based on the index as it is on the effective date. On the date of indexation, the lease liability is recalculated and the difference compared to the lease liability prior to indexation is corrected in the capitalized right-of-use asset.

<u>Company buildings</u>
The lease term is determined as specified above. For a large number of leases, exercising an option requires the consent of both the lessee and the lessor, meaning that the non-cancellable period equals the period of time through to the end date without application of contract options.

These leases include annual indexation based on the consumer price index. Initial recognition is based on the index as it is on the effective date. On the date of indexation, the lease liability is recalculated and the difference compared to the lease liability prior to indexation is corrected in the capitalized right-of-use asset.

<u>Machines and equipment</u>
The machines and equipment that are leased mainly concern equipment such as forklift trucks and cranes. The lease term is determined as specified above. A number of equipment leases include a purchase option. If there is reasonable certainty that such purchase options will be used, the purchase options will be factored into the measurement of the lease liability. In these cases, the depreciation term for the right-of-use asset equals the asset's economic service life. When a contract includes a purchase option, the practical application for non-capitalization of short-term leases is not used.

<u>Vehicles</u>
Vehicle leases relate to the leasing of passenger vehicles, vans and trucks. The lease term is determined as specified above. The term of these leases equals the non-cancellable period specified in the lease. The non-cancellable period is a standard term (starting on the lease commencement date), unless the contracted number of kilometers is reached before the end of that term.

<u>Other</u>
The other assets relate to various rented assets that cannot be classified in a specific category due to their diverse nature, such as videoconferencing equipment. The lease term is determined as specified above. Under these leases, exercising an

option requires the consent of both the lessee and the lessor, meaning that the non-cancellable period equals the period of time through to the end date without application of contract options.

Non-capitalized right-of-use assets
The Group uses the exception rule that allows the Group not to recognize right-of-use assets and lease liabilities for short-term leases and leases for low-value assets. Short-term leases are leases with a term of 12 months or under and relate mainly to tools and equipment. “Low-value” assets are assets with a new value of under €5,000 and concern mainly printers and other small mechanical tools. The Group recognizes lease payments under these leases as an expense over the lease term using the straight-line method.

Investment property
Investment property is property which is held either to earn rental income or for capital appreciation, or for both. Investment property is carried at cost less cumulative depreciation and impairment.

The fair value of the investment property is disclosed in the notes to the consolidated financial statements.
The fair value is defined as the price that would be received for the sale of an asset or would be paid for the transfer of a liability in a regular transaction between market parties on the valuation date. The determination of the fair value assumes that the transaction for the sale of an asset or transfer of a liability takes place in the principal market for the asset or liability, or if there is no principal market, in the most favourable market for the asset or liability. The principal or most favourable market must be one to which Strukton has access.

Depreciation is charged to the statement of income according to the straight-line method based on the estimated useful life of each component. Depreciation rates correspond to those of the categories of property, plant and equipment. The depreciation methods, useful lives and residual values are reassessed on the reporting date.

Non-current assets held for sale
Non-current assets (or groups of assets (and liabilities) held for sale) of which the carrying amount is expected to be primarily realised through a sales transaction rather than through their continued use, are classified as ‘held for sale’. Immediately before this classification, the assets (or the components of a group of assets being sold) are tested for impairment in accordance with the Group’s accounting policies. The assets (or group of assets being sold) are stated at the lower of carrying amount and fair value (less the costs of selling).

An impairment loss on a group of assets held for sale is allocated to goodwill in the first instance, and subsequently in proportion to the remaining assets and liabilities. Impairment losses arising from the initial classification are taken to the statement of income.

Other financial non-current assets
Other non-current receivables
The other non-current receivables concern assets that are held within a business model designed to hold financial assets to receive contractual cash flows. Such cash flows exclusively concern repayments and interest payments on the principal outstanding. Such non-current receivables are initially recognised at the fair value of the relevant performance, and subsequently at amortised cost based on the effective interest rate method.

Ppp receivables
Ppp receivables (Public-Private Partnership receivables) consists of concessions payments still due from public bodies (government authorities) for ppp concession projects. Ppp receivables are recognised as financial non-current assets. This refers to assets that are held within a business model designed to hold financial assets to receive contractual cash flows. Such cash flows exclusively concern repayments and interest payments on the principal outstanding. Such non-current receivables are initially recognised at the fair value of the relevant performance, and subsequently at amortised cost based on the effective interest rate method. The interest rate applied is (virtually) equal to the interest rate (after hedging) of the associated non-recourse ppp loan (ppp loan for which the borrower is not severally liable towards the financier).

Investments in equity instruments
Upon initial recognition, the Group may choose to irrevocably designate its investments in shares as equity instruments measured at fair value through OCI (other comprehensive income) if they fulfil the definition of equity according to IAS 32 'Financial instruments: presentation' and are not held for trading purposes. The classification is determined on an instrument basis. Gains and losses on such financial assets are never recycled into profit or loss. Dividends are recognised as other income in the statement of income if the right to receive payment is established. The Group chose to irrevocably designate the equity investments to this category.

Deferred taxes
Deferred tax assets and liabilities are recognised for temporary differences between the value of the assets and liabilities in accordance with the accounting principles for measurement and determining the result applied in these financial statements and in accordance with the tax policies. Deferred tax assets are only recognised when realisation is considered to be probable. This is also done for the portion of carry-over losses which is more likely than not being realised against sufficient positive taxable results.

For the initial measurement of assets and liabilities that have no impact on the result in the financial statements and on the fiscal result, no tax assets and liabilities are included.

The carrying amount of deferred tax assets is assessed on each balance sheet date and decreased insofar sufficient future taxable profits are not expected to be probable.

Deferred taxes are based on the rate that is likely to be applicable on the date of settlement according to the tax rules. Deferred taxes are recognised in the statement of income, except if related to items that are recognised in the other comprehensive result. In such cases, the deferred taxes are also recognised as other comprehensive result.
If this results on balance in a deferred tax asset, it is recognised as a non-current asset. Deferred tax assets and liabilities are offset in a balance if there is a legally enforceable right to do so, if these are associated with tax on profit imposed by the same tax authorities.

Impairments
Financial assets
The Group created a provision for expected credit losses on any differences between the cash flows due according to the contract, and the cash flows that the Group expects to receive, discounted at the approximate original effective interest rate. The amount of expected credit losses (or their reversal) is recognised as an impairment result in the statement of income.

Non-financial assets
The carrying amounts of non-financial assets of the Group, other than inventories and deferred tax assets, is reviewed at each reporting date to determine whether there is any indication of impairment. If such indications exist, an estimate of the recoverable amount of the asset is made.

For goodwill and intangible assets with indefinite lifecycles or not yet in use, an estimate of the recoverable amount is made at each reporting date. An impairment loss is recognized when the carrying amount of an asset or the cash flow generating unit to which it belongs, exceeds its recoverable amount. Impairment losses are included in the statement of income. For an asset or a cash flow generating unit, the recoverable amount equals the highest of company value or the fair value minus the costs to sell. In determining the company value, the present value of the estimated future cash flows is calculated using a discount rate that reflects current market assessments of the time value of money and the specific risks relating to the asset.

With respect to goodwill (excluding goodwill included in the book value of investments) impairment losses are not reversed. For other assets, impairment losses included in prior periods are reviewed at each reporting date to determine indications that the loss has decreased or no longer exists. An impairment loss is reversed if the estimates used to determine the recoverable amount have changed. An impairment loss is reversed only to the extent that the carrying amount of the asset does not exceed the carrying amount, after depreciation or amortization, which would have been determined if no impairment loss was recorded.

Inventories

Inventories are stated at the lower of cost and the net realisable value. The net realisable value is the estimated sales price in the normal conduct of business, less the estimated cost of completion and the cost of sales. The cost of the inventories is based on the average purchase price or based on the first-in-first-out principle (FIFO) (depending on the operational segment) and includes expenditure incurred in acquiring the inventories and the associated costs of purchase. The cost of inventories of finished products includes an appropriate share of the indirect overheads based on normal production capacity.

Receivables

Contract assets and contract liabilities

The Group defines a project contract as a contract specifically negotiated for the contracted work to realise an asset. On the balance sheet, the Group reports the net contract position for each (project) contract as either a contract asset or a contract liability. A contract asset is recognised when Strukton has a right to consideration in exchange for goods or services that the entity has transferred to a customer when that right is conditioned on something other than the passage of time. A contract receivable is an amount to be billed for which payment is only a matter of passage of time. A contract liability is recognised when Strukton has an obligation to transfer goods or services to a customer for which the entity has received consideration (or the amount is due) from the customer. A provision for onerous contracts is recognised when the unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it.

Trade receivables, receivables from affiliated companies and *other receivables*

Trade receivables, receivables from affiliated companies and other receivables are (unless it is a trade receivable without a significant financing component) initially measured at fair value plus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Impairments on ppp-receivables, contract assets and trade and other receivables

If the credit risk on ppp-receivables has not increased significantly since initial recognition, the loss allowance for these receivables are the 12-month expected credit losses (ECL). If the credit risk on ppp-receivables has significantly changed since initial recognition the loss allowance equals the lifetime expected credit losses. Ppp-receivables are impaired when there is no reasonable expectation of recovering the contractual cash flows.

Indications of increase in credit risk for ppp receivables are:

- Experience significant financial difficulty;
- Being in default or delinquency in interest or principal payments;
- Have increased probability of default; or
- Other observable data resulting in increased credit risk.

The amount of lifetime credit losses is measured as the difference between the asset's carrying amount and the present value of estimated future cash flows discounted at the ppp-receivables' original effective interest rate, taking into account the value of collateral, if any. The carrying amount of the ppp-receivables is reduced and the amount of the loss is recognised in the statement of income. If a variable interest rate is applicable, the discount rate for measuring any impairment loss is the current effective interest rate determined under the contract.

For contract assets and trade and other receivables, the Group applies the simplified approach for the measurement of expected credit losses. Therefore, the Group does not track changes in credit risk, but instead recognises a loss allowance based on lifetime expected credit losses at each reporting date. The Group uses a provisions matrix to calculate expected credit losses on contract assets and trade and other receivables. This matrix is based on the Group's historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment. Based on the matrix, expected credit losses for groupings of different customer segments are identified and, if credit losses are expected, contract assets and trade and other receivables are impaired.

If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, the reversal of the previously recognised impairment loss is recognised in the statement of income.

Cash and cash equivalents
Cash and cash equivalents comprise bank balances and cash balances. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts which are repayable on demand and form an integral part of the group’s cash management. Such overdrafts are presented as short-term borrowings in the statement of financial position.

Equity attributable to equity holders of the parent company
Reserves
The reserves consist of a share premium, a translation differences reserve, a hedge reserve and an actuarial reserve. The share premium reserve is a reserve created through additional capital injections by the shareholder. The conversion difference reserve contains all currency exchange rate differences arising due to conversion of the Group's net investment in foreign subsidiaries. The hedge reserve consists of the cumulative change in fair value of hedge instruments when the hedged transactions have not yet been carried out or the hedge position has not yet ended. An actuarial reserve is created for the cumulative change in fair value of pension liabilities as a result of changes in actuarial assumptions.

Retained earnings
Retained earnings include the cumulative results of previous financial years less the dividend payments.

Non-controlling interests
Non-controlling interests concerns the equity that is entered by third parties and relates to non-controlling interests in consolidated subsidiaries.

Group equity
The group equity consists of the equity attributable to equity holders of the parent company and non-controlling interests.

Pensions
Oranjewoud N.V. operates various pension plans in accordance with local regulations and terms.

Defined contribution plans
For defined contribution plans the Group pays on mandatory, contractual or voluntary basis contributions to pension funds or insurance companies. Apart from the payment of contributions, the Group has no further obligations. Obligations for contributions to pension based on defined contributions are charged to the statement of income when the contributions are due.

Defined benefit plans
Defined benefit plans lead to a fixed remuneration after leaving employment, the amount of which among other things depends on salary, service time and accrual percentage. Under IAS 19 the Group is required to take a provision for this fixed remuneration after employment.

The Group's net obligation in respect of defined benefit pension plans, is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service during the reporting period and prior periods. The present value of these entitlements is determined and deducted with the fair value of Investment Funds.The discount rate is the return at balance date from high quality corporate bonds of which the duration approaches the pension obligation deadlines of the Group. The calculation is performed by a qualified actuary using the 'projected unit credit' method. This method takes into account future salary increases as a result of career opportunities for employees and general wage developments including inflation.

If the benefits under a plan are improved, the part of the improved benefit plan relating to the past service of employees is then charged to the income statement immediately. During the financial year defined benefits are directly recognized in the statement of income.

The Group recognizes all actuarial gains and losses related to defined benefit plans and the notional return of investments immediately in the consolidated statement of comprehensive income. The notional return on investments is based on the same discount rate. If the investment funds exceed obligations, withdrawal of benefits will be restricted up to an amount equal to the balance of any unrecognized pension of past service and the present value of any future refunds from the fund or reductions in future contributions.

Other long-term employee benefits
The Group’s net liability for other long-term employee benefits, except for pension plans, is the amount of the future entitlements that employees have earned in return for their services in the reporting period and previous periods. Examples include jubilee benefits and bonuses. These liabilities are calculated using the ‘projected unit credit’ method and are discounted to give the present value. The discount rate is the yield as at the balance sheet date for high-value government bonds with a maturity that approximates that of these long-term liabilities of the Group. Any actuarial gains or losses are recognised in the statement of income in the period in which they occur.

Provisions
Provisions are recognized in the statement of financial position if the Group has a present legal or constructive obligation as a result of a past event and when it is probable that resources will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are made by discounting expected future cash flows. The discount rate used is a pre-tax discount rate that reflects both the current market estimations of the time value of money and specific risks relating to the liability.

Onerous contracts provisions
The Group applies the direct related cost method in measuring the loss on a contract. The loss is recognised on the entire contract. This could imply that the profit on a performance obligation in an onerous contract, prior to realising the performance obligation, is already fully deducted from the loss of the other performance obligation(s). The provision for onerous contracts only relates to the future loss on the performance to be delivered under the contract.

Restructuring provision
A restructuring provision is created if a detailed formal restructuring plan has been approved and those who will be affected have valid expectations that the restructuring will be effected, because the implementation of the plan has been started or the main features of the plan have been announced to those affected.

Project provision (warranty obligations)
A warranty provision is entered if the underlying projects or services have been sold and delivered. This provision is included for costs that it is strictly necessary to incur in order to remove defects appearing after delivery but during the warranty period. The provision is based on the best estimate of the outgoing cash flow.

Jubilee provision (Other long-term employee benefits)
The Group's net obligation for long-term employee benefits, except pension, is the amount of future benefits, such as jubilee payments, that employees have earned in exchange for their services during the reporting period and previous periods. The obligations are calculated with the ‘projected unit credit’ method and are discounted to present value. The discount rate is the result at balance sheet date on high quality government bonds of which the duration approaches the term of these long-term obligations of the Group. Any actuarial gains or losses are recognized in the income statement in the period in which they occur.

Other
The other provisions include provisions for specific guarantees issued in selling participations, risks of legal proceedings against the Group and/or its operating companies, severance schemes and other relatively minor risks.

Subordinated loans
A loan is classified as a subordinated loan if subordinated to other recognised liabilities. Upon initial recognition in the financial statements, subordinated loans are stated at fair value (net of transaction fees) and subsequently at amortized cost using the effective interest method.

Non-current liabilities
The non-current liabilities consist of liabilities relating to the financing of investment properties, ppp projects as well of bank loans, derivatives (non-current part) and other non-current liabilities. These non-current liabilities are initially recognized at fair value (less transaction costs) and subsequently at amortized cost using the effective interest method. Transaction costs are amortized over the term of the financing. The portion of the non-current liabilities due within one year is recognized as repayment of non-current liabilities under current liabilities. A liability is written off when the obligations ends, expires or matures.

Unconditional obligations which are based on an option agreement are valued at fair value. This fair value is calculated based on the discounting of the real rate of nominal liability in accordance with the option pricing model of IFRS13.

Current liabilities
Trade payables, other current liabilities and amounts owed to credit institutions are initially recognized at fair value and subsequently at amortized cost using the effective interest method. Income tax payable is recognized at nominal value.

Revenue
Projects for third parties, service and maintenance contracts
The Group has adopted and applies IFRS 15 Revenue from Contracts with Customers.IFRS 15 follows a 5-step approach to recognise for revenue, which is set out below. Certain specific topics have been included or referred to the applicable note. The core principle of IFRS 15 is a 5-step model to distinguish each distinct performance obligation within a contract that the Group has with its customer and to recognise revenue on the level of the performance obligations, reflecting the consideration that the Group expects to be entitled for, in exchange for those goods or services.
The following five steps are identified within IFRS 15:
- Step 1 ‘Identify the contract with the client’: Agreement between two or more parties that creates enforceable rights and obligations (not necessarily written).
- Step 2 ‘Identify the performance obligations’: A promise in a contract with a customer to transfer a good or service to the customer.
- Step 3 ‘Determine the transaction price’: The transaction price is the amount of consideration to which an entity expects to be entitled for in exchange for transferring promised goods or services to a client.
- Step 4 ‘Allocate the transaction price’: The objective of allocating the transaction price is for the Group to allocate the transaction price to each performance obligation.
- Step 5 ‘Recognise revenue’: the Group recognises revenue when (or as) the Group satisfies a performance obligation by transferring a promised good or service (that is an asset) to a client.

When determining the revenue recognition, the number of performance obligations in a contract is identified. Subsequently, the transaction price is determined. If the consideration promised in a contract includes a variable component, such as a performance bonus or penalty for delays, the amount of consideration to be received is estimated. In such an event, the variable component is measured using the expected value or the most likely amount, depending on the method that can be expected to best predict the amount of consideration that the entity will be entitled to. This method is subsequently applied consistently throughout the contract. An increase of the amount of consideration due to including or excluding the variable component may not take place until it is highly probable that a significant reversal in the amount of cumulative revenue will not occur when the uncertainty associated with the variable consideration has been resolved.

After determining the amount of consideration, this consideration is allocated to the separate performance obligations. This allocation is based on determining the ‘stand-alone selling price’ for each performance obligation. The stand-alone selling price is measured based on the ‘cost plus a margin’ method, determining the cost based on the preliminary calculation as prepared during the tender phase. Subsequently, a customary margin is allocated.

Finally, revenue is recognised when transferring control of the goods or services to the customer against an amount reflecting the consideration that the Group expects to be entitled to in exchange for the relevant goods or services.

The Group is active in consultancy and engineering services, developing, building, maintaining and operating infrastructure projects, buildings and technical installations and rail infrastructure, that are in the principal’s control. If the principal has control during the project, the revenue recognition will be based on progress of the project. Progress of the project is determined based on the input method, with project progress being measured based on the cost incurred by the entity in fulfilling a performance obligation. It is not permitted to recognise revenue for costs incurred that can be attributed to significant inefficiencies and that are not factored into the contract sum, as such costs do not contribute to progress regarding fulfilment of the performance obligation.

In the event of changes in the scope of a contract or a (potential) change in the contract consideration, revenue relating to this modification will not be recognised until a written or oral agreement has been reached.

If the date of transferring the performance obligation is not the same as the date of receiving the consideration, the time value of money is taken into account when recognising revenue. For this purpose, the Group makes use of the practical expedient to not adjust the promised amount of consideration for the effects of a significant financing component if the Group expects that the period between the date on which the entity transfers a performance consideration and the date on which the customer pays for this performance obligation is no more than one year.

Tender fees are recognised as part of the amount of consideration over the term of the contract in proportion with performances completed.

Revenue from sale of goods from inventories
The sale of goods from inventories primarily pertains to the sale of prefabricated concrete applications. Revenue from sales from inventories are recognised in the statement of income when handing over control over the goods or services to the customer against an amount reflecting the consideration that the Group expects to be entitled to in exchange for the relevant goods or services.

Concessions
During the operational phase of concession management, revenue consists of:
- The fair value of the delivery of contractual services;
- Interest income related to the investment in the project.
Revenues are recognized when the related services are delivered. Interest is accounted for as financial income in the period to which it relates.

Other operating income
Other operating income include amongst others trading companies, real estate, and tangible assets transaction results. Transaction results are recognised when handing over control of the associates, property or property, plant and equipment items to the customer against an amount reflecting the consideration that the Group expects to be entitled to in exchange for the relevant items.

Operating expenses

Costs to obtain a contract

Costs incurred to be awarded a contract by a customer that would not have been incurred if the contract was not awarded, i.e., incremental acquisition cost of a contract are capitalised. If the conditions of incremental costs are not fulfilled, the cost incurred to win a contract are measured as an expense.

Costs to fulfil the performance obligation

The costs to fulfil a performance obligation are capitalised if such costs are directly related to an existing contract or specific anticipated contract, provided that these costs are expected to be recovered.

Operating expenses

Operating expenses are allocated to the year to which they relate.

Public/private partnerships (concessions)

The costs incurred for proposals for ppp projects are in principle charged to the result, unless such costs are explicitly chargeable to the customer, regardless of whether the contract is obtained. In that case, such costs are capitalised.

Financial income and expenses

Finance income comprises interest received on invested funds, exchange rate gains, and gains on hedging instruments that are recognised in the statement of income.

Finance expenses comprise interest payable on borrowings, interest added to provisions, exchange rate losses, impairment losses on financial assets and losses on hedging instruments that are recognised in the statement of income.

Government grants

Government grants are not recognised until there it is reasonably certain that the Group will comply with the conditions attached to them and that the grants will be received. Government grants that are receivable as a compensation for expenses or losses already incurred are recognised in the statement of income in the period in which they become receivable. The Group presents such government grants as a reduction to the related expenses in the statement of income.

Corporate income tax

Income tax comprises the payable and offsettable income tax relating to the period under review and deferred income tax. The income tax is recognised in the statement of income, except if it relates to items recognised directly in equity, in which case the tax is charged to equity. The current tax payable and offsettable is the expected tax payable on the taxable income for the financial year, using tax rates enacted or substantially enacted at the reporting date, and any adjustments to tax payable in respect of previous years.

Deferred tax assets and liabilities are recognised for temporary differences between the value of the assets and liabilities in accordance with the accounting principles for valuation and determining the result applied in these financial statements and in accordance with the tax policies.

Deferred tax assets are recognised for tax losses carry-forwards, temporary differences and tax credits to the extent that the realisation of the related tax benefit through future taxable profits is probable. Estimates are an inherent part of this process and they may differ from the actual future outcome.

Deferred tax liabilities are not recognised for the following temporary differences: the initial recognition of goodwill, initial recognition of assets and liabilities in a transaction that do not involve a business combination and that affect neither the accounting nor the taxable profit, and differences relating to investments in subsidiaries and entities over which joint control is exercised to the extent that they are unlikely to be settled in the foreseeable future. Deferred tax liabilities are measured using tax rates expected to apply when the temporary differences are reversed, based on legislation enacted or substantively enacted at the reporting date. A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available for the realisation of the temporary difference.

The Group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty, after taking into account external advice where appropriate.

As per IFRIC 23, in preparing estimates of current and deferred tax assets and liabilities, management considers whether it is probable that a taxation authority will accept an uncertain tax treatment. If it is considered probable that an uncertain tax treatment will be accepted, tax estimates are determined in accordance with the tax treatment used or planned to be used in the company's income tax fillings. If it is not considered probable that an uncertain tax treatment will be accepted, tax estimates are made based on the most likely outcome or the expected value, depending on which method best reflects the uncertainty.

At each reporting date, deferred tax assets are reviewed and reduced to the extent that it is no longer probable that the corresponding tax benefit will be realised. Additional income tax on account of dividend payments is recognised at the same time as the obligation to pay the dividend in question.

Information per segment

For management purposes, the Group is divided into segments, based on products and services. The statement of income and a number of statement of financial position items are accounted for by segment. This classification is supported by the management reporting structure, under which the aforesaid units are reported wholly separately to the Group management. The Management monitors the operating results of the segments separately to support decision-making concerning allocation of resources and review of results. Segment results are assessed on the basis of the operating result which in turn is based on the operating profit or loss disclosed in the consolidated financial statements. However, Group financing and income taxes are managed at Group level. Prices for transactions between segments are determined at arm's length.

Policies for the consolidated statement of cash flows

Statement of cash flows

The statement of cash flows is prepared according to the indirect method. Cash flows in foreign currencies are translated at the exchange rate that applies on the transaction date. For subsidiaries and interests in other entities, this is based on the average exchange rate during the financial year. The inventories, receivables, debts, provisions, and debts to credit institutions included in acquisitions are incorporated in the statement of cash flows under investing activities. The acquisition cost paid for acquired associates (after deduction of the purchased cash and cash equivalents), and the selling price received for divested associates, are recognised in the cash flow from investment activities. Income based on interest, dividends and income taxes are included in the cash flow from operations. Transactions that do not involve an exchange of money are not recognised in the statement of cash flows. Amounts owing to banks that are payable on demand and that form an integral part of the Company's cash management system are recognised in the statement of cash flows under the cash and cash equivalents item. Cash flows related to the investments in ppp projects are included in the cash flow from investing activities due to the nature of investing in the project. The cash from loans and non-recourse financing are included in the cash flow from financing activities. Lease payments are split into an interest component and a repayment component. Both components are included in the cash flow from financing activities. The costs relating to short-term lease liabilities and the costs of low-value leasing assets are included in the cash flow from operating activities.

Significant estimates and assumptions in the consolidated financial statements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances and the current market. The basis for these estimates remains unchanged compared to those described in the 2019 financial statements. The historical experience and other factors especially have an effect on the estimates made regarding the valuation of goodwill, deferred tax assets, projects, land and building rights and property development. Actual results may differ from these estimates.

The preparation of the consolidated financial statements requires the management to make judgements, estimates and assumptions that influence the application of the accounting principles and the reported values of assets and liabilities and of income and expenses. The estimates and corresponding assumptions are based on experiences from the past and various other factors that could be considered reasonable under the circumstances. The actual outcomes may differ from these estimates. The estimates and the underlying assumptions are constantly assessed. Revisions of estimates are recognised in the period in which the estimate is revised or in future periods if the revision has consequences for these periods.

The key elements of uncertainty in the estimates are as follows:

Key estimates:
- Estimations related to the total costs of projects are included in the 'Assumptions when determining revenue recognition' section below.
- Estimation of uncertain tax positions is included in the applicable accounting policy sections above and in the following section 'Accounting considerations on key projects'.
- Estimation of future taxable profits in support of recognition of deferred tax assets is included in the applicable accounting policy sections above.
- Estimation of inputs into discounted cash flow models relating to the impairment of goodwill is included in the applicable accounting policy sections above.
- The assumptions, forecasts and expectations regarding defined benefit plans and deferred employee benefits as included in the following section 'Defined benefit plans and deferred employee benefits'.
- Estimation in determining the lease terms and discount rates applicable to lease agreements as included in the following sections 'Lease terms' and 'Determining the incremental interest rate'.

Key judgements:
- Recoverability of financial and other assets is included in the applicable accounting policy sections above and in the following sections 'Accounting considerations on key projects' and 'Impairments'.
- Recoverability of deferred taxation assets is included in the corresponding accounting policy section above.
- Recognition and measurement of provisions is included in the applicable accounting policy sections above and in the following section 'Accounting considerations on key projects'.
- Correct classification and completeness of events occurring after the reporting period is included in note 28 .

Assumptions when determining revenue recognition
When recognising revenues of contracts with customers, the contract consideration must be determined. This consideration may also include variable components, such as a performance bonus or penalty for delays. If the consideration promised in a contract includes a variable component, the amount of consideration to be received is estimated. In such an event, the variable component is measured using the expected value or the most likely amount, depending on the method that can be expected to best predict the amount of consideration that the entity will be entitled to. This method is subsequently applied throughout the contract. An increase of the amount of consideration due to including or excluding the variable component may not take place until it is highly probable that a significant reversal in the amount of cumulative revenue will not occur when the uncertainty associated with the variable consideration has been resolved. Pursuant to IFRS 15, the threshold to recognise positive variable considerations is therefore relatively high. Nevertheless, this variable component is subject to management estimates.

In the event of changes in the scope of a contract or a (potential) change in the contract consideration, revenue relating to this modification will not be recognised until a written or oral agreement has been reached. If this agreement is reached but no agreement was reached about the consideration, the recognition will not take place until it is highly probable that a significant reversal in the amount of cumulative revenue will not occur when the uncertainty regarding the consideration for the contract modification has been resolved. In practice, this means that considerations for requests for change or claims cannot be recognised until a written or oral agreement has been reached on the nature of the change and the relevant consideration.

When allocating the contract consideration to the separate performance obligations, the stand-alone selling price of the performance obligations must be determined. This stand-alone selling price is measured based on the 'cost plus a margin' method, determining the cost based on the preliminary calculation as prepared during the tender phase. Subsequently, a customary margin is allocated. Both the measurement of the cost and the measurement of the margin are subject to the management's estimates.

Revenue recognition is based on the input method, with project progress based on the cost incurred by the entity in fulfilling a performance obligation in proportion with the total forecast project cost. The total project cost is subject to accounting estimates. Such accounting estimates are subject to more uncertainty as:

- the agreed contract form contains more risk for the contractor. In a design and construct contract the contractor also takes the design risk on his behalf. In a DBMO contract this is expanded with the responsibility for maintenance and operation;
- the contract is still in an early stage of design or realisation. In elaborating a provisional design to a final design material deviations from the provisional design can occur (because an initial solution may turn out to be impossible on second thoughts, or because the land conditions are better or worse than expected, or because the dialogue with stakeholders is much more complicated and therefore more expensive than assumed beforehand). Also during the realization a number of risks may prove that are on behalf of the contractor. The mentioned deviations can moreover be positive and negative;
- the term of the contract is longer and thus the forecast of the final work is inherently more subject to uncertainty.

Accounting considerations on key projects

Riyadh Metro Project

Strukton International's single largest project (acting through Strukton Civiel Projecten B.V.) was the Riyadh Metro project in Saudi Arabia with the Royal Commission for Riyadh City as the client (RCRC). Strukton was part of the so-called FAST consortium with FCC Construccion S.A., Samsung C&T Corporation, Freyssinet Saudi Arabia and ALSTOM Transport S.A. as the consortium members. The project reached the 90% completion milestone in 2020. However, Strukton's relationship with RCRC and the other consortium members deteriorated significantly due to a complex legal event regarding our operations in the country. A Saudi citizen, Mr. Al-Shattery, obtained a judgement against Strukton in his favour on May 3, 2021 in the Kingdom of Saudi Arabia. Pursuant to this judgement, Strukton was ordered to pay this individual an amount of €25.25 million. Strukton strongly disputes the validity of this claim. We also believe this judgement has been obtained in breach of our rights of due process.

Notwithstanding the aforementioned, RCRC has used this court ruling as a ground for withholding a similar amount to the entire FAST Consortium in the summer of 2021. Strukton perceives this action by RCRC as legally incorrect. However, this event has led to a material breach of confidence between the FAST Consortium members and Strukton, ultimately leading to the exclusion by the other consortium members of Strukton in November 2021.

Discussions between Strukton and the other consortium members have since been continuing as to the lawfulness of the exclusion(s) and the consequences of such exclusions. We have reached an agreement on a process with the other consortium members in January 2023. This agreement aimed to regulate a process pursuant to which Strukton transfers the bank guarantees and its participation in the various consortia, joint ventures and entities of the Riyadh metro project to the other members. The agreement handed over responsibilities with regards to the project to the consortium and was effected during June 2023. Strukton is also party in a number of statutory and tax disputes for which we have formed a provision.

The above matters have arisen during the important execution phase of the project. The adverse consequences of the current verdicts of the legal proceedings with Mr. Al-Shattery, combined with the financial implications of the exclusion have resulted in steep write-offs and provisions in 2020 and costs relating to ceasing our operations in the country for a combined amount of €46.9 million, and further provisions are recognised in and attributable to 2021 and 2022, being management best estimate. From this amount in 2020, €29.6 million relates to write-off of participation values and (other) receivables, €10.8 million to tax provisions and €6.5 million to other matters such as (provisions for) legal and financial costs. Considering the finalisation of the agreement, no further negative financial impact is expected relating to the Riyadh Metro Project.

MEET RIVM
Starting 2014, MEET RIVM CBG (hereafter: 'MEET', the project company) executed the works on the new accommodation of the RIVM (national institute for public health and the environment). MEET is responsible for the Design Build Maintain and Operate of the project, a separate Strukton owned SPC called MEET Strukton is responsible for attracting the initial non-recourse project-financing.

The one-off project has faced significant complexities, the two most material of which have resulted in formal dispute resolution proceedings with the Contracting Authority. These relate to (1) the continuous VC-C vibration measures which are applied to the new building and (2) several major Change Orders to the laboratories requested by the Contracting Authority. These issues cause (critical) delays and have therefore significant financial consequences which the Contracting Authority does not agree with. Within the DBFMO Agreement, a dispute resolution mechanism is contractually prescribed to solve these issues.

The abovementioned issues have been brought towards several Committees of Experts during the timeframe 2020-2023. The outcome of these procedures is still uncertain, based whereon significant uncertainties apply to the current accounting position, which is based on management' current best estimate. The main dispute procedures are highlighted below.

Mitigating Measures (Committee of Experts (02))
To meet the contractually stipulated VC-C vibration requirements, various vibration mitigation measures have been taken. During the dispute procedure in 2017, the first Committee of Experts judged to set the cost scope of these measures at €20.7 million, of which 40 percent was to be remunerated by the Contracting Authority. Thereafter, further continuous measures were taken and the actual costs of the measures were proven higher than judged in 2017. A new dispute resolution proceeding is active to determine the amount and distribution between parties of the costs. By the end of July 2021, the Committee of Experts (02) has shared its final (interim) verdict on the costs of the measures and determined that 50% of the higher costs are to be compensated. In order to form a final verdict, the Committee has appointed a cost expert to determine and report on the amount of the costs. Following this the procedure is expected, with uncertainty, to be completed in the course of 2024.

The basis for current result valuation are the compensations granted under the final (interim) verdict and the incurred financial consequences for implementing the vibration measures. This forms the basis of management's current best estimates, which lead to a combined negative project result of €90.8 million, and further provisions are recognised in and attributable to 2021. The procedure has not yet led to a final conclusion on additional remuneration. Consequently, no reliable estimate of further compensation can be made and thus no compensation on top of the final (interim) verdict for these events are accounted for, whereas management expects (partial) recovery of such amounts.

Change Orders Contracting Authority GAP III and Recalibration Process 1 (Committee of Experts (03))
In recent years, the Contracting Authority has requested several Change Orders, which have – together with the Covid-19-situation within the same timeframe – caused (critical) delays and resulted in significant financial consequences. These Change Orders relate amongst others to changing of the classification of the generic laboratories in the Tower ('Recalibration Process 1') and modifications required to realise a polio laboratory in the special labs wing. As a result thereof, the building was not available at the original Scheduled Availability Date (August 31, 2021). Parties disagree on both the amount of the financial consequences and the duration of the critical delay and have therefore started the contractual dispute procedure.

Within this procedure, MEET has included an extensive elaboration of the financial consequences and critical delay caused by the Change Orders GAPIII, the Recalibration Process 1 and the other circumstances. MEET expected the additional operational work will delay obtaining the Availability Certificate with 40 months to circa year-end 2024. The related financial consequences have been determined at €227 million. By the end of 2022, the hearing of the GAP III Committee has been conducted. The GAPIII Committee has now drafted an (interim) verdict in October 2023 and decided that the Availability Certificate is delayed by 15 months. This has not led to any adjustments in the financial statements 2020, as this is considered an event in financial year 2021.

As part of the process, the GAPIII Committee also issued a binding interim advice in three interim provisions (March 2022, September 2022 and April 2023), in which the Committee ordered that MEET is to immediately start and continue to work on the GAP III Change Order, while the Contracting Authority must pay (monthly) advance payments to secure MEET's liquidity position until November 2022 and subsequent remuneration of direct costs.

We are confident in the strength of our legal position and that our rights under the contract will be honoured. However, due to the high uncertainty, management's current best estimate is to only take into account the outcomes of the three above interim provisions, which also align with the newest (interim) verdict of October 2023.

The combined negative project result including the negative results and provisions formed for the vibration issue and the neutral effect foreseen from the GAP III Committee cumulatively lead to a negative project result of €90.8 million in 2020. The procedure has not yet led to a final conclusion on additional remuneration. Consequently, no reliable estimate of further compensation can be made and thus no compensation on top of the final (interim) verdict for these events is accounted for, whereas management expects (partial) recovery of such amounts. As the case is with a committee of experts, different outcomes are possible which may significantly impact our results from 2021 onwards.

Construction progress
By the start of Q3 2023, the structural, electrical and mechanical construction progress of the Tower, plint and the special labs wing is approximately 90 percent. Finishing works – such as the laying down of the floors, painting works and the instalment of lab furniture – and the commissioning and qualification phase are to be completed. Besides that, the project company is progressing with the structural works in the terrain and expedition area.

Hoofdstation Groningen
Strukton Civiel Projecten B.V. is working on the Hoofdstation Groningen project on behalf of ProRail. The project has been delayed and the planning has been shifted backwards several times. The delays are caused by the complexity of the project and material external circumstances, both resulting in a longer and more expensive design process. The following reasons have contributed to the cost increases and/or delays:

- Covid-19. Given the complexity of the design, the intention was to perform the design phase at one location. In March 2020, three months after the start of the final design *(DO)* phase, almost all 75 designers were forced to work individually due to a corona lockdown. This had a major impact on the integrality of the design, which in turn led to delays and higher costs.
- Macro-economic circumstances led to unforeseeable cost increases and supply chain disruptions.
- Remove cables and ducts at the start of the project. At the start of the project, a large number of unknown cables and ducts turned out to be present in the site.
- Design complexity and inefficiency. The realisation of parts of the design turned out to be technically very complex. As a result, adjustments were made to the design, which led to delays and higher costs.
- Anchoring problems. After pouring the concrete, the anchors proved to be unsatisfactory at a number of points. As a result, Strukton's subcontractor had to take measures to resolve this, which led to higher costs.
- Train-free periods *(Trein Vrije Periodes)*. Consecutive delays by the above are multiplied by missing certain pre-determined train-free periods *(TVPs)* and lack of flexibility in securing new ones. The completion of the project is currently foreseen in 2026.

The above matters were not foreseeable and have arisen during the important execution phase of the project. Remaining uncertainties relate to the not yet contracted cost-to-complete and the amount of expected compensation. We are in constructive and active dialogue with ProRail, which has not yet led to a final agreement on additional remuneration and the time consequences. The best estimate on potential remuneration from the client on these matters has been included in the valuation of the expected project result. A provision is formed of €42.0 million in 2020, and further provisions are recognised in and attributable to 2021, 2022 and 2023.

Road work projects (Qatar)
Strukton initially entered the market of Qatar as a platform to market its premium grade asphalt products that perform well in the local climate. Strukton Construction and Trading is involved in multiple medium-size road work contracts supporting the overall infrastructure investments of the country of Qatar made in recent years. Execution inefficiencies, cultural differences with partners, travel restrictions during the Covid-pandemic and minor local legal disputes all contributed to a negative result and also the decision of Strukton not to continue in the region. At the time of writing, the three most material projects are materially complete and progressing towards handover and latent defects phase. In 2020, a provision of €11.0 million has been recognised as management's best estimate of the projects valuation and cost relating to ceasing our operations in the country. Management's best estimate of the provision remains the same per year-end 2021. Our Qatari activities are foreseen to come to an organic end during 2024.

Wintrack Zuid
TenneT is increasing the capacity of the electricity network with new 380 kV high-voltage connections. Strukton (50%) and Mobilis (50%) have been contracted for the foundation constructions at two projects in connection herewith, in the Dutch provinces of Groningen and Zeeland. The Zeeland project (Wintrack Zuid) has suffered delays due to the non-availability of land and permits. It also encounters problems with the reinforcement of some of the completed foundation piles. We have presented a solution towards TenneT to solve the issue whilst adhering to the specifications of the contract.
The combination Strukton/Mobilis was in constructive and active dialogue with TenneT, which has yet led to an agreement on additional remuneration and the time consequences in December 2023. The best estimate of the total remuneration from the agreement on these matters, together with the additional costs related to the repair works, has been included in the evaluation of the expected project result. A provision is formed for Strukton' share of the net balance amounting to €4.5 million.

A-Pier
In 2018, the legal predecessor of Strukton Roads & Concrete (50%) formed a joint venture with Ballast Nedam Road Specialties (50%) for a subcontract regarding the realisation of specific civil works on the A-Pier at Schiphol, as subcontractor for the main contractor, a JV between Ballast Nedam and TAV. In the execution of the project, Ballast Nedam TAV was involved in discussions with Schiphol based whereon ultimately Schiphol decided to terminate the contract with Ballast Nedam TAV. Subsequently, the main contractor terminated the contracts with its subcontractors. There is currently a dispute with Ballast Nedam TAV as to the amount of compensation we are entitled to receive for this premature termination.

The outcome of the current process between Schiphol and Ballast Nedam TAV, and the subsequent implication for Ballast Nedam Road Specialties and Strukton Roads & Concrete is uncertain. The process has not yet led to an agreement on (additional) remuneration and the time consequences. The best estimate on potential remuneration from the client on these matters has been included in the evaluation of the expected project result. A provision is formed for Strukton' share of the net balance amounting to €9.4 million. If no remuneration will be granted, which Strukton deems unlikely, an additional loss would have to be recognised.

Other Civil projects
On top of the major projects described above, Strukton Civil has also executed a number of smaller loss-making projects. The broad strategy, complex organisational responsibilities and challenging risk management all contributed to poor performance across the board. Strukton Civil also experienced a number of smaller disputes with partners, subcontractors and clients. Furthermore, Strukton Civil ventured in all markets and in all disciplines in a traditional market approach until 2020, which was typical for civil companies in the Netherlands. Strukton perceives this market as a high-risk market with low profitability, worsened by significant competition and overcapacity in the asphalt market. Management evaluation of the project portfolio of the Civil Infrastructure segment during 2021 and 2022 has led to a significant number of adjustments and write-offs to project valuations. The combination of these matters led management to implement a new approach to the Civil market and strengthen internal organisation and controls.

Corporate income tax
Measured deferred tax assets due to tax loss carried forward are subject to the management's estimates in terms of future taxable results to be achieved.

The Group operates in various countries. Tax legislation and guidelines vary for each country. Tax treaties between various countries do not always offer full prior certainty about the effects and solutions of tax issues. When determining the tax position, it is possible that assumptions must be made. If such assumptions may lead to uncertainties regarding the correctness of the tax position recognised, this is explained in the notes to the financial statements.

Defined benefit plans and deferred employee benefits
The most important actuarial principles at the basis of the recognised pension commitments and other employee benefits are included in the notes to the relevant items. All assumptions, forecasts and expectations applied as a basis for accounting estimates in the consolidated financial statements reflect the actual outlook of the Group as accurately as possible.

Goodwill
Goodwill is subject to annual impairment tests. An assessment is made of the expected cash flows per business unit based on the business plans drawn up for the next five years. A weighted average cost of capital (WACC) is determined for each business unit based on a representative peer group. The expected cash flows and the WACC form the basis of the discounted cash flow method for the goodwill test. The Group has developed a standard method for this.

Lease terms
The lease term is equal to the non-cancellable period of the agreement, considering the legally enforceable renewal and termination options included in the agreement, if there is a reasonable assurance that these options will be exercised. The non-cancellable period ends when both the lessor and the lessee can terminate the contract. For each contract, we assess whether there is a reasonable degree of certainty that options will be exercised.

Impairments
Other assets
In order to ascertain whether assets are impaired it is necessary to make an estimate of the recoverable amount. The recoverable amount of an asset or a cash generating unit equals the higher of the value in use and the fair value net of cost of selling. If possible, the fair value net of cost of selling is calculated based on a binding sales contract in an arm's length and objective transaction between independent parties. If there is no binding sales contract, but the asset is traded on an active market, the fair value net of cost of selling is equal to the market price of the asset net of cost of selling. If there is neither a binding sales contract nor an active market for an asset, the fair value net of cost of selling is based on the best information available to agree a price that could be achieved at the balance sheet date from the sale of the asset in a transaction between properly informed, willing and independent parties, net of the cost of selling. When calculating this value, account is taken of the results of recent transactions involving similar assets in the same business sector. In determining the value in use, the present value of estimated future cash flows is calculated using a discount rate that reflects both the current market rate and the specific risks relating to the asset. The cash flow forecasts are based on reasonable and substantiated assumptions representing the best estimates by the management of the economic circumstances that will exist during the residual useful life of the asset.

Determining the incremental interest rate
Determining the incremental interest rate is a key factor in the measurement of the lease. When determining the incremental interest rate, the following components should be considered:
- The credit rating of the company
- The contractual lease terms
- The amount of the lease liability
- The applicability of guarantees
- The economic conditions

The Group calculated the incremental interest rate based on the following steps:
1) Determining the reference rate: This reference rate is determined based on the government bonds (of the various countries in which the Group operates) on the date on which the asset was made available. This was based on government bonds with a term of five years. This term was applied because most of the lease agreements within the Group have an average term between 3 and 5 years.
2) Determination of the financial spread ('finance spread adjustment'): The determination of the finance spread adjustments, was based on credit spreads set out in the financing agreements of the various countries.
Lease specific adjustment: The leases are secured loans because the risk of bad debt is lower since the lessor owns the underlying assets. The finance spread adjustments applied in step 2 relate to loans based on collateral. As a result, no additional adjustment was made. The weighted average interest rate used to determine the cumulative effect of first-time adoption of IFRS 16 was 1.5%.

A vulnerabilities analysis is included in the Notes to the newly adopted and revised standards and interpretations.

Financial Management

The Group applies a policy focusing on maximum limitation and control of current and future risks, minimising the financial cost. This is based on general control measures, such as internal procedures and instructions and specific measures designed to control the specified risks.

The Group's financial risks mainly concern credit risks, interest rate risks, currency risks, liquidity risks and inflation rate risk. The risk of fluctuations in currency exchange rates and interest rates is hedged with a range of derivatives, transferring the risks that apply to the primary financial instruments to other contract parties. Interest rate and currency risks are mainly centrally managed. No speculative positions are held.

Credit risk
Most of the principals are public organisations (government bodies), which implies minimum credit risk. For orders from private principals in excess of a certain limit, the credit risk is a factor in the contract assessment. Additionally, the orders are invoiced in advance in proportion to progress in the projects. The cash and cash equivalents available are held with financial institutions with a high credit rating.

Interest rate risk
Loans with a variable interest rate are exposed to the risk of changes in cash flows due to interest rate changes. The Group's policy is designed to conclude long-term loans at a fixed interest rate. Interest rate swaps are concluded to achieve fixed rates. The interest rate risk relating to financing the long-term ppp projects is occasionally hedged with interest rate swaps.

Currency risk
Most of the activities of the Group take place in the Euro zone. In addition, the subway project in Riyadh, Saudi Arabia, is started in 2013. For the subway project in Riyadh the currency risk is hedged on a large part of the future cash flows in US dollar. Occasional foreign currency exposures are hedged by currency term contracts. The foreign currency risk on the equity of foreign subsidiaries and the provided long term loans to these subsidiaries, the so called translation risk, is not hedged, except for Antea Group USA.

Liquidity risk
The liquidity risk is the risk of the Group being unable to meet its financial obligations on the due dates. Liquidity management is based on having adequate liquidity to fulfil both current and future financial obligations in regular and special circumstances, without incurring unacceptable losses or jeopardising the reputation of the Group. Using progressive liquidity forecasts, the Group assesses the adequacy of liquidity levels. Relating to long-term contracts, principals are usually requested to pay instalments to allow for financing of the project costs.

Oranjewoud N.V. has several ringfenced financing arrangements.

On April 13, 2018, Strukton Groep concluded a new financing arrangement for the Dutch companies with a term of three years with two one-year extension options. The liquidity levels were assured based on a committed facility for the Dutch companies amounting to €60.0 million (2019: €115.0 million). This facility fully consists of a current account facility of €60.0 million. Additionally, the total of guarantee facilities amounts to €225.8 million (€102.5 million of which covers the Riyadh metro project). No mandatory repayments apply during the contract period.

Furthermore, Strukton Groep has some separate facilities for Dutch companies. In addition to the committed facility for the Dutch companies, Strukton Groep has facilities in Italy, Sweden, Belgium and Denmark. The key facilities in Italy, Sweden and Denmark are specified separately below:

The facilities in Italy can be specified as follows:

- Current account facility of €71.9 million (2019: €74.4 million). €7.4 million of this total was withdrawn (2019: €15.5 million).
- Loan facility €33.8 million (2019: €38.2 million). This was fully withdrawn.
- Bank guarantee facility €113.4 million (2019: €110.2 million), €61.9 million is in use (2019: €63.6 million).
- Factoring contracts €37.3 million (2019: €29.6 million), €37.3 million (2019: €29.6 million) is in use.

In Sweden and Denmark, Strukton Groep has the following facilities:

- Multi-purpose credit facility SEK 259 million (2019: SEK 325 million). An amount of SEK 213.7 million was withdrawn (2019: SEK 216.6 million).
- Bank guarantee facility SEK 11.3 million (2019: SEK 86.5 million). An amount of SEK 11.3 million was withdrawn (2019: SEK 86.5 million).

Bank guarantee facility DKK 75.0 million (2019: nil). An amount of DKK 40.8 million was withdrawn (2019: nil).

Based on the liquidity forecasts and the agreed financing, the boards of Strukton Groep and Oranjewoud expect to have sufficient financial room to implement the business plan. Realisation of the liquidity forecast is strongly dependent on the development of external market conditions, order intake, development of project results and the net working capital.

The Group does not have any specific indications that certain market conditions, such as price development with both customers, and suppliers and contractors, or agreements with suppliers and credit insurers, are developing in any way unfavourably. This also applies to the order intake and timely conversion into sales and development of project results within the expected bandwidths.

The board of Strukton Groep identified various measures that may ensure additional financial room. These measures concern, among other things:

- Better payment conditions, quicker invoicing and collection of invoices, improving the working capital
- Securing dividends from non-credit base subsidiaries, associates and related investments
- Sales of specific assets and non-core portfolio companies
- Agree on additional remuneration for specific projects with clients

Strukton Groep has worked towards a position with less dependence on revolving bank credit. On May 13, 2020, the General Meeting of Shareholders decided on an additional payment of share premium amounting to €20 million. In June 2020, Strukton Groep extended the current financing by 6 months until October 13, 2021 and reduced it to €80 million. In December 2020, the current facility was further reduced to €60 million as part of reshuffling of guarantee and current facilities. In October 2021, the current facility was again extended by 3 months until January 15, 2022 and reduced to €36.2 million.

The agreed covenants in the financing arranged in 2019 including the extensions in 2020 and 2021 are:

- Leverage ratio (of the Dutch Credit Base)
- Minimum EBITDA level (of the Dutch Credit Base)
- Interest cover ratio (of the Dutch Credit Base)

• Solvency ratio (of Strukton excluding the Riyadh metro project)

Collective securities have been provided to the banks for establishing the facility. This means that the majority of Strukton Groep's assets is pledged to the banks that provided the committed facility.

Strukton Groep was unable to meet the minimum EBITDA threshold as at June 30, 2021, as well as the minimum EBITDA, interest cover ratio and solvency ratio as at September 30, 2021. Subsequently, Strukton has submitted a waiver request to the financial institutions involved. The financial institutions involved have stated that they will not make use of their rights regarding the exigibility of the financing during the period of the facility until January 15, 2022.

Strukton Groep N.V. has sold the shares of Strukton Services B.V. on January 27, 2022 to SPIE Nederland B.V.. The proceeds of this transaction have significantly improved Strukton Groep's financial position and solvency. In the context of this transaction a refinancing of the credit and guarantee facility has been completed. Due to this refinancing the cash facility has been fully repaid and closed. As of this date, Strukton Groep has sufficient independent liquidity capacity and there are no longer any financial covenants.

Since the divestment, financing requirements mainly constitute (bank) guarantees, transaction banking, (equipment) lease and transactions. For now, the non-recourse project-financing for RIVM and the ringfenced facilities in Italy are left intact and continue to exist as of the date of authorisation of these financial statements. Other cash or credit facilities have been repaid or reduced or not materially utilised. The strengthened financial position as of 2022 results in financing requirements substantially lower than industry standards.

COVID-19
The Covid-19 outbreak rapidly developed in 2020, resulting in a high number of infections. The measures taken by governments to control the pandemic are having an impact on economic activity. The Group has taken various measures to assess and mitigate the impact of Covid-19 during 2020 and the subsequent year. It has also implemented health and safety measures (social distancing and working from home) for its employees, and measures to secure the supply of materials necessary for our production processes.

We identified the following risks and lessons learned in 2020 with respect to Covid-19:

- The supply chain is made up of suppliers and subcontractors who provide services or supply goods for our projects for customers. The Group does not face material supply interruptions or problems from these suppliers. The Group has, however, adopted a critical approach to the use of subcontractors.
- The lockdowns and other measures lead to a risk of projects not being able to go ahead, which, in turn, means less revenue and reduced profitability. The severity, start date and duration of the lockdowns all have a bearing on their impact on Group segments' revenue and profitability. Internally at the segments, productivity can be kept up adequately by switching to home working. Certain services have been classed as essential by the governments of the various countries where the Group operates. In a limited number of cases, projects were terminated or suspended. Although revenue lagged behind in the month of April in particular, overall revenue up to and including May 2020, was only fractionally down on the same period last year. Although the recurring operating profit through to the end of May 2020 was down, it is still a profit.
- Given the Group's nature and scale, it is exposed to a risk of impairment to a very limited degree only.
- In the Netherlands (the NOW scheme to protect jobs jeopardized by the Covid-19 pandemic), Belgium, Denmark, Italy, France, Spain and the United States, the Group relies on relief measures to cover staff costs. In France, the United States and Spain, the Group also uses the government-backed loan facilities. These relief measures are temporary. The loan facilities come with future payment obligations. These fit within the future operations.
- Even before the Covid-19 outbreaks, home working was an integrated part of the Group's work practices. Processes and procedures are geared towards accommodating home working. The lockdown situations triggered by COVID-19 have not had a material impact on these processes and internal controls.

Strukton Groep N.V. has used the Covid-19 facilities as provided by the Dutch government. This relates to NOW (wage support) and Special postponement of payment due to the corona crisis. The NOW wage support for 2020 amounts to

€6.9 million. The NOW wage support is deducted from the personnel expenses in the statement of income for the applicable periods. The Special postponement of payment due to the corona crisis relates to VAT and wage tax over the period February until June 2021. Payment of these VAT and wage tax amounting to €57.2 million started in October 2022 and will be repaid in 60 months according to the facility. A portion of €11.4 million relates to the segment Technology and Buildings (Worksphere), which has been divested in 2022.

Capital management
The policy of the management is geared towards maintaining a strong capital position to retain the confidence of clients, creditors and the markets and ensure future development of business operations. Capital consists of issued and paid-up capital, retained earnings, share premium reserve, hedge reserve, translation difference reserve and an actuarial reserve. In addition to the yield from equity, the management also monitors the amount of the dividend to be paid to the shareholders. Management strives to strike a balance between higher yield, which would be possible with more loan capital, and the benefits and security offered by a solvent capital position.

The management strives for a solvency rate of at least 25%. By year-end 2020, the solvency was 4.5% (2019: 17.3%).

NOTES TO THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION
(in thousands of euros)

1. Intangible assets	Goodwill	Other intangible assets	Total
Balance at January 1, 2019 *)			
Cost	66,451	61,662	128,113
Accumulated amortization and impairments	(4,039)	(44,520)	(48,559)
Carrying amount January 1, 2019	62,412	17,142	79,554
Carrying amount at January 1, 2019	62,412	17,142	79,554
Acquisition of subsidiaries	14	290	304
Investments	-	1,812	1,812
Other	-	8	8
Exchange differences	(7)	199	192
Amortization	-	(4,651)	(4,651)
Impairments	(3,003)	-	(3,003)
Carrying amount at December 31, 2019	59,416	14,800	74,216
Balance at December 31, 2019			
Cost	66,458	63,971	130,429
Accumulated amortization and impairments	(7,042)	(49,171)	(56,213)
Carrying amount at December 31, 2019	59,416	14,800	74,216
Carrying amount at January 1, 2020	59,416	14,800	74,216
Investments	999	1,283	2,282
Other	-	5	5
Exchange differences	157	(172)	(15)
Amortization	-	(4,787)	(4,787)
Impairments	(16,524)	(100)	(16,624)
Carrying amount at December 31, 2020	44,048	11,029	55,077
Balance at December 31, 2020			
Cost	67,614	65,087	132,701
Accumulated amortization and impairments	(23,566)	(54,058)	(77,624)
Carrying amount at December 31, 2020	44,048	11,029	55,077

*) Restated for reporting purposes. Please refer for the restated figures of 2019 to note 30.

The column Other intangible assets mainly relates to intellectual property, client base and backlog. There are no financing costs capitalized in 2019 and 2020 as part of the cost price of software in development.

Impairments
Acquired subsidiaries or interests in other entities generate cash flows independently or in collaboration with other segment components and are therefore defined internally, either independently or jointly with the other segment components, as cash generating units (CGU). Capitalised goodwill has been tested, as refered to in IAS 36.

Cash-generating units to which goodwill has been allocated

	12-31-2020	12-31-2019
Antea Nederland B.V.	3,353	3,353
Temporary Staff	-	8,576
Van der Heide Beheer B.V.	6,060	6,060
France	9,901	9,901
Strukton Rail Infrastructure	11,832	11,832
Strukton Technology and Buildings	1,500	1,500
Costruzioni Linee Ferroviarie S.p.A.	5,542	5,542
Strukton Civiel Zuid B.V.	-	5,971
Terracon Molhoek Beheer B.V.	1,029	3,831
Other cash-generating units	4,831	2,850
	44,048	**59,416**

The valuation methodology relates to the discounted cash flow method, assuming an indefinite lifespan. The test is conducted on the future cash flows in the countries in which the CGU's are active. For each of the (combined) acquisitions as CGU the value has been detemined on the basis of the cash flows expected by management. The rate of growth applied varies on the basis of fixed amounts, or by means of relative increases per year, depending on management expectations. Management expectation is based on historical data, backlog, reviews and external information. The weighted average cost of capital (WACC) applied varies between 10.5% to 16.0%, depending on the CGU's risk profile.

The key assumptions and the method of quantification for impairment for the CGU's are listed below. The pre-tax WACC is a percentage. The revenue growth is also a percentage. If the annual revenue growth for the CGU varies per year, the range is listed.

Assumptions percentages	**Wacc (pre-tax)**		**Revenue growth planperiod**		**Revenue growth perpetual**	
	2020	**2019**	**2020**	**2019**	**2020**	**2019**
Antea Nederland B.V.	11.3	11.2	3.0	3.0	0.5	0.5
Temporary Staff	12.2	11.8	3.0	3.0	0.5	0.5
Van der Heide Beheer B.V.	11.3	11.2	3.0	3.0	0.5	0.5
Antea USA Inc.	16.0	16.6	3.0	3.0	2.0	2.0
J&E Sports B.V.	10.7	11.2	3.0	3.0	0.5	0.5
France	10.7	11.3	4.4	3.0	0.5	0.5
Edel Grass B.V.	10.5	11.0	3.0	3.0	0.5	0.5
Antea Iberolatam S.L.U.	12.8	12.7	3.0	3.0	0.5	0.5
Antea Polska S.A.	12.1	12.9	3.0	3.0	0.5	0.5
Strukton Rail Infrastructure	12.8	11.2	1.7	2.8	0.5	0.5
Strukton Technology and Buildings	11.1	11.2	5.5	-4.6	0.5	0.5
Strukton Civiel-Zuid	N/A	11.0	N/A	3.2	N/A	0.5
Costruzioni Linee Ferroviarie S.p.A.	12.7	14.8	-1.5	-0.1	0.5	0.5
Terracon Molhoek Beheer B.V.	11.7	11.2	4.5	5.4	0.5	0.5

The table below shows the impact on the realizable values in the impairment test for the sensitive CGU's of changes in the assumptions while the other assumptions remain the same:

Sensitivity amounts in millions of euros	**Wacc + 1%**		**Wacc - 1%**		**No perpetual growth**	
	2020	**2019**	**2020**	**2019**	**2020**	**2019**
Antea Nederland B.V.	-6.4	-6.4	7.7	7.7	-1.9	-1.7
Temporary Staff	-	-0.9	-	1.1	-	-0.3
Van der Heide Beheer B.V.	-2.1	-2.1	2.6	2.6	-0.7	-0.7
France	-5.1	-5.4	6.2	6.5	-3.8	-1.2
Strukton Rail Infrastructure	-27.9	-26.2	32.9	30.5	-11.2	-6.8
Strukton Technology and Buildings	-11.6	-5.5	14.0	6.5	-2.9	-1.0
Costruzioni Linee Ferroviarie S.p.A.	-8.9	-7.9	10.4	9.0	-8.5	-1.4
Strukton Civiel Zuid B.V,	N/A	-4.2	N/A	5.1	N/A	-2.0
Terracon Molhoek Beheer B.V.	-0.7	-1.2	0.9	1.5	-0.8	-0.4

The result of the calculation of the realizable value is for the CGU's other than those who were fully impaired, higher than the carrying amount including the goodwill entered there.

If for France the WACC (pre-tax) is higher than 15.5%, the realizable value is lower than the carrying amount. For Costruzioni Linee Ferroviarie S.p.A. the limit is a WACC (pre-tax) of 16.3%.

Sensitivity analysis (all CGUs)
A 1% point higher WACC decreases the cash value of the total cash flows by some €92 million. A 1% point lower WACC increases the cash value of the total cash flows by some €101 million. A 1% point change in the rate of growth has an impact of around €55 million.

Antea Nederland B.V.
The test was performed on the future cash flows of Antea Nederland B.V. The outcome of the calculation of the realisable value is above the share in the Company's book value by €47.1 million including the goodwill recognised. If the adjustment in the key variables is improbably high, the realisable value will still not drop below the Company's book value. Oranjewoud N.V. therefore has not recorded any impairment to Antea Nederland B.V.'s goodwill in this financial year.

Temporary Staff
The goodwill of Temporary Staff is fully impaired as the business plans of Temporary Staff were not met and actual results were small. Recent developments and expectations don't show significant positive cashflows. Therefore, the goodwill and Temporary Staff is fully impaired. As Temporary Staff is fully impaired no sensitivity analysis is performed for this CGU.

Van der Heide Beheer B.V.
The test was performed on the future cash flows of Van der Heide Beheer B.V. The outcome of the calculation of the realisable value is above the share in the Company's book value by €12.6 million including the goodwill recognised. If the adjustment in the key variables is improbably high, the realisable value will still not drop below the Company's book value. Oranjewoud N.V. therefore has not recorded any impairment to Van der Heide Beheer B.V.'s goodwill in this financial year.

France
The test was performed on the future cash flows in France. The outcome of the calculation of the realisable value is above the share in the Company’s book value by €18.3 million including the goodwill recognised. If the adjustment in the key variables is improbably high, the realisable value will still not drop below the Company’s book value. Oranjewoud N.V. therefore has not recorded any impairment to the goodwill recognized for the French activities in this financial year.

Strukton Rail Infrastructure
The impairment test was based on the consolidated financial figures of Strukton Rail Infrastructure and performed on the future cash flows within the CGU. The outcome of the calculation of the realisable value is above the Company’s book value by €36.2 million including the goodwill recognised. If the adjustment in the key variables is improbably high, the realisable value will still not drop below the Company’s book value. Oranjewoud N.V. has not recorded any impairment to Strukton Rail Infrastructure goodwill in this financial year.

Strukton Technology and Buildings
The test was performed on future cash flows within segment Technology and Buildings in the Netherlands. The outcome of the calculation of the realisable value is above the Company’s book value by €18.7 million including the goodwill recognised. If the adjustment in the key variables is improbably high, the realisable value will still not drop below the Company’s book value. Furthermore, as also included in Note 28. Subsequent events, Worksphere was sold in 2022 for an amount significantly above the Company’s book value. Oranjewoud N.V. therefore has not recorded any impairment to Strukton Worksphere B.V.’s goodwill in this financial year.

Costruzioni Linee Ferroviarie S.p.A.
The test was performed on the future cash flows in Italy. The outcome of the calculation of the realisable value is above the share in the Company’s book value by €26.8 million including the goodwill recognised. If the adjustment in the key variables is improbably high, the realisable value will still not drop below the Company’s book value. Oranjewoud N.V. therefore has not recorded any impairment to Costruzioni Linee Ferroviarie S.p.A.’s goodwill in this financial year.

Strukton Civiel Zuid B.V.
The goodwill of Strukton Civiel Zuid B.V. is fully impaired as the business plans of Civiel Zuid were not met and actual results of Civiel Zuid were negative. Recent developments have resulted in a restructuring of Civiel Zuid into Roads & Concrete. Therefore, the goodwill and DTA of Civil Zuid is fully impaired. As Strukton Civiel Zuid B.V. is fully impaired no sensitivity analysis is performed for this CGU.

Terracon Molhoek Beheer B.V.
The test was performed on the future cash flows in the Netherlands. The outcome of the calculation of the realisable value is below the Company’s book value by €2.8 million including the goodwill recognised. Therefore, an impairment to Terracon Molhoek's goodwill amounting to €2.8 million has been recorded for this financial year.

The amortization terms are based on expected economic life:

• Backlog	6 months to 6 years
• Intellectual Property	7 years
• Patents	5 years
• Customer bases	4 to 12 years
• Software	2 to 5 years

2. Property, plant and equipment	Buildings	Land	Plant and equipment	Other assets	Assets under con-struction	Total
Balance at January 1, 2019 *)						
Cost	77,001	12,448	241,007	44,039	7,786	382,281
Accumulated depreciation and impairment	(31,681)	(326)	(165,216)	(30,844)	-	(228,067)
Carrying amount at January 1, 2019	45,320	12,122	75,791	13,195	7,786	154,214
Acquisition of subsidiaries	-	-	112	43	-	155
Other changes	(7)	(10)	249	(129)	-	103
Additions	259	-	23,145	3,459	165	27,028
Disposals	(8)	-	(473)	(17)	-	(498)
Exchange differences	-	-	(140)	9	5	(126)
Depreciation	(3,276)	(1)	(19,937)	(4,168)	-	(27,382)
Impairments	-	-	-	-	-	-
Carrying amount at December 31, 2019	42,288	12,111	78,747	12,392	7,956	153,494
Balance at December 31, 2019						
Cost	77,180	12,448	258,193	46,676	7,956	402,453
Accumulated depreciation and impairment	(34,892)	(337)	(179,446)	(34,284)	-	(248,959)
Carrying amount at December 31, 2019	42,288	12,111	78,747	12,392	7,956	153,494
Carrying amount at January 1, 2020	42,288	12,111	78,747	12,392	7,956	153,494
Impairments	(336)	-	(2,312)	-	-	(2,648)
Other changes	(14)	-	(618)	(41)	(2,722)	(3,394)
Additions	1,154	-	15,106	3,479	2,777	22,516
Disposals	(18)	-	(621)	(599)	-	(1,238)
Exchange differences	-	-	166	(48)	27	145
Depreciation	(2,672)	-	(19,033)	(3,946)	-	(25,652)
Carrying amount at December 31, 2020	40,402	12,111	71,435	11,237	8,038	143,223
Balance at December 31, 2020						
Cost	77,966	12,448	281,754	49,702	8,038	429,908
Accumulated depreciation and impairment	(37,564)	(337)	(210,319)	(38,465)	-	(286,685)
Carrying amount at December 31, 2020	40,402	12,111	71,435	11,237	8,038	143,223

*) Restated for reporting purposes. Please refer for the restated figures of 2019 to note 30.

The 2020 investments mainly relate to the Rail Infrastructure segment €12.8 million (2019: €17.7 million). Impairments have mainly taken place on a subsidiary of Strukton Rail Italy (CLF Venezuela CA; €1.5 million). Other movements relate mainly to finalised assets under construction which were transferred within property, plant and equipment.

Of the Property, plant and equipment a maximum amount of €70.0 million (2019: €70.0 million) served as collateral to banks and/or other providers of loan capital in the context of the committed bank facilities and a maximum amount of €2.3 million (2019: €3.0 million) served as collateral for the bank loans.

Mortgages on sites with buildings with a carrying amount of €10.5 million (2019: €10.0 million) have been taken out as security for a loan (see explanatory note 16). The majority of the tangible assets are being used as security for banks and/or other providers of loan capital.

The depreciation terms are based on expected economic life:

Buildings	10 to 50 years
Land	none (surfacing is in fact depreciated (10 years))
Plant and equipment	2 to 6 years
Other assets	3 to 10 years
Assets under construction	No depreciation

3. Right-of-use assets	Office buildings	Land	Equipment	Cars	Other assets	Total
Book value at January 1, 2019	80,531	3,253	18,704	41,064	21	143,573
Acquisitions	345	-	-	-	-	345
Additions	4,496	115	17,257	18,821	22	40,711
Remeasurements	4,564	(11)	-	9	-	4,562
Depreciation	(19,355)	(1,070)	(5,335)	(17,468)	(16)	(43,244)
Exchange rate differences	131	1	-	22	-	154
Book value at January 1, 2020	70,712	2,288	30,626	42,448	27	146,101
Additions	6,870	-	12,479	28,339	-	47,688
Remeasurements	10,086	327	438	122	-	10,973
Depreciation	(20,577)	(1,037)	(6,873)	(22,296)	(14)	(50,797)
Exchange rate differences	370	4	-	263	-	638
Other movements	2,207	-	27	(2,540)	-	(306)
Book value at December 31, 2020	69,668	1,582	36,697	46,337	13	154,297

The depreciation periods are based on the lease contract terms:

- Office buildings 5 - 10 years
- Land 5 - 10 years
- Equipment 4 years
- Cars 5 years
- Other assets 3 years

Some of the assets that are leased are sub-leased to third parties. The total revenue from these sub-leases during 2020 amounts to €0.3 million (2019: €0.3 million).

Land

Most of the land lease contracts have a term of 5 to 10 years. Renewal options are set out in these contracts to ensure operational flexibility. If both the lessor and the lessee wish to extend or not terminate the contracts, the contracts are usually automatically renewed based on the same conditions. Most of the contracts are indexed annually based on the consumer price index (CPI). The lease contracts do not impose covenants, but the leased assets may not be used as collateral for loans.

Property
Most of the property lease contracts have a term of 5 to 10 years. Renewal options are set out in these contracts to ensure operational flexibility. If both the lessor and the lessee wish to extend or not terminate the contracts, the contracts are usually automatically renewed based on the same conditions. Most of the contracts are indexed annually based on the consumer price index (CPI). The lease contracts do not impose covenants, but the leased assets may not be used as collateral for loans.

Plant and equipment
The lease contracts do not impose any covenants, but the leased assets may not be used as collateral for loans. When valuing the machines and installations on 1 January 2020, purchase options were valued at a total amount of €0.3 million. No renewal options are set out in these contracts.

Cars
The leases of the cars have a maximum term of 5 years. If the mileage is higher than contractually agreed, this leads to an adjustment of the lease term to less than 5 years. If the lease term is adjusted, this also results in an adjustment of the lease rate. No indexations and variable payments are set out in these lease agreements. Furthermore, it is not possible to extend the lease term beyond the maximum term of 5 years.

The payment obligations corresponding with the lease contracts are recognised in current liabilities and non-current liabilities. For more information relating to these lease liabilities, please refer to section 15 “Lease liabilities”.

4. Investment property	Total
Carrying amount at January 1, 2019	4,950
Accumulated depreciation and impairment	(105)
Deconsolidation	19
Carrying amount at December 31, 2019	4,864
Balance at December 31, 2019	
Cost	6,065
Accumulated depreciation and impairment	(1,201)
Carrying amount at December 31, 2019	4,864
Carrying amount at January 1, 2020	4,864
Divestments (Cost)	(5,745)
Divestments (Accumulated depreciation)	1,234
Depreciation	(96)
Carrying amount at December 31, 2020	257
Balance at December 31, 2020	
Cost	320
Accumulated depreciation and impairment	(63)
Carrying amount at December 31, 2020	257

There was a sale of investment property during 2020 which is the disposal as included in the movement schedule. A book loss of €2.5 million was realised on this sale.

As of 31 December 2020, the fair value of the investment properties amounts to €0.5 million (2019: €4.9 million). This value is based on the expected value in case of a potential sale. Over 2020 the Group received no fee for the management of the properties (2019: €0.5 million).

The depreciation periods are based on the projected service life:

- Foundation/Structure/Other 50 years
- Roof/Heating/Ventilation 15 years
- Window and Door frames/Façades/Natural gas/Electrical/Elevators 25 years

5. Investments in associates and joint ventures

	2020	2019 *)
Carrying amount at January 1st	41,871	40,535
Investments	136	3,947
Acquisition of associates	(534)	-
Share in the profit/(loss)	(3,017)	5,028
Decrease due to decrease of share	(4,333)	(133)
Dividends	(3,628)	(7,412)
Impairment	(8,979)	-
Exchange differences	(662)	(16)
Other movements	4,677	(78)
Carrying amount at December 31st	25,531	41,871

*) Restated for reporting purposes. Please refer for the restated figures of 2019 to note 30.

For a full overview of all associates and joint ventures, reference is made to note 31.

The decrease of the carrying amount mostly relates to the sale of Dual Inventive Holding B.V. and R Creators B.V. Dividends were mainly paid out by Fast Consortium LLC (€1.3 million), APA B.V. and Bituned B.V. (both €0.6 million). The value of the shares of the Group in the net assets of Fast Consortium LLC has been reduced to nil in 2020, due to an impairment of €8.7 million. The other movements mainly consist of late adjustments of the final 2019 financial figures of some of the associates and joint ventures.

In the table below also the amounts of interest of the Group in the associates are listed.

2020	Non-current assets	Current assets	Non-current liabilities	Current liabilities	Net assets (100%)	Net assets (OW N.V. share)	Revenue	Net result	Net result (OW N.V. share)
TRS Europe B.V. (joint venture)	331	433	-	502	261	131	581	123	62
GBN Artificial Grass Recycling B.V. (joint venture)	13,324	3,107	7,392	6,596	2,443	1,710	1,303	(556)	(389)
Dual Inventive B.V. (joint venture)	-	-	-	-	-	-	-	(3,084)	(1,542)
Willow Rail PTY Ltd (joint venture)	-	-	-	-	-	-	877	(1,376)	(688)
Eurailscout Inspection & Analysis B.V. (joint venture)	21,058	15,647	10,072	6,899	19,734	9,867	17,190	1,652	826
Tubex B.V. (joint venture)	1,300	3,231	505	1,108	2,918	1,459	9,476	890	445
Aduco Holding B.V. (joint venture)	2,350	4,520	879	1,234	4,757	1,189	9,612	676	169
Lareco Holding B.V. (joint venture)	2,176	4,649	822	2,944	3,059	1,020	17,779	390	130
Bituned B.V. (joint venture)	79	4,904	76	1,430	3,477	1,739	27,571	1,200	600
Fast Consortium LLC (joint venture)	2,822	244,200	2,417	198,739	45,866	-	525,317	1,670	300
Exploitatiemij. A-Lanes A15 B.V. (joint venture)	44	21,029	5,342	11,271	4,460	2,230	35,105	(3,058)	(1,529)
APA B.V. (associate)	4,247	6,162	389	1,857	8,163	2,041	19,928	1,488	372
APRR B.V. (associate)	2,905	4,856	445	1,597	5,719	1,430	18,650	824	206
Other						2,716			(1,978)
Total						**25,531**			**(3,017)**

2019 *)	Non-current assets	Current assets	Non-current liabilities	Current liabilities	Net assets (100%)	Net assets (OW N.V. share)	Revenue	Net result	Net result (OW N.V. share)
TRS Europe B.V. (joint venture)	514	530	-	929	115	58	1,236	106	53
GBN Artificial Grass Recycling B.V.	2,602	4,617	-	4,219	3,000	2,100	3,340	-	-
Dual Inventive B.V. (joint venture)	7,428	4,504	644	2,276	9,012	4,506	4,590	1,222	611
Eurailscout Inspection & Analysis B.V. (joint venture)	23,258	19,288	11,618	12,786	18,142	9,071	31,970	(2,234)	(1,117)
Tubex B.V. (joint venture)	1,422	3,600	192	2,566	2,264	1,132	8,010	368	184
Aduco Holding B.V. (joint venture)	2,374	5,782	933	2,127	5,096	1,274	11,597	1,143	286
Bituned B.V. (joint venture)	69	5,023	75	1,640	3,377	1,689	76,262	1,111	556
Fast Consortium LLC (joint venture)	2,428	376,096	3,257	322,791	52,477	9,425	718,054	11,001	1,976
Exploitatiemij. A-Lanes A15 B.V. (joint venture)	211	17,360	-	10,053	7,518	3,759	15,580	-	-
R Creators B.V. (joint venture)	61,878	476	60,822	193-	1,725	1,380	4,096	215	172
APA B.V. (associate)	4,079	8,304	277	3,230	8,876	2,219	26,015	2,809	702
APRR B.V. (associate)	3,710	6,414	219	3,209	6,696	1,674	20,010	758	190
Other						3,585			1,416
Total						**41,871**			**5,028**

The share in the net assets of Fast Consortium LLC has been reduced in 2020 to nil, due to an impairment of €8.7 million. The line items 'Other associates' and 'Other joint ventures' in 2019 and 2020 consist of several, relatively small, associates and joint ventures.

Comprehensive income associates and joint ventures	2020	2019 *)
Share in the profit/(loss)	(3,017)	5,028
Other comprehensive income	-	-
Total comprehensive income	(3,017)	5,028

*) Restated for reporting purposes. Please refer for the restated figures of 2019 to note 30.

Some of the Groups' activities are carried out in either temporary or permanent joint operations. Joint operations are joint arrangements whereby the Group and other parties that have joint control of the arrangement have rights to the assets and obligations for the liabilities, relating to the joint operation. The Group recognizes its share in the joint operations' individual revenues and expenses, assets and liabilities and includes it on a line-by-line basis with corresponding items in the Groups' financial statements.

6. Financial non-current assets	Non-current receivables	Ppp-receivables	Investments	Financial derivatives	Total
Carrying amount at January 1, 2019 *)	26,122	17,840	1,810	14	45,786
Offsetting contract liabilities ppp-projects	-	(9,414)	-	-	(9,414)
Carrying amount at January 1, 2019 (revised)	26,122	8,426	1,810	14	36,372
Loans granted	286	-	-	-	286
Repayments of loans	(6,016)	-	-	(14)	(6,030)
Additions	-	22,647	-	-	22,647
Repayments	-	(453)	-	-	(453)
Revaluations	738	-	-	-	738
Accrued interest	-	2,145	-	-	2,145
Other movements	424	265	-	-	689
Subtotal	21,554	42,444	1,810	-	65,808
Offsetting contract liabilities ppp-projects	-	(20,869)	-	-	(20,869)
Carrying amount at December 31, 2019	21,554	21,575	1,810	-	44,939
Carrying amount at January 1, 2020	21,554	42,444	1,810	-	65,808
Loans granted	4,533	-	-	-	4,533
Repayments of loans	(2,787)	-	-	-	(2,787)
Additions	-	63,418	-	-	63,418
Repayments	-	(36,000)	-	-	(36,000)
Revaluations	(4,039)	1,456	-	-	(2,583)
Accrued interest	8	4,888	-	-	4,896
Impairment	(736)	(4,129)	-	-	(4,865)
Other movements	(281)	267	-	-	(14)
Subtotal	18,252	72,344	1,810	-	92,406
Offsetting contract liabilities ppp-projects	-	(50,286)	-	-	(50,286)
Carrying amount at December 31, 2020	18,252	22,058	1,810	-	42,120

*) Restated for reporting purposes. Please refer for the restated figures of 2019 to note 30.

The Non-current receivables relate for €8.8 million (2019: €12.9 million) to Environmental Liability Transfer (ELT) projects in the United States, with a term varying from one to ten years. The decrease is the result of a change in the expected margin on these projects, caused by a change in expected cost to complete and / or total revenue in the ELT portfolios.

The ppp-receivables consist of fees to be received pursuant to concession agreements in the Netherlands. The term of the various ppp-receivables is approximately 25 years. Most of the amount of such receivables has a term longer than five years. Given the character of the contract parties, the credit risk is estimated at nil (see also note 19). The increase of ppp-receivables in 2020 is related to progress made of the project MEET RIVM. The offset contract liability is related to the cost of sales of the revenue recognised for the projects related to the ppp receivable.

The 10% stake in Voestalpine Railpro B.V. is recognized under investments in equity instruments. Given the Group's view that this investment is of a strategic nature, it has been irrevocably allocated at fair value through other comprehensive income (FVOCI). In 2020, the Group received €0.2 million (2019: €0.3 million) in dividends from Voestalpine Railpro B.V.

7. Deferred tax

The deferred tax position at December 31st can be broken down as follows:	Consolidated statement of financial position		Consolidated statement of income	
	12-31-2020	**12-31-2019**	**2020**	**2019**
Deferred tax assets (DTA)				
Valuation of carry-forward losses	16,335	34,241	17,906	1,816
Temporary differences in valuation of provisions	2,648	2,271	(377)	(324)
Temporary differences in valuation of (in)tangible assets	6,015	557-	(6,572)	(315)
Financial derivatives	-	8	8	2
Actuarial result	8,589	9,054	(540)	(15)
Other	5,766	3,189	(1,764)	3,070
DTA	39,352	48,206		
Deferred tax liabilities (DTL)				
Temporary differences in valuation of intangible assets	(1,710)	(1,903)	(193)	(214)
Property, plant and equipment	(2,105)	(3,095)	(990)	1,584
Temporary differences in valuation of contract assets/liabilities	(1,864)	(2,063)	(199)	(24)
Financial derivatives	-	-	-	(5)
Other	(410)	(635)	(225)	529
DTL	(6,090)	(7,696)		
Balance of DTA and DTL *(presented as DTA)*	39,352	48,206		
Balance of DTA and DTL *(presented as DTL)*	(6,090)	(7,696)		
Deferred tax expense (income)			7,055	6,104
Balance of DTA and DTL	33,263	40,510		

The deferred tax has changed through the consolidated statement of comprehensive income for the income tax of changes in actuarial reserves of €0.1 million negative (2019: €3.0 million negative). The deferred tax in fair value of derivatives for hedge accounting (financial derivatives) have not changed in 2020 (2019: €0.2 million negative).

The recognized deferred tax asset of €39.4 million (2019: €48.2 million) relates in particular to the valuation of carry-forward losses. This valuation is based on expected future profits based on estimates of management. Based on management's estimate of the future result, the DTA has been impaired by €21.2 million. In addition it concerns the goodwill capitalized for tax purposes (to be amortized for tax purposes) on acquisitions of Antea USA, Inc. effected prior to the acquisition of Antea USA, Inc. by Oranjewoud N.V. Since this goodwill has not been recognized for financial reporting purposes, higher amortization for tax purposes is involved in respect of this deferred tax asset. Dividend payments, if any, to shareholders of Oranjewoud N.V. will not have any corporate income tax consequences.

Carry-forward losses totaling €382.9 million (2019: €100.3 million) are available at several subsidiaries, out of which the Dutch fiscal unity of Strukton Groep had a total amount of €273.2 million, whereof €15.0 million has been recognised as deferred tax asset. For all other carry-forward losses no deferred tax asset has been recognized, as no future profits are expected. The losses can be carried forward indefinitely.

No change in corporate income tax rates is applicable for 2021. The percentage used in the measurement of the Dutch deferred tax assets and liabilities is 25.0% in 2020 (2019: 21.7%). As of January 1, 2022 the Dutch corporate income tax rate increased from 25.0% to 25.8%. If the new tax rate and tax law would be applied in the measurement of the Dutch deferred tax assets and liabilities this would have no material impact on the carrying amount.

In determining the valuation of the deferred tax a corporate tax rate was taken into account of between 16.5% and 35.0%, depending on the rates applicable in the relevant jurisdiction. Deferred tax liabilities have been recognized for differences between the tax and the accounting bases of assets and liabilities, arising mainly from valuation differences arising on the valuation of assets and liabilities obtained in acquisitions.

8. Inventories	**12-31-2020**	**12-31-2019**
Raw materials and consumables	15,687	14,457
Finished products and goods for resale	13,892	10,718
Property development	1,566	730
Total	31,145	25,905

The unsold property development items concern land positions and expenses incurred for property development projects in progress. The write-down on inventories in 2020 was €0.2 million, which mainly related to goods for resale (2019: €0.8 million). The write-down on inventories is included in the line item other operating expenses in the statement of income.

9. Receivables	**12-31-2020**	**12-31-2019 *)**
Receivables from related parties	1	9
Trade receivables	310,969	383,129
Taxes and social security	15,447	18,814
Other receivables	48,149	89,065
Prepayments and accrued income	48,827	51,821
Total	423,394	542,838

*) Restated for reporting purposes. Please refer for the restated figures of 2019 to note 30.

The other receivables and prepayments and accrued income concern receivables on combinations and various kinds of other payments in advance.

The credit risks of the Group mainly relate to trade receivables, other receivables and amounts to be invoiced on completed projects and work in progress. To manage the credit risks, Oranjewoud N.V. has developed a credit policy and credit risks are continually monitored. There is no significant concentration of credit risk within Oranjewoud N.V., as there are a large number of customers, with the exception of rail operations, where there is a limited number of customers for which the credit risk is assessed as very limited. The collectability of the receivables is reviewed on a customer-by-customer basis, depending on the customer profile and the risk assessment drawn up by management. The provision for doubtful accounts has been deducted from trade receivables in the statement of financial position.

An impairment of €9.8 million was recorded in the other receivables in 2020 related to the Riyadh metro project (2019: nil). Please also refer to the paragraph 'Accounting considerations on key projects' which describes the largest projects with the highest uncertainty, including the Riyadh Metro Project.

The majority of the accounts receivables of Dutch subsidiaries within Antea Group have been pledged to the banks that have presented a committed facility.

At December 31st the aging of trade receivables was as follows:	2020 Gross	2020 Provided	2019 *) Gross	2019 Provided
- Not past due	187,528	7,882	215,960	2,880
31 - 60 days	49,218	415	68,626	698
61 - 90 days	21,042	367	28,533	1,409
91 - 180 days	32,335	2,430	54,490	2,177
181 - 365 days	7,400	538	12,042	663
> 365 days	31,111	6,034	17,982	6,677
Total	328,635	17,665	397,633	14,504
Net trade receivables	310,969		383,129	

	2020	2019
Provided for as at January 1st	(14,504)	(18,888)
Addition for the year	(10,902)	(2,674)
Usage of provision	5,889	6,205
Unutilized reversed amounts	1,611	850
Other	241	3
Provided for as at December 31st	(17,665)	(14,504)

*) Restated for reporting purposes. Please refer for the restated figures of 2019 to note 30.

10. Contract assets and liabilities

	12-31-2020	12-31-2019 *)
Contract assets and liabilities can be specified as follows:		
Contract assets	301,992	278,528
Contract liabilities	(181,019)	(184,529)
Total	120,973	93,999
Performance obligations fulfilled and transferred to clients (in practical terms, this item comprises realised revenue based on percentage of completion)	5,600,021	5,226,676
Invoiced installments	(5,479,048)	(5,132,677)
Total	120,973	93,999

*) Restated for reporting purposes. Please refer for the restated figures of 2019 to note 30.

The contract assets primarily relate to the Group's rights to consideration for work completed but not billed at the reporting date. The Group receives payments from customers in line with ca series of performance-related milestones and will previously have recognised a contract asset for any work performed. Any amount previously recognised as a contract asset is reclassified to trade receivables at the point at which it is invoiced to the customer. The contract assets are classified as current assets. The increase in contract assets is mainly attributable to the Rail Infrastructure segment (€16.2 million increase of which €14.2 million is related to Strukton Rail Italy). There was mostly an increase in the work performed on projects in Italy compared to prior year.

The contract liabilities primarily arise if a particular milestones payment exceeds the revenue recognised to date under the input method. The contract liabilities are classified as current liabilities.. The increase in contract liabilities is mainly attributable to the Rail Infrastructure segment (€8.9 million) and Civil Infrastructure segment (€5.0 million). Several projects in the Rail Infrastructure and Civil Infrastructure segment caused an increase in contract liabilities due to earlier invoicing compared to prior year.

Projects under construction split by segments is as follows:

	12-31-2020	12-31-2019 *)
Rail Infrastructure	110,667	100,607
Civil Infrastructure	16,518	2,505
Technology and Buildings	(770)	(18,938)
Consulting and Engineering Services	(5,442)	9,825
	120,973	93,999

*) Restated for reporting purposes. Please refer for the restated figures of 2019 to note 30.

Major long-term projects are generally financed with loan capital. This means the billed installments on such projects exceed the costs incurred. In 2020, pre-financing on the Riyadh Metro Project decreased by €45.0 million. The contract assets mainly consist of short-term projects.

Note 14, “Provisions”, explains the provision for losses on contracts with customers that are yet to be realized.

11. Cash and cash equivalents	**12-31-2020**	**12-31-2019 *)**
Banks	292,246	282,678
Cash on hand	57	85
Total	292,303	282,763
Cash blocked within combinations	113,789	139,658
Cash and cash equivalents	178,514	143,105
	292,303	282,763
Amounts owed to financial institutions:		
Part of the cash management system of the Group	16,979	16,888
Not a part of the cash management system of the Group	-	40,000
Total	16,979	56,888
For the statement of cash flows:		
Cash and cash equivalents	292,303	282,763
Cash management system of the Group	16,979	16,888
Balance of cash and cash equivalents at December 31st	275,324	265,875

*) Restated for reporting purposes. Please refer for the restated figures of 2019 to note 30.

In the statement of financial position, cash and cash equivalents comprise bank balances, deposits and cash balances. For the purposes of the statement of cash flows, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts which are repayable on demand and form an integral part of the group’s cash management. Such overdrafts are presented as short-term borrowings in the statement of financial position.

The cash and cash equivalents include cash and cash equivalents from construction combinations amounting to €113.8 million (2019: €139.7 million) and cash received on blocked accounts to the amount of €2.2 million (2019: €1.1 million). These frozen funds are not at the Company's free disposal.

The funds recognised in construction combinations concern funds in partnerships that are subject to contractual provisions governing restrictions on the liquid assets. The funds received in restricted accounts mainly concern deposits pursuant to the Chain Liability Act (G-accounts).

An amount of €26.0 million (2019: nil) is collateralised for banks related to the activities of Strukton Groep N.V. on the Riyadh metro project. Also refer to note 16 for the required repayment of a subordinated loan if certain conditions are met.

All other cash and cash equivalents are fully at the Group’s free disposal.

12. Group equity

	Issued share capital	Share premium	Translation differences reserve	Hedging reserve	Actuarial reserve	Retained earnings	Net result for the year	Share holders' equity	Non-controlling interests	Total
Balance at January 1, 2019	6,287	201,896	3,920	(3,446)	(15,379)	81,191	10,919	285,388	41,727	327,115
Acquisition of subsidiaries	-	-	-	-	-	-	-	-	-	-
Dividend payment	-	-	-	-	-	-	-	-	-	-
Appropriation of result 2018	-	-	-	-	-	10,919	(10,919)	-	-	-
Unrealized results	-	-	500	(670)	(10,688)	5	-	(10,853)	-	(10,853)
Transactions with minority shareholders	-	-	-	-	-	15,731	-	15,731	(40,328)	(24,597)
Net result for the year	-	-	-	-	-	-	(4,379)	(4,379)	448	(3,931)
Other movements	-	-	-	-	-	-	-		(128)	
Balance at January 1, 2020	6,287	201,896	4,420	(4,116)	(26,067)	107,846	(4,379)	285,887	1,719	287,606
Acquisition of subsidiaries	-	-	-	-	-	-	-	-	(1,085)	(1,085)
Result for the year 2019	-	-	-	-	-	(4,379)	4,379	-	-	-
Cash flow hedges	-	-	-	2,207	-	-	-	2,207	-	2,207
Unrealized results	-	-	(1,269)	-	9	-	-	(1,260)	-	(1,260)
Net result for the year	-	-	-	-	-	-	(219,038)	(219,038)	510	(218,528)
Other movements	-	-	-	-	-	-	-	-	(254)	(254)
Balance at December 31, 2020	6,287	201,896	3,151	(1,909)	(26,058)	103,467	(219,038)	67,796	890	68,686

Equity attributable to equity holders of the parent company

Share capital

As at December 31, 2020, the authorised share capital of Oranjewoud amounted to €10,000,000 consisting of 50,000,000 A and 50,000,000 B shares of €0.10 each. As at such date, the subscribed and paid-up share capital amounted to €6,287,286.90 and consisted of 29,553,066 A shares and 33,319,803 B shares. During 2020, the A shares were listed on Euronext Amsterdam. Such listing ended on February 7, 2022. There was no difference in terms of voting and financial rights between the A shares and B shares. On the date of the change of the articles of association (August 22, 2023) the A shares and B shares were converted into one class of ordinary shares.

The articles of association of the company provide that issues of shares take place pursuant to a decision of the Management. The company may acquire fully paid-up shares in its own capital, but only for no consideration. Acquisition other than for no consideration can only take place if the general meeting has authorised the Management accordingly.

Earnings per share

The result attributable to holders of ordinary shares amounted to €219,038,000 negative (2019: €4,379,000 negative). The number of shares outstanding is at January 1, 2019, December 31, 2019, January 1, 2020 and December 31, 2020 62,872,869. The result per share amounts to €3.48 negative (2019: € 0.07 negative).

The calculation of net earnings per share at December 31, is based on the net result available to ordinary shareholders divided by the average weighted number of shares outstanding that were in issue during the year (2019 and 2020: 62,872,869 shares). Diluted earnings per share were equal to basic earnings per share in 2020 and 2019.

Dividend
Dividend payment is subject to future profit developments, market developments, desired solvency and the leverage under existing and future bank covenants. Dividend will be made available as optional dividend (cash and/or shares).

Total equity decreased sharply in 2020. Realized results (-€219.0 million) were negative. Unrealized results (-€1.3 million) were also negative. There was a one-off positive change in the total equity due to cash flow hedges (+€2.2 million). On balance, total equity was down €218.1 million in 2020. The balance sheet total has decreased, which caused solvency to fall from 17.3% to 4.5%. This is below the internal target of 25%.

The company needs sufficient resources to be able to fund possible growth of operating capital due to an increase in activity. There are also restrictions imposed in the financing documentation in respect of dividend payments. The combination of these facts prompted the proposal from the Board of Directors to forgo payment of dividends for the 2020 financial year, with the approval of the Supervisory Board.

Translation differences reserve
The translation differences reserve contains all currency exchange rate differences arising due to conversion of the Group's net investment in foreign subsidiaries with a currency other than the functional currency.

Hedging reserve
The hedging reserve consists of the cumulative change in fair value of hedging instruments when the hedged transactions have not yet been carried out or the hedge position has not yet ended. The hedging reserve relates to the measurement of swaps in the special purpose companies in which ppp projects are performed and in which the Group participates. Additionally, currency forward contracts were closed in 2014 and 2016 in the context of the Riyadh metro project, hedging the currency risk on future USD cash flows. In 2020, the reserve was increased by an amount of €2.2 million (2019: decrease by €0.7 million), which was due to a reclassification to 'financial expenses' within the statement of income regarding interest rate swaps (€2.2 million) and currency forward contracts (€0.03 million) for which hedge accounting had previously been used, but for which the hedged future cash flows are no longer expected to occur. There are remaining interest rate swaps which are still effective for an amount of €0.2 million.

Actuarial reserve
The actuarial reserve consists of the cumulative change in present value of pension liabilities minus the fair value of the plan assets as a result of changes in actuarial assumptions. It concerns a distributable reserve.

The Articles of Association of the company provide that issues of shares take place pursuant to a decision of the Management. The company may acquire fully paid-up shares in its own capital, but only for no consideration. Acquisition other than for no consideration can only take place if the general meeting has authorised the Management accordingly. The reserve for translation differences and the hedge reserve are not freely distributable. The retained earnings consist of the balance of accumulated losses and retained earnings.

Non-controlling interests
The decrease of the non-controlling interests, compared to 2019, is caused by the acquisition of the remaining shares of A1 Electronics Netherlands B.V. and Buca Electronics B.V. during 2020. In 2019, Strukton Rail Italy S.r.l. extended its share in Costruzioni Linee Ferroviarie S.p.A. from 60% to 100%, what resulted in a decrease in non-controlling interest.

13. Deferred employee benefits
Oranjewoud N.V. operates various pension plans in accordance with local regulations and terms. These plans are mostly classified as defined contribution plans. These pension plans are based on a contribution which is a fixed

percentage of the pensionable amount. The employer's portion of this contribution is accounted for in the statement of income.

Pension plans in the Netherlands are subject to the provisions from the Dutch Pensions Act (Pensioenwet). The Dutch Pensions Act stipulates that pension plans must be fully funded and provided independently from the company by a separate legal entity. The various pension plans are administered by a range of industry-wide pension funds and insurers. The Group has no additional responsibility for the administration of these plans.

Each employee's basic pension is covered by group plans, to which multiple employers have signed up, because they are required to by law. These plans contain an indexed career average pension scheme and are therefore considered to be defined-benefit plans. This applies in particular to the industry-wide pension funds for the construction, metal, engineering and rail industries. Given that these funds are unable to provide the required information on the Group's proportional share of the pension liabilities and fund investments, defined-benefit pension schemes are recognized as defined-contribution schemes. The Group is required to pay a pre-agreed premium for these schemes. The Group will not be able to claim a refund of any overpaid premiums and is not required to make good any shortfalls, unless these are caused by amendment of future premiums. The part exceeding the basic pension (top-up part), which is not covered by group schemes, is administered by external parties and concerns defined-contribution schemes.

For the personnel and many of the Group companies, the benefit plans for the following pension funds apply, with indication of the number of active participants as of December 31, 2020 and the coverage of the funds as of December 31, 2019 and 2020:

	Actives	**Coverage 2020**	**Coverage 2019**
• Industry-wide pension fund - Construction	1,334	111.1%	114.1%
• Industry-wide pension fund - Concrete production industry	17	105.2%	103.1%
• Industry-wide pension fund - Metal and Engineering	1,736	96.3%	98.8%
• Railroad pension fund	1,510	108.2%	111.1%
• Alecta pension insurance plan Sweden ITP scheme	345	148.0%	148.0%
• Alecta pension insurance plan Sweden SAF-LO scheme	660		
• Axa pension insurance Strukton Railinfra NV Belgium	50		
• FONDO TFR – Pension Fund - ITALY	345		
• France – Pension plans – France	822		

Antea France SAS and Groupe IRH Environnement SAS and a part of the Strukton Groep companies operate pension plans which are classified as defined benefit plans. The obligation comprises pension entitlements with the principal actuarial results (changes in value of plan assets, life expectancy and the likelihood of the employee leaving the company) being for the account of the company.

The costs of these plans and the cash value of the future pension obligations are measured actuarially. The actuarial methods applied, comprise the use of assumptions regarding discount rates, future salary increases, mortality rates and the future indexation of pensions. All assumptions are reviewed at each reporting date. The table hereafter lists the net provision for pensions, the fair value of the plan assets and the pension plan financing status.

The pension provision is specified as follows:	**12-31-2020**	**12-31-2019**
Antea France SAS (France)	4,044	3,942
Groupe IRH Environnement SAS (France)	1,388	1,222
Strukton Rail AB (Sweden)	61,447	59,275
Strukton Rail NV (Belgium)	1,945	1,546
Strukton Civiel Noord & Oost B.V. (The Netherlands)	2,706	3,287
Strukton Civiel Zuid B.V. (The Netherlands)	2,499	3,022
Costruzioni Linee Ferroviarie S.p.A. (Italy)	2,575	2,343
Total	76,604	74,637

The increase in the 2020 pension provision is mainly due to foreign exchange rate movements in Sweden, resulting in an increase in the pension liability.

Antea France SAS (France)
These benefit plans provide for an amount to be paid to the employee if the employee is employed by the employer until the agreed pension age. The amount to be paid, in addition to the monthly salary, depends on the number of years of employment when the pension date is reached. The liability is a pension entitlement for which the largest actuarial gains and losses are covered by the company.

Groupe IRH Environnement SAS (France)
There are two plans, a retirement indemnity plan and a retirement benefits plan. The retirement benefits plan is a closed plan for participants who were employed before 1996.

Strukton Rail AB (Sweden)
The pension scheme for the Strukton Rail AB (Sweden) employees born before 1978 concerns a defined benefit plan. All active participants to this plan are participating in the Sweden Pension Plan ITP2. The other two current plans concern the Sweden pension Plan Balfour Beatty and Sweden Pension Plan KPA. These two plans have only inactive participants of the former Balfour Beatty and the former Svensk Banproduktion. The three plans are administered by PRI, a pension insurer. The total liabilities at year-end 2020 amounted to €61.5 million (2019: €59.3 million). For this purpose, the pension commitments were stated at present value based on IAS 19. The calculation is performed by a qualified actuary. The liability must be financed by the Company. The pension payment is carried out by the organisation Alecta. The risk of the Company's bankruptcy is insured with PRI. In the context of this insurance, guarantees were issued to PRI amounting to SEK 110 million (€10.5 million). Alecta applies different principles for the calculation of the liability than PRI. Therefore, Alecta's calculated provision is higher. Strukton annually pays a premium to PRI for this so-called 'estimated redemption cost'. The liability of Strukton Rail Sweden's in-house pension scheme (ITP2) has been frozen as of December 31, 2020.

A curtailment gain of €5 million has been recorded as a result of insuring future service and salary increases for the ITP2 plan in Sweden. As of January 1, 2021 pension premiums are insured with PRI and as a result the related liability will reduce over time as pensions are paid out.

Strukton Rail NV (Belgium)
This pension insurance plan for employees of Strukton Railinfra N.V. is a defined benefit plan. The pension provision is funded with an insurance contract with quoted market prices.

Strukton Civiel Noord & Oost B.V. (The Netherlands)
For Strukton Civiel Noord & Oost B.V. an indexation liability has been entered for the benefit plan. The indexation liability is financed with an insurance agreement with Nationale Nederlanden. New entitlements are no longer being accrued in this benefit plan.

Strukton Civiel Zuid B.V. (The Netherlands)
For Strukton Civiel Zuid B.V. an indexation liability has been entered for the benefit plan. The indexation liability is financed with an insurance agreement with Delta Lloyd.

Costruzioni Linee Ferroviarie S.p.A. (Italy)
Costruzioni Linee Ferroviarie S.p.A. has a defined benefit plan (FONDO TFR – Pension Fund) for its employees. A sum of €2.6 million (2019: €2.3 million) has been reserved on the company balance sheet for this. The pension provision in Italy has not been externally financed but must be financed by the company.

Assumptions
The identified material starting points for the calculation of the pension liability are the inflation, the discount rate and the mortality tables. The inflation is an 'indirect starting point'. Salary growth and pension growth are direct starting points derived from this inflation.

Starting points	**December 31, 2020**	**December 31, 2019**
Benefit plan discount rate	0.40-1.10%	0.60-1.50%
Inflation	1.75-2.00%	1.75-2.00%
Projected fund investment returns	0.60-1.50%	0.60-1.50%
Projected salary increase	1.75-3.00%	1.75-3.00%

The following mortality tables are used as of December 31, 2020:

Groupe IRH Environnement SAS	: TG HF 2005
Strukton Rail AB	: DUS14
Strukton Railinfra NV	: MR/FR (1993 Belgium mortality table)
Strukton Civiel Noord & Oost B.V.	: Prognosetafel AG2020
Strukton Civiel Zuid B.V.	: Prognosetafel AG2020
CLF S.p.A.	: ISTAT 2018 M/F

Sensitivity
If the discount rate would increase by 1% point, under the same other assumptions, than the present value of pension liabilities would decrease by €18.6 million. A decrease in the discount rate by 1% point and the same other conditions, would cause the present value of pension liabilities to increase by €24.4 million. If the inflation would increase by 0.25% point, under the same other assumptions, than the present value of pension liabilities would increase by €4.0 million. A decrease in the inflation by 0.25% point and the same other conditions, would cause the present value of pension liabilities to decrease by €3.8 million.

Sweden
If the discount rate would increase by 1% point, under the same other assumptions, than the present value of pension liabilities would decrease by €12.5 million (2019: €12.2 million). A decrease in the discount rate by 1% point and the same other conditions, would cause the present value of pension liabilities to increase by €16.5 million (2019: €16.2 million).

If the inflation would increase by 0.25% point, under the same other assumptions, than the present value of pension liabilities would increase by €3.6 million (2019: €2.8 million). A decrease in the inflation by 0.25% point and the same other conditions, would cause the present value of pension liabilities to decrease by €3.6 million (2019: €2.6 million). If the participants of the three Swedish plans are supposed to live one year longer than assumed, then the liabilities increase by around 5.2% (2019: 4.8%).

The actuarial loss on the pension plans in Sweden (which together make up 80% of the total provision) has been off-set against Past Service curtailments. The ITP2 plan has a term of 23.0 years, while the term for the KPA plan is 20.3 years.

Breakdown
The pension liabilities and the pension plan assets are determined based on actuarial calculations that are performed as of December 31. The breakdown and the progress of the pension liabilities and the pension plan assets concerning the defined benefit plans are listed hereafter.

Provision for pension liabilities	**12-31-2020**	**12-31-2019**
Breakdown:		
Pension plan assets (fair value)	3,932	3,572
Pension liabilities (net present value)	80,536	78,209
Net defined benefit liability	76,604	74,637
Pension plan assets (fair value) presented as asset	-	-
Provision for pension liabilities	76,604	74,637

Changes:	**2020**	**2019**
Pension plan assets as at January 1st	3,572	2,797
Interest income on plan assets	16	417
Pension contributions	685	1,113
Disbursements	(490)	(1,224)
Return on plan assets greater or less than discount rate	149	469
Pension plan assets as at December 31st	3,932	3,572
Pension liabilities as at January 1st	78,209	61,686
Past Service Cost - Curtailments	(3,132)	-
Current Service Cost	3,164	2,550
Interest expense on defined benefit obligation	1,176	1,619
Disbursements from plan assets	(1,693)	(1,220)
Net actuarial gain or loss on pension liabilities	1,156	14,125
Currency gain or loss	2,425	(632)
Other movements	(769)	81
Pension liabilities as at December 31st	80,536	78,209
Actuarial results as at January 1st	-	-
Net actuarial gain or loss on pension liabilities	66	13,662
Recognized in other comprehensive income	(66)	(13,662)
Actuarial results as at December 31st	-	-
Pension expense components under defined benefit plans		
Current Service Cost	3,164	2,550
Interest expense on defined benefit obligation	1,176	1,619
Return on plan assets	(16)	(417)
Other	(769)	114
Total pension expense under defined benefit plans in statement of income	3,555	3,866

The major categories of plan assets as a percentage of the fair value of total plan assets were as follows:

	2020	2019
Bonds	0%	0%
Funds	0%	0%
Other plan assets	100%	100%

Given that the vast majority of the benefit plans is financed with an insurance policy, the assets consist of the guarantee by the insurer that specific pensions will be paid out in the future. The value of these assets is the current cash value of these guaranteed payments. Allocation to different financial instruments is not applicable, therefore these assets are presented under other fund investments.

Please refer to note 22 for the breakdown of pension expenses into defined benefit plans and defined contribution plans.

The expected contribution to the defined benefit plans in 2021 is € 1.3 million (2020: € 4.1 million). The costs of the pension plan will be borne by the Group.

14. Provisions	**12-31-2020**	**12-31-2019 *)**
Provision for restructuring	4,410	5,404
Provision for onerous contracts with customers	109,186	43,941
Provision for projects other	16,532	14,741
Jubilee provision	8,185	7,848
Tax provision	10,817	-
Other provisions	1,590	1,189
Total	150,720	73,123
Non-current part	122,378	51,091
Current part	28,342	22,032
Total	150,720	73,123

*) Restated for reporting purposes. Please refer for the restated figures of 2019 to note 30.

The non-current component of the provisions (excluding the jubilee provision, etc.) is expected to be settled after one year, and will certainly be settled within five. The current component is expected to be settled within one year.
The jubilee provision and such like are based on an IAS19 calculation, including discount. The likelihood of departure falls over a range from 25% for employees aged 20 years to 0% for employees aged 60 years and up. The other non-current provisions are small.

Change in provisions	Restruc-turing	Onerous contracts with customers	Projects other	Jubilee	Tax	Other	Total
Balance at January 1, 2019	3,502	46,410	12,455	7,989	-	578	70,934
Changes due to:							
Additions	5,034	18,891	2,427	112	-	860	27,324
Acquisition of subsidiaries	-	44	-	-	-	-	44
Utilization	(1,420)	(15,262)	-	-	-	-	(16,682)
Exchange rate differences	5	-	-	-	-	-	5
Other	(136)	-	(141)	-	-	-	(277)
Release	(1,581)	(6,142)	-	(253)	-	(249)	(8,225)
Balance at December 31, 2019 *)	5,404	43,941	14,741	7,848	-	1,189	73,123
Non-current part	-	31,678	11,744	7,367	-	302	51,091
Current part	5,404	12,263	2,997	481	-	887	22,032
Balance at December 31, 2019	5,404	43,941	14,741	7,848	-	1,189	73,123
Balance at January 1, 2020	5,404	43,941	14,741	7,848	-	1,189	73,123
Changes due to:							
Additions	10,575	82,280	7,604	351	10,646	1,031	112,487
Acquisition of subsidiaries	-	-	374	-	-	-	374
Utilization	(10,522)	(4,852)	(2,242)	(12)	-	(110)	(17,738)
Exchange rate differences	-	277	(167)	1	171	-	282
Other	-	(52)	239	5	-	-	192
Release	(1,047)	(12,408)	(4,017)	(8)	-	(520)	(18,000)
Balance at December 31, 2020	4,410	109,186	16,532	8,185	10,817	1,590	150,720
Non-current part	-	89,941	13,934	7,686	10,817	-	122,378
Current part	4,410	19,245	2,598	499	-	1,590	28,342
Balance at December 31, 2020	4,410	109,186	16,532	8,185	10,817	1,590	150,720

*) Restated for reporting purposes. Please refer for the restated figures of 2019 to note 30.

Provision for restructuring
As part of reorganizations underway a restructuring provision has been formed for expected severance costs. The provision is carried at nominal value. The restructuring provision mostly relates to the restructuring of the Rail Infrastructure segment (€2.2 million), which was effectuated during 2021. It also relates to the Civil Infrastructure segment (€0.7 million) and Technology and Buildings segment (€0.5 million).

The additions and utilisation of the restructuring provision during 2020 were mainly related to the restructuring of the Rail Infrastructure segment during 2020.

Provision for onerous contracts with customers
The provision for loss-making contracts with customers totals €109.2 million. This provision represents the amount of unrealized losses on contracts based on the progress of the project. This provision is mainly related to projects in the Civil Infrastructure, Rail Infrastructure and Technology and Buildings segments. Please also refer to the paragraph ‘Accounting considerations on key projects’ which describes the largest projects with the highest uncertainty.

The releases of the provision mostly relate to projects in Sweden (€5.1 million), The Netherlands (€3.0 million) and Denmark (€1.7 million). The additions of €82.3 million have been recorded in the line item 'Cost of materials, services of third parties and subcontractors' in the statement of income.

Provision for projects other
The provision concerns mainly guarantee commitments.

Jubilee provision
The provision is the amount of future benefit payments and claims for jubilee payments and leave entitlements. The obligations are realized to present value. Any actuarial gains or losses are recognized in the statement of income in the period in which they occur.

As part of service anniversary schemes at the Group, bonuses are paid out after a certain number of years of service. Given that there are various such schemes in place across the Group, the extent of this bonus and when it is paid depends on the entity at which an employee works. The primary risk the Group runs in relation to this facility is the interest rate risk, as a lower interest rate means a higher liability.

Tax provision
The tax provision addition consists of withholding tax related mainly to the outcome of an investigation on the Riyadh Metro Project for paid withholding taxes for the years 2015 to 2020 and a correction for previous periods for the Riyadh Metro Project. The addition to this provision has been recorded in the line item 'Income tax' in the statement of income.

Other
The other provisions include provisions for specific guarantees issued in selling participations, risks of legal proceedings against the group and/or its operating companies, severance schemes and other relatively minor risks.

15. Lease liabilities

	2020	2019
Book value at January 1	**138,419**	**132,330**
Accrued interest expense	1,986	2,033
Instalments paid	(51,819)	(41,974)
Exchange rate differences	627	144
Remeasurements due to contract modifications	10,663	4,562
New lease contracts	45,844	40,594
Other movements	-	730
Book value at December 31	**145,719**	**138,419**
Non-current part	101,500	95,667
Current part	44,219	42,752
Total	**145,719**	**138,419**

Remeasurements
These are revaluations of lease liabilities as part of IFRS 16. These revaluations are caused mainly by changes to the lease term and the recognition of indexations during the year.

Land
Leases for land generally have a short term (of 5 to 10 years). These leases include extension options to ensure operational flexibility. If both the lessor and the lessee want to renew or not terminate the leases, the leases are generally renewed automatically based on the same conditions. The majority of the leases is indexed annually based on the consumer price index (CPI). Although the leases do not impose any covenants, it is not allowed to use assets leased as collateral for loans.

Company buildings
Leases for buildings generally have a short term (of 5 to 10 years). These leases include extension options to ensure operational flexibility. If both the lessor and the lessee want to renew or not terminate the leases, the leases are generally renewed automatically based on the same conditions. The majority of the leases is indexed annually based on the consumer price index (CPI). Although the leases do not impose any covenants, it is not allowed to use assets leased as collateral for loans.

One company building is subleased, whereby the sublease can be classified as a financial lease. The term of the sublease equals that of the main lease. The leases run through to December 31, 2022. After this date, the current agreement can no longer be extended. The fees received in 2020 totaled €0.3 million. The rent is indexed annually based on the consumer price index (CPI).

Machines and equipment
Although the leases do not impose any covenants, it is not allowed to use assets leased as collateral for loans. The measurement of the machines and equipment as at January 1, 2020 includes measurement of a total amount of €0.3 million in purchase options. These leases do not include extension options.

Vehicles
Vehicle leases have a maximum term of 5 years. If the number of kilometers specified in the lease is exceeded, the lease term will be shortened to under 5 years. A change to the lease term automatically also leads to a change to the lease rate. These leases do not provide for indexations and variable payments. The lease term cannot be extended after termination of the maximum term of 5 years.

Amounts recognized in the income statement
Payments on short-term leases and leases for low-value assets are recognized as an expense in the income statement using the straight-line method. This also applies to variable interest costs that are not linked to an index. Short-term leases are leases with a term of 12 months or shorter and relate mainly to the leasing of equipment and vehicles. Low-value assets concern mainly printers and small mechanical tools.

In the income statement, the following amounts are recognized:

	2020	**2019**
Depreciations Right-of-use assets	50,797	40,876
Interest on lease contracts	1,986	2,033
Expenses relating to short term lease contracts	14,821	15,364
Expenses relating to low-value assets not recognized in expenses	-	172
Expenses relating to variable lease payments not recognized when determining the lease liabilities	20,605	25,497
Income from sub-leasing right of use	311	325

The expenses relating to short-term lease contracts and variable lease payments not recognised when determining the lease liabilities are recorded in the other operating expenses in the income statement.

Book value and contracted cash flows

2019	Book value	Cash flow	< 6 months	6-12 months	1-2 years	2-5 years	> 5 years
Lease liabilities	138,419	150,613	25,183	21,486	37,678	49,461	16,805

2020	Book value	Cash flow	< 6 months	6-12 months	1-2 years	2-5 years	> 5 years
Lease liabilities	145,719	152,141	25,891	24,953	36,840	51,615	12,842

The total cash out for rental and lease contracts in 2020 was €51.8 million (2019: €42,1 million). A total amount of €2.7 million (2019: €1.3 million) was prepaid on lease contracts for subsequent years.

16. Subordinated loans and Non-current liabilities

Subordinated loans	**12-31-2020**	**12-31-2019**
Sanderink Investments B.V.	16,000	11,000
Other companies	10,000	-
Total	26,000	11,000

The movement in the subordinated loans is as follows:

	Balance at January 1	Drawings	Repayments	Other	Balance at December 31
2019	1,000	10,000	-	-	11,000
2020	11,000	20,000	(5,000)	-	26,000

The subordinated loan granted by associated party Sanderink Investments B.V. has a term of 55 years. Early repayment is possible. Interest on this loan is payable at a rate of 5.0%. Subordination applies to all of the Group's obligations towards the lender (Sanderink Investments B.V.), ensuing from this subordinated loan in relation to all current and future receivables of the Rabobank under the Rabobank Loan Agreement, both in cases of bankruptcy or suspension of payments on the part of the borrower and otherwise.

The subordinated loans from Other companies concern related party loans from Centric Holding B.V. (€6.5 million), MAFO Holding B.V. (€2.0 million) and Sanderink Holding B.V. (€1.5 million) to Strukton Groep N.V. They have to be repaid by Strukton Groep N.V. when the activities in Riyadh have been terminated and the cash collaterals related to these activities have been released by the banks. Interest 5.0% per year.

Loans and other financing obligations	**12-31-2020**	**12-31-2019 *)**
Total current and non-current liabilites	237,067	228,190
Less:		
Current portion of non-current liabilities	(38,040)	(7,117)
Non-current liabilities	199,027	221,073
Term loan	29,396	31,186
Liabilities for financing property development	-	1,679
Bankloans	42,139	32,880
Groupe IRH	1,253	1,117
Non-recourse PPP-financing	125,852	153,290
Other non-current liabilities	386	921
Total	199,027	221,073

*) Restated for reporting purposes. Please refer for the restated figures of 2019 to note 30.

The decrease in the non-current liabilities mainly relates to the MEET project. The increase in Bankloans relates to Strukton Rail Italy.

The Term loan consists of a USD-part of 23.8 million (2019: 23.8 million) (A) and a Euro-part of 10 million (2019: 10 million) (B). The loan runs until January 31, 2023 (part A) and November 16, 2022 (B). Interest consists of three-month Libor (A) or Euribor (B) plus a margin of 1.8%-point (A) or 1.6% (B). Given the duration till the expiration dates in 2022 and 2023, this term loan is recognized as non-current liability. The carrying amount of the item of property, plant and equipment encumbered with the mortgage was €10,7 million at year-end 2020 (2019: €10,0 million). The mortgage serves as security for the term loan.

The interest rate on liabilities for financing property development is 2.00%, duration till 2021. The interest on bankloans is 1.90%, duration varies from 2020 to 2043. The non-current part of the non-recourse ppp-financing amounts to €125.9 million (2019: €153.3 million). The interest rate is between 3.30% and 4.51% and the duration varies from 2020 to 2043.

The repayment plan for the non-current liabilities and the repayment liabilities entered under the current liabilities is as follows:

2019 *)	< 1 year	1-5 years	> 5 years	Total
Term loan	-	31,186	-	31,186
Liabilities for financing property development	172	1,679	-	1,851
Bankloans	6,359	31,845	1,035	39,239
Groupe IRH	-	1,117	-	1,117
Non-recourse Ppp-financing	353	26,686	126,611	153,650
Other non-current liabilities	233	914	-	1,147
Balance at December 31, 2019	7,117	93,427	127,646	228,190

2020	< 1 year	1-5 years	> 5 years	Total
Term loan	-	29,396	-	29,396
Bankloans	9,569	41,419	720	51,709
Groupe IRH	-	1,253	-	1,253
Non-recourse Ppp-financing	22,900	21,165	104,694	148,759
Other non-current liabilities	5,571	379	-	5,951
Balance at December 31, 2020	38,040	93,613	105,414	237,067

*) Restated for reporting purposes. Please refer for the restated figures of 2019 to note 30.

2019 *)	Balance at 1-1-2019	Drawings	Repayments	Exchange differences	Other	Balance at 12-31-2019
Property, plant and equipment financing	748	289	(271)	-	-	766
Term loan	30,786	-	-	400	-	31,186
Liabilities for financing property development	2,024	-	(173)	-	-	1,851
Bankloans	25,678	25,163	(11,606)	-	4	39,239
Groupe IRH	579	538	-	-	-	1,117
Non-recourse Ppp-financing	155,133	-	(2,011)	-	521	153,643
Other non-current liabilities	7	-	-	381	-	388
Total	214,955	25,990	(14,061)	781	525	228,190

2020	Balance at 1-1-2020	Drawings	Repayments	Exchange differences	Other	Balance at 12-31-2020
Term loan	31,186	-	-	(1,790)	-	29,396
Debts financing real estate projects	1,851	-	(1,851)	-	-	-
Bankloans	39,239	16,442	(4,006)	34	-	51,709
Groupe IRH	1,117	136	-	-	-	1,253
Non-recourse Ppp-financing	153,643	519	(5,411)	-	8	148,759
Other non-current liabilities	1,154	5,404	(600)	-	(7)	5,950
Total	228,190	22,501	(11,869)	(1,756)	1	237,067

*) Restated for reporting purposes. Please refer for the restated figures of 2019 to note 30.

For more information about interest and currency risks, see the section on 'Financial instruments' and the 'Financial risk management' section. Further reference is made to the continuity paragraph in the accounting policies.

17. Trade and other payables

	12-31-2020	12-31-2019 *)
Trade payables	315,767	311,511
Current portion of non-current liabilities	38,040	7,117
Debts to related parties	1,228	339
Taxes and social insurance contribution	69,665	70,952
Pension obligations	2,580	2,959
Leave provision	37,395	37,676
Other personnel related liabilities	22,929	23,499
Invoices to receive	29,980	23,801
Other liabilities	60,647	69,283
Accrued liablities	60,849	49,686
Total	639,079	596,823

*) Restated for reporting purposes. Please refer for the restated figures of 2019 to note 30.

The non-current part of the liabilities is included in note 16.

18. Off-balance sheet commitments and securities provided

Contingent liabilities
Contingent liabilities are liabilities resulting from events in the past whose existence is only confirmed by the occurrence of one or more uncertain future events, over which the entity does not have total control.

If it is not likely that an outflow of means that contain economic benefits will be required to settle a liability or if the amount of the liability cannot be valued in a sufficiently reliable manner, then the liabilities in question will also be designated as contingent liabilities. The contingent liabilities are guarantees issued and any liabilities from legal proceedings against Oranjewoud N.V. and/or its operating companies for which the scope of the risks and any resulting liabilities cannot be valued in a sufficiently reliable manner.

In addition to this, Oranjewoud N.V. is jointly and severally liable for all liabilities of general partnerships (contractor combinations) in which it is directly involved. This liability is limited to the Group companies participating in the general partnership. Liabilities of this kind have not been entered in the financial statements.

Bank guarantees
The bank guarantees for projects, leases and capital commitments amounted to €307,004,000 (2019: €324,914,000).

The maturity of the issued guarantees is as follows:

Maturity of issued guarantees 2020 (amounts x € 1,000)	Total	< 1 year	1 - 5 years	> 5 years
	307,004	83,342	168,675	54,986

Maturity of issued guarantees 2019 (amounts x € 1,000)	Totaal	< 1 year	1 - 5 years	> 5 years
	324,914	34,264	154,921	135,729

Credit facilities
Oranjewoud N.V. and its Group companies established in the Netherlands with the exception of all Strukton Groep entities are jointly and severally liable for the credit facility. The borrowers have undertaken not to encumber their assets with security without the lender's advance consent. For more details we refer to the paragraph Liquidity risk in note 19.

Legal proceedings
The Group was involved in a number of legal proceedings at year-end 2020 and 2019, most of which are minor.

FIOD
The Group makes and has made limited use of agents in the past. There was one agent contract that could be considered as particularly relevant. This concerns the contract with the local agent for the metro project in Riyadh, Saudi Arabia. This project was started in the course of 2013. The contract with the local agent was concluded in the first quarter of 2013 and is subject to an investigation of the Dutch Fiscal Information and Investigation Service (FIOD).

In February 2019, Strukton was surprised by a raid of the FIOD (Fiscal Information and Investigation Service) based on a suspicion of corruption and forgery in being awarded an order for the Riyadh metro project. We started an internal investigation immediately after the raid. We have assessed the list of information confiscated by the FIOD for any indications of irregularities. From this investigation, we have not found anything that could indicate any non-compliance with the applicable legislation and regulations. An independent expert concluded that the internal investigation was conducted adequately and with due care.

At the time of publication of this report, the investigation is still ongoing and consequently, no prosecution decision has been made. No new developments can be reported as to the FIOD investigation. During 2019, the FIOD digitally provided their report based on which they initiated the raid. At the beginning of 2020, they also digitally provided us with the information they took during the raid. We have established that this information does not impart new insights nor calls for further investigation as to the reason for the raid. Therefore currently no financial impact is expected.

Corporate income tax
The Dutch Tax Authorities are performing an audit of the Riyadh metro project to check the transfer prices applied and the profit distribution between the Netherlands and Saudi Arabia. This audit focuses on old years, but the outcome will also apply to future years. Based on this audit, the Tax Authorities have taken the preliminary view that similar commercial parties operating under the same circumstances would have agreed a different distribution of profits. However, the Tax Authorities have expressed their wish to come to a solution acceptable to both parties, determining the transfer prices to be applied for the project. In order to arrive at an acceptable solution, the tax authorities and Strukton entered into further consultations, with Strukton seeking the support of an external tax consultant. We have not created a provision for this issue in our consolidated financial statements. Based on the double taxation treaty between the governments of the Kingdom of the Netherlands and the Kingdom of Saudi Arabia, which includes a provision regarding corresponding corrections and a provision regarding a mutual consultation procedure, we assume that the countries involved will come to an extrajudicial agreement without any detrimental effects for Strukton.

All Dutch wholly-owned associates, which are not a part of Strukton Groep, are part of the tax group for corporate income tax purposes of Oranjewoud N.V. (with the exception of Edel Grass B.V.). Consequently, the aforesaid companies are jointly and severally liable for corporate income tax liabilities of Oranjewoud N.V. and the companies forming part of this tax group. Within this tax group, the corporate income tax will be settled with current accounts. The corporate income tax is calculated by applying the current rate (2020 and 2019: 25%) to the profit before taxes. Please refer for a total overview of the applicable entities to note 31.

As of October 29, 2010 Strukton Groep N.V. is forming a separate tax unit with the majority of its 100% domestic subsidiaries. Refer to note 31 for all entities included in the Dutch fiscal unity of Strukton Groep N.V

Investment commitments
As per the end of 2020, there are no investment commitments.

19. Financial instruments

General

The main financial instruments of the Group comprise of bank loans and credits and cash and cash equivalents. The Group also uses interest rate swaps and forward exchange contracts to hedge interest rate and and currency risks arising from future interest rate payments and future USD cash flows. The main purpose of the financial instruments is to finance the operating activities of the Group. In addition there are various other non-current financial assets and liabilities, including trade receivables and debts to suppliers, which arise directly from the operating activities. No derivatives and financial instruments are held for trading purposes.

Interest rate risk

The interest rate risk in respect of interest-bearing loans and bank debts is discussed under the heading Non-current liabilities. The impact of a 1 percentage point interest increase on profit before taxes and equity is around €1.0 million negative (2019: €0.7 million negative). The impact of a decrease is similar in size but contrary. This interest rate risk is exclusive the effect of derivates.

Currency risk

The majority of the Group's activities are carried out in the eurozone. Most subsidiaries outside of the eurozone do business in their country's currency. For transactions in foreign currency the policy is to hedge the total net position by means of foreign currency contracts. In 2014 and 2016 forward exchange contracts are closed to the subway project in Riyadh, where the currency risk on future cash flows in USD is covered until early 2020 and an on balance sheet hedge terminated by the end of 2022. The translation risk on equity and loans granted to subsidiaries is not hedged outside of the eurozone, except for Antea USA (see below). The Group's currency risk is limited to its foreign subsidiaries in Poland, India, Brazil, Scandinavia and in Riyadh (Saudi Arabia). The total equity of these foreign subsidiaries amounts to €15.0 million negative at year-end 2020 (2019: €2.4 million negative).

The high volatility of the US dollar versus the Euro is a risk. The acquisition of Antea USA in early 2008 for a sum of USD 23,750,000 was settled in full by means of a transaction in Euros. The Euro/Dollar rate at the time of the transaction was 1.47. The currency risk for this non-current investment was hedged by means of a loan in early 2011. As of August 1, 2013 and as of July 27, 2017 the mentioned USD loan has been replaced with a new loan of USD 23.8 million. The US dollar loan functions as a natural hedge to the equity value in USD of Antea USA.

The main exchange rates over the financial year are as follow:

	Average rate		Spot rate	
	2020	2019	2020	2019
USD	1.1434	1.1195	1.2271	1.1234
DKK	7.4542	7.4661	7.4409	7.4715
NOK	10.6843	9.8511	10.4703	9.8638
SEK	10.4848	10.5891	10.0343	10.4468
GBP	0.8896	0.8778	0.8990	0.8508
COP	4,217.470	3,674.173	4,201.000	3,688.000
INR	84.6817	78.8363	89.6605	80.1870
SAR	4.2870	4.2116	4.5824	4.2105
PLN	4.4429	4.3094	4.5597	4.2568

A 10% increase in the value of the euro against other currencies at year-end would have reduced equity by €1.5 million (2019: €1.5 million) and net result by €2.1 million (2019: €2.0 million). All other variables, interest rates in particular, are assumed to remain unchanged. A 10% fall in the euro against the other currencies would have had a similar, but contrary, effect, assuming that all other variables remain unchanged.

Interest rate swaps
A 100 bps rise in the interest rate means a gain of €0.7 million on the financial derivative, which will be, in case applicable, recognized in the income statement. A 100 bps drop in the interest rate means a loss of €0.7 million on the financial derivative, which will be, in case applicable, recognized in the shareholders' equity. The measurement of derivatives is based on data supplied by banks and validated against corresponding figures from the market.

Credit risk
The Group applies procedures and policies to limit the extent of the credit risk with any counterparty or in any market. These procedures and the spread across numerous customers limit the Group's exposure to the risk related to credit concentrations and market risks. In addition, projects are invoiced on a progress basis and to the extent possible under the contract advanced billing are used. Escrow arrangements have been drawn up for specific projects as security for payment.The available cash and cash equivalents is held with creditworthy banking institutions.

Liquidity risk
The Group monitors its risk of a cash deficit by means of a liquidity planning tool. This tool considers the maturity of both investments and operating cash flows. The liquidity planning tool is used where relevant for specific parts of the Group. The Group aims for a balance between continuity in financing and flexibility in the use of credit facilities, loans and equity.

The total credit facilities for Oranjewoud N.V. (including Strukton Groep) amounted to €207 million (2019: €253 million). Oranjewoud N.V. and its Group companies in the Netherlands are jointly and severally liable for a part of the aforesaid facilities. The borrowers have imposed themselves not to encumber their assets with security without the lender's advance consent. Assets have been pledged as security for some of the debts. From these current account facilities €32 million (2019: €52 million) was used at December 31, 2020. To finance accounts receivables, factoring agreements have been concluded with financiers with a total facility of €42 million (2019: €35 million). Of this, an amount of €40 million (2019: €34 million) was used.

The non-recourse ppp-financing is secured by pledges on the shares in MEET Strukton B.V., all bank accounts of MEET Strukton B.V., all MEET Strukton B.V.'s present and future rights under or in connection with insurances, existing and moveable assets and all and any existing and future rights, interests, claims or receivables of MEET Strukton B.V. under the agreement entered into.

The maturity profile of the financial obligations of the Group as at December 31, 2019 and 2020 is as follows:

Maturity profile (amounts x € 1,000)	Book Value	Contracted Cash flows	Within 6 months	6 to 12 months	1 to 5 years	> 5 years
At December 31, 2019 *)						
Subordinated loans	11,000	12,128	-	-	-	12,128
Non-recourse ppp financing (non-current and current part)	153,650	256,337	10,273	11,283	69,079	165,702
Interest-bearing loans	74,540	76,942	3,894	3,941	67,600	1,508
Trade payables and other liabilities	849,382	849,382	393,795	379,605	75,982	-
Amounts owed to credit institutions	56,888	56,934	55,348	1,586	-	-
Total	1,145,460	1,251,722	463,309	396,415	212,661	179,338
At December 31, 2020						
Subordinated loans	26,000	28,665	-	-	-	28,665
Non-recourse ppp financing (non-current and current part)	148,759	256,368	5,325	22,783	48,922	179,338
Interest-bearing loans	88,308	113,161	16,506	22,147	73,747	761
Trade payables and other liabilities	929,159	932,609	430,781	415,259	86,569	-
Amounts owed to credit institutions	16,979	16,979	16,979	-	-	-
Total	1,209,205	1,347,783	469,592	460,189	209,238	208,764

*) Restated for reporting purposes. Please refer for the restated figures of 2019 to note 30.

For the maturity of the Lease liabilities, we refer to note 15.

Given the policy to cover liquidity and interest risks the Group has entered into several swaps. Some special purpose companies have entered into interest swaps for the ppp-projects. The changes of these interest and inflation swaps have been accounted in the ppp-projects. Fair value accounting was applied for all swaps that existed at the time of Strukton's acquisition. This means that the value transactions for the derivative are accounted for directly in the statement of income. For the other swaps, hedge accounting was applied using the cash flow model. As per the end of 2020 and 2019, the value of the derivatives is nil.

A comparison of the carrying amounts and fair values of financial assets and liabilities of the Group are set out below:

(amounts x € 1,000)	Carrying amount		Fair value	
	2020	2019 *)	2020	2019 *)
Financial assets				
Trade receivables	310,969	383,129	310,969	383,129
Other receivables	419,639	450,973	419,639	450,973
Non-current receivables	18,252	21,554	18,252	21,554
Ppp-receivables	72,344	42,444	98,278	77,139
Investments	1,810	1,810	1,810	1,810
Cash and cash equivalents	292,303	282,763	292,303	282,763
Total	1,115,317	1,182,673	1,141,251	1,217,368
Financial liabilities				
Subordinated loans	26,000	11,000	26,000	11,000
Non-recourse ppp financing (non-current part)	125,859	153,297	196,085	219,979
Interest-bearing loans	88,308	74,540	88,308	74,540
Trade payables and other liabilities	929,159	849,382	929,159	849,382
Amounts owed to credit institutions	16,979	56,888	16,979	56,888
Total	1,186,305	1,145,107	1,256,531	1,211,789

*) Restated for reporting purposes. Please refer for the restated figures of 2019 to note 30.

The difference between the fair value of the ppp-receivables and Non-recourse ppp financing compared to their carrying amount can be explained by the long maturity of these assets and liabilities. For the ppp-receivables, an average discount factor of 2.82% was applied as a key assumption in order determine the fair value. If the discount factor would be increased or decreased by 1% this would have an impact on the fair value of EUR 3.4 million. For the ppp-payables, an average discount factor of 1.51% was applied as a key assumption in order determine the fair value. If the discount factor would be increased or decreased by 1% this would have an impact on the fair value of EUR 17.3 million.

Fair value hierarchy

The Group uses the following hierarchy for determining and disclosing financial instruments, distinguishing between valuation methods.

Level 1: quoted (non-adjusted) prices in active markets for identical assets or liabilities.

Level 2: other methods with all variables having a significant impact on the recognized fair value and being directly or indirectly observable

Level 3: methods using variables that have a significant impact on the recognized fair value, but are not based on observable market data.

The fair values are based on a model in which the main variable is the market rate and in which indications of value from third parties have been processed.

Assets
(amounts x € 1,000)

	December 31, 2019 *)			
	Total	Level 1	Level 2	Level 3
Ppp-receivables	77,139	-	-	77,139
Total	77,139	-	-	77,139

	December 31, 2020			
	Total	Level 1	Level 2	Level 3
Ppp-receivables	98,278	-	-	98,278
Total	98,278	-	-	98,278

Liabilities
(amounts x € 1,000)

	December 31, 2019 *)			
	Total	Level 1	Level 2	Level 3
Non-recourse PPP financing	219,979	-	-	219,979
Total	219,979	-	-	219,979

	December 31, 2020			
	Total	Level 1	Level 2	Level 3
Non-recourse PPP financing	196,085	-	-	196,085
Total	196,085	-	-	196,085

NOTES TO THE CONSOLIDATED STATEMENT OF INCOME

20. Revenue

	2020	2019 (*)
Projects for third parties	1,748,642	1,870,231
Service maintenance and concessions	498,245	459,840
Revenue of sale of finished goods	8,095	7,800
Revenue from secondments	5,400	8,400
Other revenue	52,770	40,401
	2,313,153	**2,386,673**

*) 2019 is restated for reporting purposes. Please refer for the restated figures of 2019 to note 30.

Projects for third parties
The performance obligation is fulfilled in proportion to project progress. Invoicing is based on installment schedules that are related to project progress. The use of installment schedules means that fulfillment of the performance obligation does not run in sync with the payments. If output is higher than the amount due on the invoice, a contract asset will be recognized. If the amount due on the invoice is higher than the output, a contract liability will be recognized. Work under a cost-plus contract will be invoiced after completion of the work. Invoices are generally paid between 30 and 60 days after the send date. For certain contracts, advance payments are contractually required.

Temporary Staff
The performance obligation is fulfilled in proportion to the progress of the secondment. Invoicing is periodic. Payment must be made before the invoice due date.

Service maintenance and concessions
The performance obligation is fulfilled in proportion to the progress of the output. Service maintenance and concessions are invoiced monthly based on contractual arrangements. Work under maintenance contracts is invoiced at the end of the month. Invoicing at the end of the month means that fulfillment of the performance obligation does not run in sync with the payments. Whenever invoicing is in arrears, a contract asset will be recognized. If the contract includes variable fees, these will be estimated periodically and included in the transaction price. For certain contracts, advance payments are contractually required before the maintenance service is provided.

The following provides additional information on revenue from contracts with customers recognized in the financial year.

Recognized revenues that in the beginning of the period were included in the balance as contract liabilities (amounts in thousands of euros):

	2020	2019
Projects for third parties	59,339	84,702
Service maintenance and concessions	13,403	14,307
Total	**72,742**	**99,009**

Recognized revenues from in former periods (partial) performance obligations fulfilled (amounts in thousands of euros):

	2020	2019
Projects for third parties	791	2,525
Service maintenance and concessions	8,180	2,910
Total	**8,971**	**5,435**

Projects may take longer than one year or may be carried over from one calendar year to the next. As at December 31, expected revenue from contracts with customers in relation to unfulfilled performance obligations (current projects or future projects that have already been acquired) is as follows:

	2020	2019
Within one year	1,512,737	1,703,252
After more than one year	1,555,035	1,439,401
Total	**3,067,772**	**3,142,652**

For further explanation on the revenue from contracts with customers see note 19. Financial instruments en 21. Segmented information.

Other revenue
The other revenue mainly relates to other revenue relating asphalt services, concrete solutions, environmental services, rail services and leasing of owned machinery to third parties.

21. Segmented information
Performance details of operational segments are reported based on internal reports to the board. The board assesses business operations from a combination of industries and geographical regions and defines Consulting and Engineering Services, Rail Infrastructure, Civil Infrastructure, Technology and Buildings, and Other as operational segments. Operational segments have not been aggregated. The distribution of the revenue from contracts with customers and result and the distribution of statement of financial position items on the basis of the core segments of the company are as follows:

In millions of euros	Consulting and Enginee-ring Services		Rail Infrastructure		Civil Infrastructure		Technology and Buildings		Other		Eliminations		Total	
	2020	2019*)	**2020**	2019*)	**2020**	2019*)	**2020**	2019*)	**2020**	2019*)	**2020**	2019*)	**2020**	2019*)
Revenue from projects	**419.1**	438.6	**580.2**	614.7	**378.7**	536.1	**309.3**	214.5	**61.3**	66.3			**1,748.6**	1,870.2
Revenue from secondment									**5.4**	8.4			**5.4**	8.4
Revenue from maintenance			**287.9**	268.9		-1.9	**210.4**	192.8					**498.2**	459.8
Revenue from inventory					**8.1**	7.8							**8.1**	7.8
Revenue other	**0.3**		**25.5**	6.4	**28.7**	33.1	**-0.1**	0.8	**-1.5**				**52.8**	40.3
Revenue from contracts with customers (external)	**419.4**	438.6	**893.5**	890.1	**415.6**	575.1	**519.5**	408.1	**65.1**	74.7			**2,313.2**	2,386.6
Between segments	**15.1**	17.3	**14.3**	16.6	**13.2**	26.5	**19.7**	19.4	**10.5**	12.8	**-72.8**	-92.6		
Result from associates		0.1		-0.9	**-2.4**	5.8	**0.1**		**-0.7**				**-3.0**	5.0
Operational result (EBITDA)	**37.6**	43.8	**60.0**	30.0	**-105.4**	15.0	**-45.3**	17.3	**-0.9**	1.5			**-53.9**	107.6
Depreciation and impairment of (investment) property, plant and equipment, right-of-use assets and financial fixed assets	**-17.6**	-16.4	**-39.6**	-34.1	**-23.5**	-11.4	**-12.6**	-7.5	**-4.5**	-6.0			**-97.8**	-75.4
Amortization and impairments on intangible assets	**-0.4**	-1.1	**-3.8**	-2.4	**-7.2**	-0.8	**-0.7**	-	**-7.0**	1.4			**-19.1**	-3.0
Operating result	**19.6**	26.3	**16.7**	-6.5	**-136.1**	2.7	**-58.6**	9.8	**-12.4**	-3.2			**-170.9**	29.2
Financial income and expenses	**-1.2**	-0.7	**-3.8**	-2.6	**-4.4**	-2.7	**-4.6**	-4.3	**0.3**	-1.2			**-13.7**	-11.5
Income tax	**-5.5**	-6.0	**0.3**	-12.6	**-14.9**	-2.3	**8.9**	-1.3	**-22.7**	0.5			**-33.9**	-21.7
Net result	**12.9**	19.7	**13.2**	-21.7	**-155.4**	-2.3	**-54.3**	4.3	**-34.8**	-3.8			**-218.5**	-3.9
Total assets	**368.2**	348.3	**664.7**	704.5	**248.7**	347.4	**337.1**	432.7	**54.2**	60.9	**-158.9**	-237.3	**1,514.0**	1,656.5
Total financial assets	**10.8**	13.7	**42.3**	30.5	**13.6**	31.6	**108.0**	80.0	**27.9**	1.0	**-135.0**	-63.7	**67.6**	93.2
Total liabilities	**255.7**	197.9	**497.4**	618.9	**268.0**	240.6	**320.4**	420.0	**-10.6**	95.3	**114.3**	-203.9	**1,445.2**	1,368.8
Total investments in (in)tangible assets	**6.4**	5.2	**13.1**	17.0	**2.7**	6.4	**-0.4**	0.3	**2.9**	-1.5			**24.8**	27.3
Number of employees per year-end	**3232**	3267	**3539**	3747	**1124**	1187	**1763**	1717	**143**	168			**9801**	10086

*) 2019 is restated for reporting purposes. Please refer for the restated figures of 2019 to note 30.

The decrease in revenue from contracts with customers and profit of the **Consultancy and Engineering Services (Antea Group)** segment is a result of the Covid-pandemic and is mainly generated in France and the United States.

The **Rail Infrastructure** segment has realised a better operational result than in 2019 (increase in operational result of €30.0 million) due to a good performance of Strukton Rail Sweden, Italy and the Netherlands.

The **Civil Infrastructure** segment has realised a worse result than in 2019 (decrease in operational result of €129.0 million) due to losses on, among others, the projects in Riyadh, Qatar (both Strukton International) and Hoofdstation Groningen (Strukton Civiel).

The **Technology and Buildings** segment has realised a worse result than in 2019 (decrease in operational result of €62.6 million). This is mainly due to a loss on the RIVM project.

In **Other**, the performance of the activities in Sports, Temporary staff as well as other activities are included.

About €235.8 million (2019: €247.3 million) revenue from contracts with customers came from a single external customer. This revenue is attributed to the Rail Infrastructure segment.

The geographical spread is as follows:

In millions of euros	The Netherlands		Italy		Sweden		Other Europe		USA		South-America		Asia		Middle East		Total	
	2020	2019	**2020**	2019	**2020**	2019	**2020**	2019	**2020**	2019	**2020**	2019	**2020**	2019	**2020**	2019	**2020**	2019
Revenue from projects	**1,118.7**	1,105.1	**207.5**	209.6	**44.9**	84.8	**216.0**	241.9	**64.1**	75.2	**4.6**	5.0	**1.9**	2.8	**90.9**	147.7	**1,748.6**	1,872.1
Revenue from secondment	**5.4**	8.4															**5.4**	8.4
Revenue from maintenance	**334.9**	298.2			**163.3**	162.0		-0.4									**498.2**	459.8
Revenue from inventory	**8.1**	7.8															**8.1**	7.8
Revenue other	**34.7**	35.7	**4.0**		**16.3**			0.1									**55.0**	35.8
Revenue from contracts with customers (external)	**1,499.7**	1,455.2	**211.5**	209.6	**224.5**	246.8	**216.0**	241.6	**64.1**	75.2	**4.6**	5.0	**1.9**	2.8	**90.9**	147.7	**2,313.2**	2,383.9
Total assets	**765.6**	957.0	**287.3**	297.6	**128.1**	133.5	**233.8**	196.3	**45.3**	48.7	**3.0**	2.4	**3.8**	1.5	**47.0**	67.5	**1,514.0**	1,704.5
Total financial assets	**41.0**	109.4	**4.6**	3.0	**12.2**	28.1	**0.5**	-27.2	**9.0**	12.9	**0.4**	-0.7		-0.7		2.9	**67.6**	127.7
Total liabilities	**883.6**	878.4	**172.3**	191.4	**66.1**	59.9	**197.2**	177.1	**39.3**	39.9	**6.0**	6.6	**0.6**	0.6	**80.1**	63.0	**1,445.2**	1,416.9
Total investments in (in)tangible assets	**15.7**	13.6	**3.3**	8.6	**2.7**	2.4	**3.9**	4.6	**0.2**	0.8					**-1.0**		**24.8**	30.0

2019 Restated for reporting purposes. Please refer for the restated figures of 2019 to note 30.

22. Staff costs

	2020	2019
Wages and salaries	551,565	577,261
Social security contributions	103,444	109,152
Defined contribution plans	45,117	46,198
Defined benefit plans	3,555	3,866
Temporary agency staff	63,097	66,374
Other staff costs	69,019	89,162
Total	835,797	892,013

The temporary agency staff relate to costs for temporary workers. The other staff costs relate to other costs for employees, such as costs for mobility.

At December 31, 2020, the number of employees in the Group, expressed in full-time equivalents, was 9404 (2019: 9851). The breakdown is as follows:

	2020	2019
The Netherlands	5832	6097
Other Europe	2988	3162
US	348	373
South America	76	103
Asia	138	116
Other	22	-
Total	9404	9851

23. Related parties

<u>Identification</u>
Oranjewoud N.V. is per the date of the financial statements for 99.09% (at year end 2020: 98.96%) owned by Sanderink Investments B.V., however since June 1, 2023 all the shares minus one have been put in custody with a custodian (*beheerder)* due to a decision of the Enterprise Chamber of the Court in Amsterdam. All shares in the capital of Sanderink Investments B.V. are in the form of depositary receipts (*certificaten van aandelen*). Stichting Administratiekantoor Sanderink Investments ('Administratiekantoor') is sole shareholder of Sanderink Investments. Mr. G.P. Sanderink is sole board member of Administratiekantoor and (as far as we know) also holder of all depositary receipts issued by Administratiekantoor.

The related parties of the Group consist of key managers and members of the Board of Directors and Supervisory Board as well as subsidiaries, joint ventures and other related parties.

Key management personnel

- the Board of Directors of Oranjewoud N.V. consisted in 2020 of:
    - G.P. Sanderink
- the Supervisory Board members of Oranjewoud N.V., being:
    - H.G.B. Spenkelink,
    - W.G.B. te Kamp and
    - M.J.C. Janmaat (resigned 12 February 2020).
- the Executive Board of Sanderink Investments B.V., being G.P. Sanderink;

Subsidiaries & Joint ventures

For a list of all related subsidiaries and joint ventures of Oranjewoud N.V., we refer to note 31 of these financial statements.

(In)direct Parent companies

- Stichting Administratiekantoor Sanderink Investments and its subsidiaries and interests in other entities and
- Sanderink Investments B.V. and its subsidiaries and interests in other entities.

Transactions with executive board members and managers in key positions
Managers in key positions are those persons who are authorized and responsible for the planning, direction, and exercise of control over the entity's operations. The directors of Oranjewoud N.V., the directors of Antea Group, and the directors of Strukton Groep are the managers who have been identified as managers in key positions. Pay and employee benefits for managers in key positions are made up of the following components:

	2020	2019
Short term employee benefits	1,110,328	1,559,879
Post-employment benefits	34,352	41,514
Total	1,144,680	1,601,393

Oranjewoud N.V. paid for the only director (Mr. Sanderink) a management fee to Sanderink Investments B.V. This management fee is reflected in the table above and amounts to €230,000 (2019: €275,000). No loans, advances or related guarantees have been issued to the management.

Transactions with Supervisory Board members
The remuneration for the members of the Supervisory Board, consisting only of fixed short term employee benefits, is:

	2020	2019
H.G.B. Spenkelink	52,500	52,500
J.P.F. van Zeeland (until October 24, 2019)	-	28,500
W.G.B. te Kamp (as from October 24, 2019)	43,500	15,000
H.P.J.M. Jans (until June 30, 2019)	-	14,250
M.J.C. Janmaat (as from October 24, 2019 until February 12, 2020)	-	15,000
Total	96,000	125,250

Other transactions with related parties
Purchases from related parties were made at normal market prices and concern IT related purchases from Centric Holding B.V. and its subsidiaries in "the normal course of business" of both Oranjewoud and other companies belonging to the Group. The total amount of these purchases amounted to €5.6 million (2019: €4.4 million). As of the year-end, we have the following outstanding receivables and liabilities due to transactions with Sanderink Investments B.V.: receivables €303,000 (2019: €9,000) and liabilities nil (2019: €339,000). Outstanding receivables and payables relating to transactions with Sanderink Investments B.V. as per year-end are not covered by collaterals nor interest-bearing. In addition, there is a subordinated loan of Sanderink Investment B.V. of €16 million (2019: €11 million) with an interest of 5.0%. In 2020 there are also subordinated loans from Centric Holding B.V. (€6.5 million), MAFO Holding B.V. (€2.0 million) and Sanderink Holding B.V. (€1.5 million) with an interest of 5.0% per year. See also note 16 "Subordinated loans".

Balances outstanding at year-end are not covered by collateral security, carry no interest and are settled in cash. Current account balances with foreign related entities carry interest, with a limited divergence from the current variable market rate of interest. No guarantees have been issued nor received for the amounts payable to or receivable from related parties.

24. Other operating expenses

	2020	2019 *)
Facility expenses	12,403	19,153
Office expenses	10,197	13,442
Selling expenses	5,063	21,895
Other expenses	208,293	155,857
Total	235,956	210,347

*) Restated for reporting purposes. Please refer for the restated figures of 2019 to note 30.

In 2020, government grants with a total amount of €4.2 million (Strukton Civil) were received, which are recorded in the result in 2020 (2019: €0.5 million). The relevant grants of 2019 were deducted from other operating expenses. The government grants of 2020 concern governmental (relief) schemes which were used in connection with Covid-19 for a total amount of approximately €4.2 million, which is fully reflected in personnel expenses (wages and salaries).

25. Financial income and expenses

		2020	2019
Financial income:	Interest income	1,085	3,649
	Sublease interest income	11	14
	Interest accruals on financial non-current assets	4,888	2,145
	Result on investments in equity instruments	246	285
	Exchange gains	2,541	747
	Subtotal	8,771	6,840
Financial expense:	Third-party interest expenses	(5,711)	(9,599)
	Non-recourse PPP financing interest expenses	(9,325)	(6,199)
	Interest expense lease obligations	(1,985)	(2,033)
	Exchange losses	(3,289)	(93)
	Hedging results	(2,207)	(348)
	Subtotal	(22,517)	(18,272)
	Total finance revenue and costs	(13,746)	(11,432)

In comparison to 2019, the balance of financial income and expenses was €2.3 million more negative. This is mainly due to foreign exchange losses. In the financial results, no changes in the fair value of financial fixed assets are recognized.

26. Income Tax

The main components of the corporate income tax expense for 2020 and 2019 were:

	2020	2019
Current corporate income tax		
Corporate income tax payable on result for the year	27,239	14,021
Adjustment tax expense previous years	(386)	1,562
Deferred corporate income tax		
Relating to acquisition of associates concerning intangible assets and property, plant and equipment	(7,755)	1,055
Relating to valuation of carry-forward losses	17,906	1,816
Relating to other temporary differences	(3,096)	3,233
Corporate income tax presented in the statement of income	33,908	21,687

The reconciliation between the nominal and the effective tax rate is as follows:	2020	%	2019	%
Result before income tax	(184,620)		17,756	
Nominal corporate income tax	(46,155)	25.0	4,439	25.0
Effect adjustment tax expense previous years	(386)	0.2	1,562	8.8
Effect adjustment deferred tax rate	(204)	0.1	134	0.8
Participation exemption	180	(0.1)	(602)	(3.4)
Effect of tax rates in foreign jurisdictions	2,464	(1.3)	988	5.6
Tax provision addition	10,646	(5.8)	-	-
Movement deferred tax asset relating to fiscal revaluation of tangible fixed assets	(5,480)	3.0	-	-
Impairment goodwill	3,769	(2.0)	625	3.5
(Not) valued compensable losses	42,828	(23.2)	7,917	44.6
Impairment of deferred tax asset	23,738	(12.9)	5,000	28.2
Other, including non-deductable costs	2,508	(1.4)	1,623	9.1
Total	33,907	(18.4)	21,687	122.1

The effective tax rate in 2020 and 2019 differs sharp from the nominal rate. The main effect in 2019 is caused by no recognition of compensable losses and the impairment of the deferred tax asset. The main effect in 2020 is caused by no recognition of compensable losses.

27. Cash flow statement

In the cash flow statement the changes without a cash flow have been made visible separately as a part of the operational cash flow. Besides that the interest received, the interest paid and the income tax paid have been stated separately. The total net cash flow in 2020 is €13.4 million positive (2019: €10.4 million positive). The operational cash flow in 2020 is €131.0 million positive (2019: €107.7 million positive).

28. Subsequent events

COVID-19 facilities

Within the Group, Strukton Groep has used the Covid-19 facilities as provided by the Dutch government. This relates to NOW (wage support) and Special postponement of payment due to the corona crisis. The NOW wage support relates to all periods for which the support was available in 2020 and 2021 and amounts to a total of €25.2 million, from which €6.9 million relates to 2020. The final submission of the NOW-declaration of the 2021, including an unqualified audit opinion, have taken place in November 2023. The Special postponement of payment due to the corona crisis relates to VAT and wage tax over the period February until June 2021. Payment of these VAT and wage tax of in total €57.2 million started in October 2022 and will be repaid in 60 months according to the facility. A portion of €11.4 million relates to the segment Technology and Buildings (Strukton Worksphere), which was divested in 2022. A Covid-19 guarantee for loans was also provided by the Italian government amounting to a total amount of €45.5 million. Furthermore, in the US, a loan has been provided in 2020 and forgiven in 2021 for an amount of €6.4 million.

Sale of Strukton Worksphere and impact on financing structure

At year-end 2020, there was a financing agreement consisting of a current account facility with a bank consortium of €60 million. This follows from a financing agreement concluded on April 13, 2018 for the Dutch companies. On April 13, 2018 a new financing agreement was concluded for the financing of the Dutch companies with a term of three years, with two options for an extension for one year. In May 2020 Strukton Groep N.V. extended the current cash financing by six months until October 13, 2021 and reduced it to €80 million. In December 2020, the facility was further reduced to €60 million. In October 2021, the cash facility was again extended by three months until January 15, 2022 and reduced to €36.2 million.Strukton Groep N.V. sold the shares of Strukton Services B.V. on January 27, 2022 to SPIE Nederland B.V. The proceeds of this transaction have significantly improved Strukton Groep's financial position and solvency. In the context of this transaction a refinancing of the credit and guarantee facility has been completed. The cash facility has been fully repaid and closed due to this refinancing. As of this date, Strukton Groep has sufficient independent liquidity capacity and there are no longer any financial covenants.

Developments in projects

Given the filing of the financial statements 2020 in 2024, numerous subsequent events occurred which (may) gave rise to an adjustment of the valuation of our projects in 2020. We refer to paragraph 'Accounting considerations on key projects' as part of the 'Significant estimates and assumptions in the consolidated financial statements', in which we describe the developments in our key projects, including the subsequent events after balance sheet date.

Agreement with consortium members Riyadh Metro Project

Strukton has reached an agreement on a process with the other consortium members in January 2023. This agreement aimed to regulate a process pursuant to which Strukton transfers the bank guarantees and its participation in the various consortia, joint ventures and entities of the Riyadh metro project to the other members. The agreement handed over responsibilities with regards to the project to the consortium and was effected during June 2023. This also resulted in the release of the cash collaterals related to this project for an amount of €26 million. Considering the finalisation of the agreement, no further negative financial impact is expected relating to the Riyadh Metro Project.

Organisational changes Rail Infrastructure segment

Strukton Rail was reorganised in 2021 in subdivisions in order to improve efficiency, decisiveness as well as insights in revenues and results. Strukton Rail now consists of the following divisions, which report directly to Strukton Group management: (I) Strukton Rail Netherlands/Belgium (II) Strukton Rail Nordics (Sweden, Denmark and Norway) (III) Strukton Rail Italy.

A dedicated, distinct of the rail operations, company focussing on electrification has been formed named Strukton Power (consisting of Strukton Rail Asset Management / Strukton Systems / Strukton Rolling Stock / A1 Electronics Netherlands / Strukton Rail North America Inc.). The organisational changes have no impact on the financial position 2020, because this is a non-adjusting event.

Organisational changes Civil Infrastructure segment
The Civil Infrastructure segment suffers from a number of negative project results and a non-competitive overhead cost base mainly as a result of its regional and complex organisational structure. Strukton Civil was reorganised in 2022 in order to improve efficiency, decisiveness as well as insights in revenues and results. Since September 2022, Strukton Civil now consists of the following divisions, which both report directly to Strukton Group management: (I) Strukton Roads & Concrete and (II) Strukton Infrastructure Specialties.

The portfolio entities which were part of the Civil segment are no longer part of the civil-organisation, but are managed as portfolio companies under Portfolio Investment Holding B.V. The organisational changes have no impact on the financial position 2020, because this is a non-adjusting event.

Change in management Oranjewoud N.V.
On March 17, 2023 the Supervisory Board suspended Mr. Sanderink as CEO of Oranjewoud N.V. with immediate effect for a period of three months. In addition, at the request of the Supervisory Board, the Enterprise Chamber rendered its ruling on June 1, 2023. In this ruling, the Enterprise Chamber (in short) has come to the decision that a continuation of the involvement of Mr. Sanderink is currently not in the interest of Oranjewoud N.V. Therefore, the Enterprise Chamber has (as requested by the Supervisory Board) suspended Mr. Sanderink as statutory director of Oranjewoud. The members of the Supervisory Board initially took over management as per March 17, 2023. As per July 15, 2023 the Supervisory Board have appointed Mr. Rob van Wingerden and Mr. Yde van Hijum as interim board members of Oranjewoud N.V. In the General Shareholder's Meeting of July 26, 2023 both interim board members have been appointed as board members.

Change in management Strukton Groep N.V.
As per October 1, 2021, Mr. Erik Hermsen stepped down as director of Strukton Groep. Mr. Gerard Sanderink succeeded him as chairman of the Board. Mr. Mark de Haas joined the Board as CFO starting July 1, 2021. Mr. Arthur Vlaanderen succeeded Mark de Haas as CFO as per September 1, 2022 (without being a statutory director of the company). On March 17, 2023 the Supervisory Board suspended Mr. Sanderink as CEO of the Strukton Group Executive Board with immediate effect for a period of three months. Just like the situation for Oranjewoud N.V., the Enterprise Chamber has suspended Mr. Sanderink as statutory director of Strukton Groep and the members of the Supervisory Board took over management of Strukton Groep N.V. as per that date. On July 15, 2023 Mr. Rob van Wingerden has been appointed as interim CEO and Mr. Mark de Haas has been appointed as interim CTO (Chief Transition Officer). As of that date, they form the Strukton Group Executive Board (as statutory directors) together with Mr. Arthur Vlaanderen as CFO (non-statutory director).

Change in supervisory board
As per March 22, 2022, Mr. H.G.B. Spenkelink and Mr. W.G.B. te Kamp resigned as members of the Supervisory Board. As per the same date Mr. J.M. Kuling and Mr. A. Schoots were appointed as Supervisory Board members. Mr. B.C. Fortuyn was appointed as Supervisory Board member as of April 1, 2022 and Mr. J.J.A. van Leeuwen was appointed as member as of May 1, 2022.

Other events
As per August 18, 2021, all shares of Edel Grass B.V. have been sold. Furthermore, on November 16, 2023 Strukton Group and SPIE reached an agreement regarding the sale of the Grid Solutions Activities of Strukton Systems (part of Strukton Power). This transaction entails the sale of projects including personnel that will be transferred to SPIE. The sale is expected to be finalised by the end of December 2023.

The sale of both Edel Grass B.V. and the Grid Solutions activities have no impact on the financial position of 2020 as this is considered to be a non-adjusting event.

Conversion of subordinated and other loans to share premium
As of December 18, 2023 Strukton Groep N.V. had subordinated and other loans outstanding with its parent company Oranjewoud N.V. Of these subordinated and other loans, an amount of €69.8 million has been converted to share premium through a capital contribution, significantly increasing the shareholder's equity of Strukton Groep N.V. and its solvency.

29. Services rendered for concessions and public private partnership (ppp)

Oranjewoud group companies participated in special purpose companies for ppp concession projects during 2020. These companies have entered into a concession agreement for providing services. All agreements are based on a public-private partnership (ppp). These are referred to as DBFM(O) contracts - Design, Build, Finance, Maintain and Operate contracts.

Companies over which the Group can jointly exercise control are recognised as joint ventures or joint operations. If the Group cannot exercise joint control, the company is recognised as an associate or an investment in equity instruments.

The following applies for all concession agreements:

- The concession payments depend on the availability of infrastructure or accommodation.
- Insofar as the fees concern the provision of support and other services, they are recognised in proportion to the delivery of the services.
- The concession agreements contain provisions for indexation, and certain elements of the agreements can be amended with reference to a benchmark.
- The Group itself does not own the infrastructure or accommodation.
- The volatility of revenues is limited.
- The concession agreements do not allow for renewal.

Schoolbuildings
The Group holds a 20% stake (2019: 20%) in Talentgroep Montaigne B.V. The concession agreement is a DBFM contract for construction, maintenance and management of a school building for the Montaigne Lyceum high school in The Hague. The concession started in 2004 and runs until 2034.

During 2020 the Group has divested the 10% stake in SPC ISE B.V. The concession agreement was a DBFMO contract for the construction, maintenance and operation of a school building for the International School in Eindhoven.

Public buildings
The Group holds a 6% (2019: 6%) stake in DUO2 B.V. The concession agreement is a DBFMO contract for construction, maintenance and management of the shared accommodations of the Education Executive Agency (Dienst Uitvoering Onderwijs) and the Tax Administration (Belastingdienst) in Groningen. The concession started in 2008 and runs until 2031.

During 2019, the Group has acquired the remaining 50% share in MEET Strukton Holding B.V. (formerly Strukton Hurks Heijmans Holding B.V.) from Hurks and Heijmans. This means that the Group is the full owner of MEET Strukton Holding B.V. since June 8, 2019. The concession agreement concerns a DBFMO contract for the construction, maintenance and operation of the new housing of RIVM (National Institute for Public Health and the Environment) at Utrecht Science Park. The concession commenced in 2014 and runs until 2043, but is subject to further delays resulting from contracting Authority Change Orders to the laboratories, as described in the Going concern assumption paragraph in the Summary of significant accounting policies section of this report.

During 2020, the Group has divested the 80% stake in the consortium R Creators Holding B.V. (effective since July 2015). The concession agreement was a DBFMO contract for the redevelopment of the De Knoop government office building. This project involves a combination of partial demolition, renovation and expansion at the premises of the former Knoopkazerne barracks in order to realise a combined office and meeting centre with approximately 30,000 m2 of gross surface area for the national government. The realisation phase started in the spring of 2016 and the national government building was commissioned in early 2019.

Infrastructure
During 2020, the Group has divested the 4.8% stake in A-Lanes A15 B.V. The concession agreement was a DBFM contract for the construction and maintenance of sustainable infrastructure solutions for the Maasvlakte–Vaanplein section of the A15 motorway, which will ensure maximum traffic flows and safety both during and after completion of the construction.

The special purpose companies in question were financed with non-recourse loans. Repayment and interest guarantees were not issued by the Group.

30. Revisions and restatements of comparative numbers 2019
The 2019 comparative numbers have been revised and restated in order to reflect the correct comparative numbers for 2019.

The first restatement relates to the consolidation of Strukton Construction & Trading WLL. This was previously erroneously accounted for as an associate, where it should have been consolidated based on IFRS 10.20 (1.).

The restatement in MEET Strukton B.V. relates to an error in prior year in which a prepayment was erroneously accounted for as a non-current liability. The prepayment directly relates to the ppp-receivables as accounted for in the statement of financial position. Ppp-receivables are recognized as financial non-current assets and are held within a business model designed to hold financial assets to receive contractual cash flows. In line with IFRIC 12 the received prepayment should have been deducted from the non-current assets because of this payment being directly related to the non-current assets. This has been correctly reflected in the 2020 figures where the below schedule includes the effect on the comparative figures of 2019 (2.).

The reclassifications between other payables and provisions are mostly related to restructuring expenses that were previously classified as other payables, while these should have been classified as provisions based on IAS 37.70. The reclassifications between property, plant and equipment and right-of-use assets are related to property, plant and equipment that concerned leased assets that should have been classified as right-of-use assets as they met the criteria as defined in IFRS 16. The reclassifications between property, plant and equipment and intangible assets concern software which should have been classified as intangible assets based on the criteria of IAS 38. These reclassifications are included in the table below as restatements (3.).

The 2019 comparative figures have been revised in order to reflect the correct comparative figures for 2020 for improved presentation purposes. This revision is related to the offsetting of the ppp-receivables and the contract liabilities related to the MEET RIVM project and these positions have been offset as they relate to the same external party (4).

The revisions and restatements have the following effect on the comparative figures of 2019:

Revised and restated figures statement of financial position

	Intangible assets	Property, plant and equipment	Right-of-use assets	Investments in associates and joint-ventures	Other financial non-current assets	Contract assets	Trade and other receivables	Cash and cash equivalents	Non-current liabilities	Provisions	Contract liabilities	Trade and other payables
2019												
Carrying amount as at 1 January 2019	**78,160**	**166,708**	**131,373**	**40,535**	**62,879**	**276,176**	**625,867**	**275,950**	**215,879**	**70,934**	**242,756**	**632,260**
1. Restatement of error (Qatar consolidation)	-	1,100	-	-	-	-	1,699	164	-	-	-	2,963
2. Restatement MEET Strukton	-	-	-	-	(17,093)	-	-	-	(17,093)	-	-	-
3. Restatement of errors (Reclassifications)	1,394	(13,594)	12,200	-	-	-	-	-	-	-	-	-
4. Offsetting ppp-receivables and contract liabilities related to MEET RIVM	-	-	-	-	(9,414)	-	-	-	-	-	(9,414)	
Carrying amount as at 1 January 2019 revised and restated	**79,554**	**154,214**	**143,573**	**40,535**	**36,372**	**276,176**	**627,566**	**276,114**	**198,786**	**70,934**	**233,342**	**635,223**
Carrying amount as at 31 December 2019	**72,822**	**163,715**	**136,269**	**41,871**	**82,901**	**274,903**	**542,612**	**282,664**	**238,166**	**71,287**	**205,398**	**388,306**
1. Restatement of error (Qatar consolidation)	-	1,005	-	-	-	3,625	226	99	-	-	-	4,955
2. Restatement MEET Strukton	-	-	-	-	(17,093)	-	-	-	(17,093)	-	-	-
3. Restatement of errors (Reclassifications)	1,394	(11,226)	9,832	-	-	-	-	-	-	1,836	-	(1,836)
4. Offsetting ppp-receivables and contract liabilities related to MEET RIVM	-	-	-	-	(20,869)	-	-	-	-	-	(20,869)	-
Carrying amount as at 31 December 2019 revised and restated	**74,216**	**153,494**	**146,101**	**41,871**	**44,939**	**278,528**	**542,838**	**282,763**	**221,073**	**73,123**	**184,529**	**391,425**

Restated figures statement of income

	2019 (restated)	1. Qatar consolidation (restatement of error)	**2019**
Revenue	**2,383,871**	18,072	**2,365,799**
Costs of raw materials, consumables, subcontracted work and other external costs	**(1,181,696)**	(19,649)	**(1,162,047)**
Other operating expenses	**(210,347)**	(1,008)	**(209,339)**
Share of result from associates and joint ventures	**5,028**	2,585	**2,443**
	996,856	**-**	**996,856**

Restated figures statement of cash flows

	2019 (restated)	1. Qatar consolidation (restatement of error)	2/3. Reclassifications (restatement of errors)	4. Revision offsetting ppp-receivable and contract liabilities MEET	**2019 (restated and revised)**
Net cash (used in)/generated by operating activities	123,072	392	(214)	20,869	102,025
Net cash (used in)/generated by investment activities	(52,842)	(293)	(51)	(20,869)	(31,629)
Net cash (used in)/generated by financing activities	(59,866)	-	265		(60,131)
Total net cash (used)/generated	**10,364**	**99**	**-**	**-**	**10,265**

31. Overview of Group companies and interests in other entities

The consolidated subsidiaries and the equity interest percentages are:

	Capital interest (%) 2020	2019
Oranjewoud N.V., Gouda 1)	100	100
Antea Nederland B.V., Heerenveen 1)	100	100
CB5 B.V. (Croonen B.V.), Rosmalen 1)	100	100
BodemBasics B.V., Oosterhout	100	100
Oranjewoud Beheer B.V., Heerenveen 1)	100	100
Ingenieursbureau Oranjewoud III B.V., Heerenveen 1)	100	100
Oranjewoud International B.V., Heerenveen 1)	100	100
Antea Inspection B.V., Heerenveen 1)	100	100
Hannover Milieu- en Veiligheidstechniek B.V., Rotterdam 1)	100	100
WeGroSan/HMVT B.V.B.A., Antwerpen (Belgium)	100	100
Antea Belgium N.V., Antwerpen (Belgium)	100	100
Antea Group N.V., Gouda 1)	100	100
Inogen Global Holding Inc., Delaware (U.S.)	100	100
Antea USA Inc., St. Paul (U.S.)	100	100
AG Participations SNC, Olivet (France)	100	100
Antea France SAS, Orléans (France)	100	100
Antea Burkina Faso, Ouagadougou (Burkina Faso)	100	100
Antea Mali SASU, Bamako (Mali)	100	100
Antea Benin SASU, Cotonou (Benin)	100	100
Groupe IRH Environnement SAS, Gennevilliers (France)	100	100
ICF Environnement SAS, Gennevilliers (France)	100	100
IRH Ingenieur Conseil SAS, Gennevilliers (France)	100	100
Antea Colombia SAS, Bogotá (Colombia)	100	100
Antea Iberolatam SLU., A Coruña (Spain)	100	100
Iceacsa Colombia SAS, Bogotá (Colombia)	100	100
Antea Iberolatam SL, Ciudad de Panamá (Panama)	100	100
Antea Mexico Consultores SA de CV, México (Mexico)	100	100
Iceacsa Peru SAC, Lima (Peru)	100	100
Antea Polska S.A., Katowice (Poland)	100	100
Antea Group Ventures B.V., Heerenveen 1)	100	100
Antea India Pvt. Ltd, New Delhi (India)	100	100
Oranjewoud Realisatie Holding B.V., Gouda 1)	100	100
Antea Realisatie B.V., Oosterhout 1)	100	100
Van der Heide Beheer B.V., Kollum 1) #	100	100
Van der Heide Bliksembeveiliging B.V., Kollum 1) #	100	100
Van der Heide Bliksembeveiliging Inspecties B.V., Kollum 1) #	100	100
Van der Heide Opleidingen & Inspecties B.V., Kollum 1) #	100	100
Van der Heide Cathodic Protection & Corrosion Engineering B.V., Kollum 1) #	100	100
Instituut voor Technische Vakexamens B.V., Kollum 1) #	100	100

	Capital interest (%) 2020	2019
Gebrüder Becker G.M.B.H., Taunusstein-Hahn (Germany)	100	100
Edel Grass B.V., Genemuiden #	100	100
Oranjewoud Detachering Holding B.V., Gouda [1]	100	100
TecQ B.V., Capelle aan den IJssel [1]	100	100
InterStep B.V., Utrecht [1]	100	100
InterStep Projects B.V., Utrecht [1]	100	100
InterStep Professionals B.V., Utrecht [1]	100	100
Nexes Services B.V., Utrecht [1]	100	100
Ingenieursbureau Oranjewoud II B.V., Gouda	100	100
Oranjewoud Holding B.V., Gouda [1]	100	100
KSI Interactive B.V., IJsselstein [1]	100	100
Delphi Data B.V., Gouda	100	100
Multihouse Technical Scientific and Industrial B.V., Gouda	100	100
Strukton Groep N.V., Utrecht [2]	100	100
Strukton Rail B.V., Utrecht	100	100
Strukton Rail Nederland B.V., Utrecht [2]	100	100
Strukton Rail Short Line B.V., Utrecht [2]	100	100
IWORKX B.V., Utrecht [2]	100	100
Strukton Rolling Stock B.V., Utrecht [2]	100	100
Strukton M&E B.V., Maarssen [2]	100	100
Strukton Embedded Solutions, Utrecht [2]	100	100
Strukton Systems B.V., Utrecht [2]	100	100
Strukton Rail Equipment B.V., Utrecht [2]	100	100
Strukton Rail Asset Management B.V., Utrecht [2]	100	100
Strukton Railinfra Projecten B.V., Utrecht [2]	100	100
Strukton Rail Italy S.r.l., Bologna (Italy)	100	100
Uniferr S.r.l., Reggio Emilia (Italy)	100	100
Promofer S.r.l., Rome (Italy)	100	100
FER RENT S.r.l., Milano (Italy)	100	100
Costruzioni Linee Ferroviari S.p.A., Bologna (Italy)	100	100
CLF Albania SHPK , Tirane (Albanië)	-	100
Construzioni Linee Ferroviari CLF C.A., Caracas (Venezuela)	100	100
Sviluppo 2010 S.r.l., Bologna (Italy)	100	100
S.I.F.EL S.p.A., Spigno Monferrato (Italy)	100	100
Société d'Installations Ferroviaires et Electriques MarocRabat (Maroc)	100	100
Tecno Engineering System S.r.l., Bologna (Italy)	100	100
AR.FER S.r.l., Alessandria (Italy)	100	100
Strukton Construction Trading WLL, Doha (Qatar)	95	95
Strukton Rail Australia PTY Ltd., Perth (Australia)	100	100
Strukton Rail International B.V., Utrecht [2]	100	100
Nova Gleisbau A.G., Baar (Switzerland)	100	100
Strukton Rail N.V., Merelbeke (Belgium)	100	100
Siebens Spoorbouw B.V.B.A., Wilrijk (Belgium)	100	100
Strukton Railinfra A.B., Stockholm (Sweden)	100	100

	Capital interest (%) 2020	2019
Strukton Rail A.B., Stockholm (Sweden)	100	100
RBS ban och signal A.B., Stockholm (Sweden)	100	100
Strukton Rail A/S, Kopenhagen (Denmark)	100	100
Strukton Rail Västerås A.B., Stockholm (Sweden)	100	100
SR Kraft A.S., Oslo (Norway)	100	100
Strukton Rail Holding A/S, Taastrup (Denmark)	100	100
Strukton Rail S-Bane A/S, Taastrup (Denmark)	100	100
Strukton Rail North America Inc., Wilmington, Delaware (U.S.)	100	100
Strukton Rail North America Power & Rolling Stock LLC (U.S.)	100	-
THV Noordzuidlijn , Merelbeke (Belgium)	100	100
Strukton Civiel B.V., Utrecht [2)]	100	100
Strukton Civiel Projecten B.V., Utrecht [2)]	100	100
GBN Holding B.V., Utrecht	100	100
GBN Groep B.V., Utrecht [2)]	100	100
GBN Immobilisatie, Utrecht	100	100
Grondbank Stadskanaal B.V., Utrecht	100	100
Grind & Ballast Recycling Nederland B.V., Utrecht [2)]	100	100
A-Lanes Asset Management B.V., Utrecht [2)]	100	100
A1 Electronics Netherlands B.V., Almelo [2)]	100	80
Buca Electronics B.V., Almelo [2)]	100	80
Terracon Molhoek Beheer B.V., Werkendam [2)]	100	100
Terracon Funderingstechniek B.V., Nieuwendijk [2)]	100	100
Terracon International B.V., Nieuwendijk [2)]	100	100
Terracon Spezialtiefbau G.M.B.H., Berlin (Germany)	100	100
Molhoek Aannemingsbedrijf B.V., Nieuwendijk [2)]	100	100
Strukton Engineering B.V., Utrecht [2)]	100	100
Strukton Prefab Beton B.V., Utrecht [2)]	100	100
Strukton Civiel Regio Noord & Oost, Oldenzaal [2)]	100	100
Strukton Civiel Noord & Oost B.V., Oldenzaal [2)]	100	100
Reef GmbH. Gronau (Germany)	100	100
Strukton Civiel Regio West B.V., Scharwoude [2)]	100	100
Strukton Civiel West B.V., Scharwoude [2)]	100	100
Strukton Civiel West Materieel B.V., Scharwoude [2)]	100	100
Strukton Civiel West Transport B.V., Scharwoude [2)]	100	100
Ooms Producten B.V., Scharwoude [2)]	100	100
Unihorn B.V., Avenhorn [2)]	100	100
Unihorn Astana Ltd. i.l. **Astana (Kazakhstan)	100	100
Strukton Milieutechniek B.V., Utrecht [2)]	100	100
Strukton Civiel Regio Zuid B.V., Utrecht [2)]	100	100
Strukton Civiel Zuid B.V,, Breda	100	100
Tensa B.V., Nieuwendijk [2)]	100	100
Reanco B.V.. Breda	100	100
Rasenberg Verkeer & Mobiliteit B.V., Breda	100	100
Recycling & Overslag Breda B.V., Breda	100	100
Van Rens B.V., Horst [2)]	100	100

	Capital interest (%) 2020	2019
Colijn Beton- en Waterbouw, Breda [2)]	100	100
Strukton Civiel Startup & Innovation Centre B.V., Utrecht	100	-
Strukton Immersion Projects B.V., Utrecht [2)]	100	100
Strukton Immersion Projects Inc., Vancouver (Canada)	100	-
Strukton Immersion Projects B.V. Turkije Branch, Istanbul (Turkey)	100	100
Onderwatertechniek Nederland B.V., Utrecht [2)]	100	100
Ooms PMB B.V., Scharwoude [2)]	100	100
Ooms PMB HK Ltd., Hong Kong (China)	100	100
Comb. Strukton Infratechnieken - Colijn - Reef V.O.F., Utrecht	100	100
Colijn-Rasenberg V.O.F., Breda	-	100
RACO A59 V.O.F., Breda	-	100
Avenue2 Infra V.O.F., Nieuwegein	100	100
Meppelerdiepsluis V.O.F., Utrecht	100	100
Combinatie Geo Grid V.O.F., Utrecht	100	100
Strukton Bouw B.V. *, Utrecht	100	100
Strukton Van Straten B.V., Eindhoven	-	100
Strukton Revitalisatie en Ontwikkeling B.V., Utrecht	100	100
Strukton Gamma B.V., Utrecht	100	100
Strukton Delta B.V., Utrecht	100	100
C.V. Voorstadslaan, Utrecht	100	100
La Mondiale N.V., Etterbeek (Belgium)	100	100
Het Spaarne V.O.F., Utrecht	100	100
Strukton Services B.V., Utrecht	100	100
Strukton Worksphere B.V., Utrecht	100	100
Strukton Worksphere Bouw B.V., Utrecht	100	100
Strukton Worksphere België B.V.B.A., Tongeren (Belgium)	100	100
MEET RIVM CBG B.V., Utrecht	100	100
Strukton Integrale Projecten B.V.*, Utrecht [2)]	100	100
SPC Management Services B.V., Utrecht [2)]	100	100
Strukton Finance ESCo's Holding B.V., Utrecht [2)]	100	100
RGG cluster zwembaden ESCo Invest B.V., Utrecht [2)]	100	100
RGG KPP ESCo Invest B.V., Utrecht [2)]	100	100
Strukton Assets B.V., Utrecht [2)]	100	100
MEET Strukton Holding B.V., Utrecht [2)]	100	100
MEET Strukton B.V., Utrecht	100	100
Strukton Management B.V.*, Utrecht [2)]	100	100
Strukton Vastgoedbeheer en Facility Management B.V.,Utrecht	100	100
Servica B.V., Utrecht [2)]	100	100
Servica Advies B.V., De Meern [2)]	100	100
Strukton Materieel B.V.*, Utrecht	100	100
Strukton Vuka B.V., Utrecht	100	100
Strukton Elschot B.V., Utrecht [2)]	100	100

	Capital interest (%) 2020	2019
Molhoek-CCT B.V., Utrecht 2)	100	100
Strukton Infratechnieken B.V., Utrecht 2)	100	100
Strukton Microtunneling B.V., Maarssen 2)	100	100
Canor Benelux B.V., Utrecht 2)	100	100
Reanco Benelux B.V., Utrecht 2)	100	100
Bouwcombinatie DUO2 V.O.F., Maarssen	99.9	99.9
Strukton combinatie Rijswijk Delft Zd, Utrecht	100	100
Strukton International B.V., Utrecht 2)	100	100
Strukton International Denmark A/S, Kopenhagen (Denmark)	100	100
Strukton Specialistische Technieken B.V., Utrecht 2)	100	100
Strukton International Rail B.V., Utrecht 2)	100	100
Strukton International Belgium N.V., Merelbeke (Belgium)	100	100
Strukton International Deutschland G.M.B.H., Kleve (Germany)	100	100
Strukton Internacional Argentina S.A., Buenos Aires (Argentina)	100	100
Consolidated participations with third party share:		
J&E Sports B.V., Oss	85	85
Home Grass Group B.V., Oss	85	-
Mook Trading B.V., Nuenen	-	85
Modulas Beheer B.V., Gouda	52.5	52.5
Inogen Environmental Alliance Inc., Delaware (U.S.)	56.2	56.2
Antea Brazil, Sao Paulo (Brazil)	50.94	50.94
JPL Rail A/S, Orje (Norway)	70	30
Participations partially included in the consolidation:		
Tribase Datasystems & Network Services V.O.F., Utrecht	33.30	33.30
Combinatie Hollandia – Strukton Systems V.O.F., Utrecht	50	50
Strukton-Aarsleff JV I/S, Aarhus (Denmark)	45	45
SITEC Consorzio Stabile ferr., Bologna (Italy)	47.5	47.5
A-Lanes Civil V.O.F., Nieuwegein	45	45
HSL1 Hollandse Meren V.O.F., Utrecht	-	14.5
Combinatie Strukton Betonbouw-Van Oord ACZ (Noord-Zuidlijn), Utrecht	-	75
Bouwcombinatie HSL4 Drechtse Steden V.O.F., Zwijndrecht	-	15.7
Geluidschermen Combinatie HSL V.O.F., Zaandam	15.7	15.7
Avenue 2 V.O.F., Nieuwegein	50	50
GWW Combinatie A2 V.O.F., Arnhem	25	25
FC AV2 V.O.F., Nieuwegein	-	50
Combinatie Versterken Bruggen V.O.F., Capelle a/d IJssel	50	50
BPL Wegen, Rotterdam	50	50
Combinatie Buitenring V.O.F. (BPL Koepel), Rotterdam	33.33	33.33
Combinatie Spanstaal – Tensa V.O.F., Werkendam	50	50
A-Lanes A15 Mobility V.O.F., Nieuwegein	45	45

	Capital interest (%) 2020	2019
A-Lanes Roads V.O.F., Nieuwegein	45	45
DUOS V.O.F., Oldenzaal	50	50
A9V1. Utrecht	50	50
Combinatie Natuuronwikkeling Maasplassen V.O.F., Vinkel	50	50
Rions – Rasenberg, Sittard	50	50
Hydraphalt V.O.F., Scharwoude	50	50
CE-Asfaltonderzoek V.O.F., Scharwoude	50	50
Combinatie Ooms Ballast MNO V.O.F., Scharwoude	-	33.33
Zandexploitatie Westfriesland V.O.F., Scharwoude	50	50
Grondbank West Brabant V.O.F., Utrecht	50	50
Combinatie Dinteloord, Middelharnis	50	50
Combinatie Ooms –Schadenberg, Scharwoude	50	50
Combinatie K.Dekker – Ooms Construction Muiden, Warmenhuizen	50	50
Combinatie Zijkanaal D, Sliedrecht	50	50
Combinatie Colijn/Rasenberg/van den Herik, Sliedrecht	50	50
BNRA Gladheid V.O.F., Leerdam	50	50
Grondstoffen Recycling Burgum V.O.F., Utrecht	50	50
Grondstoffen Recycling Sappemeer V.O.F., Utrecht	50	50
Combinatie Tussen de Westfriezen V.O.F., Alkmaar	16.67	-
GBB Grondbank Budel V.O.F., Zeeland	50	50
Combinatie BNOC V.O.F., Leerdam	50	50
Combinatie Strukton Civiel / Oosterhof Holman, Oldenzaal	50	50
A-team V.O.F., Utrecht	50	50
Switch - Realisatie NW-2 V.O.F., Utrecht	50	-
Switch V.O.F., Utrecht	50	-
VOF Combinatie Strukton Arcadis Delft Interlocking, Utrecht	75	75
Combinatie Strukton-Den Ouden, Breda	50	-
Combinatie Strukton Civiel Zuid / Van den Herik V.O.F., Breda	50	-
Combinatie Sluis 0 Den Bosch, Sliedrecht	50	-
Combinatie Van den Herik – Strukton Civiel West, Scharwoude	50	50
4AMS V.O.F., Utrecht	33.33	-
Fast Riyadh Metro Alliance = Fast, Riyadh (Saudi-Arabia)	14.08	14.08
Construction Joint Venture (CJV), Riyadh (Saudi-Arabia)	17.96	17.96
Track Joint Venture (TJV), Riyadh (Saudi-Arabia)	8.08	8.08
Arge Instandsetzung Reinbrucke Maxau, Karlsruhe (Germany)	50	50
Arge A9 Guntersdorf Instands BW 68, Langen (Germany)	50	-
Grondontwikkeling Beilen B.V., Amsterdam	50	50
Safire Services V.O.F., Eindhoven	33.30	33.30
Bouwcombinatie Komfort V.O.F., Utrecht	50	50
Avenue 2 V.O.F., Nieuwegein	25	25
La Linea Leiden C.V., Rotterdam	50	50
RGG cluster Zwembaden ESCo Exploitatie V.O.F., Utrecht	50	50
SPARK V.O.F., Utrecht	50	50

	Capital interest (%) 2020	2019
R Creators DBMO V.O.F., Nieuwegein	45	45
Exploitatie maatschappij DC16 B.V., Nieuwegein	50	50
Exploitatie maatschappij Komfort B.V., Nieuwegein	50	50
ProCUS V.O.F., Utrecht	50	50
Bouwcombinatie de Jonkvrouw, Utrecht	50	-

Participations not included in the consolidation:

	2020	2019
Thermal Remediation Services Europe B.V., Ede	50	50
Reym-HMVT B.V., Ede	50	50
Aanlegkunstgrasvelden.nl B.V., Oss	18.7	18.7
J&E Sports Baltic UAB, Panevezys, (Lithuania)	43.35	43.35
Mhouse B.V., Gouda	23.9	23.9
AG-LEN BridgXperts SpA, Santiago (Chili)	63.5	63.5
Antea Group Ventures Beheer B.V., Oosterhout	50	50
CAG Ventures C.V., Oosterhout	50	50
Sky Survey B.V., Hoofddorp	24.5	24.5
4DR Studios B.V., Eindhoven	8.75	8.75
A-Lanes A15 Holding B.V., Nieuwegein	-	4,80
Exploitatie Maatschappij A-Lanes A15 B.V., Nieuwegein	50	50
R Creators Holding B.V., Utrecht	-	80
Shandong SRCC Rail Transit Technology Co.Ltd., Jinan (China)	45	45
Dual Inventive Holding B.V., Udenhout	-	50
Eurailscout Inspection & Analysis B.V., Utrecht	50	50
New Sorema Ferroviaria S.p.A., Brescia (Italy)	50	50
Frejus s.c.r.l. Bologna (Italy)	27.99	27.99
Willow Rail PTY Ltd, New South Wales (Australia)	50	50
C2CA Technology B.V., Utrecht	50	50
GBN Artificial Grass Recycling B.V., Utrecht	55	55
Grondstoffen Recycling Weert B.V., Weert	50	50
Noordelijke Asfaltproduktie (NOAP) B.V., Heerenveen	-	50
Combinatie Verkeersmaatregelen A-Lanes V.O.F., Rotterdam	50	50
Combinatie Ballast Nedam Infra Spec./Van Rens, Leerdam	30	30
bv Nederlands Wegen Markeerbedrijf, Oosterwolde	25	25
Sureco N.V., België	33.33	33.33
Aduco Holding B.V., Ede	25	25
Lareco Bornem N.V., Antwerpen (Belgium)	33.33	33.33
Tubex B.V., Oostburg	50	50
Hoka Noord-West V.O.F., ‘s-Hertogenbosch	50	50
Asfalt Productie Amsterdam B.V. (APA), Amsterdam	25	25
Asfalt Productie Rotterdam Rijnmond (APRR) B.V., Rotterdam	25	25
BituNed B.V., Reeuwijk	50	50

	Capital interest (%) 2020	2019
MT Piling B.V., Harmelen	50	50
SolaRoad B.V., Delft	20	20
Microtunneling Equipment Exploitatie B.V., Utrecht	50	50
Floow, Oldenzaal	50	50
DMI Nederland B.V., Weert	50	50
Fast Consortium LL, Riyadh (Saudi-Arabia)	17.96	17.96
Strukton LLC, Riyadh (Saudi-Arabia)	49	49
Petroserv Ltd./Strukton Construction and Trading WLL Doha (Qatar)	50	50
La Linea Leiden Beheer B.V., Rotterdam	50	50
Venturium Beheer B.V., Capelle a/d IJssel	25	25
ISE Exploitatie B.V., Eindhoven	34	34
A-Lanes Management Services B.V., Nieuwegein	25	25
A-Lanes A15 B.V., Nieuwegein	-	4.80
Profin B.V.B.A., Gent (België)	50	50
Voestalpine Railpro B.V., Hilversum	10	10
Strukton Finance Holding B.V.***, Utrecht	7.89	11.99

For the with # branded companies disclaimers have been issued by Oranjewoud N.V. as per December 31, 2020 in accordance with Article 403 of Title 9 of Book 2 Civil Code. However, in 2021 these disclaimers have been withdrawn.

For the with * branded companies disclaimers have been issued by Strukton Groep N.V. in accordance with Article 403 of Title 9 of Book 2 Civil Code.

** in liquidation

*** Strukton Finance Holding B.V.'s share capital is made up of different kinds of shares that are linked to various investments in ppp projects. The company's participations are generally 80/20 splits (DIF/Strukton), with the only exceptions being ISE Holding B.V., for which the share split is 90/10 (DIF/Strukton), and Strukton Finance B.V. (Delfluent) and Komfort Holding B.V., where all tracker shares are held by DIF.

1) These entities are part of the fiscal unity of Oranjewoud N.V. for corporate income tax.
2) These entities are part of the fiscal unity of Strukton Groep N.V. for corporate income tax.

With the Chamber of Commerce a list has been filed of all associates, joint ventures and joint operations (mainly building combinations) which are involved in the consolidation.

A list of participations as referred to in Article 379 and 414 of Book 2 Civil Code has been filed with the trade register in Rotterdam.

COMPANY STATEMENT OF FINANCIAL POSITION
before proposed result appropriation (in thousands of euros)

	12-31-2020		12-31-2019	
Non-current assets				
Intangible assets (32)		**16,685**		16,685
Subsidiaries (33)	**112,185**		281,812	
Receivables from group companies (34)	**73,862**		77,092	
Other financial fixed assets (35)	**27,250**		11,250	
		213,297		370,154
		229,982		386,839
Current assets				
Receivables (36)	**1,420**		1,519	
Cash and cash equivalents	**257**		424	
		1,677		1,943
Total assets		**231,659**		388,782
Equity				
Issued capital	**6,287**		6,287	
Share premium	**201,896**		201,896	
Translation differences reserve	**3,151**		4,420	
Hedging reserve	**(1,909)**		(4,116)	
Actuarial reserve	**(26,058)**		(26,067)	
Retained earnings	**103,467**		107,846	
Undistributed result	**(192,038)**		(4,379)	
Total equity (37)		**94,796**		285,887
Provisions (33)		**19,850**		412
Non-current liabilities				
Payables to group companies (38)	**7,610**		610	
Subordinated loans (16)	**16,000**		11,000	
Non-current liabilities (16)	**29,395**		31,186	
Total non-current liabilities		**53,005**		42,796
Current liabilities (39)		**64,008**		59,687
Total equity and liabilities		**231,659**		388,782

COMPANY STATEMENT OF INCOME
(in thousands of euros)

	2020	2019
Internal charges	**853**	928
Remuneration (40)	**(96)**	(160)
Other operating expenses (41)	**(1,037)**	(927)
Total operating expenses	**(1,133)**	(1,087)
Operating result	**(281)**	(159)
Financial income	**3,478**	3,216
Financial expenses	**(1,711)**	(1,540)
Net financial income/(expenses)	**1,767**	1,676
Share in result after taxes from subsidiaries	**(193,122)**	(5,628)
Result before taxes	**(191,636)**	(4,111)
Income tax	**(402)**	(268)
Net result for the year	**(192,038)**	(4,379)

NOTES TO THE COMPANY STATEMENT OF FINANCIAL POSITION

Oranjewoud N.V. is registered in the Dutch Trade Register under number 29030061

Accounting policies
The Company financial statements have been prepared in accordance with Part 9 of Book 2 of the Dutch Civil Code. In accordance with Section 362 (8) of Book 2 of the Code, the accounting policies applied are consistent with the accounting policies applied by Oranjewoud N.V. in the consolidated financial statements, with the exception of the accounting policy concerning subsidiaries. For the accounting policies see the notes to the consolidated financial statements.

Subsidiaries
Subsidiaries with a negative net asset value are valued at zero. Other long-term interests in these subsidiaries that are in substance part of the net investment (such as long-term receivables) are taken into account in this valuation. If the company fully or partly guarantees the debts of the subsidiary concerned, a provision is formed primarily against the receivables from this subsidiary and then in the other provisions for the share in the losses incurred by the subsidiary, or the expected obligations at the company on behalf of these subsidiaries.

For a list of all direct and indirect related subsidiaries and joint ventures of Oranjewoud N.V., we refer to note 31 of the consolidated financial statements.

32. Intangible assets	Goodwill
Carrying amount at January 1, 2019	16,685
Carrying amount at December 31, 2019	16,685
Balance at December 31, 2019:	
Cost	16,685
Accumulated amortization and impairments	-
Carrying amount	16,685
Carrying amount at January 1, 2020	16,685
Carrying amount at December 31, 2020	16,685
Balance at December 31, 2020:	
Cost	16,685
Accumulated amortization and impairments	-
Carrying amount	16,685

The goodwill is applicable for directly and 100% owned subsidiaries of CGUs and specified in the next table:

	31-12-2020	31-12-2019
Antea Nederland B.V.	3,353	3,353
Strukton Rail Infrastructure	11,832	11,832
Strukton Technology and Buildings	1,500	1,500
	16,685	16,685

Please refer to note 1 of the consolidated financial statements for other disclosure requirements regarding goodwill.

33. Subsidiaries and provisions	Subsidiaries	Provisions	Total
Position at January 1, 2019	272,212	(461)	271,751
Capital funding	10,000	-	10,000
Change in actuarial reserve	(10,688)	-	(10,688)
Change in hedge reserve	(670)	-	(670)
Translation differences	904	-	904
Transactions with minority shareholders	15,731	-	15,731
Reported result	(5,677)	49	(5,628)
Position at December 31, 2019	281,812	(412)	281,400
Position at January 1, 2020	281,812	(412)	281,400
Capital funding	20,000	-	20,000
Change in actuarial reserve	9	-	9
Change in hedge reserve	2,207	-	2,207
Dividend payment	(15,000)	-	(15,000)
Translation differences	(2,545)	-	(2,545)
Other movements	(614)	-	(614)
Reported result	(173,684)	(19,438)	(193,122)
Position at December 31, 2020	112,185	(19,850)	92,335

Subsidiaries with negative net asset value are valued at nil as far as no liability statements have been provided, except for the result of Strukton Groep N.V. The addition in the provision for subsidiaries is related to the negative equity of Strukton Groep N.V. minus the intercompany debt towards Oranjewoud N.V. of € 27 million, as a parent guarantee of maximally €140 million has been provided by Oranjewoud N.V. For more details about this guarantee, we refer to the Going concern assumption paragraph in the Summary of significant accounting policies section of this report.

The capital funding of €20 million relates to a share contribution to Strukton Groep N.V. in relation to their new financing arrangement.

34. Receivables from group companies	KSI Inter-active	Oranjewoud Realisatie Holding	Oranjewoud Holding	Oranjewoud Beheer	Antea Group	Total
Balance at January 1, 2019	300	23,248	466	12,417	38,853	75,284
Loans	-	-	-	-	1,550	1,550
Repayments loans	-	(150)	-	(650)	-	(800)
Change current accounts	-	393	(4)	65	604	1,058
Balance at January 1, 2020	300	23,491	462	11,832	41,007	77,092
Loans	-	-	-	-	1,150	1,150
Repayments loans	-	(5,000)	-	(3,763)	-	(8,763)
Change current accounts	-	3,506	12	-	865	4,383
Balance at December 31, 2020	300	21,997	474	8,069	43,022	73,862

The receivables from subsidiaries were influenced in particular by the distribution of dividend, the offset in the current account of the corporate income tax within the tax group and by the issue of loans by Oranjewoud N.V. For the loans to subsidiaries an interest of 5.0% is charged.

35. Other financial fixed assets

The other financial fixed assets consist of provided subordinated loans to Strukton Groep N.V. of €16 million and €11 million, in total €27 million (2019: €11 million). The interest on the subordinated loan of €16 million is 4.0%. and on the loan of €11 million 5.0% per year. The duration for the €11 million loan is 55 years. Early repayment is possible. The €16 million loan has to be repaid when the activities in Riyadh have been terminated and the cash collaterals related to these activities have been released by the banks.

In addition there is a loan to Sanderink Holding B.V. of €0.25 million (2019: €0.25 million). Interest 3.0% per year.

36. Receivables

	12-31-2020	12-31-2019
Receivables from group companies	45	10
Other receivables	1,375	1,509
Total	1,420	1,519

Receivables from group companies	12-31-2020	12-31-2019
Oranjewoud Detachering Holding B.V.	45	-
Strukton Groep N.V.	-	10
Total	45	10

37. Equity	Issued share capital	Share premium	Translation differences reserve	Hedging reserve	Actuarial reserve	Retained earnings	Net result for the year	Total
Balance at January 1, 2019	6,287	201,896	3,920	(3,446)	(15,379)	81,191	10,919	285,388
Result for the year 2018	-	-	-	-	-	10,919	(10,919)	-
Unrealized results	-	-	500	(670)	(10,688)	5	-	(10,853)
Transactions with minority shareholders	-	-	-	-	-	15,731	-	15,731
Net result for the year	-	-	-	-	-	-	(4,379)	(4,379)
Balance at January 1, 2020	6,287	201,896	4,420	(4,116)	(26,067)	107,846	(4,379)	285,887
Result for the year 2019	-	-	-	-	-	(4,379)	4,379	-
Cash flow hedges	-	-	-	2,207	-	-	-	2,207
Unrealized results	-	-	(1,269)	-	9	-	-	(1,260)
Net result for the year	-	-	-	-	-	-	(192,038)	(192,038)
Balance at December 31, 2020	6,287	201,896	3,151	(1,909)	(26,058)	103,467	(192,038)	94,796

We refer to note 12 for more details of the shareholders' and group equity.

The difference between the company only equity and the shareholder's equity in the consolidated financial statements consists of an adjustment of the negative result subsidiaries for an amount of € 27 million, as mentioned in note 33. This difference also resulted in a difference between the company unappropriated result and the unappropriated result in the consolidated financial statements for the same amount.

38. Payables to group companies

	12-31-2020	12-31-2019
Non-current payables to subsidiaries	7,610	610
Total	7,610	610

	12-31-2020	12-31-2019
Multihouse Technical Scientific and Industrial B.V.	408	408
Minihouse International B.V.	202	202
Antea Nederland B.V.	7,000	-
Total	7,610	610

Oranjewoud N.V. has received a loan of € 7 million. The interest rate is 4% per year and the duration is more than 5 years. The loan can be repaid any time.

All Dutch wholly-owned associates, which are not a part of Strukton Groep, are part of the tax group for corporate income tax purposes of Oranjewoud N.V. (with the exception of Edel Grass B.V.). Consequently, the aforesaid companies are jointly and severally liable for corporate income tax liabilities of Oranjewoud N.V. and the companies forming part of this tax group. Within this tax group, the corporate income tax will be settled with current accounts. The corporate income tax is calculated by applying the current rate (2020 and 2019: 25%) to the profit before taxes. Please refer for a total overview of the applicable entities to note 31. Furthermore, Oranjewoud N.V. and its Group companies established in the Netherlands with the exception of all Strukton Groep entities are jointly and sever¬ally liable for the credit facility. For more details we refer to note 18 in the consolidated financial statements.

39. Current liabilities

	12-31-2020	12-31-2019
Payables to subsidiaries	61,561	58,022
Amounts owed to suppliers and trade payables	33	104
Other liabilities	2,414	1,561
Total	64,008	59,687

Payables to subsidiaries	12-31-2020	12-31-2019
Antea Nederland B.V.	61,561	57,871
Oranjewoud Detachering Holding B.V.	-	151
Totaal	61,561	58,022

NOTES TO THE COMPANY STATEMENT OF INCOME

40. Remuneration

For details of the remuneration of the Board of Directors, the managers on key positions and the Supervisory Board as referred to in Section 383 b-e of Book 2 of the Dutch Civil Code, see note 23 to the consolidated statement of income.

41. Other operating expenses

	2020	2019
Office expenses	111	117
Other expenses	926	810
Total	1,037	927

42. Audit fees

The audit firm's fees can be broken down as follows:

	2020 Mazars Accountants N.V.	**2020 Mazars Network**	**2020 Total**	**2019 PwC Nederland**	**2019 PwC Network**	**2019 Total**
Audit of the financial statements	7,387	-	7,387	1,820	585	2,405
Other assurance services	400	-	400	-	9	9
Total Assurance	7,787	-	7,787	1,820	594	2,414
Tax advice	-	-	-	-	-	-
Other non assurance services	-	-	-	15	70	85
Total Tax and other	-	-	-	15	70	85
Total	**7,787**	**-**	**7,787**	**1,835**	**664**	**2,499**

The audit firm's fees have been disclosed in accordance with Section 382a of Part 9 of Book 2 of the Dutch Civil Code. The fees for other assurance services of Mazars Accountants N.V. relate to NOW engagements.

43. Proposal regarding result appropriation over 2020
The Board of Directors, with the approval of the Supervisory Board, has proposed to pass dividend payment for the financial year 2020 and to deduct the full result from the general reserves.

44. Subsequent events
Please refer to explanatory note 28.

Utrecht, February 28, 2024

Supervisory Board:
Mr. J.M. Kuling (Chairman)
Mr. B.C. Fortuyn
Mr. J.J.A. van Leeuwen

Board of Directors:
Mr. Y.F. van Hijum
Mr. R.P. van Wingerden

OTHER INFORMATION

Provisions on result appropriation in the Articles of Association

Article 35 of the Articles of Association of the company provides that the profit is at the disposal of the General Meeting of Shareholders.

Provisions for amendment of the Articles of Association

The general meeting may adopt a decision to amend these articles of association, but only on a proposal from the board of directors. Such a proposal must always be stated in the notice convening the general meeting.

mazars

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Independent auditor's report

for the period ended 31 December 2020

To the Annual General Meeting and Supervisory Board of Oranjewoud N.V.

Report on the audit of the financial statements for the year ended 31 December 2020 included in the annual report

Our disclaimer of opinion

We were engaged to audit the financial statements 2020 (hereafter "financial statements") of Oranjewoud N.V. (hereafter "Company" refers to the legal entity, and "Group" refers to the consolidated level), based in Gouda, the Netherlands. The Company is at the head of a group of entities ("components"). The financial information of this Group is included in the 2020 Consolidated Financial Statements of the Group. The financial statements include the 2020 Consolidated Financial Statements and the 2020 Company Financial Statements.

We do not express an opinion on the accompanying financial statements. Due to the significance of the matter described in the 'Basis for our disclaimer of opinion' section, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the accompanying financial statements as a whole.

The 2020 Consolidated Financial Statements comprise:

- the consolidated statement of financial position as at 31 December 2020;
- the following statements for the year ended 31 December 2020: the consolidated statement of income, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flows; and
- the notes comprising a summary of the key accounting policies and other explanatory information.

The 2020 Company Financial Statements comprise:

- the company statement of financial position as at 31 December 2020;
- the company statement of income for the year ended 31 December 2020; and
- the notes comprising a summary of the key accounting policies and other explanatory information.

Basis for our disclaimer of opinion

Riyadh project (part of Strukton)

The Board of Directors has elaborated in the Annual Report on the events that took place regarding the Riyadh Metro Project, as disclosed in the section 'Accounting considerations on key projects' on page 59 and 60 as part of the 'Significant estimates and assumptions in the consolidated financial statements'. The Group was excluded from the so called FAST Consortium per 11 November 2021. As a result of the exclusion, the Board of Directors no longer has access to the accounting records and other information of the Riyadh Metro Project and has no voting rights at the board of the consortium. Therefore, the component auditor was unable to conclude and to report to us on the financial information of the Riyadh Metro Project for the year ended 31 December 2020. It has not been possible to obtain sufficient and appropriate audit evidence in any other way about the financial information of the Riyadh Metro Project for the year ended 31 December 2020 and beyond. Amongst others, the Riyadh Metro Project is included in the:

- Consolidated statement of financial position, as part of total assets and liabilities for € 46.2 million; and
- Consolidated statement of income, as part of the 'Net result for the year' for € - 20.4 million. This is mainly reflected as part of 'Revenue from contracts with customers' for € 75.5 million and as part of 'Cost of materials, services of third parties and subcontractors' for € 75.1 million and as part of 'Other operating expenses' for € 13.6 million.

In addition, Management has signed an exit agreement with the Consortium per 16 January 2023. This event is considered as an adjusting event for the 2020 financial statements, which is disclosed in the section 'Accounting considerations on key projects' in page 56 and 57 as part of the 'Significant estimates and assumptions in the consolidated financial statements'. The financial impact in relation to the exit amounts to € 46.9 million (impact on the result for the year ended 31 December 2020). Of this amount, € 18.5 million relates to impairments of 'Receivables' (€ 9.8 million) and 'investments in associates and joint ventures' (€ 8.7 million) for which, after the exclusion from the Consortium, we have not been able to obtain sufficient and appropriate audit evidence on the accuracy and completeness of the positions to which the impairment has been applied. This amount of € 18.5 million is recognized in the consolidated statement of income as part of 'impairment charges'.

Registration of worked hours

We have been appointed as auditor of the entity after 31 December 2020. Therefore, we were not able to perform audit procedures on the design, implementation and operating effectiveness of the IT applications that are used by employees to register their worked hours. It has not been possible to obtain sufficient and appropriate audit evidence through other audit procedures on the registration of the worked hours for the year that ended 31 December 2020 in any other way. This only concerns employees of the Dutch part of segment 'Rail Systems', who are no longer employed by the group, as a result of which it was not possible to obtain sufficient and appropriate audit evidence. These hours, in total € 14.3 million, are included in the consolidated statement of financial position for € 13.0 million as part of 'Contract assets' and 'Contract liabilities', and in the consolidated statement of income for € 1.3 million as 'Cost of materials, services of third parties and subcontractors'. Additionally these hours can also affect 'Provision for onerous contracts with customers' as processed in the consolidated statement of financial position and the revenue from projects for third parties as processed in the consolidated statement of income.

As a result of the aforementioned circumstances, we were unable to determine whether any corrections would be required with regard to the registered hours. This could affect ‘Contract assets’, ‘Contract liabilities’ and ‘Provision for onerous contracts with customers’ as presented in the consolidated statement of financial position. The same applies to the relevant items of the consolidated statement of income (‘Revenue from projects for third parties, ‘Cost of materials, services of third parties and subcontractors’ and ‘Staff costs’).

Emphasis of matters

Going concern assessment

We draw your attention to the “Going concern assumption” section in the 2020 Consolidated Financial Statements as included on page 39 and 40, where it is confirmed that these financial statements are based on the going concern assumption. As described, the going concern assessment involved complex and subjective judgements.

In determining the appropriate basis of preparation of the financial statements, the Board of Directors is required to consider whether the Group and the Company can continue in operational existence for the foreseeable future. In doing so, the Board of Directors took into account the uncertainties surrounding the projects and all available information about the future, such as result forecasts and cash flow projections, and has assessed the impact of COVID-19 and the financing requirements on the going concern position.

At the time of preparing these 2020 Consolidated Financial Statements, the Board of Directors has concluded that given the outcome of the going concern assessment, it is appropriate to prepare the financial statements based on a going concern basis and that there are no material uncertainties that may cast significant doubt on the company’s ability to continue as a going concern.

Our audit opinion is not modified in respect to this matter.

Fiscal Information and Investigation Service (FIOD)

We draw your attention to note 18 of the Consolidated Financial Statements which describes the uncertainty regarding the outcome of the investigation by FIOD. The investigation is based on the suspicion that specific companies of the Group and some of its (former) employees were involved in corruption and forgery in being awarded an order for the Riyadh metro project. Management has made the judgement that no circumstances were present or business was done with the Group to justify a suspicion of irregularities or illegal acts around obtaining and winning the contract of the Riyadh metro project.

Our audit opinion is not modified in respect to this matter.

Report on the other information included in the Annual Report 2020

In addition to the financial statements and our auditor's report thereon, the Annual Report 2020 contains other information that consists of:

- the Management report including
  - Foreword;
  - Corporate profile;
  - Key Figures, Board of Directors Member Profiles and Supervisory Board Member Profiles
  - Board of Directors' report;
  - Supervisory Board report.
- The Other information.

Management is responsible for the preparation of other information, including the Report of the Board of Directors 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.

We were engaged to read the other information and, based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, to consider whether the other information contains material misstatements.

Due to the significance of the matter/matters described in the 'Basis for our disclaimer of opinion' section, we have not been able to consider, in accordance with Part 9 of Book 2 of the Civil Code, as to whether or not the other information:

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

Report on other legal and regulatory requirements

Engagement

We were engaged by the Supervisory Board as auditor of the Company on 5 April 2022 for the audit for the year ended 31 December 2020 and have operated as statutory auditor ever since that financial year.

No Prohibited non-audit services

We have not provided prohibited non-audit services as referred to in Article 5 (1) of the EU Regulation on specific requirements regarding statutory audit of public-interest entities.

Description of responsibilities regarding the financial statements

Responsibilities of the Board of Directors and the Supervisory Board for the financial statements

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

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

The Board of Directors should disclose events and circumstances that may impact the Group's and the Company's ability to continue as a going concern in the financial statements.

The Supervisory Board is responsible for overseeing the Group's and the Company's financial reporting process.

Our responsibilities for the audit of the financial statements

Our responsibility is to express an opinion on the financial statements based on conducting the audit in accordance with Dutch law, including the Dutch Standards on Auditing. However, due to the matters described in the 'Basis for our disclaimer of opinion' section, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

We are independent of Oranjewoud N.V. in accordance with the EU Regulation on specific requirements regarding statutory audit of public-interest entities, 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).

Rotterdam, 28 February 2024

Mazars Accountants N.V.

Original has been signed by: O. Opzitter RA

SHAREHOLDER INFORMATION

Provisions in the Articles of Association on result appropriation

The Articles of Association (Article 35) provide as follows on profit appropriation:

1. The board of directors may, with the approval of the supervisory board, allocate part of the profit achieved in a financial year for the strengthening of/or the formation of a reserve.
2. The profit remaining after application of Article 35.1 is at the disposal of the general meeting. The board of directors, subject to the approval of the supervisory board, makes a proposal to this end. The proposal for dividend payment is a separate agenda item at the general meeting.
3. The general meeting may, but only on the proposal of the board of directors and with the approval of the supervisory board, decide to make (interim) distributions from the distributable reserves of the company.
4. The board of directors may, with the approval of the supervisory board, decide to pay an interim dividend to the shareholders.
5. A decision to make interim distributions from the distributable reserves of the company and/or a decision to pay an interim dividend can only be taken if an interim statement of assets signed by the board of directors shows that the items referred to in Article 35.7 regarding the capital status has been met.
6. The board of directors, with the approval of the supervisory board, is authorized to determine that a distribution on shares will not be made in cash but in the form of shares or to determine that holders of shares will be given the choice to take a distribution in cash and/or in the form of shares, all this from the profit and/or from a reserve and all this insofar as the board of directors has been approved by the general meeting in accordance with the provisions of Articles 7.2 and 7.3. designated. The board of directors, with the approval of the supervisory board, determines the conditions under which such a choice can be made. If the board of directors does not have the powers included in this article 35.6, these powers belong to the general meeting, which will only make use of them on the proposal of the board of directors and with the approval of the supervisory board.
7. Distributions can only be made to the extent that the equity exceeds the amount of the paid-up and called-up part of the capital plus the reserves that must be maintained under the law or these articles of association.

Proposal concerning the 2020 result appropriation

The Board of Directors, with the approval of the Supervisory Board, proposes that the net loss of € 218.5 million, as shown in the financial statements for the financial year 2020, shall be charged against the general reserve.

Statement of changes in issued share capital

	2020	2019
Balance at January 1st	62,872,869	62,872,869
Balance at December 31st	62,872,869	62,872,869

Selected financial information per share

	2020	2019
Net earnings (net result after taxes / average number of issued shares)	(3.48)	(0.07)
Equity	1.08	4.55

Five-year summary

	2020	2019 *	2018 **	2017	2016
Results (in millions of euros)					
Total revenue	2,313.2	2,386.6	2,268.8	2,384.7	2,315.6
Ebitda ***	(53.9)	107.6	79.6	109.3	83.0
Net result	(218.5)	(3.9)	15.4	40.1	13.9
Total net cash flow	13.4	10.4	86.0	(11.7)	43.9
Equity (in millions of euros)					
Equity (E)	67.8	285.9	285.4	311.3	273.9
Total assets (TA)	1,513.9	1,656.5	1,629.3	1,436.9	1,632.8
E/TA	4.5%	17.3%	17.5%	21.7%	16.8%
Employees (headcount)					
Number at end of financial year	9801	10086	10275	10232	9864
Backlog (in millions of euros)					
Consulting and Engineering Services	271.7	272.3	239.0	241.7	234.9
Rail Infrastructure	1,444.3	1,499.5	1,881.4	1,896.8	1,486.0
Civil Infrastructure	497.6	585.9	442.0	612.5	861.0
Technology and Buildings	839.4	767.2	619.3	549.3	502.0
Other	14.7	17.7	16.7	16.9	16.4
Total	3,067.8	3,142.7	3,198.3	3,317.2	3,100.3

* After adjustment in the principles for financial reporting concerning Lease accounting (IFRS 16).
2019 Restated for reporting purposes. Please refer for the restated figures of 2019 to note 30.

** After adjustments in the principles for financial reporting concerning Financial instruments (IFRS 9)
and Revenue from contracts with customers (IFRS 15).

*** Ebitda is the sum of the operating result plus the depreciation, amortisation and impairment charges.

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Registered in the trade register of Chamber of Commerce under number 29030061